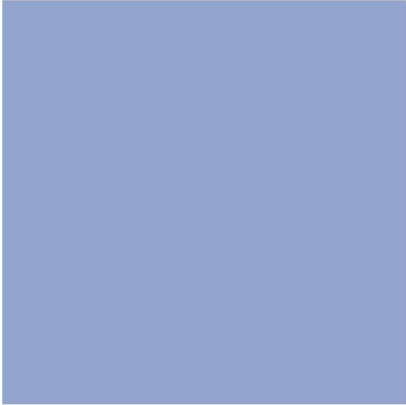
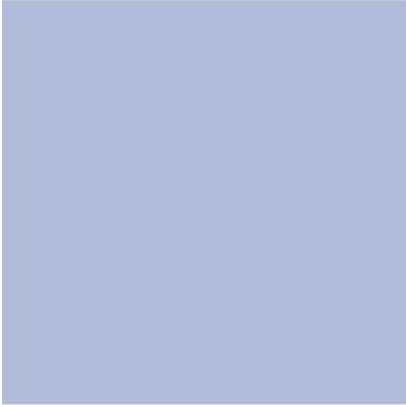
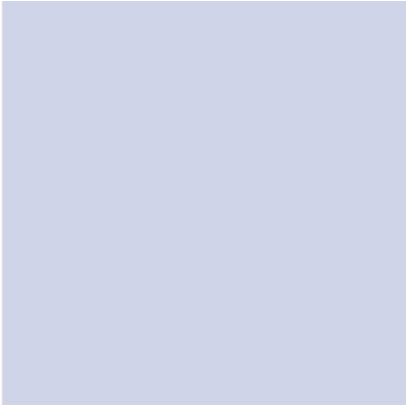




Toodyay Economic Development Plan

Shire of Toodyay

Adopted by Council on 16 February 15



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Summary

TOODYAY ECONOMIC DEVELOPMENT PLAN


MEGA TRENDS






ASIAN CENTURY

Strong population growth and rising incomes in Asia are expected to drive global economic growth in the medium term.



GLOBAL FOOD DEMAND


Climate variability and growing populations and incomes are expected to drive global food demand and prices.



TOURISM


International visitation projected to grow strongly, tapping into emerging Asian Middle Class seeking experiential activities.

ECONOMIC DRIVERS




POPULATION & DEMOGRAPHICS

Strong population growth over the past decade is projected to continue, driven by lifestyle migration. Population is older and ageing at a faster rate.




SOCIO-ECONOMICS

Toodyay incomes are below average, due to a larger share of fixed income household. Wages and salaries are in line with WA averages and growing faster.




EMPLOYMENT, INDUSTRY & ECONOMIC ACTIVITY

Employment growth is slow and self-sufficiency is below average. agriculture is the biggest employer and declining. Population and professional services increasingly important.




BUSINESS & INVESTMENT

Construction, agriculture and transport sectors account for the most businesses. Micro and small business numbers declined in 2012 but larger, employing businesses grew strongly.



TOURISM

Tourist visitation volatile, due to external conditions and small market size. Local offering focused on natural amenity & colonial heritage. B&B accommodation common.



HOUSING

Building approvals and sales flat since GFC due to relatively high price point and affordability issues. Price discount remains to Perth metro incentivising lifestyle migration.

VISION


TOODYAY - AVON'S LIFESTYLE ECONOMY

Toodyay is recognised nationally as an attractive, high amenity and aspirational residential and business location within the Wheatbelt and regional Western Australia. It has a dynamic, integrated lifestyle-based economy that generates high income, knowledge intensive service sector jobs for residents.


Older residents, attracted to Toodyay by its quality lifestyle and natural environment, remain active in the workforce and the community, drawing upon state-of-the-art technologies and innovative business practices to transition into retirement. These residents are supported by quality local health services, tailored housing product and experiential services in retail, food, sport and recreation.

Toodyay is regarded as a premier peri-urban destination by domestic and international tourists alike, fully integrated within the broader Avon and Wheatbelt tourist markets. Toodyay offers a diverse range of quality natural, historical, adventure and experiential attractions to visitors, who use Toodyay as a base to explore the broader region.


LOCAL IMPERATIVES




PREMIUM FOOD PRODUCTION




POPULATION ORIENTED SERVICES



OVERNIGHT EXPERIENTIAL TOURISM



KNOWLEDGE INTENSIVE SERVICES



I.0 Introduction

I.1 Background

The Shire of Toodyay borders the north-east of metropolitan Perth and is around an hour's drive from Perth (85sqm). The town site of Toodyay (West Toodyay) was gazetted by 1836 and consisted mainly of the establishments of farms along with other infrastructures, related mostly to activities involving crop cultivation, due to the land being fertile and possessing a good supply of water. The Shire covers an area of 1,680sqm and consists of the localities of Bejoording, Bindoon Training Area, Coondle, Culham, Dewars Pool, Dumbarton, Hoddy's Well, Julimar, Moondyne, Morangup, Nunile, Toodyay, Wattening and West Toodyay.

Following the establishment of the town site of Toodyay, a small town grew with development of government and commercial buildings and by the 1850s, there were three inns and two schools, as well as a gaol. During this time, convict transportation to Western Australia commenced and the buildings for this were established away from the Toodyay town site on the opposite riverbank.

In 1860, the town of Newcastle was surveyed at the site of the current town site of Toodyay and during the late 1800s, both the towns of Newcastle and Toodyay lived side by side. By the beginning of the twentieth century, the town site of Newcastle had grown while the town site of Toodyay had eventually been abandoned. In 1910, the Commonwealth Government asked the Newcastle Road Board to consider a name change in order to mitigate potential confusion arising out of the town of a similar name in New South Wales. The community and the Road Board agreed with the name of Toodyay being the obvious choice for the 'new' name, and the old town site of Toodyay became known as 'West Toodyay'.

Today, the Shire of Toodyay has transformed from a predominantly agriculturally based Shire to becoming increasingly more reliant on the tourism, retail and lifestyle sectors. Toodyay's population has been increasing largely due to the appeal of the Shire's natural amenities and heritage building, which has attracted in 'tree changers' moving into the area, as well attracting visitors.

I.2 What is Economic Development?

Economic development is any effort or action which aids in the growth of the economy. This can vary from direct investments in employment generating businesses to governance, marketing, branding and other facilitation-based activities.

Measures of success are many and varied, which reflects the broad interpretation of 'economic development' activities. Primary measures of economic development often include:

- Employment generation and self-sufficiency;
- Income and wealth growth;
- Regional, State and International competitiveness;
- Economic and industry diversity;
- Maintenance of cost of living and affordability;
- Enhancement of quality of life of residents;
- Sustainability of economic growth within the natural environment;
- Development of the skills of local workers and residents;
- Profitability and commercial viability of local businesses and industry; and
- Maximising exports.

Typically, strategies for regional economic development aim to:

- increase the flow of money into the region

- improving the efficiency of existing businesses
- improve the recirculation of finance and resources within the region

If achieved, these aims should result in the growth in value of the regional economy. This is more or less the basis for a region 'moving forward' and meeting the kinds of community aspirations (e.g. housing choice, lifestyle, employment, education, health, security) so often referred to as 'must haves' in modern day Australia.

Economic Development is particularly important – and challenging – in regional locations.

The lack of a residential population critical mass, enabling infrastructure and business and investment profile all limit the capacity for regional communities to grow and prosper, without significant support and facilitation by Government. This is particularly the case where higher-order employment and economic activity is being sought for a location in order to achieve economic diversification and employment self-sufficiency goals and objectives.

A collaborative approach to economic development, building upon Government's traditional role in facilitating local economies through partnership with private sector organisations, is critical to achieving the goals and objectives established Wheatbelt generally, and the Shire of Toodyay specifically.

1.2.1 Post GFC Environment

In recent years, Western Australia's (WA's) economic prosperity has been well documented and widely reported. Economic growth rates have exceeded national averages and the influx and increase in population levels has mirrored this success.

Post the Global Financial Crisis (GFC) uncertainty remains in markets across the globe. Compared to other nations, Australia still retains some sense of economic stability with an acknowledgement of our heavy reliance of the resources sector.

Despite these events, WA has to date performed well when compared to other state economies. As of Jun 2013, WA's unemployment rate was 4.6%, above the 2012 lows of 3.8% due to the peaking of mining investment but well below the national rate of 5.7%. This is being driven by a combination of recovering housing and retail activity and strong population growth, which is offsetting slowing mining investment. The interesting dynamic for WA in both the pre and post GFC environment is that proactive economic interventions are still required in order to create local employment, prosperity, diversity and self-reliance. This is true for good economic times or bad.

Why is this so? Quite simply the attractiveness of Western Australia as an economic and lifestyle destination will ensure that migration to the state continues in the long-term. The Shire of Toodyay is currently one of the fastest growing locations in the country and has been identified as a growth hot spot for decades to come. A diversified economic base and localised economic initiatives are required to ensure meaningful jobs for today as well as new (yet to be created) jobs for the future.

Without the right economic development strategies in place, Toodyay, cannot continue to grow and support the lifestyle the local community finds so attractive.

1.3 Plan Scope

The Toodyay Economic Development Plan is an evidence-based strategic economic development plan for the Shire of Toodyay as a whole. Its structure is based on the 4Ps of effective and practical Economic Development Strategies, illustrated in the following diagram.



Figure 1 4Ps of Effective Regional Economic Development Strategies

This approach provides a “top-down” assessment of the Toodyay economy, linking practical actions with opportunities presented by the global economy and the advantages of the region. This is illustrated in the following figure.

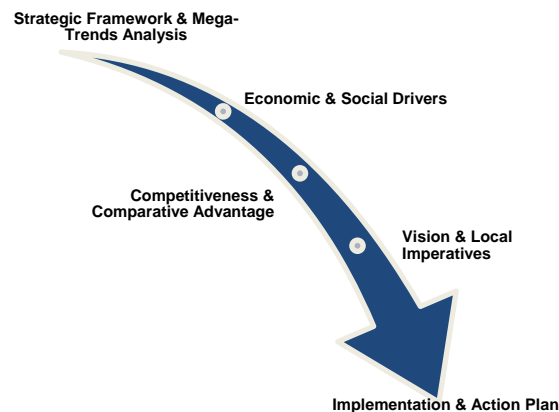


Figure 2 “Top-Down” Approach to Regional Economic Development

1.4 Plan Structure

This Plan is comprised of the following key sections:

- **Strategic Framework & Mega Trends Analysis** – summary of the strategic planning framework within which the Toodyay Economic Development Plan will operate and high level profiling of key global and national mega-trends that will influence Toodyay’s future economic development.
- **Economic & Social Drivers Analysis** - a high level overview of the economic and social characteristics of the Shire of Toodyay. It includes a range of population, demographic, household, socio-economic, industry and housing indicators and draws upon LGA profile within the Avon Sub-Regional Economic Strategy
- **Opportunities & Constraints Assessment** - analyses the key economic opportunities and constraints identified through a workshop with Shire Councillors and officers. Also analyses Toodyay’s current position in its economic lifecycle and compares the location’s characteristics with national benchmarks;
- **Economic Vision & Local Imperatives**- establishes a vision for the Toodyay economy and profiles key local

economic opportunities; and

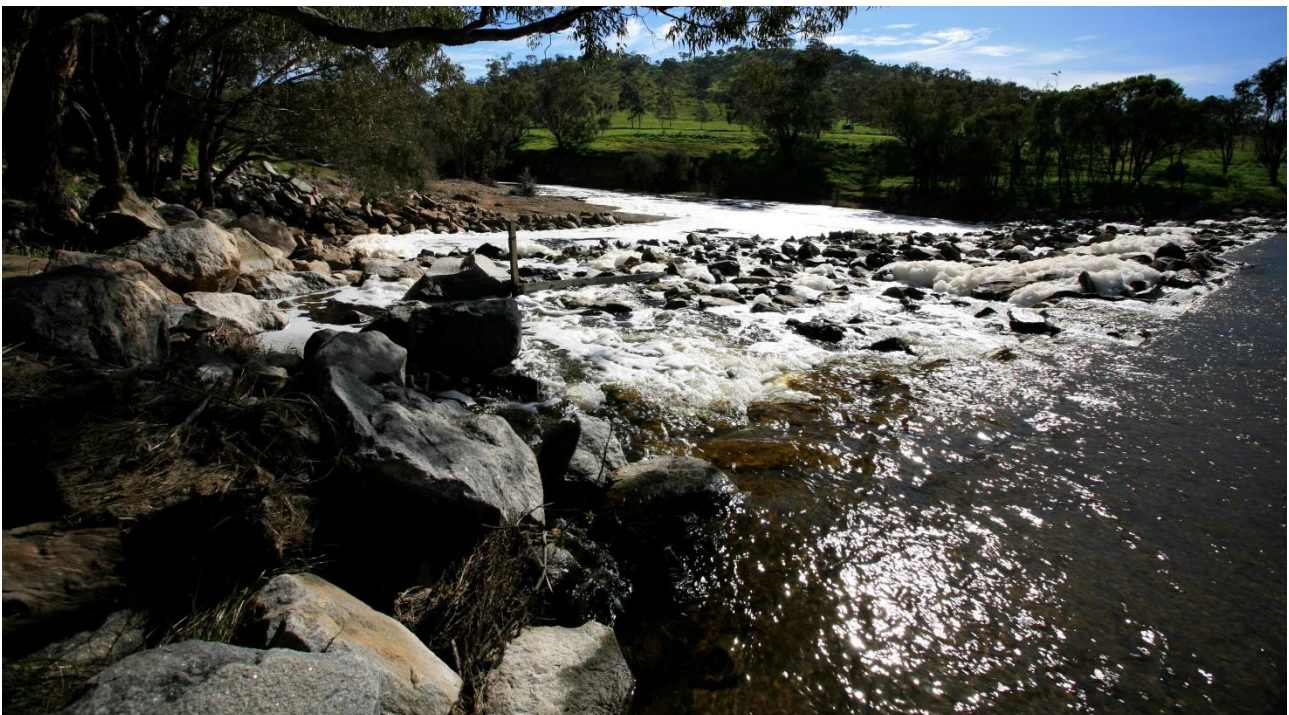
- **Action Plan** - provides a list of actions and initiatives required to facilitate, support and underpin the realisation of key economic opportunities for the Shire of Toodyay.

1.5 Glossary & Abbreviations

The following terms and abbreviations are utilised within this Plan:

Table 1 Glossary & Abbreviations

ABS	Australian Bureau of Statistics
ADR	Advertised Daily Room rates
ESS	Employment Self-Sufficiency
FY	Financial Year
GFC	Global Financial Crisis
GRP	Gross Regional Product
LGA	Local Government Area
T/Ha	Tonnes per Hectare
WAPC	Western Australian Planning Commission



2.0 Strategic Framework & Mega-Trends Analysis

This section provides an overview of the strategic planning context of the Toodyay Economic Development Plan. It also summarises key global and national mega-trends that are expected to influence the development of the Toodyay economy over the next 10 to 20 years.

2.1 Strategic Planning Framework

The Toodyay Economic Development Plan will operate within a broader strategic planning framework that extends from the State Planning Strategy to local integrated planning actions and underpinned by the Regional Investment Blueprint (under development by the Wheatbelt Development Commission at the time of this Plan). This is illustrated in the figure below.

