



Scenario Planning for an Innovative Response to the Water Challenge in the Murray Riverina Region

Industry and Market Assessment

Regional Development Australia Murray, Regional Development Australia Riverina and Trade & Investment NSW

February 2011

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Introduction

Sinclair Knight Merz (SKM) was commissioned by RDA Murray on behalf of the RDAs of Murray and Riverina to undertake the Industry & Investment NSW (I&I NSW) funded project to develop an innovative, robust and sustainable response to the water challenge in the Murray-Riverina region.

The project comprises six main stages:

- Project Start Up
- Existing Situation Analysis
- Industry / Market Assessment
- Options Analysis / Scenario Planning
- Business Case Development
- Delivery Strategy

Despite the recent floods, long term climate averages and projections suggest that lower and less reliable rainfall is likely in the region, and increasing numbers of more extreme weather events are likely. The need for a more broadly resilient economic structure is even more relevant in the current situation.

Outputs

This project is designed to provide indicative but objective and evidence-based “business cases” for a short list of practical and sustainable development opportunities which justify the provision of investment based on clear on-

going benefits to investors, including net financial, economic, social and/or environmental benefits. The overall output provides clear “line of sight” from a whole of government policy intent (NSW State Plan), departmental/sector specific industry policy to tangible economic outcomes for the region as a result of investment into regional programs to support a transition to a “diversified regional economy”.

A number of key information papers and reports (deliverables) are to be developed at each stage of the study. These deliverables will be reviewed and amended/augmented as required and form the basis of the chapters of the final study report.

This report represents the second key deliverable of the project and includes an Industry and Market Assessment and Opportunities Identification and preliminary assessment. It discusses:

- Existing regional industry sectors and the markets served by enterprises in these sectors
- Potential opportunities offered to develop these sectors further to expand their current markets and develop new ones
- Potential new activities that could provide new development opportunities and/or address specific gaps in the market.

A long list of opportunities has been collated from the work and information collected to date. This includes opportunities identified from:

- Desk research including the wide range of reports, plans and other literature provided by the two RDAs and other Stakeholders
- The preliminary consultation
- SKM's experience and knowledge.

The study team also collated the project recommendations from the Sustaining the Basin Communities studies in the region to ensure that the final projects from this project complement the recommendations from these other studies.

The report then provides a preliminary assessment of the opportunities based on categorising the identified opportunities by type and assessing their potential importance to the region based on a set of criteria that include:

- Type of opportunity
- Potential regional impact based on a triple bottom line assessment of the economic, social and environmental impacts at regional level
- The ease or difficulty of implementation - This includes a broad subjective judgement of the potential cost of implementation, possible legal or practical impediments to implementation, likelihood of regional support and the level of interest of potential investors/funders.

It is recognised that some of the opportunities may have a high impact at the local level but be low at an overall regional level. Where possible this is

indicated in the text and will be explored further in the second round of consultation.

Conversely some apparently local opportunities have been rated quite highly where it is felt that they offer opportunities to be replicated across the region. In these cases the first opportunity implemented is expected to provide a pilot for further projects.

The opportunities discussed in this report are included in a spreadsheet that allows further categorisation if required. It is proposed that this spreadsheet be extended to include further opportunities where appropriate and additional criteria to allow more detailed analysis. As such, it is envisaged that once complete the spreadsheet could form part of an on-going opportunity evaluation tool for the region.

Next steps

It is proposed that the information in this report is reviewed by the Steering Committee and an agreed "qualified long list" developed at the discussion on the 31st January 2011. This list will then be subject to further "testing" through consultation and desk research to develop a short list for detailed economic assessment and indicative business case.

It is proposed that all "qualified" opportunities will be documented with recommendations for further development as appropriate but only the short list will be subject to detailed assessment within this study.

Assessment Criteria

Type

The opportunities and activities are categorised into three types (areas) as follows:

- **(A) Infrastructure** – defined as new infrastructure or a significant upgrade to existing infrastructure. This may:
 - Provide a number of economic, social and environmental benefits and enable a range of new opportunities to be developed each providing an additional net benefit, e.g. development of a new arterial road or upgrade to freeway standard, the development/reinstatement of a new railway or the development of a new communications network
 - Be necessary to enable a specific significant opportunity to be developed, e.g. provision or upgrade of access from a road to a new industrial area or a specific significant new industrial operation
- **(B) Increased productive capacity** – defined as the development of new, expanded and/or upgraded facilities and/or activities that provide the opportunity to increase the productivity of new and existing regional industry, e.g. strengthening of local transport infrastructure and/or changes in regulation that allows the use of larger and more productive vehicles
- **(C) Improved utilisation of existing capacity** – defined as the implementation of new or improved facilities and/or activities designed to

increase the utilisation of existing capacity, e.g. the designation of a new touring route that increases the traffic on the roads associated with the route and/or increases patronage of local service providers such as service stations, accommodation and food services providers and attractions along the route.

Developments under any of these categories may have indirect impacts as well as direct impacts, e.g. the development of a touring route could act as a catalyst to the development of new retail operations in the towns along the route that benefit the community. In addition, specific opportunities may need developments in more than one of the above categories to ensure their success. For example, designation of a touring route could need relevant new or upgraded infrastructure to complete the route as well as possible new facilities such as picnic areas, toilets etc.