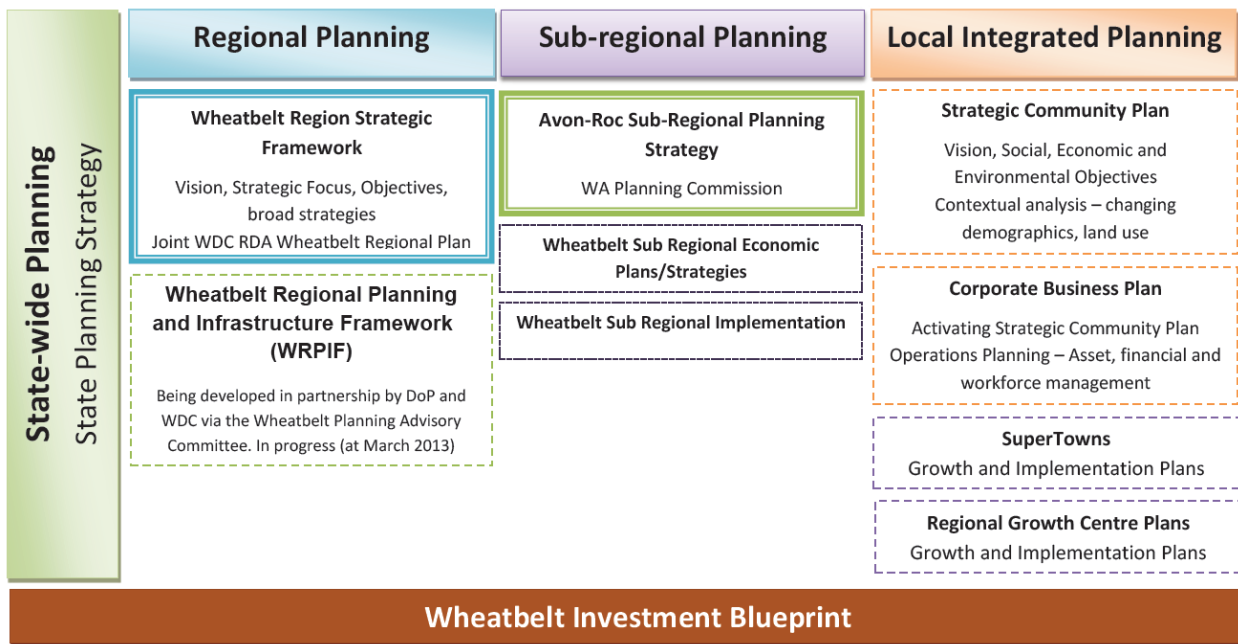


Figure 3 “Top-Down” Approach to Regional Economic Development

Additionally, a series of strategies and plan exist at the Federal level that are relevant to Toodyay including those prepared by RDA Wheatbelt (such as the Wheatbelt Youth Strategy 2012-2017).

Key Strategies and Plans that provide critical context for the Economic Development Plan are summarised in the sections below.

2.1.2 Toodyay 2023 Community Strategic Plan

The Community Strategic Plan is the first part of the Shire’s fulfilment of the Integrated Planning and Reporting Framework, implemented by the State Government’s Local Government Reform Program. Existing services and facilities are expected to continue under the new Plan, supplemented by a number of strategic investment and improvements. The Plan focuses on a range of key objectives including:

- Building trust, partnerships and support for community action
- Preparation of four key plans:
 - » economic development
 - » environment
 - » community engagement

- » recreation
- Delivering a recreation solution
- Aged care – regional collaboration, substantially funded by Royalties for Regions
- A more enabling regulatory system which is more consistent and user-friendly
- Toodyay pathways – investing in walkways and cycleways for access, recreation and tourism
- Recycling
- Advocacy – including health, medical, education, infrastructure, public transport and improved train services.
- A new Administration Centre towards the end of the plan

The Plan confirms Council's role in the local economy as:

- Marketing and visitor information services
- Identification of land for industrial and commercial development
- Business facilitation

The Plan establishes a Strategic Vision and Mission for Toodyay and identifies a number of Community Outcomes to meet the aspirations for Toodyay. These include:

- Healthy, safe and cohesive community
- Prosperous and diverse local economy
- Balanced development
- Healthy natural and rural environment
- Responsible and responsive civic leadership

The preparation of an Economic Development Plan for Toodyay was identified as one of four key plans that will establish clear priorities for Toodyay's future economic and social development.

2.1.3 Wheatbelt Regional Investment Blueprint

The Duncan Review in 2010 first identified the benefits of Regional Blueprints for Development Commission areas across the State. This drew upon the experiences of Queensland, which is leading the nation in terms of regional strategic planning, particularly with the establishment of the South East Queensland Regional Plan (SEQRP) in 2006. This Plan included projections of economic activity, investment and employment in SEQ, analysis and implementation of housing targets and assessment of the role of local economic precincts and centres within the broader economic network established by the Plan.

Regional Blueprints have the potential to transform the way Local, State and Federal Government agencies coordinate service delivery and investment into regions of Western Australia. The Wheatbelt Regional Investment Blueprint will establish the framework and priorities for the development and growth of the Wheatbelt, providing not only the public sector, but also private investors and businesses with the strategic direction of the region. The resulting integration of public and private sector activity and investment has the potential to transform regional Western Australia, capturing efficiencies and economies of scale and allowing the latent economic potential of regions to be realised

The Wheatbelt Regional Investment Blueprint is under development at the time of the preparation of this Economic Development Plan.

2.1.4 Avon Sub-Regional Economic Strategy (2012)

RPS was engaged in 2012 by the Wheatbelt Development Commission to prepare economic development strategies for each of the five sub-regions of the Wheatbelt. Released by the Minister for Regional Development in June 2012, the

Avon Sub-Regional Economic Strategy provides a framework for the economic development of the Avon sub-region, including Toodyay.

The Strategy identified three major global trends and drivers that would influence the direction and growth of the Avon economy in the future:

- Agriculture, including the rise in demand for food projected for the next 50 years with the growth in global population and emergence of an Asian middle class;
- Transport and logistics, highlighting the strategic location of the Avon and broader Wheatbelt adjacent major resource and energy regions of Western Australia, coupled with the demand generated by nationally significant agricultural production in the region.
- Population ageing, including the retirement of the Baby Boomer generation (born 1946 to 1964) and the increase in health, medical and social welfare service demand projected for the region and nation over the next 30 years.

The Strategy confirmed the fundamental importance of agricultural production, namely broadacre coarse grain farming, to the Avon economy but also highlighted the fact that transport, logistics and manufacturing currently represents a larger share of industry value added. Overall the Avon economy displays dynamic characteristics, with major recent public and private sector investments (Hutchinsons Builders plant at the Avon Industrial Park and the Federal Government's immigration detention centre), assisting to diversify the sub-regional economy.

Economic opportunities for the Avon were identified, including:

- Broadacre agriculture and livestock;
- Transport, logistics and mining-support industries;
- Health and aged care;
- Retail and lifestyle services; and
- Tourism.

A summary of the characteristics and drivers of the Toodyay economy was also included in the Strategy. Key points included:

- Moderate to strong population growth over the past decade and projected to continue into the future;
- Higher proportion of older residents than the state average;
- Below average housing affordability;

Retail and lifestyle services and tourism, along with potential health and ageing services, were identified as the Avon opportunities most relevant to the Toodyay economy.

2.2 Mega Trends Analysis

The growth and development of the Toodyay economy will be invariably linked to trends in the global and national economies. Such trends will present the Toodyay economy with considerable opportunities, as well as challenges. Understanding the nature and scope of these global mega-trends therefore provides critical context for the preparation and implementation of this Plan.

The Avon Sub-Regional Economic Strategy identified three global drivers/mega-trends relevant to the Toodyay economy:

- Global agriculture and food demand,
- increased regional, national and international transport and logistics services demand and
- the structural ageing of the population.

Other major mega-trends relevant to the Toodyay economy are outlined below.

2.3 Key Findings

The Toodyay Economic Development Plan and associated actions is informed by the Avon Sub-Regional Economic Strategy, prepared by RPS for the Wheatbelt Development Commission in 2012. This Strategy forms a critical input into the Wheatbelt Regional Investment Blueprint (under development at the time of this Plan). Both of these Strategies, coupled with the Shire's own Toodyay 2023 Community Strategic Plan, provide critical context for the Economic Development Plan and its implementation.

A range of mega-trends also provide essential context for the Plan, outlining the global trends and drivers that will influence the development of the Toodyay economy. In addition to food demand, transport and logistics and population ageing trends identified in the Avon Sub-Regional Economic Strategy, additional trends include:

- Asian population growth;
- Climate change;
- International tourism;
- Affordability and cost of living; and
- Broadband and the digital age.



Table 2 Mega Trends

Driver	Driver Description	Relevance to Toodyay
Asian Population Growth	Estimates from the United Nations are for a rapid increase in the size of the middle class in Asia over the coming decades, with population in Asia expected to grow from around 4.3 billion people in 2013, to over 5.1 billion by 2050 ¹ . Most of Asia's population, in fact the world's populations, is shared amongst the world's two most populous countries, China and India. In 2013, both China and India account for 61.4% of Asia's population and this is projected to remain relatively stable until 2050 (58.2%).	The Toodyay economy is a diverse agricultural producer within the Wheatbelt. While remaining primarily a producer of coarse grains, Toodyay's production includes olives, horticulture (namely grapes and wineries) and other more intensive higher value commodities. The capacity for value adding and export to growing global markets – particularly in Asia – represents a significant opportunity.
Climate Change	The average global surface temperature has risen around 0.8°C since 1850 and will rise further in the coming decades as a result of emissions that have already occurred ² . For Australia, this is likely to involve substantial environmental change, where both natural and agricultural production systems face significant change due to the combined effects of higher temperatures and a general reduction in rainfall across much of the nation. These environmental changes also increase the risks from bushfires and other extreme weather, particularly in coastal and rural regions. Since 1990 to 2011, Australia's net emissions (carbon dioxide equivalent) increased by 32.2%, growing annually at a rate of 1.3% ³ .	Climate change is expected to significantly increase the volatility and variability of agricultural production in Australia with estimates suggesting up to a 50% decline in wheat production in WA. However, Toodyay has a more stable and moderate climate and rainfall conditions that are not expected to be as adversely impacted. This environment, coupled with reduced competition from other agricultural regions in Western Australia and around the world will present a major opportunity for agricultural producers in the Toodyay.
International Tourism	Demand for international tourism continues to remain strong with the number of worldwide tourist growing. This confirms the positive trend and recent evaluation shows a significant improvement in confidence, with prospects for future growth remaining upbeat. Further, this growth in global tourism continues to produce above average results in most world regions, offering vital opportunities for employment and local economies. The Australian tourism investment pipeline is now estimated to have been \$44.1 billion in 2012, this is an increase of 22% in pipeline investment over the year ⁴ . These levels of investment clearly indicate the enormous potential of the tourism sector and highlight both the importance and attractiveness of investing in key tourism-related activities.	Tourist visitation to Western Australia has continued to grow over the past decade despite global economic conditions and the state of the domestic tourist market. The proximity of Toodyay to metropolitan Perth, coupled with the natural amenity, lifestyle and diversity of local destinations provides an opportunity for increased tourist visitation to be captured. However, the size of the Toodyay tourism market means an integrated sub-regional and regional approach to branding and marketing is expected.

¹ UN (2013), World Population Prospects: The 2012 Revision, Highlights and Advance Tables, United Nations Department of Economic and Social Affairs/Population Division, New York

² Pearman, G. (2008), Climate Change Risk in Australia Under Alternative Emissions Futures, Department of the Treasury, Canberra

³ DoE (2013), National Greenhouse Gas Inventory - Kyoto Protocol Accounting Framework, Department of Environment, Canberra

⁴ TRA (2013), Tourism Investment Monitor 2013, Tourism Research Australia, Canberra

Driver	Driver Description	Relevance to Toodyay
Affordability & Cost of Living	Asian and Australian cities continue to move up the cost of living scale over the last few years which have been offsetting traditionally more costly European locations. In particular, the cost of living in Australian cities have been rising very quickly up the rankings as economic growth has supported inflation and currency swings to make them more costly ⁵ . Currently, two of Australia's cities (Sydney and Melbourne) are ranked in the top five most expensive cities to live, where ten years ago there were no Australian cities among the 50 most expensive cities. In June 2013, the Consumer Price Index for housing was one of the highest in Australia (106.0), higher than that for all groups (102.8) ⁶ .	Toodyay is a recognised lifestyle location within the Avon, with population growth, migration rates and journey to work travel patterns supporting this profile. This role is expected to become further enshrined into the future with the projected growth of the broader Avon economy. However, the capacity of Toodyay to capture these benefits may be constrained by less affordable housing offering, owing to the attractiveness of Toodyay to older resident seeking Green change (either now or land banking for the future).
Broadband & the Digital Age	Technology has played a central role in enabling the globalisation of markets mainly by increasing the reach and speed of communication while also assisting to reduce costs, which have eased the flow of goods, capital, people and information across borders. These macro trends have profound life and business changing effects as they are able to transform businesses to better tailor their products and services to meet their customers' needs (i.e. increasing mass customisation). This has made Australian businesses become more responsive to change, have faster speeds of transactions (i.e. maturity of Australian financial markets), cheaper and more convenient as well as making better use of scarce resources in the process.	Uncertainty remains at the time of this Plan's development of the state of the National Broadband Network. However, current plans identify Toodyay as a critical location for the roll out of optical fibre in the current one and three year plans. When completed (expected prior to mid 2014), this increase in telecommunication infrastructure will underpin enhanced connectivity of Toodyay to the digital economy, present major economic, business and community opportunities for the local area.
Peri-Urban Population Growth	Western Australia has had the highest population growth rate of all major states since 2006, averaging 2.8% per annum. This growth has been from a combination of strong fertility rates and inward migration from interstate and overseas, such as US, UK, New Zealand and South East Asia. This expanding population needs to be catered while preserving the State's unique local environments and valued quality of life. Regional Western Australia, particularly around the periphery of the metropolitan region represents a critical opportunity to accommodate the State's increasing population. These peri-urban areas which are generally within a one to two hours drive from the metropolitan boundary, form belts of non-urban land fringing metropolitan centres and are often neither fully urban nor rural. They often contain important natural resources and remnant biodiversity, often remaining important for agriculture and recreation activities, which attracts residents and visitors.	Over the last decade, Perth's peri-urban fringe has had the strongest growth in Australia, with the annual average growth of inner regional (adjoining major cities) Western Australia (2.5%) increasing at a slightly faster rate than the State's major cities (2.4%). Toodyay is located within the inner regional area of Western Australia and has benefited from this trend in the form of accelerating population growth.

⁵ RBA (2013), Exchange Rates Historical Data, Reserve Bank of Australia, Sydney

⁶ ABS (2013), Consumer Price Index, Australia, Cat No 6401.0, Australian Bureau of Statistics, Canberra

3.0 Economic & Social Drivers Analysis

This section provides a high level overview of the economic and social characteristics of the Shire of Toodyay. It includes a range of population, demographic, household, socio-economic, industry and housing indicators and draws upon LGA profile within the Avon Sub-Regional Economic Strategy.

3.1 Population & Demographics

In 2012, the Shire of Toodyay was home to 4,629⁷ people and has experienced moderate population growth over the past decade, averaging 1.1% per annum compared to 2.4% for Western Australia as a whole. The WA Tomorrow Population Estimates from the Western Australian Planning Commission project that this growth will accelerate, with another 755 residents predicted to call the Shire home by 2021⁸. This is illustrated in the following figure.

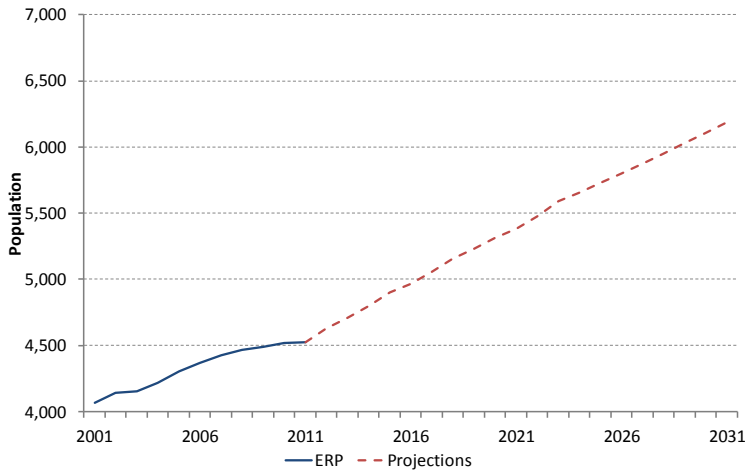


Figure 4 Historical and Projected Population, Shire of Toodyay, 2001 to 2031

This growth differentiates Toodyay from many regional WA towns which have experienced flat or declining population growth over the past decades. This presents considerable opportunities, but also major challenges.

The size of the residential population of a community is a critical factor in the viability of service delivery. Health, education, retail, public transport and other community and commercial services are delivered using different models and to varying levels of comprehensiveness depending on whether certain population – and therefore demand thresholds - are met. Traditionally, for regional and rural communities, a residential population of 10,000 people is regarded by service delivery agencies and organisations as a critical threshold to support a level of service quality and scope that meets the general needs of the community.