Impact

As noted above, the impacts are assessed on the basis of the scale at regional level of potential economic, social and environmental net benefit and ease or difficulty of implementation. The assessment, at this stage, is subjective and based on the consulting team experience and has assessed the impacts on a three point scale of **High**, **Medium** and **Low**. Where high impact is stated, in terms of net benefit impact, this is positive. Similarly, in terms of ease of implementation, high suggests implementation should be relatively easy and low suggests there could be some difficulties or barriers.

Regional Industry/Markets

The following Table 1 sets out the regional industries and broader market areas that may offer development opportunities. The rationale for seeking development opportunities and by inference the type of opportunities that could be worth exploring is indicated in the second column. Documentation of this table is designed to identify which industry/market areas may offer further

development opportunities. The table suggests that opportunities exist across the region's industries although the role of the RDA's in initiating, facilitating and supporting new development will differ across industries.

Table 2 below takes these industry/market areas further to indicate the potential type of opportunity and a first cut at a level of importance.

Table 1: Regional Industry/Markets and rationale for potential development Opportunities

Potential Industry/Market Areas	Rationale	Actions
Energy including renewable, natural gas and energy from waste	<ul style="list-style-type: none"> ■ Energy costs are rising: need to find alternative energy sources. ■ Looking for multiple uses of energy and possibly reduced transmission losses. ■ Areas that are not serviced by reticulated gas looking for service options. ■ Waste management costs and resident expectations rising: looking for alternatives that reduce costs and improve environmental performance. ■ There have been and are a number of renewable energy projects proposed in the region based on its natural advantages including sunlight and access to the grid and significant population centres along the Murray and Murrumbidgee. ■ Potential bio-energy opportunities. 	<ul style="list-style-type: none"> ■ Specific opportunities are included below ■ Industry/Market Paper being prepared.
Forestry	<ul style="list-style-type: none"> ■ Significant forest resources and local value adding. ■ Local skills and experience. 	<ul style="list-style-type: none"> ■ Discussion with Peter Crowe and Phil Clements has indicated important opportunities ■ Industry/Market Paper being prepared.
Defence	<ul style="list-style-type: none"> ■ Strong Defence presence in region. ■ NSW Government interest in promoting sector (has strategy and targets) 	<ul style="list-style-type: none"> ■ Discussion with Peter Whitehead. ■ Possible preparation of industry/market paper.

Potential Industry/Market Areas	Rationale	Actions
Communications/ICT	<ul style="list-style-type: none"> ■ Potential development opportunities from NBN ■ Ability to improve regional services ■ Ability to enable new regional business opportunities ■ Linkages with current regional developments (e.g. CountryTel). 	<ul style="list-style-type: none"> ■ NBN and associated infrastructure and facilities are an important enabler to allow regions to develop opportunities hitherto restricted to capital cities ■ Possible preparation of industry/market paper.
Tourism	<ul style="list-style-type: none"> ■ Important local industry. ■ Offers opportunities for smaller centres as well as large ones. ■ Potential new or expanded niche markets in ecotourism and Indigenous and European cultural tourism ■ New regional tourism body. 	<ul style="list-style-type: none"> ■ Consideration of pilot and demonstration projects ■ Consideration of linking operators to provide regional services ■ Possible preparation of industry/market paper.
Transport/Logistics	<ul style="list-style-type: none"> ■ Tyranny of distance puts onus on efficiency and innovation. ■ Existing intermodal hubs. ■ Existing leading niche operations (case studies). ■ Assist in increasing regional productivity and profitability. ■ Possible new faster (even HS) rail. ■ Development of bio-fuels. 	<ul style="list-style-type: none"> ■ Industry/Market Paper being prepared ■ Identify key regional arterials and ensure they allow use of maxi Bs and road trains and their location and linkages with intermodal terminals.
Additional Agricultural Value Added	<ul style="list-style-type: none"> ■ Agriculture is the largest economic sector. ■ Scope exists to diversify sector. ■ Scope to develop new markets and potentially increase profitability. ■ Ability to build on existing skills and infrastructure. 	<ul style="list-style-type: none"> ■ This sector was outside scope of project. Related value added opportunities will be considered under manufacturing below.
Education and Training	<ul style="list-style-type: none"> ■ Significant existing base of infrastructure and skills. ■ Need to remain at forefront of development and delivery of programs to support existing population and other developments. ■ Technology changes reducing disadvantages of regional location, opening potential scope to develop “export services”. 	<ul style="list-style-type: none"> ■ Possible preparation of industry/market paper.
Health & Community	<ul style="list-style-type: none"> ■ Significant existing base of infrastructure and skills ■ Need to remain at forefront of development and delivery of programs to support existing 	<ul style="list-style-type: none"> ■ Possible preparation of industry/market paper.

Potential Industry/Market Areas	Rationale	Actions
Services	<p>“best quality” care</p> <ul style="list-style-type: none"> Technology changes reducing disadvantages of regional location, opening potential scope to develop “export services.” 	
Environmental Services	<ul style="list-style-type: none"> Ability to build on experience gained during drought and other extreme event years to market “best practice” efficient water capture and delivery systems including reduced use, multiple use, reuse and recycling Possible import substitution to manufacture/assemble systems in region Carbon capture and storage opportunities Increasing cost of environmental management Potential access to large, cost effective sites for a range of waste management and recycling opportunities. Could link with energy options. 	<ul style="list-style-type: none"> Possible preparation of industry/market paper.
Professional, Business, Financial and Other Services	<ul style="list-style-type: none"> Significant existing base of innovative service providers Mainly servicing local markets Ability for local organisations to grow and expand services as key clients develop businesses and expand outside the region Ability to build on experience gained during drought, flood and other extreme event years to market proven good practice emergency and crisis management services including training programs New technology offers scope to develop regional and export services. 	<ul style="list-style-type: none"> Consider approach to encourage organisations to expand range and geographic coverage of services.
Government	<ul style="list-style-type: none"> Worth active pursuit of relocation of government agencies to the region but success is likely to relate to regional advocacy capacity more than any comparative advantage of the region 	<ul style="list-style-type: none"> Continued long term advocacy Ability to react quickly if opportunity arises Maintain existing operations in the region.
Manufacturing	<ul style="list-style-type: none"> Key regional industry Linked to success of agricultural industry with a large proportion of regional manufacturing activity based on the agricultural sector including down-stream processing of, and adding value to agricultural produce and manufacture/assembly of agricultural equipment and facilities Regional manufacturing operations have been diversifying to reduce dependence on 	<ul style="list-style-type: none"> Maintain existing operations in the region Continue proactive stance in identifying further opportunities.

Potential Industry/Market Areas	Rationale	Actions
	agricultural sectors	
Extraction	<ul style="list-style-type: none"> ■ Specific known regional opportunities in mineral sands, coal and copper ■ Current and new developments will depend on the extent of existing resources and the prospectivity of the region. On this basis regional activity is likely to be more reactive than proactive and involve facilitation of proposals, rather than an active role in developing proposals ■ Key issues will include working with the proponents to maximise local involvement, to determine potential spin off developments and to identify possible longer term developments that could be made as part of planned restitution at the end of the project life 	<ul style="list-style-type: none"> ■ Strong role in facilitation including permit issues, skills development, relevant transport, energy and water infrastructure, etc. ■ Strategies to maximise local and regional participation.

Table 2 indicates the likely category of any opportunity based on the criteria above. The table also suggests where the impact will be in terms of economic, social or environmental and where the impact could involve more than one of these areas. It indicates whether opportunities in these sectors are likely to be relatively straight forward to implement or whether some difficulty is likely. As

noted this is a first cut assessment which will be reviewed further in the proposed workshop with the Stakeholder Steering Committee. Where appropriate, comments are included to qualify or explain the first cut assessment. Specific opportunities proposed or inferred during the study to date are discussed in the Opportunities Long List section later.

Table 2: Industry/Market Sectors and Potential Development Opportunities

Market / Industry	Primary category	Secondary category	Key area of regional impact			Ease of implementation (H – L)	Comment
			Economic	Social	Environment		
Energy including renewable, natural gas and energy from waste	Increased productive capacity	-	L - M	-	L	M	Potential for medium to high impact opportunities at local and sub-regional levels and potentially regional based on replicable projects. Many opportunities need the introduction of a carbon price to get them moving.
Forestry	Improved utilisation of existing capacity	-	H	-	-	M	Key action is to facilitate further step change in regional softwood plantation estate required to ensure industry retains scale efficiencies.
Defence	Improved utilisation of existing capacity	-	M	-	-	L	Likely maintenance or increase in preference for local defence supply and value adding
Communications - NBN	Increased productive capacity	-	H	H	-	H	Trial sites within region
Communications - software and communications	Increased productive capacity	-	M	-	-	L	Successful development linked to personnel capability not location
Tourism	Increased productive capacity	Improved utilisation of existing capacity	M	H	-	M	Tourism is likely to include opportunities that have high local impact but limited regional impact as well as broader opportunities with high regional impact. This assessment reflects the view that even local opportunities should offer exemplars and in many cases will have potential to be linked into regionally significant opportunities through such aspects as touring routes and operator networks.

Market / Industry	Primary category	Secondary category	Key area of regional impact			Ease of implementation (H – L)	Comment
			Economic	Social	Environment		
Transport	Infrastructure	-	H	H	M	M	High Government profile at State and Federal level for freight efficiency, decreased environmental footprint and broadly supported public transport initiatives.
Logistics	Increased productive capacity	Improved utilisation of existing capacity	H	-		M	Similar to Transport above – freight issues
Additional Agricultural Value Added (excludes production)	Increased productive capacity	Improved utilisation of existing capacity	M	-	-	M	Existing successful examples in region
Education and Training	Improved utilisation of existing capacity	Increased productive capacity	H	H	-	M	Employment and training opportunities for appropriately skilled and qualified people plus attraction for skilled immigrants to region and providing enhanced regional quality of life appeal. Potential attraction/retention of families based on education opportunities. Retention of 15 – 25 year olds.
Health & Community Services	Improved utilisation of existing capacity	Increased productive capacity	H	H	-	M	Employment and training opportunities for appropriately skilled and qualified people plus attraction for skilled immigrants to region and providing enhanced regional quality of life appeal. Well established industry with further growth potential.
Environmental Services	Increased productive capacity	-	M	-	M	M	Includes a range of emerging industries that could benefit from access to large parcels of cost effective land. Some options such as carbon mitigation

Market / Industry	Primary category	Secondary category	Key area of regional impact			Ease of implementation (H – L)	Comment
			Economic	Social	Environment		
							services may require a rural location. Others such as some waste management and recycling opportunities may benefit from being close to the major centres from a supply aspect but efficient transport options could make a regional operation attractive.
Professional, Business, Financial and Other Services	Improved utilisation of existing capacity	-	L	-	-	H	Potential high quality local firms to build on. Growth likely to lag growth in population and industry.
Government	Increased productive capacity	-	H	H	-	L	A number of government activities such as the provision of health and education are included in their own industry sectors above.
Manufacturing (excludes food, agriculture and forestry)	Increased productive capacity	-	L	L	-	L	Food processing and processing and adding value to a range of other agricultural produce are the major part of the regional manufacturing sector. As such, key opportunities in this sector are being considered in this project. Potential to develop key niche manufacturing opportunities.
Extraction / Mining	Increased productive capacity	-	M	-	-	M	Existing development examples in region.