A review of population projections for the Shire of Toodyay indicates that this 10,000 person threshold will likely be met anywhere between 2039 and 2061, depending on projected growth rates. This is illustrated in the table below.

⁷ ABS (2013), Estimated Residential Population, Cat No 3218.0, Australian Bureau of Statistics, Canberra

⁸ WAPC (2012), WA Tomorrow Population Estimates, Western Australian Planning Commission, Perth

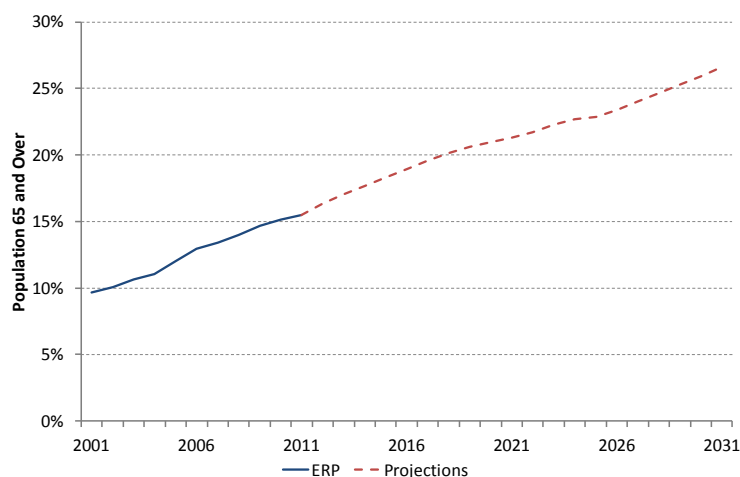
Table 3 Population Growth Scenarios, Shire of Toodyay

Indicator	2021	2031	Year 10,000 Reached
Population Growth Rate 2007-2013	1.8% pa		
WAPC WA Tomorrow Projections	5,329	6,266	2061
Trend Population Growth	5,412	6,482	2056
3% Population Growth (Local Planning Strategy)	5,936	7,997	2039

This analysis reveals that the projections from the Western Australian Planning Commission indicate a slowing of the growth of the population compared to a continuation of recent trend growth over the next 10 years, and this would result in the 10,000 residential population threshold being met 5 years later. Additionally, the growth from the WAPC is significantly slower than the 3% growth rate identified in the Shire's Local Planning Strategy.

The use of a slower growth rate in the Economic Development Plan reflects an objective of the Plan to foster a dynamic, responsive, innovative and knowledge-intensive economy that is not contingent on rapid population growth. By adopting this approach, improving the prosperity and quality of life through effective development of the Toodyay economy can occur regardless of the population scenario that eventuates.

In 2012, Toodyay's had an older age structure, with an above average share of people aged 65+(16.3% compared to 12.4% for Western Australia⁹). The Shire is also ageing rapidly, with the share of population 65+ increasing from 10% in 2011 and is projected to increase to 26.5% in 2031. In other words, more than one in four Toodyay residents are expected to be of retirement age within 20 years. This is illustrated in the following figure.

**Figure 5 Share of Historical and Projected Population, 65 years and Over, Shire of Toodyay, 2001 to 2031**

3.2 Socio-Economics

In 2011, personal and household incomes in Toodyay were \$497 and \$1,012 respectively. These were significantly lower than the State averages (\$662 and \$1,415)¹⁰. The State averages were particularly high in 2011, due to Western Australia's strong exposure to mining-related employment. While it is recognised that the Shire is home to a number of Fly-In/Fly-Out mining workers, the Shire as a whole has a lower direct and indirect exposure to mining than other parts of Western Australia. This is illustrated in the following figure.

⁹ ABS (2013), Population by Age and Sex, Regions of Australia, Cat No 3235.0, Australian Bureau of Statistics, Canberra

¹⁰ ABS (2012), Census of Population and Housing, 2011, Australian Bureau of Statistics, Canberra



Figure 6 Median Individual and Household Income, Shire of Toodyay, Western Australia and Australia, 2011

Another factor in this lower income profile is the older age profile of current residents. Older populations, particularly those in retirement, tend to have greater reliance on fixed annuities or government pensions for their income. This is reflected in the fact that when wage and salary incomes alone are examined, the gap with the State average is significantly smaller, with less than \$1,500 difference¹¹.

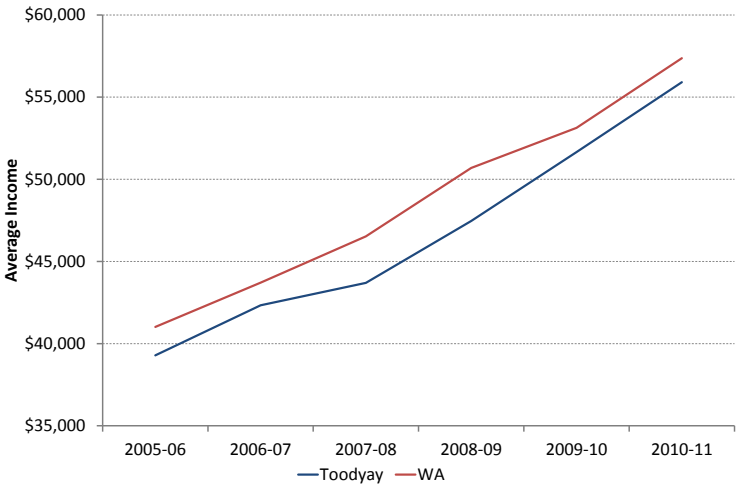


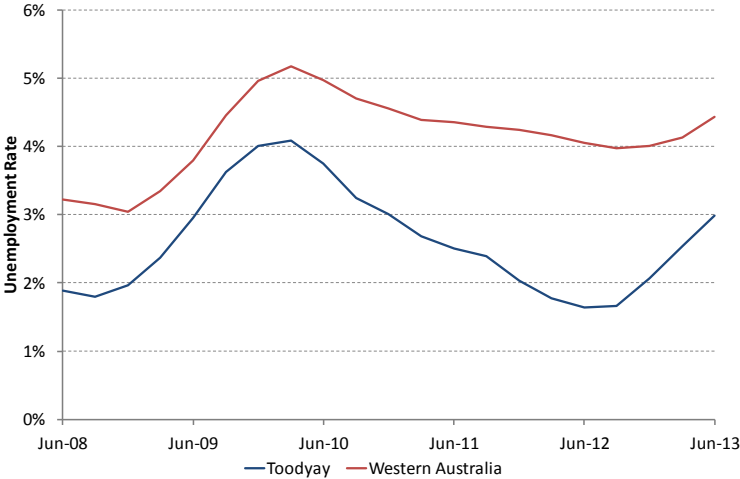
Figure 7 Average Wage & Salary Income, Shire of Toodyay, 2005-06 to 2010-11

This gap has also narrowed in recent years, with Toodyay wage income growing by 7.3% over this period, compared to 6.9% for the state. This indicates that while overall income levels are low, incomes generated from employment are strong. Growing the share of local employment is therefore regarded as critical to the local economy.

The unemployment rate for Toodyay in June 2013 was 3%, which was lower than the State’s unemployment rate of 4.4% in the same period¹². Over the year to June 2013, Toodyay’s unemployment rate has been trending upwards and increasing at a much faster rate than the State’s average. This is illustrated in the following figure.

¹¹ ABS (2013) Wage and Salary Statistics for Small Areas, Cat No 5673.0 Australian Bureau of Statistics, Canberra

¹² DEEWR (2013), Small Area Labour Market, Department of Education, Employment and Workplace Relations, Canberra



Unemployment Rate, Shire of Toodyay, 2008-13

This likely reflects greater levels of volatility in the local economy, compared to State wide averages but should continue to be monitored in the medium term to determine if an upward trend is emerging.

In 2011, there were 1,339 residents in the Shire with post-school qualifications¹³. This represents approximately 39% of the population aged 15 and over and is up from 36.5% in 2006. It is less than the national average of 44% in 2011, indicating a lower level of post school qualifications among the Toodyay workforce.

Toodyay also has a different mix of post-school qualifications among its residents, with a higher proportion of certificate level and lower shares of Bachelor degree and Post Graduate qualifications. This is illustrated in the figure below.

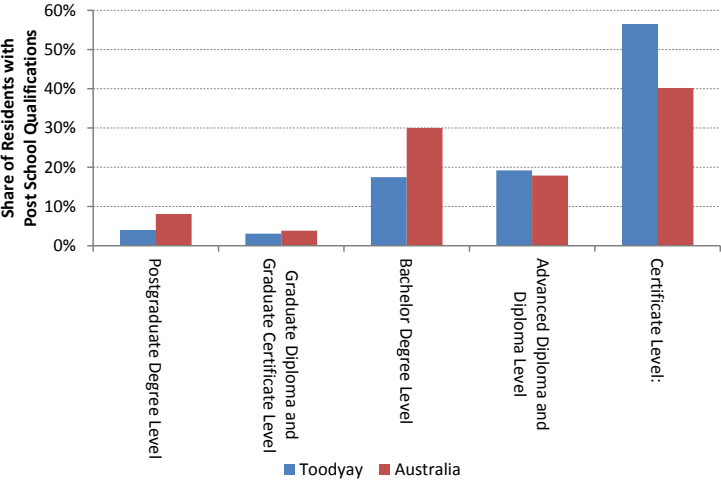


Figure 8 Share of Residents with Post School Qualifications, by Level of Qualification, Toodyay and Australia, 2011

This lower rate of post-school qualifications and bias towards Certificate level is common in regional economies with older populations and strong exposure to tourism, agriculture and community services. Anecdotal evidence from consultation suggests that this structure incentivises higher skilled and qualified workers who live in the Shire to travel to

¹³ ABS (2012) Census of Population and Housing 2006 and 2011, Australian Bureau of Statistics, Canberra

Northam or Perth for work. Reversing this drain and increasing the number of high skilled migrants to the Shire is essential for the health and sustainability of the Toodyay economy.

There are a number of community groups that operate within the Shire. These include, but are not limited to:

- Toodyay Cricket Club
- Agricultural Society
- Avon Community Health
- Blue Light Youth Group
- Toodyay Bowling Club
- Brownies, Guides & Ranger Guides, Toodyay Scout Group
- Toodyay District High School
- Toodyay Football Association
- Toodyay Hockey Club
- Toodyay Spinners
- Toodyay Swimming Pool Action Committee
- Toodyay Tennis Club
- Clackline / Toodyay Karate Club
- Toodyay Tee-ball
- Toodyay Youth Hall Committee
- Silver Chain / Toodyay Share & Care / Toodyay Autumn Club
- Butterley Cottages Association
- Toodyay Naturalists Club
- Toodyay Friends of the River
- Toodyay Arts Society

These organisations provide important services to local residents and support and foster the Toodyay community.

3.3 Employment, Industry & Economic Activity

In 2011, there were a total of 784 jobs in the Shire of Toodyay¹⁴. This is up from 741 in 2006, representing growth of 43 jobs at a rate of 1.1% per annum. This is slower than the rate of population growth. Analysis of the number of jobs per 100 residents reveals a slight increase over the 5 years to 2011 – from 17.1 to 17.3 – suggesting the older age profile of new residents (and decreased demand for employment) is resulting in slower demand for employment over this period.

As expected, Agriculture represents the largest employing sector in 2011, with 127 jobs. This is however down from 2006 (154 jobs) mirroring the long-term job loss trends in Agriculture nationally in response to increased adoption of technology and other productivity measures. Falls were also experienced in Rental, Hiring and Real Estate Services and Wholesale Trade. These declines have been more than offset however by increases in:

- Health Care of Social Assistance;
- Transport, Postal & Warehousing;
- Retail Trade;
- Other Services; and
- Professional, Scientific and Technical services.

These changes are outlined in the table below.

Table 4 Employment, by Place of Work and Industry, Shire of Toodyay, 2006 and 2011

Industry	2006	2011	Change
Agriculture, forestry & fishing	154	127	-27
Mining	3	10	7
Manufacturing	34	35	1
Electricity, gas, water & waste services	6	5	-1
Construction	74	82	8
Wholesale trade	18	6	-12
Retail trade	78	91	13
Accommodation & food services	56	65	9
Transport, postal & warehousing	20	34	14
Information media & telecommunications	6	3	-3
Financial & insurance services	16	11	-5
Rental, hiring & real estate services	33	15	-18
Professional, scientific & technical services	27	37	10
Administrative & support services	15	22	7
Public administration & safety	50	52	2

¹⁴ ABS (2012) Census of Population and Housing 2006 and 2011, Australian Bureau of Statistics, Canberra

Industry	2006	2011	Change
Education & training	68	75	7
Health care & social assistance	35	62	27
Arts & recreation services	5	9	4
Other services	23	38	15
Inadequately described/Not stated	20	5	-15
Total	741	784	43

This change in employment structure indicates the Toodyay employment base has diversified in recent years with greater levels of population and professional service employment, in response to increased population growth and ageing.

An important measure of the level of employment generation in a local economy is Employment Self-Sufficiency. Employment Self-Sufficiency (ESS) is a measure of the number of jobs in a local economy as a ratio of the number of workers who live there. It is different to measures of Employment Self-Containing, used in transport modelling, as the residential location of the individual who fills the local job is not considered. Instead, ESS provides a simple and comparable indicator of the relative size of the local industry and employment base.

In 2011, Toodyay had an ESS of 41.3%. This is low by national standards, with a rate above 60% the norm. However, lower rates are more common in lifestyle and peri-urban locations, which tend to have a more residential character. This rate is not however equal across all industries. The trend of workers to leave the Shire for employment is more prominent in certain sectors than in others. The industry specific ESS for Toodyay are illustrated in the figure below.

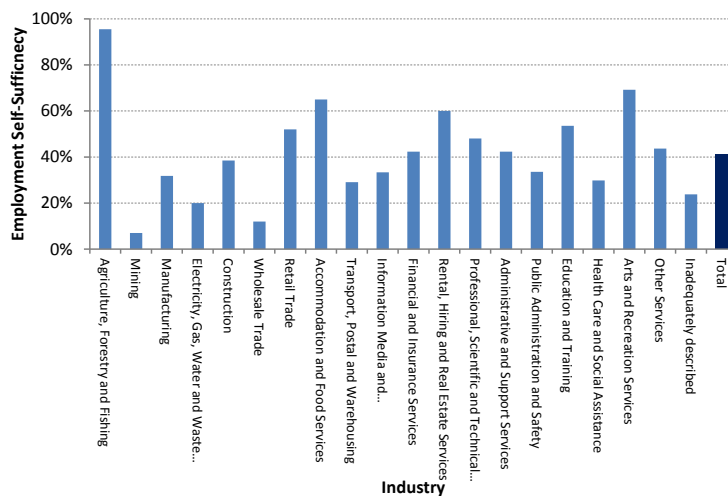


Figure 9 Employment Self-Sufficiency, by Industry, Shire of Toodyay 2011

As expected, Agriculture had the highest ESS at over 95% (i.e. there are 95 Agricultural jobs in Toodyay for every 100 Agricultural workers living here). This is followed by Arts and Recreation Services (69.2%), Accommodation and Food Services (65.0%) and Rental, Hiring and Real Estate Services (60%). All of these sectors are linked primarily to the local community and tend to be local. In contrast, the ESS for mining, wholesale trade, utilities are low, reflect the general absence of these industries within the Toodyay economic structure.

The below average rate for Health Care are of particular concern considering the population age profile of Toodyay and concerns raised during consultation of the quality and scope of local health service offering. However, a lower rate also presents an opportunity. As this sector grows, there is potential for a portion of these workers to remain in Toodyay for their employment rather than travel other locations. This potential availability of skilled labour will support the growth of this sector locally.

A review of the journey to work patterns of Toodyay residents reveals a significant share of workers who travel outside of the Shire for employment. In 2011, approximately 630 Toodyay residents also worked in the Shire, with a further 1,004

having their fixed place of work outside of the Shire. Northam (296 Toodyay workers), Swan (158) and Perth (63) are the most common places of work with a further 122 workers having no fixed address (e.g. construction workers). This reinforces the findings of the Employment Self-Sufficiency rates and reveal a highly mobile workforce in Toodyay with strong dependence on employment opportunities in other parts of the Wheatbelt, Greater Perth and regional Western Australia.