(1) Note H = relatively easy (straight forward) to implement L = Difficult to implement.

Regional Geographic Markets by Industry

Table 3 provides an initial assessment of the geographic areas of the regional industries' markets. The assessment looks at the markets in terms of their location that is whether the industry markets are local/regional, state/national or export or a mix of two or more of these. The geographic assessment of markets relates to consideration of the potential resilience of the regional economy. The broader the geographic markets the more likely local and

regional business will be insulated from local issues, at least to some extent. However, they may be more vulnerable to global downturns and to remote decision making. Servicing a range of markets may provide the advantages of spreading risk.

The table then looks at the issues that may arise as a result of market focus and the opportunities that these suggest for new development or expansion.

Table 3: Geographic Market Areas by Industry

Industry Sector	Geographic Markets	Issues/Gaps	Opportunities
Manufacturing – Food	National & Export	<ul style="list-style-type: none"> Limited local markets regional output likely to go to State capitals and be re-imported to region with an added transport component 	<ul style="list-style-type: none"> Retention of regional requirements for direct sale within regions Potential to use regional intermodal terminals to pick and pack for export, interstate, interregional and intraregional demand
Manufacturing – Other	National & local possibly some export depends on sector	<ul style="list-style-type: none"> Consumer products likely to be similar to Food. Business to business market may be more direct with regional demand met regionally 	<ul style="list-style-type: none"> As above for consumer products. Identification of regional supply chains and business to business opportunities Identification of regional gaps in the supply chain and ways to address these
Forestry/Timber/Paper etc.	National, regional and export markets depending on product	<ul style="list-style-type: none"> Large operators need guaranteed timber supply to maintain economies of scale and efficiencies to compete with imports and export. Supply issues and uncertainties could lead to the closure of processing facilities. 	<ul style="list-style-type: none"> Climate change impact reducing competitiveness of competitor regions. Business structure issues (e.g. lack of viable alternative to Managed Investment Scheme post GFC collapse of the major players) a key impediment to plantation expansion.

Industry Sector	Geographic Markets	Issues/Gaps	Opportunities
Tourism	National and regional some limited international	<ul style="list-style-type: none"> ■ Fragmented industry comprising mainly SMEs ■ Degree of parochialism but some key success stories to build on ■ Access to key existing and new attractions ■ New regional tourism body. 	<ul style="list-style-type: none"> ■ Improved regional marketing ■ Development of multi location touring routes to meet identified market s including facilitation of appropriate support services ■ Increased market research and operator support ■ New niche operations including community driven, nature based and cultural tourism (current successful examples to build on)
Communications / ICT	Regional and Local		<ul style="list-style-type: none"> ■ NBN related developments ■ Increased coverage based on current and planned local and regional developments.
Education and Training	Regional, national and international	<ul style="list-style-type: none"> ■ International student numbers have reduced ■ Move to “national curricula” ■ Funding mechanisms 	<ul style="list-style-type: none"> ■ Scope to broaden regional offering to provide more consistent services to all areas ■ Scope to provide range of service to meet regional needs based on demographic trends and geography ■ Scope to provide coordinated regional training within a national framework ■ Development of international offerings based on providing quality education in a safe environment.
Health and Community Services	Regional and local	<ul style="list-style-type: none"> ■ Need to get closer to capital city standard and scope of services for regional areas ■ National drivers of tertiary health education and training 	<ul style="list-style-type: none"> ■ Scope to broaden regional offering to provide more consistent services to all areas ■ Scope to provide range of service to meet regional needs based on demographic trends and geography ■ National interest in “health tourism”-scope to participate in the development
Environmental services	Local	<ul style="list-style-type: none"> ■ Scale economies – garnering adequate waste volumes without excessive transport costs ■ New services may require significant research and consequent investment 	<ul style="list-style-type: none"> ■ Potential to provide recycling services for State and national markets areas ■ Potential to process waste for energy ■ Potential to lead in natural resource management services

Industry Sector	Geographic Markets	Issues/Gaps	Opportunities
		<ul style="list-style-type: none"> ■ Potential expansion of coastal levy of \$35 per tonne of waste to land fill across inland NSW would increase incentive for recycling and more innovative waste management options. ■ Introduction of a carbon price could provide an incentive for change. 	<p>including but not limited to carbon sequestration</p> <ul style="list-style-type: none"> ■ Positioning to lead in providing services for emerging and new markets based on anticipated “pricing” across a range of natural resources over time.
Energy	No major regional players Resources provided by state and national suppliers?	<ul style="list-style-type: none"> ■ Region has resources – Check wind solar comparison other areas accessible to the grid? ■ Enabling services? ■ Potential to develop regional players ■ Introduction of a carbon price could provide an incentive for further development. 	<ul style="list-style-type: none"> ■ Energy from waste. ■ Local and regional generation and reticulation electricity and gas ■ Niche projects including co and tri generation. ■ Scope to feed excess power into grid? ■ Biofuels ■ Early adoption of new technology e.g. Fuel cells, community solar
Extraction	Growth market National and export	<ul style="list-style-type: none"> ■ Non renewable resource limited life need consideration of post extraction position 	
Transport & Logistics	Local and regional some national	<ul style="list-style-type: none"> ■ Enabling services? 	<ul style="list-style-type: none"> ■ Scope for niche national services – particularly between capital cities and export ports, and the region ■ Improve productivity to assist other regional industry gain/retain global competitiveness
Professional, financial & business services	Largely local		<ul style="list-style-type: none"> ■ Enhanced communication – Success linked more to capability than location
Other services	Local		<ul style="list-style-type: none"> ■ Personal and cultural services opportunities will be linked to population growth and characteristics and to some extent tourism.

Opportunities Long List

The complete long list of opportunities is provided in the accompanying spreadsheet. Table 4 indicates the number of specific opportunities identified to date. The majority of these are assessed as infrastructure projects although a number of these have elements under one or other of the other two categories. Of the 88 opportunities only one was assessed as of high economic impact from a total regional perspective, with 31 medium impact and 32 low. There were also only one each assessed as high impact from a social and environmental perspective. Given the number of high impact opportunities assessed at the industry level, this suggests the first assessment may be a little harsh and may need to be reviewed. Alternatively it may suggest that specific opportunities need to be considered more broadly in terms of how they might be used and/or promoted to extend their regional significance.

It should also be noted that the assessment relates to level of regional significance. Many if not all of the projects proposed will be significant to their local communities and Local Government areas and may be replicated in other local areas or linked to provide broader regional benefits. Comments on this are included in the following table where the current assessment is low or left blank for the triple bottom line categories.

Table 4: Number of Identified Opportunities by Category

Category	Total
Infrastructure	52
Increased productive capacity	23
Improved use of existing capacity	13
Total Opportunities	88

The tables below provide the listings by category and impact. The source or sponsor/proposer of the opportunities and the industry/market areas are indicated in the first two columns. In some cases it is considered that an opportunity has elements that fit into more than one category. In these cases the proposed opportunities are categorised by their primary and secondary purposes. Lastly as with the market opportunities earlier, each opportunity is assessed in terms of its economic, social and environmental impact and its ease of implementation.

Table 5 indicates the proposed infrastructure opportunities.

Table 5: Identified Infrastructure Opportunities

Sponsor / proposer	Market / Industry	Opportunity	Primary category	Secondary category	Key area of regional impact			Ease of implementation (H – L)	Comment
					Economic	Social	Environment		
Balranald Shire Council	Community	Main Street Development	Infrastructure	-	L	L	-	H	Main Street developments are recognised as having strong social and economic benefits for the local community and potential to attract visitors to stop and possibly stay. They are less likely to attract new visitors unless they have some unique and exciting element.
Berrigan Shire Council	Community	Upgrading Finlay and Barooga Recreation Reserves	Infrastructure	Improved utilisation of existing capacity	L	L	-	H	Likely to have a high local impact.
Berrigan Shire Council	Community	Development of Tocumwal foreshore including provision of VIC	Infrastructure	Improved utilisation of existing capacity	L	L	-	L	Extent of impact may be higher than rated depending on the extent and quality of the development and use.
Carrathool Shire Council	Community	Upgrade Hillston Aquatic Centre	Infrastructure	-	-	L	-	H	Likely to have a medium to high local impact.
Corowa Shire Council	Community	New/replace Corowa Pool \$7m	Infrastructure	-	-	L	-	M	Likely to have a high local impact with potential to have an economic impact as well as social if the new pool attracts visitors based on its relative quality and services offered and on its ability to host regional and

Sponsor / proposer	Market / Industry	Opportunity	Primary category	Secondary category	Key area of regional impact			Ease of implementation (H – L)	Comment
					Economic	Social	Environment		
									larger events.
Corowa Shire Council	Community	Upgrade Civic Precinct \$5m	Infrastructure	-	L	L	-	L	Civic developments should have strong social and economic benefits for the local community and potential to attract visitors to stop and possibly stay. They are less likely to attract new visitors unless they have some unique and exciting element.
Griffith City Council	Community	Upgrade Griffith regional Aquatic Centre (install 50m swimming pool) \$4.5m	Infrastructure	-	-	L	-	M	Likely to have a high local impact with potential to have an economic impact as well as social if the new pool attracts visitors based on its relative quality and services offered and on its ability to host regional and larger events.
Griffith City Council	Community	Establish new Cemetery \$1m initial cost	Infrastructure	-	-	L	-	H	Likely to have a high local social impact.
Hay Shire Council	Community	Refurbishment of swimming pool complex \$2.6m	Infrastructure	-	-	L	-	M	Likely to have a high local social impact.
Leeton Shire Council	Community	Develop integrated community / cultural centre \$1.2m	Infrastructure	-	-	L	-	M	Likely to have a high local social impact. Extending the impact would depend on the centre's use and services offered.