Table 5 Place of Work of Toodyay Residents, 2011

Place of Work	Toodyay (S)
Toodyay (S)	627
Northam (S)	296
Swan (C)	158
Perth (C)	63
Mundaring (S)	58
Stirling (C)	34
Canning (C)	29
East Pilbara (S)	25
Belmont (C)	24
Victoria Park (T)	21
Other	291
No Fixed Place of Work	122

Despite only moderate employment growth and below average ESS, the Shire of Toodyay has experienced strong economic growth over the last five years. According to the RPS Gross Regional Product (GRP) Model with GRP increased from \$96m in 2006/07 to almost \$110m in 2010/11. This represents growth of over 14%, despite being in the middle of the GFC period. This is illustrated in the following figure.

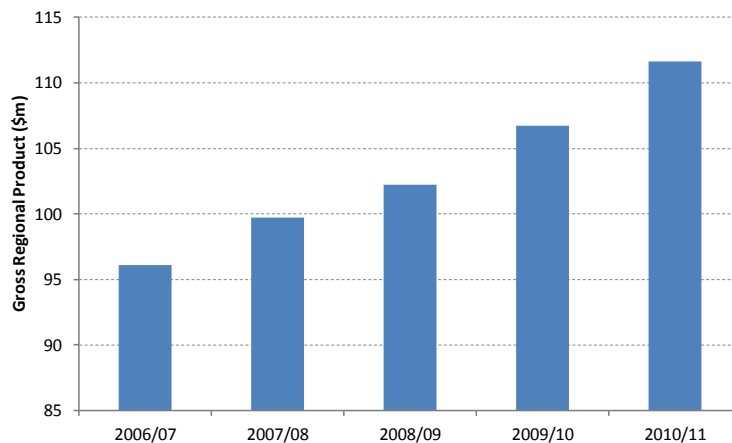


Figure 10 Shire of Toodyay, Gross Regional Product (GRP), 2006/07 - 2010/11¹⁵

Agriculture was and continues to be a foundation industry of the Toodyay economy, contributing 14% to Gross Regional Product in 2010/11. This is supported by transport and logistics activities (6.9%) as well as some minor manufacturing (5.8%). However, the economic structure of Toodyay continues to change. Strong population growth and growing

¹⁵ ABS (2012), Census of Population and Housing, 2011, Australian Bureau of Statistics, Canberra

tourism visitation are both underpinned by Toodyay's lifestyle and amenity characteristics. This is reflected in the role of construction (25.8%) and real estate (7.2%) as the Shire's largest and third largest industries and retail trade as the fifth largest contributor (6.9%). This is outlined in the table below.

Table 6 Gross Regional Product, Shire of Toodyay, 2010/11¹⁶

Industry 2010/11	GRP (\$)	Share (%)
Construction	22,146,570	25.8%
Agriculture, forestry & fishing	12,164,712	14.2%
Rental, hiring & real estate services	6,209,216	7.2%
Transport, postal & warehousing	5,944,075	6.9%
Retail trade	5,699,155	6.7%
Financial & insurance services	5,442,419	6.4%
Education & training	5,272,586	6.2%
Professional, scientific & technical services	5,272,430	6.2%
Manufacturing	4,976,632	5.8%
Public administration & safety	4,969,130	5.8%
Mining	3,886,886	4.5%
Wholesale trade	3,416,113	4.0%
Health care & social assistance	3,189,092	3.7%
Accommodation & food services	2,573,424	3.0%
Administrative & support services	2,188,892	2.6%
Other services	1,859,525	2.2%
Information media & telecommunications	1,485,733	1.7%
Electricity, gas, water & waste services	1,463,685	1.7%
Arts & recreation services	400,053	0.5%

3.4 Business Activity & Investment

The dynamism of local economies is primarily determined by the strength of the local business community. Local businesses support both investment and employment generation, providing jobs and incomes to the resident workforce and attracting new residents.

In 2012, there were 409 businesses with their registered address in Toodyay¹⁷. This does not include businesses with their registered address in other locations of Australia but with a presence in Toodyay. Since 2009, there has been a 4.4% decline in the number of businesses. The majority of this fall has been over the year to 2012, which corresponds with a rise in local unemployment during this time. This is illustrated in the following figure.

¹⁶ RPS (2013) RPS Gross Regional Product Model, RPS, Subiaco

¹⁷ ABS (2012), Count of Businesses, Cat No 8165.0, Australian Bureau of Statistics, Canberra

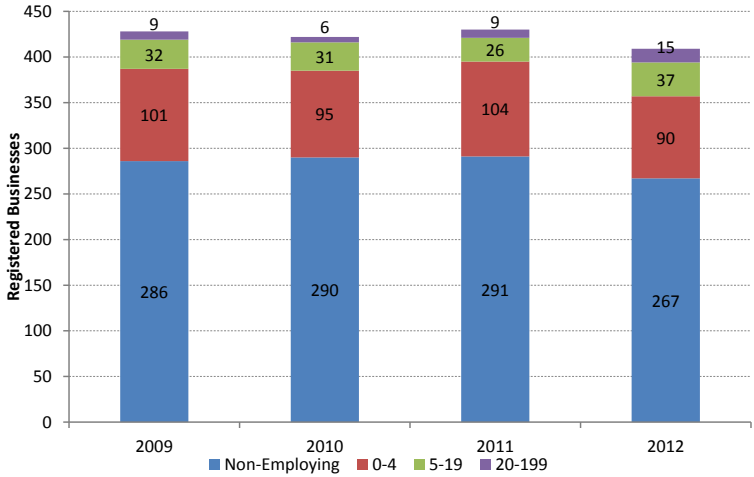


Figure 11 Number of Registered Businesses, by Size, Shire of Toodyay, 2009-12

However, the fall in business numbers appears to be in micro and small business categories, with the number of non-employing businesses falling from 291 in 2011 to 267 in 2012, while the number the businesses employing 0-4 people falling from 104 to 90. In contrast, the number of largest businesses (5-19 and 20-199 employees) increased over the assessment period. This suggests that either a number of small businesses have grown and transitioned into larger business categories over this time or that the closure of smaller businesses in recent years has been offset by the establishment of a number of larger local businesses.

As expected, Agriculture and Construction sectors account for the largest shares of locally registered businesses, in line with GRP. Both of these industries are characterised by a large share of non-employing businesses reflecting the employment practices of these sectors. Transport is also strongly represented, as is the Professional, Scientific and Technical Services sector.

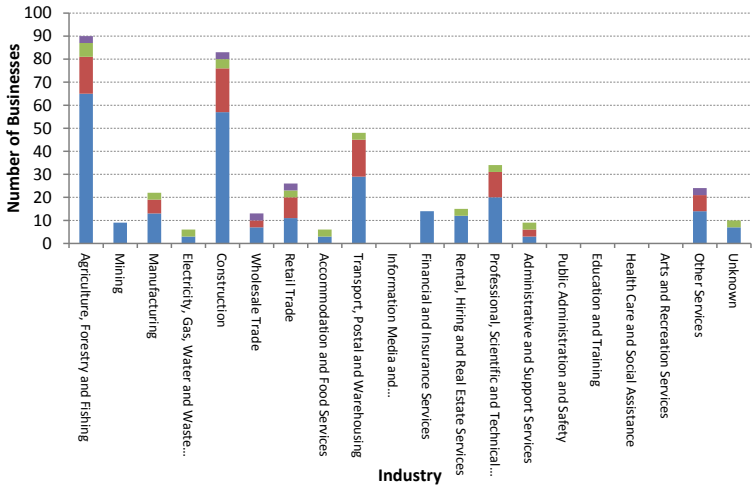


Figure 12 Number of Registered Business, by Industry and Size, Shire of Toodyay, 2012

The Shire of Toodyay is home to a regionally significant bauxite deposit, referred to as the Felicitas deposit. Australia is a major global producer and exporter of bauxite – the primary ore in aluminium – accounting for almost a quarter of total global production. Bauxite Resources Limited (BRL) is currently exploring the Shire for bauxite in the Felicitas deposit in the Darling Ranges. Recent exploration activity has increased the size of the identified deposit to over 220 million tonnes

with further resource upgrades are expected in the short-term. Another 100million tonnes is currently within BRL's Fortuna holding taking the total deposit size to over 320 million tonnes. This is sufficient scale to support a 1.25 million tonne per annum (mtpa) alumina refinery for 50 years¹⁸.

The deposit is located 5km from rail which provides direct access to Kwinana Port and key global export markets. The Felicitas deposit currently extends across approximately 4,800Ha (48km²) of private landholding though this is expected to increase in the future based on resource upgrades. This is mostly comprised of a small number of larger landholdings. The flat lying sub-surface nature of the resource means exploitation does not require deep pit or underground mining like coal or iron ore. Instead, the Felicitas resource band is a approximately 1 metre below the surface and averaging 4.5 metres thick (up to 18 metres).

To mine bauxite, the top soil or "overburden" is removed and stored along with any intervening rock. The bauxite is then mined using scrapers and small excavators. Upon completion of mining, the top soil and any major rock and fall trees identified on the site are returned and the site is rehabilitated.

¹⁸ BRL (2013) Darling Range Bauxite Upgrade

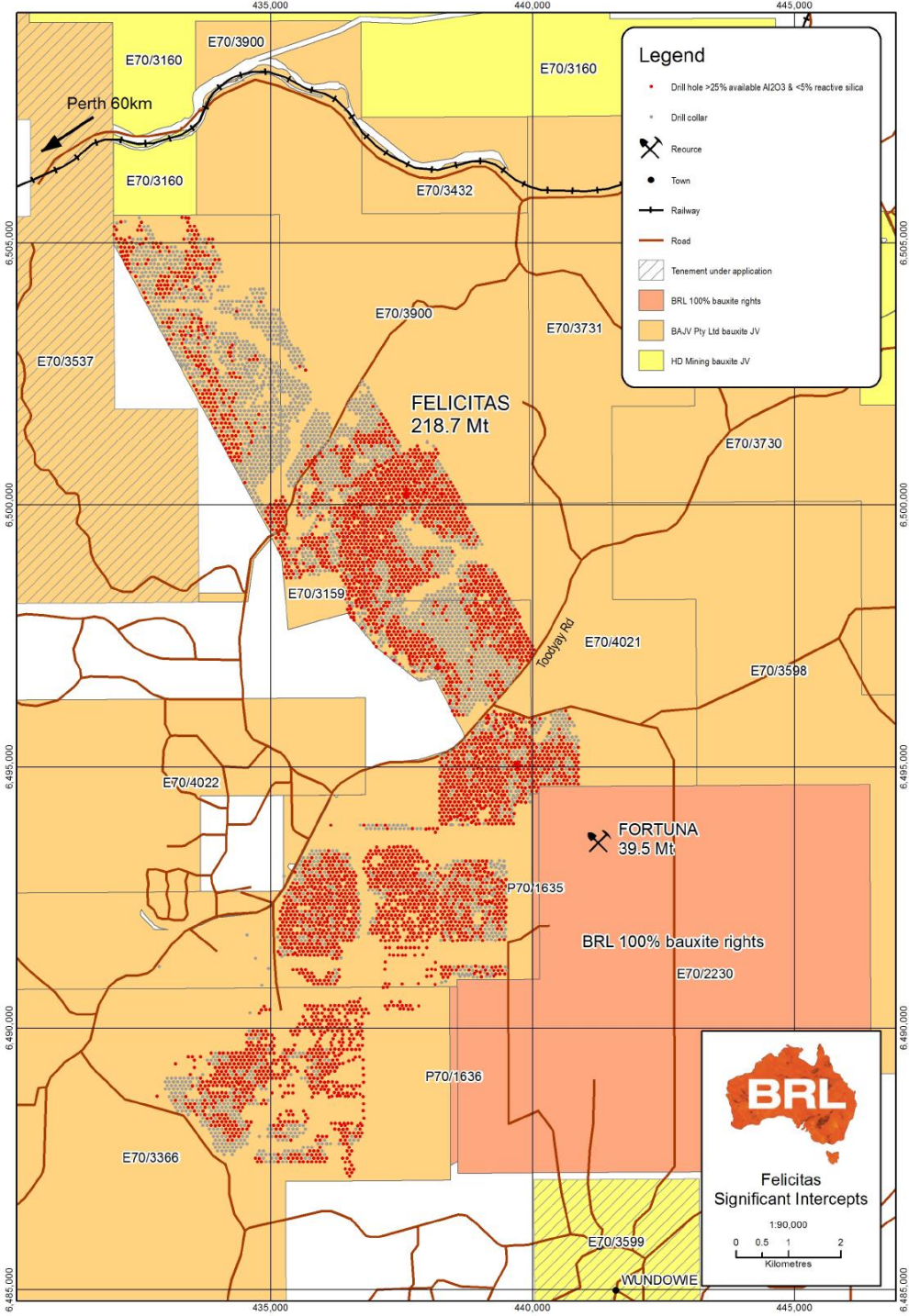


Figure 13 Felicitas Resource

3.5 Tourism

The lifestyle and amenity characteristics of Toodyay have the potential to support considerable tourism visitation, activity and investment. Visitation levels to Toodyay have been volatile over the past decade, reflecting the small size of the local market. Visitation levels peaking in 2008 before falling within the onset of the GFC. Since then, Toodyay’s visitation profile has mirrored that of Western Australia, with numbers recovering in 2010 before declining steadily to 2012. The year to June 2013 has been significantly stronger. This is illustrated in the figure below.

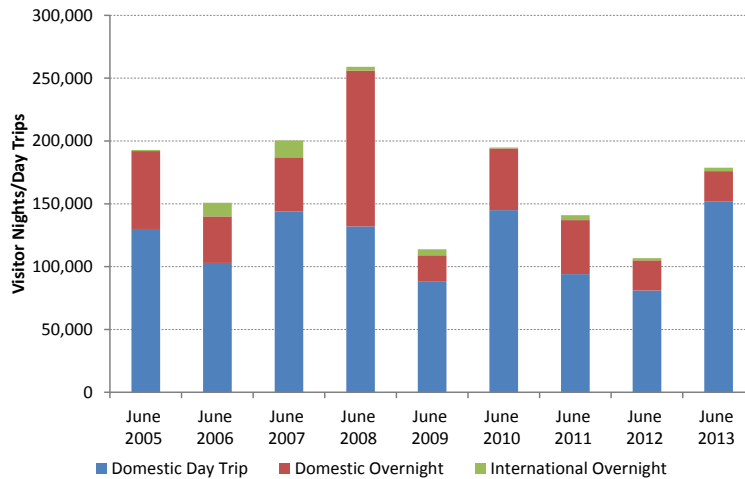


Figure 14 Tourist visitor nights/day trips, Shire of Toodyay, FY 2005 to 2013

Toodyay is home to a diverse range of tourist accommodation, with Bed and Breakfast/Guest house and Chalet style product the most common. The Freemason Hotel/Motel and Avalon Homestead are the two largest accommodation establishments in the Shire. Accommodation at most establishments can be booked through the Toodyay Visitor Centre website¹⁹ and individual establishment websites with advertised room rates (ADR) ranging from \$85 to more than \$200.

The colonial heritage and natural beauty of Toodyay and the surrounding area represent the major attractions of the local tourism market. Connors Mill and Newcastle Gaol are major local tourist attractions that highlight the Shire’s convict and agricultural history are include original architecture, farming equipment and artefacts from the 1800s. These attractions anchor a self-guided tour of the historic township.

Avon Valley National Park (to the west of the Toodyay township) and Julimar State Forest (to the north west) represent the core natural attractions accessible from Toodyay. Popular for bushwalking, 4x4 offroad driving and camping, these Parks are a major attractor of tourists to the Toodyay. Other natural attractions include the Bilya Walk Track and the Avon River and associated parks.

A small collection of vineyards are established in the Toodyay shire, with the area exhibiting similar viticulture characteristics to northern parts of the Swan Valley. Wineries can represent major tourist attractions, as has been established in regions like the Hunter Valley (NSW), Barossa Valley (SA) and Margaret River (WA) regions. Currently, the viticulture sector in Toodyay lacks a critical mass to represent a core tourist attraction but does help to diversify the local offering and has the potential to experience robust growth in the future..