Sponsor / proposer	Market / Industry	Opportunity	Primary category	Secondary category	Key area of regional impact			Ease of implementation (H – L)	Comment
					Economic	Social	Environment		
Leeton Shire Council	Community	Upgrade of Leeton Roxy Community Theatre \$625K	Infrastructure	Improved utilisation of existing capacity	-	L	-	H	Likely to have a high local social impact. Extending the impact would depend on the centre's use and services offered. Note the example at Gulargambone.
Leeton Shire Council	Community	New heated swimming pool \$8m	Infrastructure	-	-	L	-	L	Likely to have a high local social impact. Additional economic impacts may be possible based on the pool uses.
Urana Shire Council	Community	Modernise community halls \$5m	Infrastructure	Improved utilisation of existing capacity	-	L	-	L	Likely to have a medium to high local social impact.
Wentworth Shire Council	Community	Upgrade Wentworth Showground complex \$2m	Infrastructure	Improved utilisation of existing capacity	L	L	-	M	Likely to have a high local economic and social impact. A broader sub-regional and/or regional impact may be possible based on the show ground events.
Wentworth Shire Council	Education	Upgrade Midway Childcare Centre in Buronga \$1.5m	Infrastructure	Improved utilisation of existing capacity	-	L	-	H	Likely to have a medium to high local social impact.

Sponsor / proposer	Market / Industry	Opportunity	Primary category	Secondary category	Key area of regional impact			Ease of implementation (H – L)	Comment
					Economic	Social	Environment		
NSW Business Chamber Murray-Riverina Regional Advisory Council Deniliquin City Council Murray Shire Council	Energy	Regional Natural Gas Extension (MSC - Deniliquin to Mathoura)	Infrastructure	-	M	-	-	L	
Albury City Council	Energy	Gas to Ettamogah industrial site	Infrastructure	-	M	-	-	M	
Murrumbidgee Shire Council	Energy	Provision of natural gas to Darlington Point, Coleambally and bore pumpers between the towns \$25m	Infrastructure	-	L	L	-	L	Potential to have a medium to high local economic impact. Regional implications of this and similar developments may be possible based on sound regional coordination of projects.
Griffith City Council RDA Riverina Regional Plan	Health	Development of private / public hospital	Infrastructure	-	L	M	-	M	
Murray Shire Council	Health	Upgrade Echuca Hospital	Infrastructure	-	M	M	-	M	

Sponsor / proposer	Market / Industry	Opportunity	Primary category	Secondary category	Key area of regional impact			Ease of implementation (H – L)	Comment
					Economic	Social	Environment		
Greater Hume Shire	Industrial	Holbrook Industrial Estate Infrastructure \$1m	Infrastructure	-	L	-	-	M	Potential to have a medium to high local economic impact. Regional implications of this and similar developments may be possible based on sound regional coordination of projects.
Murrumbidgee Shire Council	Industrial	Provision of serviced industrial land at Darlington Point \$1m	Infrastructure	-	L	-	-	M	Potential to have a medium to high local economic impact. Regional implications of this and similar developments may be possible based on sound regional coordination of projects.
Griffith City Council	Local Government	Relocate Council depot \$3m	Infrastructure	-	L	-	-	M	Likely to have a medium to high local social and economic impacts.
Griffith City Council RDA Riverina Regional Plan	Logistics	Freight terminal relocation	Infrastructure	-	L	-	-	M	This may have a higher regional impact subject to operation of terminal and industrial park. Subject to review.
Carrathool Shire Council	Tourism	Upgrade Hillston Caravan Park	Infrastructure	-	L	-	-	H	Likely to have a medium to high local social and economic impacts.
Jerilderie Shire Council	Tourism	Restoration of the town 25m pool	Infrastructure	-	-	L	-	M	Likely to have a medium to high local social impact.

Sponsor / proposer	Market / Industry	Opportunity	Primary category	Secondary category	Key area of regional impact			Ease of implementation (H – L)	Comment
					Economic	Social	Environment		
NSW Business Chamber Murray-Riverina Regional Advisory Council Wakool Shire Council	Transport	New Bridge over Murray River (WCS: Swan Hill Murray Downs, Tooleybuc, Barham Koondrook)	Infrastructure	-	M	M	-	M	
NSW Business Chamber Murray-Riverina Regional Advisory Council	Transport	Albury Airport Upgrade	Infrastructure	-	L	L	-	H	This may have a higher regional impact. Subject to review.
NSW Business Chamber Griffith City Council RDA Riverina Regional Plan	Transport	Expansion Griffith, Albury, Wagga Wagga Airports	Infrastructure	-	M	M	-	M	Opportunities for training, tourism and business generally
NSW Business	Transport	Melbourne-Brisbane Inland freight line	Infrastructure	-	M	-	-	L	Infrastructure Australia for consideration

Sponsor / proposer	Market / Industry	Opportunity	Primary category	Secondary category	Key area of regional impact			Ease of implementation (H – L)	Comment
					Economic	Social	Environment		
Chamber									
Balranald Shire Council	Transport	Extend Sealed road to Mungo NP	Infrastructure	-	M	-	-	M	
Balranald Shire Council	Transport	Seal the Wooltrack	Infrastructure	-	L	-	-	L	Impact likely to be affected by increased usage.
Conargo Shire Council	Transport	Upgrade MR319 gravel to sealed Upgrade MR296 Seal Tocumwal to Tuppal Road	Infrastructure	-	L	L	-	L - M	Impact likely to be affected by increased usage.
Hay Shire Council	Transport	Replace bridge over Murrumbidgee at Maude \$2m	Infrastructure	-	L	-	-	M	Impact likely to be affected by increased usage.
Murray Shire Council	Transport	Confirm and fund Echuca Moama Bridge	Infrastructure	-	L	-	-	M	Impact likely to be affected by increased usage. May have a higher regional impact than assessed at present.
Narrandera Shire Council	Transport	Upgrade Canal Bridge Leeton Road	Infrastructure	-	L	-	-	M	Impact likely to be affected by increased usage.
Narrandera Shire Council	Transport	Widen intersection at Nallabooma Estate (safety issues)	Infrastructure	-	-	L	-	M	Likely to have a high local social impact.
Urana Shire Council	Transport	Reconstruction of Federation Way to heavy Vehicle Standard \$12m	Infrastructure	Improved utilisation of existing capacity	M	-	-	M	
Urana Shire Council	Transport	Replace concrete bridges to modern standards \$6m	Infrastructure	-	L	-	-	M	Impact likely to be affected by increased usage.