The small size of the Toodyay market means that a coordinated approach to tourism with other parts of the broader Avon and Wheatbelt regions is essential.

3.6 Transport and Connectivity

As a peri-urban location, Toodyay is intimately connected to the metropolitan Perth area. Residents of Toodyay regularly travel to Perth to access a range of services, including employment opportunities, tertiary health and education services and higher order retail offering. Additionally, business and economic activity is strongly related to transport infrastructure, providing local businesses with access to workers and customers and industry access to export infrastructure like ports and airports. Finally, transport infrastructure

¹⁹ TVC (2013) Toodyay Visitor Centre website accessed at <http://toodyay.com> on 19 December 2013

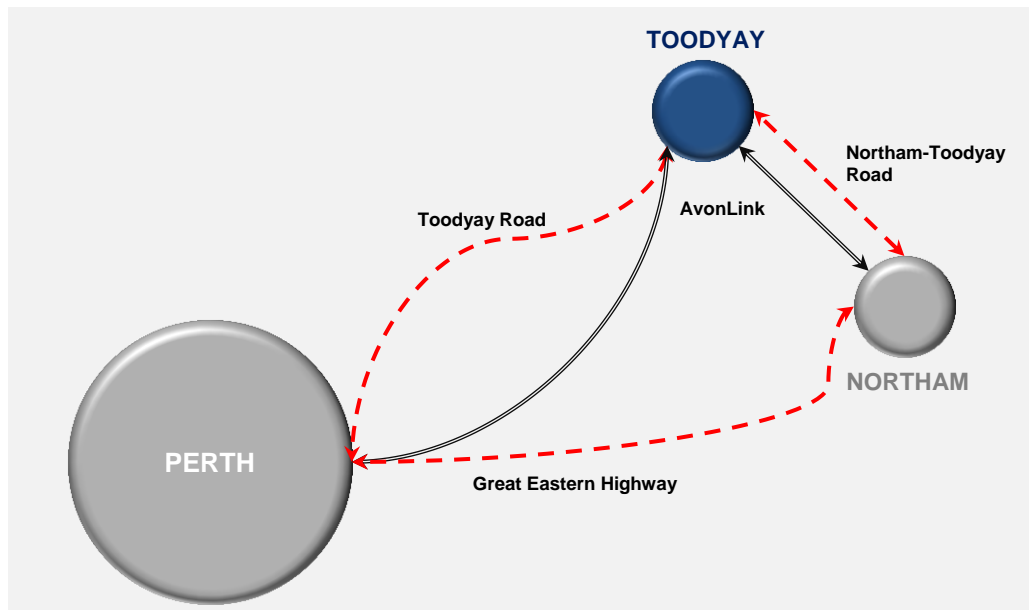


Figure 15 Major Transport Infrastructure, Toodyay

Toodyay is primarily connected to metropolitan Perth via the regional road network. Toodyay Road connects Toodyay to Midland via Gidgegannup. Toodyay Road serves a dual function, supporting residential passenger travel as well as freight and industry. This can create conflicts in the use of this core infrastructure, with the majority of Toodyay Road dual carriage way only. Growth in tourism activity, particularly daytrip travel is expected to further increase demand for the road, as will the potential development of bauxite resources and potential regional waste storage activity. Investment is required to not only increase the carrying capacity of the road, but also to address potential safety and amenity issues.

An alternate route is via the Northam-Toodyay Road which then connects at Northam to the Great Eastern Highway. This route is indirect and is not a suitable alternative for commuter and industry traffic. Additionally, Toodyay is connected to the broader Avon and Wheatbelt region by the regional road network. This enhances the connectivity of Toodyay among local and regional communities, extending the labour force catchment of local business and industry and integrating Toodyay into a broader tourism region.

The AvonLink provides passenger rail services between Toodyay, Northam and Midland on the metropolitan rail network. Established in 1995, the AvonLink provides twice daily connections between Toodyay and Perth. While the continued value of the AvonLink has recently been the subject of debate, the service provides an important connection between Toodyay, as a peri-urban residential and lifestyle destination and metropolitan Perth. This not only provides Toodyay residents with access to higher order employment and services but has been demonstrated as a potentially significant source of tourists, particularly on weekends. Additionally, by maintaining and even enhancing the services, the AvonLink has the potential to enhance the integration of the Toodyay economy in with that of Greater Perth, providing local businesses with access to metropolitan customers and providing an effective connection for semi-retired and other white collar professionals basing themselves in the Shire but travelling to Perth on a regular basis. The announcement in May 2014 of the continuation of the AvonLink services until at least June 2017 is regarded as a positive for the Toodyay economy. Effort is now required to increase and maximise the utilisation of the service by local residents and businesses, and promoting the connectivity to Perth that the service offers.

Rail has historically played an essential role supporting agricultural production and export. However, in recent years freight rail infrastructure throughout the Wheatbelt has been subject to closures and capacity constraints. This is shifting more and more freight onto road, further exacerbating traffic and use conflicts on Toodyay Road and other important arterial roads and highways. Agriculture is expected to remain the foundation industry of the Toodyay economy and continued support of rail infrastructure in the region is essential to underpin the competitiveness of farmers in an increasingly competitive global market.

3.7 Housing

With a growth population and an established lifestyle profile in the Wheatbelt, residential housing supply and market dynamics are of critical importance to the Toodyay economy. Total residential building approvals in the Shire of Toodyay decreased by almost half (48%) between 2001/02 to 2011/12²⁰. Since 2007, there has been a downtrend building approvals, with the exception of 2010. The higher building approval in 2010 was in response to the fires which occurred in the preceding year. This is illustrated in the following figure.



Figure 16 Shire of Toodyay, Building Approvals, 2001/02-2011/12

Such a decline, in the face of continued strong population growth, reflects a number of potential structural issues in the Toodyay housing market. Firstly, Toodyay’s median house prices grew strongly from \$135,000 in 2002 to \$312,500 in 2012, up by \$177,500 or 131.5%. The median sale price increased significantly between 2005 and 2006 and since then has remained relatively stable. This is illustrated in the following figure.

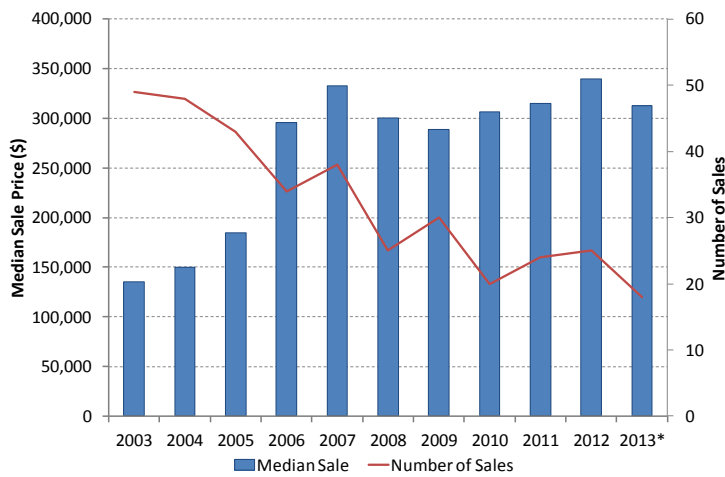


Figure 17 Median Sale Price and Number of Sales, 2003-13²¹

²⁰ ABS (2013), Building Approvals, Australia, Cat No 3235.0, Australian Bureau of Statistics, Canberra

²¹ RPData (2013), WA Sales Statistics, Perth.

This price growth had a corresponding impact on sales volumes, which have been declining consistently since 2003 as affordability declined. Flat price growth in recent years suggests that current price levels are at a maximum affordable level. Continued population growth, lifestyle-based migration are expected to support growth in sales volumes in the future.

The second factor that could have contributed to the structural decline in approvals is the local planning scheme. The Toodyay Local Planning Scheme No 4 was gazetted in 2008 which aligns with a large fall in residential building approvals. Factors that may have contributed to the structural fall in building approvals include:

- Increased protection of productive agricultural land from segmentation into rural living lots (5-40ha), which were highly popular at the time; and
- Prioritisation of development in rural residential areas in close proximity to Toodyay over those more remote may have reduced the diversity of offering and choice for new residents.

However, RPS does not consider either affordability or planning factors to be the major determinants of Toodyay’s recent market dynamics. Instead, Toodyay’s approvals, sales and price profiles mirror that of peri-urban and rural residential locations around metropolitan Perth, with major macro-trends in peri-urban living and price growth overriding factors.

3.8 Economic & Social Drivers Summary

Toodyay has and will continue to be the focus of considerable residential population growth. This growth prospects is similar to other peri-urban locations around metropolitan Perth and reflects a combination of lifestyle, amenity, generational/retirement and proximity factors. The ageing of the population is stark in Toodyay and is expected to continue to age at a faster rate than the state average. This population growth and ageing will underpin demand for a range of Community and Aged Services including retail, health, education and recreation.

Agricultural remains the foundation industry, though food production is intensifying and diversifying on the back of greater value adding and development pressures from metropolitan Perth increasingly pushing horticultural activity into the Shire. This includes the establishment of a small cluster of wineries, which currently lack a critical mass to be a tourist attraction unto themselves but do assist to diversify the local tourism market. Current tourism offering includes colonial heritage and natural environment tourism, with motor sports and outdoor activities also very important to local tourism establishments.

These major contributors to the Toodyay economy are illustrated in the figure below.

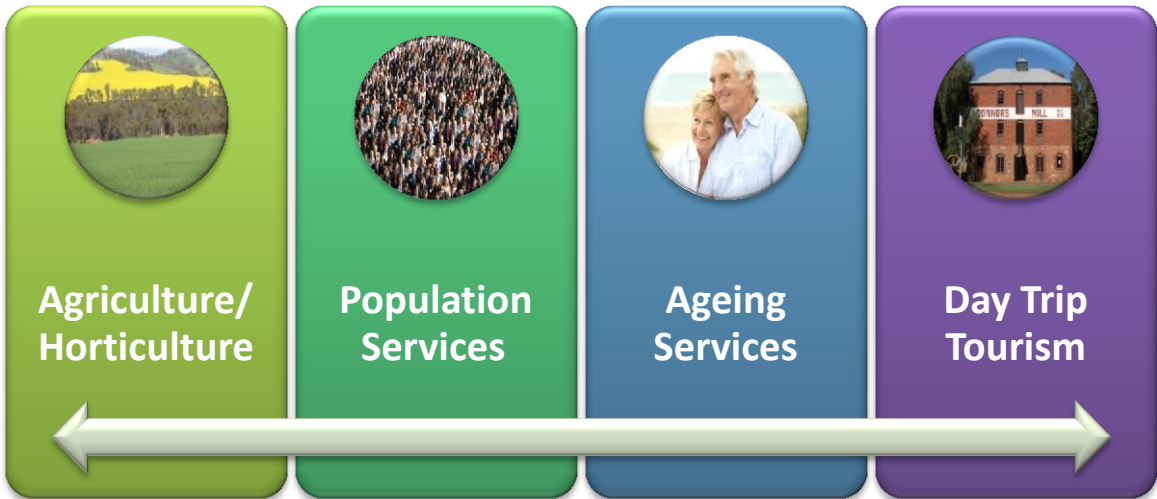


Figure 18 Core Components of the Toodyay Economy

4.0 Opportunities & Challenges Assessment

This section analyses the economic competitiveness, and associated opportunities and challenges, of Toodyay, based on the results of a workshop facilitated by RPS with Shire Councillors and officers. It also:

- analyses Toodyay’s current position in its economic lifecycle, and
- compares it with national benchmarks.

These factors form critical analysis into the identification of the economic vision, strategic themes and local imperatives of the Plan

4.1 Competitiveness & Comparative Advantages

The prosperity and economic sustainability of a region is ultimately dependent on its competitiveness within a national and global environment. Identifying and leveraging the natural and comparative advantages of the Great Southern requires concerted, coordinated efforts of business, residents and Government.

The competitiveness of a region can be readily assessed through the application of Porter’s Diamond Model of Competitive Advantage. Developed by Michael Porter in his book, *The Competitive Advantage of Nations*²², the Diamond Model represents form of Economic SWOT analysis. Adjustments have been made to this Model by RPS to reflect the assessment of a region, rather than a nation. This adjusted model is illustrated in the following diagram.

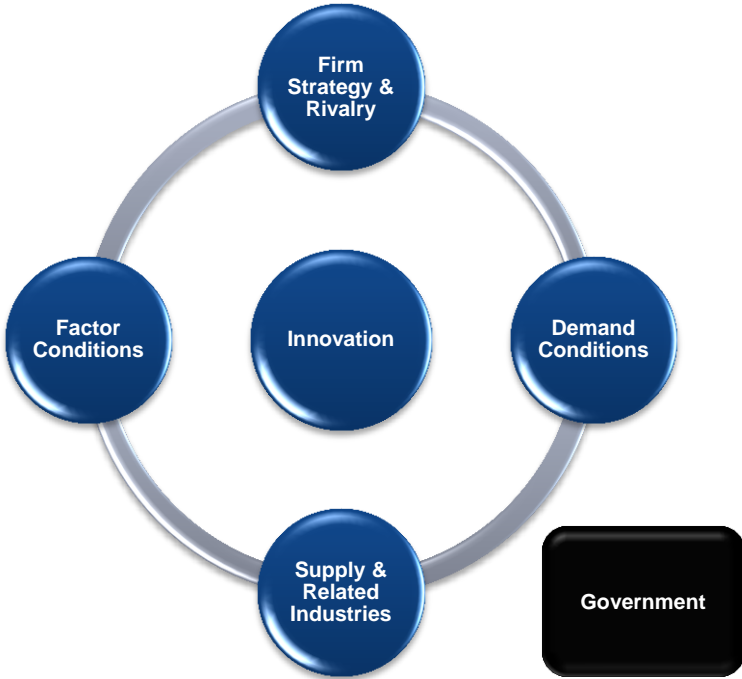


Figure 19 Adjusted Porter’s Diamond

²² Porter, M.E. (1990), *The competitive advantage of nations*. New York: Free Press.

The adjusted Diamond Model applied in this Blueprint is comprised of five core, interrelated determinants of regional competitiveness:

- **Factor Conditions** – refers to the factors of production such as land, resources, labour and infrastructure and their relative quality, accessibility and suitability;
- **Demand Conditions** – refers to the state of the domestic market for the goods and services. Strong local domestic markets with sophisticated and quality focused consumers provide businesses with incentive to innovate and grow into exporting firms while access to enabling infrastructure (ports, airports) provides businesses with access to regional and international markets;
- **Related & Supporting Industries** – refers to the depth and diversity of businesses that input into the supply chain of the principal activity. Can include direct inputs to production as well as activities that enhance business performance and operation (e.g. a high amenity location that supports the attraction and retention of skilled labour);
- **Firm Strategy, Structure and Rivalry** – represents the impact of local competition on propensity of businesses to innovate and the suitability of their strategies and corporate structures to facilitate this innovation; and
- **Innovation** – includes core facilities, technologies, processes and services that support innovation by industry such as proximity to research and development capacity (like a university), access to quality telecommunications technology and the emergence of new business models (such as ecommerce, crowd sourced financing and cloud computing).

Government also plays an important role in supporting and facilitating the economic competitiveness of an area. The preparation of this Economic Development Plan by the Shire of Toodyay represents a fundamental role of government in the local economy.

The assessment of the competitiveness of the Toodyay economy is outlined in the diagram over the page. A summary of key issues are listed below.

Competitive advantages include:

- Established and intensifying agricultural production profile;
- Significant colonial heritage;
- Access to local and regional natural amenities of significance
- Established and growing presence as a lifestyle destination;
- Growing residential population projected to continue into the future;
- Relative proximity to Perth;

Constraints and challenges include:

- Lack of population critical mass;
- Strong population ageing profile
- Small tourism market with established day trip reputation and feasibility and critical mass issues with accommodation supply
- Connectivity to Perth by road and rail increasingly constrained;
- Affordability issues may impact accessibility of new residents to the housing market;
- Established brand

	ADVANTAGES	CHALLENGES
FACTOR CONDITIONS	<ul style="list-style-type: none"> Significant broadacre agriculture and emerging horticulture production Growing population and labour force High amenity natural environment Defined colonial heritage and history Above average resilience to climate change 	<ul style="list-style-type: none"> Telephone coverage poor in parts Climate change still expected to impact local agricultural production Unemployment rate currently rising Population ageing may constrain labour force growth Perth to Toodyay connection increasingly an issue for education and industry
DEMAND CONDITIONS	<ul style="list-style-type: none"> Growing population, generating demand for education, health, retail and recreation services. Ageing population, generating demand for health, medical, recreation and social assistance services Increasing incomes, particularly among wage and salary earners Peri-urban location/proximity to Perth Recovering day trip tourism market 	<ul style="list-style-type: none"> Population lacks critical mass to support significant service offering Quality of health services regarded as poor Lack of tourist accommodation scale and diversity seen as constraining tourism sector growth Housing affordability issues in the Shire likely to constrain population growth in the near term Construction costs impacting house prices
RELATED & SUPPORTING INDUSTRIES	<ul style="list-style-type: none"> Tourist events within the Shire and in the broader Avon provides major attraction for tourists Availability of land supports recreation and sporting activities Frontage to the Avon river provides amenity Rudimentary walking trail exists 	<ul style="list-style-type: none"> Food outlets/ restaurant offering in town limited, impacting attractiveness of community to new residents, visitors and investors Feasibility issues with tourist accommodation construction and operation an constraint on growing overnight market
FIRM STRATEGY, STRUCTURE & RIVALRY	<ul style="list-style-type: none"> Regional competition provides basis for productivity and innovation; Toodyay's economy is more diversified than many others in the Wheatbelt Defined role and function within tourism market 	<ul style="list-style-type: none"> Small local market Impacts of emerging trends on farm ownership in Shire may effect viability of businesses in Town Brand in the tourism market as a daytrip or stopover destination only Decreased connectivity to Perth (road congestion and rail services) may impact competitiveness of local businesses
INNOVATION	<ul style="list-style-type: none"> Current NBN rollout favourable for Toodyay in the short-term Strong community culture Establishing a clear vision for the local economy and tourism market 	<ul style="list-style-type: none"> Uncertainty regarding NBN Presence of new technology does not guarantee take up or commercial utilisation

Figure 20 Competitiveness and Comparative Advantage Assessment, Shire of Toodyay

4.2 Economic Development Lifecycle

Life cycle analysis, common in assessing local tourism markets, is equally applicable for local economies. The rate, extent and diversity of economic development varies for a location depending on its position on the lifecycle. Determining and understanding the characteristics of a location's position in the economic development lifecycle is critically important to understand the initiatives and actions needed to sustain economic growth and prosperity for residents in the future.

The lifecycle of a local economy follows a traditional S Curve along which local economies exhibit different characteristics. The S Curve is characterised by 4 phases of economic development including:

- **Establishment** – the local economy is establishing during this phase. The industry structure is likely a mono-economy centred on the foundation industry (e.g. agriculture) with other industries primarily providing support to the foundation industry. Population growth is slow but steady with the rate of growth determined by the prospects of the foundation industry and the progress of the local population and economy to reaching a critical mass for this lifecycle.
- **Growth** – the local economy enters a high growth phase post establishment. Increased critical mass of activity supports a diversification of the economy and increased service provision that attracts new businesses and residents at an accelerated rate. A population serving economy emerges with retail, health and education emerging as major employers. New infrastructure and capacity established during this phase fuels economic development. Construction is often the largest contributor to employment and value add, reflecting the focus on development. Growth pressures begin to emerge for the local economy with supply chains, labour/skills availability, and cost of living and affordability issues emerging. Conflicts between economic, social and environmental objectives also emerge.
- **Maturity** – the rate of economic and population growth begins to slow as the location gets larger and is growing off a more significant base. Cost of living, affordability and other price pressures begin to constrain growth. The local economy reaches maximum diversity for this lifecycle with greater shares of professional and knowledge intensive services, tourism and export-oriented activity. This phase sees focus shifting from aggregate economic expansion to improvements in productivity, income growth, local profiling and branding and sustainability and quality of life factors.
- **Renewal/Decline** – post maturity, the local economy has the opportunity to enter the next lifecycle. Over the medium term, mature economies begin to lack their dynamism and competitiveness and require renewal in order to maintain and grow the prosperity of residents and prevent a decline in local economic fortunes.

An illustration of the lifecycle and associated economic development phases is outlined below. Toodyay's current position is also identified.

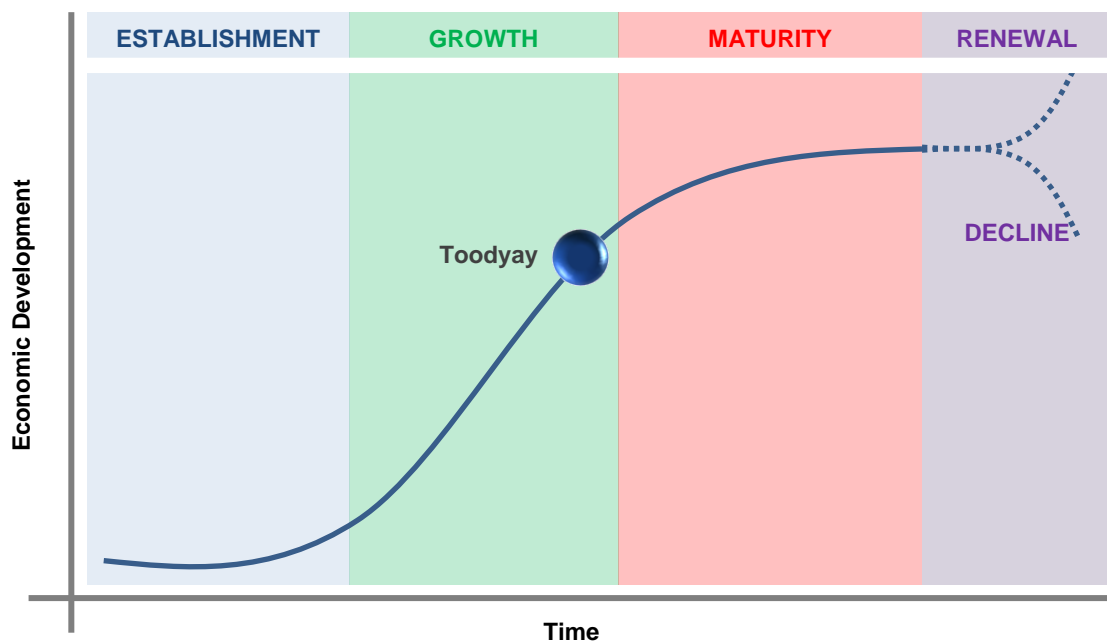


Figure 21 Economic Development Lifecycle

Based on a review of the economic and social drivers in section 3.0 of this Plan, RPS considers the Toodyay economy to be towards the end of the Growth Phase in its current lifecycle. This reflects:

- Moderate but positive population growth over the past decade;
- The predominant role of construction in local value adding;
- Unemployment starting to rise;
- Population ageing accelerating;

- Incomes accelerating; and
- Housing prices stabilising while sales and approvals are declining structurally.

This means this Plan is required to support and facilitate the transition of Toodyay into a mature economy and prepare for it to enter a period of renewal into the next lifecycle in 10-15 years. Key factors for consideration therefore include:

- Increased diversification of the economy, with a focus on knowledge intensive service sectors;
- Enhancing productivity and maximising income growth;
- Maintain and enhancing the local quality of life and prosperity; and
- Increasing the profile of Toodyay as a place to live, work, visit and investment.

4.3 Local Benchmarking

A review has been undertaken of benchmark locations around Australia. Local benchmarking and case study analysis is an effective analysis tool as it allows for the characteristics of Toodyay to be compared and contrasted, providing important context. It also provides the opportunity for the lessons learnt in the economic development of other location to be identified and those relevant to Toodyay to be adapted and applied. This will allow Toodyay to appropriately position itself to capture the opportunities and manage the challenges that future growth brings.

The locations selected for analysis include:

- Chittering, WA;
- Sunshine Coast Hinterland, Qld;
- Yarra Valley, Vic; and
- Bathurst, NSW.

These locations were selected as they all have larger populations and more diversified economies than Toodyay and therefore represent potential growth profiles for the local economy. Each location also shares a range of characteristics similar to Toodyay including:

- Comparable position from their respective capital cities;
- Agriculture foundations with increasingly diversified food production;
- Recognised day trip and overnight tourism destinations; and
- Non-coastal hinterland locations.

A summary of key indicators for Toodyay and comparable Benchmark Locations are outlined in the table below.

Key findings from the above indicators include:

- Population growth in Toodyay over the past decade has been moderate but has been behind Chittering and Sunshine Coast Hinterland over the same period;
- Toodyay has an older population than all locations, except Sunshine Coast;
- Employment generation and self-sufficiency are low in Toodyay, though unemployment is also below average;
- Toodyay's economy is less diverse than other economies, even when size differences are accounted for. Education, Health and Accommodation & Food are expected to be emerging industries over the next decade;
- Total visitor numbers to Toodyay are comparable with Chittering, though is lower in terms of overnight visitors. All other regions have significant higher visitor numbers and more established markets, though they continue to have primarily domestic daytrip focus (supplemented by greater levels of domestic overnight); and
- Agricultural production value (total and per hectare) are lower in Toodyay reflecting continued focus on broad acre coarse grain cropping. Similar characteristics to Bathurst, though on a smaller scale. Increased intensification and emergence of high value added food production needed to diversify agriculture production into the future.

Table 7 Key Indicators, Benchmark Locations

Indicator	Toodyay (WA)	Chittering (WA)	Yarra Valley (Vic)	Bathurst (NSW)	Sunshine Coast Hinterland (Qld)
Population 2012	4,616	4,703	16,259	45,452	48,394
Population Growth (% since 2001)	13.0%	59.5%	2.1%	11.4%	29.8%
Share of Population Aged 65+	16.3%	13.4%	13.6%	14.8%	17.3%
Number of Jobs	784	1,205	2,977	17,265	11,299
Jobs per 100 Residents	17.3	26.6	18.2	38.2	23.7
Employment Self-Sufficiency	41.3%	57.3%	41.1%	87.0%	55.9%
Largest Employment Industries	Agriculture, Retail Trade, Construction	Agriculture, Manufacturing, Construction, Education	Education, Retail, Health Care, Construction, Accommodation & Food	Education, Manufacturing, Health Care, Retail Trade	Retail Trade, Agriculture, Construction, Education, Health
Unemployment Rate June 2013	3.0%	2.0%	9.4%	4.5%	6.5%
Number of Visitors Year Ending June 2013	164,305	176,710	391,686	868,747	1,023,396
Overnight share of Visitors	7.5%	10.6%	16.3%	41.5%	25.8%
Gross Value Agriculture Production 2010/11	\$17.8m	\$29.5m	\$72.5	\$86.9m	\$137.5m
Agriculture GVA per Hectare 2010/11	\$255	\$472	\$9,932	\$224	\$2,501

This benchmarking indicates that effort is required to:

- Increase the employment generation propensity of the local Toodyay economy;
- Attract more working age residents, to balance the age profile of the local labour force;
- Further diversify the industry base of the economy, with emphasis on population and professional services;
- Increase the capacity of the local tourism market to accommodate domestic overnight visitors; and
- Intensify and diversify local agricultural production to increase the value added per hectare.

4.4 Opportunities & Challenges Summary

Toodyay possesses a range of significant drivers and competitive advantages that have the potential to underpin growth and expansion of the local economy in the medium term. These include:

- Moderate population growth with an ageing population profile;
- Low unemployment;
- Strong lifestyle and amenity characteristics and attractors
- Increasingly diversified local economy;
- Peri-urban location adjacent metropolitan Perth;

However, the Shire's development is expected to be confronted by a range of challenges and constraints that may impede these drivers being leveraged. These include:

- A lack of population critical mass, though this is achievable in the long-term based on projected growth rates;
- Small local tourism market requiring full integration with sub-regional and regional offerings;

- Proximity to metropolitan Perth makes overnight tourist visitation challenging;
- Low levels of employment generation and self-sufficiency; and
- Rapidly ageing population presents challenges to labour force and income growth.

5.0 Economic Vision & Local Imperatives

5.1 Vision Statement

The following Vision Statement is proposed for the Toodyay economy:

TOODYAY – THE AVON’S LIFESTYLE ECONOMY

Toodyay is recognised nationally as an attractive, high amenity and aspirational residential and business location within the Wheatbelt and regional Western Australia. It has a dynamic, integrated lifestyle-based economy that generates high income, knowledge intensive service sector jobs for residents.

Older residents, attracted to Toodyay by its quality lifestyle and natural environment, remain active in the workforce and the community, drawing upon state-of-the art technologies and innovative business practices to transition into retirement. These residents are supported by quality local health services, tailored housing product and experiential services in retail, food, sport and recreation.

Toodyay is regarded as a premier peri-urban destination by domestic and international tourists alike, fully integrated within the broader Avon and Wheatbelt tourist markets. Toodyay offers a diverse range of quality natural, historical, adventure and experiential attractions to visitors, who use Toodyay as a base to explore the broader region.

The objective of this Economic Development Plan is therefore to facilitate the achievement of this Vision in the medium to long-term and support Toodyay’s aspiration to be the **Avon’s Lifestyle Economy**.

5.2 Strategic Themes

Achieving this Vision will be guided by an understanding and appreciation of a number of Strategic Themes, including:

- **Protecting the Environment & Natural Amenity** – the capacity of Toodyay to attract new residents, tourist, skilled workers and investment is contingent on the maintenance of the natural environment. This Plan recognises that the area’s environmental attributes are a fundamental economic assets and development that is conducive to the sustainability of the natural environment in the long-term should be encouraged.
- **Diversifying the Economy** – actions and initiatives will seek to diversify the local economy through a combination of value adding to foundation industries and establishment of new, innovative and knowledge-intensive sectors.
- **Growing Incomes** – tourism and agricultural sectors are historically regarded as low-income sectors. Value adding to these sectors, increasing the skills profile of the labour force and diversifying the economy into knowledge intensive industries is critical to growing incomes and maintaining and enhancing the purchasing power of households.
- **Generating Employment** – growing local employment is critical to attracting younger residents and increasing overall housing incomes. An older age profile means that average household income levels will remain below average in the medium term (due to the fixed nature of incomes) unless local generation of high income, service sector employment accelerates;
- **Maximising Economic Dynamism** – lifestyle based economies often exhibit passive characteristics, relying on the natural environment, heritage and other static amenities to support economic activity. This lack of dynamism exposes lifestyle economies to the risks of external market volatility and reduces the capacity of local industry and business to capture benefits of evolving mega trends. Maximising economic dynamism therefore requires a more balanced age profile, adoption and use of new technologies and enhancing local entrepreneurship.
- **Maximising Older Resident Participation** – over the past decade there has been an increasing trend towards people reaching retirement age to transition into retirement. This includes moving from full-time to part-time work. Given the critical mass of older residents, now and in the future, in Toodyay, increasing the economic participation of these residents could potentially contribute significantly to local economic activity. Efforts are required to facilitate this continued participation, including use of new technologies and business practices to support telecommuting, e-commerce and other virtual service sector delivery models.

- **Preserving Affordability** – attracting new residents and households requires improvements in housing affordability and cost of living to be achieved and enhanced over time, through effective land and housing supply and increases in household purchasing power (i.e. incomes).
- **Maximising Private Sector Investment** – identifying opportunities for private sector investment to contribute to the achievement of the Vision is critical to the success of the Plan. This requires profiling and analysing these opportunities and communicating them to national and international markets and investors.

5.3 Local Imperatives

Four Local Imperatives have been identified as central to the future economic development and prosperity of Toodyay. These include:

- Premium Food Production;
- Overnight Experiential Tourism;
- Community and Aged Services; and
- Knowledge Intensive Professional and Creative Services.

These Imperatives represent those broad areas or sectors of the economy to which economic development actions and initiatives should focus. They represent the greatest potential for the prosperity, dynamism and sustainability of the Toodyay economy to be fostered in the medium term and facilitate the transition of Toodyay along the economic development lifecycle.

These Imperatives are profiled in detail below. This includes consideration of the following relevant factors:

- Relevant Strategic Themes;
- Relevant mega-trends;
- The local economic characteristics and drivers;
- Identification of base and aspirational opportunities; and
- Identification (where relevant) of national examples.