Sponsor / proposer	Market / Industry	Opportunity	Primary category	Secondary category	Key area of regional impact			Ease of implementation (H – L)	Comment
					Economic	Social	Environment		
Wentworth Shire Council	Transport	Wentworth aerodrome redevelopment \$2m	Infrastructure	-	M	-	-	L	
RDA Riverina Regional Plan	Transport	Improvement of Goccup Road (Tumut to Gundagai)	Infrastructure	-	L	-	-	H	Impact likely to be affected by increased usage.
Carrathool Shire Council	Water	Replace Defective water mains	Infrastructure	-	-	L	-	M	Likely to have a high local social impact.
Corowa Shire Council	Water	New/replace Corowa Sewerage Treatment Plant \$20m	Infrastructure	-	-	L	L	M	Likely to have a high local social impact.
Greater Hume Shire	Water	Gerogery effluent disposal (Sewerage) scheme \$1.75m	Infrastructure	-	-	L	L	M	Likely to have a high local social impact.
Greater Hume Shire	Water	Woomargama effluent disposal (Sewerage) scheme \$1.75m	Infrastructure	-	-	L	L	M	Likely to have a high local social impact.
Hay Shire Council	Water	Renewal sewer plant \$6m	Infrastructure	-	-	L	L	M	Likely to have a high local social impact.
Jerilderie Shire Council	Water	Filtered water replacement	Infrastructure	-	-	L	-	M	Likely to have a high local social impact.
Murrumbidgee Shire Council	Water	Effluent reuse / storm water harvesting \$500K	Infrastructure	-	-	L	H	H	Likely to have a high local social impact.
Narrandera Shire Council	Water	Sewer Gillenbah	Infrastructure	-	-	L	-	M	Likely to have a high local social impact.
Narrandera Shire Council	Water	River bank stabilisation at Gillenbah	Infrastructure	-	-	L	-	M	Likely to have a high local social impact. May have an environmental impact?

Sponsor / proposer	Market / Industry	Opportunity	Primary category	Secondary category	Key area of regional impact			Ease of implementation (H – L)	Comment
					Economic	Social	Environment		
Narrandera Shire Council	Water	Sewer Barellan	Infrastructure	-	-	L	-	M	Likely to have a high local social impact.
Wakool Shire Council	Water	Barham Flood levy	Infrastructure	-	-	L	-	M	Likely to have a high local social impact.

(1) Note H = relatively easy (straight forward) to implement L = Difficult to implement.

Table 6 indicates the proposed projects that would provide increased productive capacity for the region.

Table 6: Identified Increased Productive Capacity Opportunities

Sponsor / proposer	Market / Industry	Opportunity	Primary category	Secondary category	Key area of regional impact			Ease of implementation (H – L)	Comment
					Economic	Social	Environment		
Linda Summers	Agriculture	Development of prosperity farming opportunities including: Bee propagation, seed banking, commercialisation of environmental opportunities	Increased productive capacity	Improved utilisation of existing capacity	L	-	-	H	If current opportunities offer scope to provide pilot studies that can be replicated for other niches this opportunity may have a larger regional impact
Griffith City Council	Community	Extend current library \$1m	Increased productive capacity	-	-	L	-	L	Likely to have a high local social impact. Additional benefits may be possible depending on services offered.
RDA Murray	Community	Small/home based businesses	Increased productive capacity	Improved utilisation of existing capacity	L	M	-	H	

Sponsor / proposer	Market / Industry	Opportunity	Primary category	Secondary category	Key area of regional impact			Ease of implementation (H – L)	Comment
					Economic	Social	Environment		
RDA Riverina Regional Plan	Defence	Upgrade of Kapooka Army Base and development of new facilities	Increased productive capacity	Improved utilisation of existing capacity	M	-	-	L	
RDA Riverina Regional Plan	Education	Development of the Wagga Aviation and Education hub	Increased productive capacity	Infrastructure	M	L	-	M	
Linda Summers	Education	Develop innovative education and training opportunities that provide decentralised hands on experience opportunities within a State and national training framework	Increased productive capacity	Improved utilisation of existing capacity	M	M	-	M	
Other consultation	Education	Development of regional cooperative programs designed to increase ability to attract / train up / retain skilled / professional staff including potential: Regional cadetships in partnership with regional and other universities and TAFEs. Collaboration across businesses could enable a critical mass of demand that could justify local course provision; Regional PD programs	Increased productive capacity	Improved utilisation of existing capacity	M	M	-	M	