5.3.1 Premium Food Production



Agriculture and food production is the core foundation industry of the Toodyay economy. Opportunities exist to reinforce the competitive advantage of the Toodyay economy by enhancing the innovation, intensification, diversification and value adding of local food production.

The following table profiles the Local Imperative in more detail.

Relevant Strategic Themes	<ul style="list-style-type: none"> ▪ Protecting the Environment & Natural Amenity ▪ Diversifying the Economy ▪ Maximising Economic Dynamism ▪ Maximising Private Sector Investment
Mega Trends	<ul style="list-style-type: none"> ▪ Global food demand projected to grow strongly on back of increased population and average calorie intake. ▪ Food demand is expected to become more diverse, with greater focus on protein and horticultural products and reduced role of broad acre coarse grains. ▪ Food prices increasingly volatile on the back of global demand and biofuel production. ▪ Climate change expected to impact productivity of many globally significant agricultural regions and undermine certainty of supply.
Local Economic Characteristics	<ul style="list-style-type: none"> ▪ Currently recognised as a major broad acre coarse grain production area within the Avon region. ▪ Increased diversification and intensification of production through greater value adding. ▪ Small winery cluster with potential opportunities in olives, fruits and other higher intensity activity. ▪ Close proximity to a major domestic market (Perth). ▪ Development in Perth pushing intensive agriculture into Toodyay.
Base Opportunities	<ul style="list-style-type: none"> ▪ Agri-Tourism <ul style="list-style-type: none"> – Farm stays – food-related events and festivals (e.g. Toodyay International Food Festival) – farmers markets. ▪ Increased intensive agriculture with focus on more unique crop offerings (e.g. olives, wineries). ▪ Agriculture production profiles and information, available on the Shire's website. ▪ Toodyay Agriculture & Food Strategy provide a framework. ▪ Encourage participation in Fresh Food Link by smaller landholders. ▪ Participation by the Shire in Austrade events, particularly to Asian countries. ▪ Clear food/agriculture brand for Toodyay, possibly in partnership with Wheatbelt Councils with strong intensive agriculture production/potential

	<p>(Chittering, Gingin etc.)</p> <ul style="list-style-type: none"> ▪ Pop up outlet/shopfront selling Toodyay food products in Perth CBD ▪ Toodyay Farm Food Trail (including App) ▪ Toodyay Agriculture & Food Production Investment Profile – providing information on investing in intensive agriculture, food production and manufacturing in Toodyay. ▪ Host an annual dinner with senior representatives of Government, community and other decision makers relevant to Toodyay agriculture, celebrating Toodyay food
Examples	<ul style="list-style-type: none"> ▪ “Genuinely Great Southern” (http://www.southernforestsfood.com/) ▪ Manjimup Agriculture & Food Strategy (http://www.manjimup.wa.gov.au/library/file/council/Public%20Comment/Agriculture%20Strategy/Manjimup%20AgricStragegy%20DRAFT_LowRes.pdf) ▪ Mornington Peninsula Wine Food Farm Gate Trail (http://www.winefoodfarmgate.com.au/) ▪ Gascoyne Horticulture Investment Profile (http://www.gdc.wa.gov.au/uploads/files/HORTICULTURE%20profile%20sheet%20WEB.pdf)

5.3.2 Overnight Experiential Tourism



Toodyay is an established peri-urban day trip tourist destination. This provides the base for an opportunity to intensify and grow tourism activity, with a focus on attracting and retaining overnight visitation. This will require a coordinated, regional approach to tourism management as well as investment in enabling infrastructure, accommodation, activities and attractions.

The following table profiles the Local Imperative in more detail.

Relevant Strategic Themes	<ul style="list-style-type: none"> ▪ Protecting the Environment & Natural Amenity ▪ Diversifying the Economy ▪ Growing Incomes ▪ Generating Employment ▪ Maximising Economic Dynamism ▪ Maximising Private Sector Investment
Mega Trends	<ul style="list-style-type: none"> ▪ International tourist visitation has continued to grow strongly in Australia despite high Australia dollar. ▪ International market segments increasingly seeking experiential product in the Australian market. ▪ New flights between Western Australia and China expected to drive growth in tourists from China. ▪ Quality of tourism offering requires improvement in WA to meet needs of emerging international tourism segments. ▪ Viability of hotel/serviced development in regional Australia difficult, though resort style product attractive to high end overnight visitors. ▪ Tourism product in regional Australia requires packaging to attract overnight tourists.
Local Economic Characteristics	<ul style="list-style-type: none"> ▪ Tourism visitation in Toodyay has been volatile over the past decade, in response to changing national and state market conditions and the small size of the market. ▪ Over 90% of visitors to Toodyay are day trip with small numbers of domestic and international overnight visitors. ▪ Natural amenities and cultural heritage represent the major attractors for tourists to Toodyay. These are supplemented by a small cluster of wineries, minor agri-tourism, and outdoor adventure activities. ▪ Current tourist accommodation offering geared towards Bed and Breakfast and Guesthouse style accommodation with limited hotel style accommodation. ▪ Lack of critical mass means Toodyay requires full integration with sub-regional and regional tourism markets to reach its potential.
Opportunities	<ul style="list-style-type: none"> ▪ Assess the feasibility and promote development of tourist accommodation in the Shire. ▪ Expand use of QR Codes ▪ Establishment of a Sub-Regional Tourism Organisation in partnership with surrounding LGAs. ▪ Integrate tourism offering with broader region ▪ Provide suitable bus parking space for tour buses

	<ul style="list-style-type: none">▪ Develop a self-drive tour with associated supporting information and technology.▪ Maximise value of Toodyay built heritage.▪ Resident artist concept▪ Aboriginal Cultural Centre and activation of the Burial Grounds for indigenous tourism development in the long-term.▪ Development of a Wikipedia town site for Toodyay▪ Develop investment profile for tourism accommodation and attractions.▪ Enhance access to and the amenity of the Avon River as a major attraction of the town.
<p>Examples</p>	<ul style="list-style-type: none">▪ Geographe Bay Sub-Regional Tourism Association (http://www.geographebay.com/)▪ Freopedia (http://en.wikipedia.org/wiki/Wikipedia:WikiTown/Freopedia)

5.3.3 Community and Aged Services



Toodyay is experiencing a rapidly ageing population. Coupled with positive population growth, strong lifestyle-based migration and its peri-urban locations, Toodyay has and will continue to experience strong demand for community and aged services. Effective delivery of the quantum and quality of community services is critical to attracting and retaining younger workers to support business establishment and growth, while improved health and aged care services are required to meet the needs of older residents.

The following table profiles the Local Imperative in more detail.

Relevant Strategic Themes	<ul style="list-style-type: none"> ▪ Diversifying the Economy ▪ Growing Incomes ▪ Generating Employment ▪ Maximising Economic Dynamism ▪ Maximising Older Resident Participation ▪ Preserving Affordability ▪ Maximising Private Sector Investment
Mega Trends	<ul style="list-style-type: none"> ▪ Inner-regional/peri-urban areas of Western Australia experienced faster population growth than the State average over the past decade. ▪ Increased population growth places pressures on the agricultural, environmental and social characteristics of peri-urban areas, necessitating effective growth management. ▪ Increases in the critical mass of peri-urban locations can assist to decentralise WA’s population, justifying greater local service delivery and increasing residential choice for residents.
Local Economic Characteristics	<ul style="list-style-type: none"> ▪ Toodyay have experienced moderate population growth over the past decade, which is projected to continue in the medium term. ▪ Population in Toodyay is ageing at a faster rate than regional or State averages. ▪ Household incomes are low by state standards, even when major mining communities are accounted for. Reflects concentration of fixed income households (retirees with annuities or pensions) in the community. ▪ Wage and salary household incomes are broadly comparable with the State average, having closed the gap over the past 5 years. ▪ Employment growth has been limited in recent years, with only 40 net additional jobs created. This reflects structural declines in agricultural employment. ▪ Strong growth in recent years in health-related employment in response to ageing. ▪ Agriculture and tourism sectors traditionally low wage industries. Value adding in these sectors and diversification required to support local wage and salary offering. ▪ Lack of population critical mass undermines viability of local service delivery.

Opportunities	<ul style="list-style-type: none">▪ Improve and expand water supplies, particularly into new residential areas to support growth.▪ Expand energy infrastructure.▪ Assess viability of expanding and intensifying retail floorspace in the town centre▪ Survey visitors and residents on the level of satisfaction of the town centre.▪ Protect and expand employment lands in the long-term to accommodate local services (plumbing, mechanics) and support the construction sector.▪ Promote youth events and services to improve youth retention▪ Expand local health services▪ Encourage investment in aged care and retirement village accommodation in the Shire.
Examples	NA

5.3.4 Knowledge-Intensive Professional & Creative Services



The ageing of the workforce and the peri-urban lifestyle-based attraction of Toodyay, coupled with the role out of new telecommunication technologies (namely the NBN) presents Toodyay with the opportunity to develop a knowledge intensive professional and creative services sector. Such services are based on innovation and value-adding and have the potential to not only support the existing comparative advantages of Toodyay economy – agriculture, tourism – but also form an export sector unto itself.

The following table profiles the Local Imperative in more detail.

Relevant Strategic Themes	<ul style="list-style-type: none"> ▪ Diversifying the Economy ▪ Growing Incomes ▪ Generating Employment ▪ Maximising Economic Dynamism ▪ Maximising Older Resident Participation ▪ Maximising Private Sector Investment
Mega Trends	<ul style="list-style-type: none"> ▪ Ageing of Baby Boomers, under-superannuation and generational preferences will support transition-based approach of older professionals from the workforce. ▪ E-commerce and web presence among Australian businesses are below average. ▪ Innovation and productivity growth required to support prosperity in the medium term²³. ▪ Development of NBN to provide improved access in regional areas to high speed broadband. ▪ Need for regional towns to be “web-enabled”
Local Economic Characteristics	<ul style="list-style-type: none"> ▪ Professional services are an emerging sector in the Toodyay economy in recent years. ▪ Professional, Scientific and Technical Services experienced moderate employment growth between 2006 and 2011 ▪ ESS rates for professional and other service sectors are slightly below average, indicating an existing trend for skilled workers to use Toodyay as a residential base for lifestyle reasons and travel to their employment elsewhere. ▪ The most recent NBN rollout plan prioritises Toodyay, which would substantially increase telecommunication capacity and enable greater levels of e-commerce, telecommuting, telehealth and other innovative and entrepreneurial initiatives.
Opportunities	<ul style="list-style-type: none"> ▪ Establish a workers hub with coworking space to attract and foster innovative small businesses.

²³ MGI (2012) Beyond the Boom: Australia’s Productivity Imperative, McKinsey Global Institute, Sydney

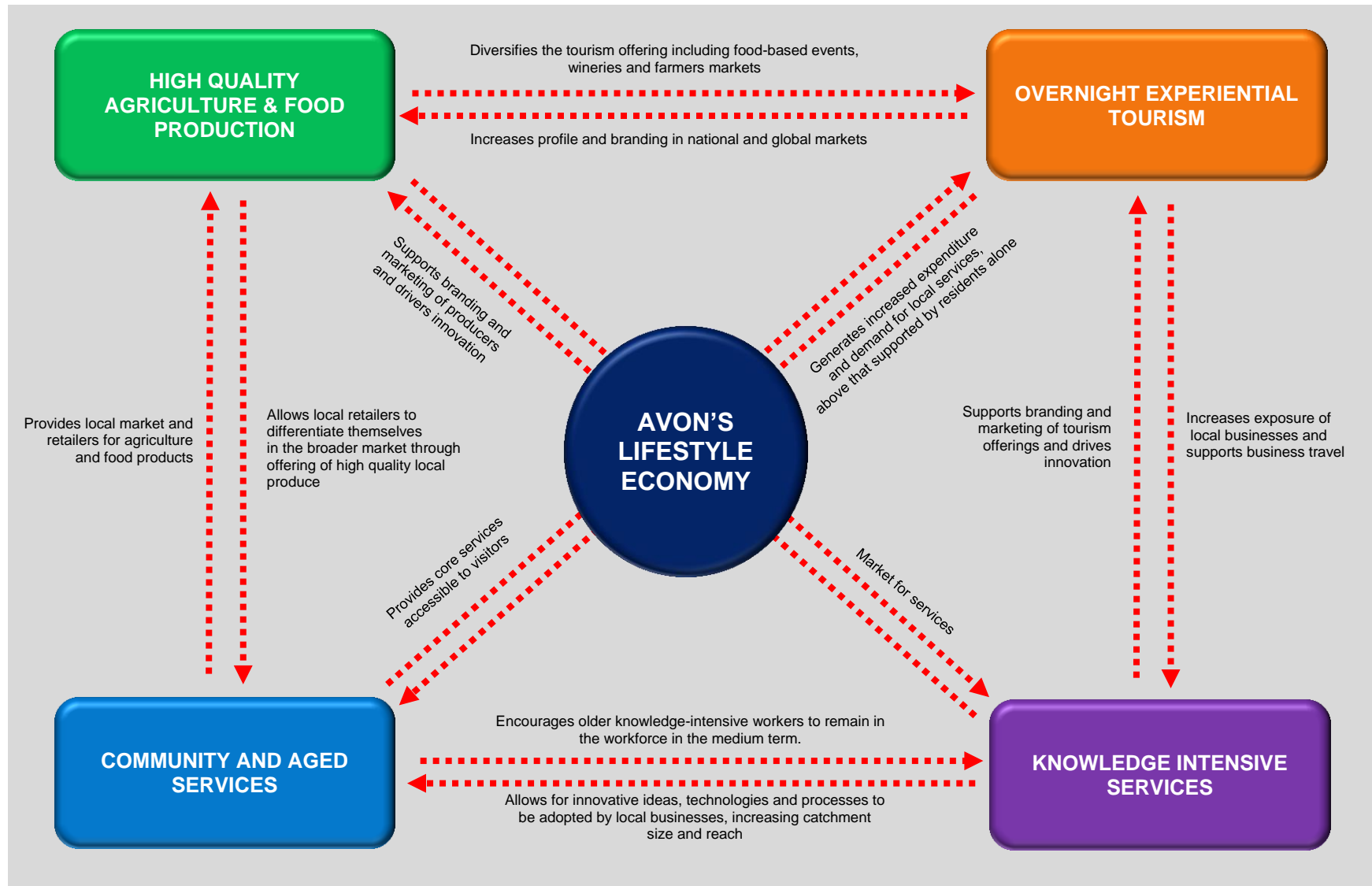
	<ul style="list-style-type: none"> ▪ Develop capability register for businesses to support major projects within and around the Shire. ▪ Investigate opportunities presented by NBN investment including e-commerce, telecommuting, coworking, freelancing and emerging business and employment trends ▪ Maximise older resident participation in the workforce by encouraging a transition into retirement in Toodyay. ▪ Commercial office floorspace expansion
Examples	<ul style="list-style-type: none"> ▪ Spacecubed (http://www.spacecubed.com/) ▪ Pilbara Capability Register (http://epilbara.com/)

5.4 Imperative Relationships

The Local Imperatives identified in this Plan are highly interrelated, sharing similar drivers and having flow-on effects to one another. Making Toodyay the Avon's Lifestyle Economy, and achieving the Plan's Vision will require an integrated development and implementation of these Imperatives. These interrelationships are illustrated in the following figure.



Table 8 Imperative Relationship Matrix



6.0 Action Plan

6.1 Approach

The following Action Plan lists a range of actions, initiatives and investments, identified by the Shire and RPS required to meet the aspiration for the Toodyay economy outlined in section 5.0. Initiatives are broken down by Local Imperative (where applicable) and include the following information:

- Name of the initiative
- Brief description of the initiative
- Identification of relevant Local Imperatives and Strategic Themes
- Indication of its timing (0-1 Year, 1-3 Years, 3-5 Years, 5 Years +)
- Identification of primary and secondary stakeholders
- Indication of its level of importance/priority (high, medium or low).

Initiatives identified in this Action Plan include those outlined in the Avon Sub-Regional Economic Strategy for Toodyay, the Toodyay Community Strategic Plan as well as other Council documents, policies, strategies and plans. Where an existing initiative has been included in this Action Plan, RPS has undertaken a critical review of the Initiative and has incorporated recommended changes and amendments to the Initiative to maximise its impact on the Toodyay economy and better align it with the Local Imperatives.

It should be noted that identified actions are subject to council's budget processes and in some cases availability or support from partner agencies or funding bodies.



6.2 Implementation & Action Plan

Table 9 Implementation & Action Plan

LOCAL IMPERATIVE	INITIATIVE NUMBER	INITIATIVE	DESCRIPTION	RELEVANT THEMES	TIMING	PRIMARY STAKEHOLDER	SECONDARY STAKEHOLDERS	PRIORITY
Knowledge Intensive Professional and Creative Services	1	Worker Hub	Integrated service office and coworking space suitable for micro and small professional services businesses. Can support small business incubation activities.	<ul style="list-style-type: none"> Diversifying the Economy Growing Incomes Generating Employment Maximising Economic Dynamism 	1-3 Years	Shire of Toodyay	Small Business Development Corporation	High
Community and Aged Services	2	Retirement and Aged Care	Investigate the market for additional aged care and retirement village developments in the Shire to accommodate existing and new older residents.	<ul style="list-style-type: none"> Generating Employment Population Critical Mass Maximising Older Resident Participation Preserving Affordability Maximising Private Sector Investment 	Ongoing	Retirement Village and Aged Care Providers	Shire of Toodyay, Local Health Service Providers	High
All	3	Industry Investment Profiles	Preparation of industry specific investors profiles for inclusion on Shire of Toodyay website. Include information of the scale and nature of investment opportunities in the sector and the potential for growth.	<ul style="list-style-type: none"> Diversifying the Economy Growing Incomes Generating Employment Maximising Economic Dynamism Maximising Private Sector Investment 	0-1 Year	Shire of Toodyay	Austrade, Department of State Development	High
Other	4	Major Project Capability Register and Portal	Run survey of local businesses to identify and capture capabilities to service major projects (including mining) in the Shire. Compile into online register for ease of access for major project proponents.	<ul style="list-style-type: none"> Diversifying the Economy Growing Incomes Generating Employment Maximising Economic Dynamism Maximising Private Sector Investment 	0-1 Year	Shire of Toodyay	Industry Capability Network, BRL	High

LOCAL IMPERATIVE	INITIATIVE NUMBER	INITIATIVE	DESCRIPTION	RELEVANT THEMES	TIMING	PRIMARY STAKEHOLDER	SECONDARY STAKEHOLDERS	PRIORITY
Overnight Experiential Tourism	5	Expand use of QR Codes	Expand the current use of QR codes in the Newcastle Gaol Museum to other heritage and amenity based attractions within the Toodyay townsite. Provide supporting	<ul style="list-style-type: none"> Diversifying the Economy Growing Incomes Generating Employment Maximising Economic Dynamism Maximising Private Sector Investment 	1-3 Years	Shire of Toodyay	Tourism WA	Medium
Overnight Experiential Tourism	6	Sub-Regional Tourism Organisation	Partner with and lead surrounding LGAs to form a sub-regional tourism organisation under the auspices of Experience Perth Regional Tourism Organisation. Consider partnerships with LGAs in Avon and Chittering Valleys.	<ul style="list-style-type: none"> Protecting the Environment & Natural Amenity Generating Employment Maximising Private Sector Investment 	3-5 Years	Shire of Toodyay, Surrounding Councils	Experience Perth RTO, Tourism WA	Medium
Premium Food Production	7	Toodyay Agriculture and Food Strategy	Integrated strategic planning document that outlines the vision for food production in the Shire and mechanisms and programs for targeting major national and export markets.	<ul style="list-style-type: none"> Growing Incomes Generating Employment Maximising Economic Dynamism Maximising Private Sector Investment 	1-3 Years	Shire of Toodyay	DAFWA Toodyay Agricultural Alliance Toodyay Famers Market	Medium
Overnight Experiential Tourism	8	Toodyay Hotel Feasibility Study	Commission a study to test the feasibility of tourist accommodation development in the Shire. Publish results online to promote and encourage investment in feasible product types.	<ul style="list-style-type: none"> Growing Incomes Generating Employment Maximising Economic Dynamism Maximising Private Sector Investment 	1-3 Years	Shire of Toodyay	Tourism WA	Medium
ALL	9	Trade Mission Participation	Identify potential trade missions for Toodyay representatives to attend and participate. Undertaken subsequent to development of Investment Profiles	<ul style="list-style-type: none"> Maximising Private Sector Investment 	3-5 Years	Shire of Toodyay	Austrade, Department of State Development	Medium
Premium Food Production	10	Food Brand	Establish a distinct food brand for Toodyay, potentially in partnership with surrounding Shires with similar production. Use brand to market Toodyay	<ul style="list-style-type: none"> Growing Incomes Generating Employment Maximising Economic Dynamism Maximising Private Sector Investment 	1-3 Years	Shire of Toodyay	DAFWA	Medium

LOCAL IMPERATIVE	INITIATIVE NUMBER	INITIATIVE	DESCRIPTION	RELEVANT THEMES	TIMING	PRIMARY STAKEHOLDER	SECONDARY STAKEHOLDERS	PRIORITY
Overnight Experiential Tourism	11	Toodyay Self-Drive Tour and App	Identify potential self-drive tour route with links to major tourist attractions in Toodyay and the surrounding region. Publish in an interactive website and supporting App. Target at Grey Nomads.	<ul style="list-style-type: none"> Growing Incomes Generating Employment Maximising Economic Dynamism 	1-3 Years	Shire of Toodyay, Private Tourism Operators	Experience Perth RTO, Tourism WA	Medium
Premium Food Production	12	Perth Pop-Up Shop	Develop a small pop-up shop concept selling Toodyay related food and goods in the Perth CBD at key times during the year. Include marketing and branding material as a form of active marketing.	<ul style="list-style-type: none"> Growing Incomes Generating Employment Maximising Economic Dynamism 	3-5 Years	Toodyay businesses	Shire of Toodyay	Medium
ALL	13	Annual Toodyay Dinner	Host of high end dinner for senior representatives of Government and Business in Toodyay to promote Toodyay and maximise exposure to key decision makers.	<ul style="list-style-type: none"> Maximising Private Sector Investment 	1-3 Years	Shire of Toodyay		Medium
Community and Aged Services	14	Improved Local Health Services	Partner with health service providers to enhance offering in the Shire. Include use of technology to	<ul style="list-style-type: none"> Population Critical Mass 	Ongoing	Shire of Toodyay, Local Health Service Providers	WA Health	High
Community and Aged Services Overnight Experiential Tourism	15	Retail Floorspace Need Assessment	Commission an assessment of retail floorspace need in the Toodyay town site with emphasis on Stirling Terrace. Publish findings in an information memorandum and distribute to small and medium retail developers to encourage investment.	<ul style="list-style-type: none"> Generating Employment Maximising Economic Dynamism Population Critical Mass Maximising Private Sector Investment 	0-1 Year	Shire of Toodyay	Private Developers	High
Community and Aged Services	16	Maximise Volunteer Participation	Develop strategies and programs to maximise the participation of volunteers in the community. Emphasis should be on older residents, to increase social participation.	<ul style="list-style-type: none"> Maximising Older Resident Participation 	Ongoing	Shire of Toodyay	Volunteer groups and associations	Medium
Community and Aged Services	17	Recreation Land Expansion	Identification of potential land for expansion of recreational facilities in the medium term, owing to the constrained nature of current Showgrounds precinct. Encourage consolidation of recreation facility offering in the long-term through this expansion.	<ul style="list-style-type: none"> Maximising Older Resident Participation 	3-5 Years	Shire of Toodyay	Department of Sport and Recreation	Medium

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Overnight Experiential Tourism	18	Aboriginal Cultural Centre	Development of a small Aboriginal Cultural Centre celebrating local aboriginal heritage. Develop as an Aboriginal business, potential collocated with the Burial Grounds.	<ul style="list-style-type: none"> Diversifying the Economy Growing Incomes Generating Employment Maximising Economic Dynamism 	5 Years +	Shire of Toodyay, The Ballardong Working Party	Department of Indigenous Affairs, Indigenous Business Australia	Medium
Community and Aged Services	19	Water Mains Expansion into New Residential Sub-Division	Toodyay's water mains distribute between the higher density residential and commercial lots. The new residential subdivision, North East of the town centre has been partially connected to the system. Expansion of this water mains system into new residential areas is critical to support expected population growth into the Shire.	<ul style="list-style-type: none"> Preserving Affordability 	0-1 Years	WaterCorp	Shire of Toodyay	High
Knowledge Intensive Professional and Creative Services	20	NBN Utilisation Strategy	Develop a strategy to identify opportunities for the community and business to utilise the NBN. Develop a supporting series of workshops for local business on e-commerce potential.	<ul style="list-style-type: none"> Diversifying the Economy Growing Incomes Generating Employment Maximising Economic Dynamism Maximising Older Resident Participation Maximising Private Sector Investment 	0-1 Years	Shire of Toodyay	NBN Co, Department of State Development	High
ALL	21	Power System Capacity Upgrades	Current electricity system capacity in Toodyay has been identified as a constraint on development and growth. The provision of bulk supply from the transmission line and further sub-stations are required	<ul style="list-style-type: none"> Preserving Affordability 	0-1 Years	Western Power	Shire of Toodyay	High
Other	22	Asset Management Plan	Develop an Asset Management Plan to maximise the value of Council's property asset portfolio. Include a strategy recommending potential actions for different land holdings.	<ul style="list-style-type: none"> Maximising Private Sector Investment 	0-1 Years	Shire of Toodyay	Department of Local Government	Medium
Overnight Experiential Tourism	23	Toodyay Heritage Tour	Establish a tour of Toodyay's built heritage. Use Heritage Master Plan 2012 as basis of tour destinations.	<ul style="list-style-type: none"> Growing Incomes Generating Employment 	1-3 Years	Shire of Toodyay	Experience Perth, Tourism WA	Low

LOCAL IMPERATIVE	INITIATIVE NUMBER	INITIATIVE	DESCRIPTION	RELEVANT THEMES	TIMING	PRIMARY STAKEHOLDER	SECONDARY STAKEHOLDERS	PRIORITY
Overnight Experiential Tourism	24	Utilisation of Syred's Cottage	Identify potential temporary use for Syred's cottage including as resident artist accommodation and gallery.	<ul style="list-style-type: none"> Maximising Economic Dynamism Maximising Older Resident Participation 	1-3 Years	Shire of Toodyay		Low
Overnight Experiential Tourism Population Services	25	Avon River Access Enhancement	Improve and enhance access to the Avon River and foreshore through development of dedicated walkways. Additional opportunity to link Duidee Park with the Nardie Cemetery.	<ul style="list-style-type: none"> Protecting the Environment & Natural Amenity 	1-3 Years	Toodyay Friends of The River group	Shire of Toodyay, The Water and Rivers Commission, River Conservation Society, Water Corporation, Associated Catchment Groups and Balladong Working party	Medium
Population Services	26	Old Depot Site Development	Development of Harper Road and Clinton Street depot sites, now replaced by the multi-functional depot site east of town site. Investigate affordable higher density housing options.	<ul style="list-style-type: none"> Preserving Affordability Maximising Private Sector Investment 	1-3 Years	Shire of Toodyay	Private Developers, Department of Housing	Medium
Overnight Experiential Tourism Population Services	27	Town Centre Satisfaction Survey	Undertake a survey of residents and visitors of their satisfaction with the town centre, its function, form and facilities. Use results to guide refurbishment, renewal and redevelopment.	<ul style="list-style-type: none"> Maximising Private Sector Investment 	Ongoing	Shire of Toodyay		Low
Knowledge Intensive Professional and Creative Services	28	Commercial Office Development Feasibility Assessment	Commission an assessment of the feasibility of commercial office development, either standalone or as part of mixed use development, in the town centre.	<ul style="list-style-type: none"> Diversifying the Economy Growing Incomes Generating Employment Maximising Private Sector Investment 	1-3 Years	Shire of Toodyay	Private Developers	Medium
Other	29	Protection of Employment Lands	Incorporate into the Local Planning Strategy protections for existing employment lands in the Shire and seek to expand the provision of employment lands (particularly light industrial land) in the long-term in line with market demand.	<ul style="list-style-type: none"> Diversifying the Economy Growing Incomes Generating Employment Maximising Economic Dynamism Maximising Private Sector Investment 	5 Years +	Shire of Toodyay		Medium

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Overnight Experiential Tourism	30	Burial Grounds Activation	Development of activation infrastructure and supporting tourism opportunities for the Aboriginal Burial Grounds, upon relocation of the Hockey Grounds.	<ul style="list-style-type: none"> Diversifying the Economy Growing Incomes Generating Employment Maximising Economic Dynamism Population Critical Mass 	5 Years +	Shire of Toodyay, The Ballardong Working Party	Department of Indigenous Affairs, Indigenous Business Australia	Medium
Community and Aged Services	31	Increased Youth Development Services	Youth Development services provide programs and activities for young people to develop their resilience, team work, self-esteem, confidence, problem solving skills and leadership.	<ul style="list-style-type: none"> Diversifying the Economy 	1-3 Years	Community groups - Girl Guides/ Scouts	Dept of Local Government and Communities	Medium
Overnight Experiential Tourism	32	Toodyay-pedia	Investigate the development of a Freopedia style Wiki Town project for Toodyay.	<ul style="list-style-type: none"> Maximising Economic Dynamism 	1-3 Years	Local Community Groups	Shire of Toodyay, State Records Office,	Medium
Premium Food Production	33	Participation in Fresh Food Link	Encourage small farmer participation in Fresh Food Link to increase access to markets, processors, value-adders and consumers.	<ul style="list-style-type: none"> Diversifying the Economy Growing Incomes Generating Employment Maximising Private Sector Investment 	Ongoing	DAFWA	Shire of Toodyay, Agricultural Society Toodyay Agricultural Alliance Toodyay Famers Market	Medium
ALL	34	Business Toodyay website	A website that profiles businesses registered in Toodyay, providing information and access to websites of individual businesses Link to Major Project Capability Register and Portal	<ul style="list-style-type: none"> Diversifying the Economy Growing Incomes Generating Employment Maximising Private Sector Investment 	0-1 Years	Shire of Toodyay	Local Business Community	Medium
Overnight Experiential Tourism	35	Annual Events Calender	Publish and Distribute in Perth an Annual Calendar of Events	<ul style="list-style-type: none"> Diversifying the Economy Growing Incomes Generating Employment Maximising Private Sector Investment 	Ongoing	Shire of Toodyay Visitor Centre	Toodyay Tourism Community Toodyay Chamber of Commerce Tourism WA	Medium

LOCAL IMPERATIVE	INITIATIVE NUMBER	INITIATIVE	DESCRIPTION	RELEVANT THEMES	TIMING	PRIMARY STAKEHOLDER	SECONDARY STAKEHOLDERS	PRIORITY
Overnight Experiential Tourism	36	Secondary Conference / Corporate Incentive Destination	Establish Toodyay as a high amenity, peri urban secondary conference and corporate incentive travel destination in Western Australia.	<ul style="list-style-type: none"> Diversifying the Economy Growing Incomes Maximising Economic Dynamism 	5 Years +	Tourism groups	Shire of Toodyay Convention Bureau, Tourism WA	Low
Overnight Experiential Tourism Population Services	37	Maintain Avon Link Services	Support the continuation of the Avon Link rail service through promotion and marketing, community services and corporate travel.	<ul style="list-style-type: none"> Diversifying the Economy Maximising Economic Dynamism Maximising Older Resident Participation 	Ongoing	Trans WA	Shire of Toodyay Avon Link Supporters Group Wheatbelt Development Commission	High

7.0 Conclusion

The Toodyay economy has the potential to leverage its competitiveness and comparative advantages in premium food production and experiential tourism to drive local business growth and the quality of life of residents and the community. Opportunities also exist in the ageing of the local population and the broader need for a diverse range of services and facilities to cater to the needs to new and existing residents.

Realising these opportunities and associated benefits, requires a collaborative approach to economic and community development. This includes Local, State and Federal Government agencies, community groups, business and industry associations, Aboriginal groups and the general public. Only through the collaboration of all the stakeholders of the Toodyay economy, can the economic potential of the Shire be realised and the prosperity and quality of living of residents be maximised.

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