Sponsor / proposer	Market / Industry	Opportunity	Primary category	Secondary category	Key area of regional impact			Ease of implementation (H – L)	Comment
					Economic	Social	Environment		
Other consultation	Education	Develop other collaborative programs based on a successful education approach such as regional marketing, R&D / innovation, industry clusters etc.	Increased productive capacity	Improved utilisation of existing capacity	M	M	-	M	
Existing situation analysis	Energy	Biomass through use of agricultural bi-products such as grape marque, rice stalks and similar	Increased productive capacity	Improved utilisation of existing capacity	M	-	M	M	
RDA Murray	Environmental services	Water saving industry	Increased productive capacity	-	L	L	-	M	Impact may be understated subject to review.
Existing situation analysis	Environmental services	Plants to sort and process recyclables	Increased productive capacity	-	M	-	L	H	
NSW Business Chamber Murray-Riverina Regional Advisory Council RDA Riverina Regional Plan	Health	Redevelopment Wagga Base Hospital	Increased productive capacity	-	M	M	-	M	

Sponsor / proposer	Market / Industry	Opportunity	Primary category	Secondary category	Key area of regional impact			Ease of implementation (H – L)	Comment
					Economic	Social	Environment		
RDA Riverina Regional Plan	Health	Development of a Riverina Health Research Institute at CSU Wagga Wagga	Increased productive capacity	-	M	L	-	M	
Other consultation	Health	Aged Care including aging in place based on meeting needs of an aging population with in-migration to larger centres	Increased productive capacity	Improved utilisation of existing capacity	H	M	-	M	
RDA Murray	Industrial	Development of industry park at former Murray Valley Field Station	Increased productive capacity	-	M	-	-	M	
NSW Business Chamber Albury City Council	Logistics	Albury Industrial Hub (Davey Road Interchange)	Increased productive capacity	Improved utilisation of existing capacity	M	-	-	M	
NSW Business Chamber RDA Riverina Regional Plan	Logistics	Bomen Intermodal Terminal	Increased productive capacity	-	M	-	-	M	Enhanced export competitiveness
Albury City Council	Tourism	Long Term Strategic Development Program \$26m Art Gallery Redevelopment	Increased productive capacity	-	M	L	-	M	

Sponsor / proposer	Market / Industry	Opportunity	Primary category	Secondary category	Key area of regional impact			Ease of implementation (H – L)	Comment
					Economic	Social	Environment		
Albury City Council	Tourism	Murray River Wagirra Trail	Increased productive capacity	-	L	L	-	H	Impact may be understated subject to review.
Griffith City Council	Tourism	Purpose built regional art gallery on existing regional theatre site \$4m	Increased productive capacity	-	L	L	-	M	Impact may be understated subject to review.
Other consultation RDA Murray	Tourism	Indigenous tourism based on relatively high proportion in population and existing role models	Increased productive capacity	-	M	M	-	H	

Sponsor / proposer	Market / Industry	Opportunity	Primary category	Secondary category	Key area of regional impact			Ease of implementation (H – L)	Comment
					Economic	Social	Environment		
Other consultation	Tourism	Tourism opportunities include but are not limited to: <ul style="list-style-type: none"> ■ Touring routes / trails ■ Events ■ Build on successful cultural experiences ■ Revamping of tourist information / change of VIC roles ■ Collaboration and support for tourism businesses ■ Themed tours e.g. golf ■ Need to retain key services like service stations, toilets, camp sites ■ Niche markets based on key regional strengths e.g. House boats. Paddle Steamers ■ Continued maintenance and up grading of key infrastructure such as the Echuca Wharf. 	Increased productive capacity	Improved utilisation of existing capacity	M	M	-	H	

Sponsor / proposer	Market / Industry	Opportunity	Primary category	Secondary category	Key area of regional impact			Ease of implementation (H – L)	Comment
					Economic	Social	Environment		
NSW Business Chamber	Transport	Western Riverina Intermodal Terminal	Increased productive capacity	-	M	-	-	M	

Table 7 indicates proposed opportunities that offer an improvement in existing capacity in the region.

Table 7: Identified Improved Utilisation of Existing Capacity Opportunities

Sponsor / proposer	Market / Industry	Opportunity	Primary category	Secondary category	Key area of regional impact			Ease of implementation (H – L)	Comment
					Economic	Social	Environment		
Existing situation analysis	Agriculture	Use of skills and equipment capability to provide services to non agricultural customers and to produce new products	Improved utilisation of existing capacity	Increased productive capacity	M	-	-	H	
Existing situation analysis	Agriculture	Cooperative arrangements including purchasing arrangements to obtain the benefits of bulk purchase and marketing arrangements	Improved utilisation of existing capacity	-	M	-	-	M	
Linda Summers	Communications	Local area community broadband to integrate with and complement the NBN	Improved utilisation of existing capacity	-	M	M	-	H	
Other consultation	Education	Working with regional Universities, TAFEs and industry to increase the regional intake at undergraduate level	Improved utilisation of existing capacity	-	M	H	-	H	
Existing situation analysis	Health	Medical facilities for overseas patients	Improved utilisation of existing capacity	-	M	L	-	L	

Sponsor / proposer	Market / Industry	Opportunity	Primary category	Secondary category	Key area of regional impact			Ease of implementation (H – L)	Comment
					Economic	Social	Environment		
Berrigan Shire Council	Logistics	Freehold Development sites at Tocumwal Aerodrome	Improved utilisation of existing capacity	-	L	-	-	H	Potential for high local economic impact
Linda Summers	Professional and financial	Development of innovative financing options	Improved utilisation of existing capacity	-	L	M	-	H	
Hay Shire Council	Tourism	New toilet Blocks at Sandy Point and the Main Park complex \$350K	Improved utilisation of existing capacity	-	L	L	-	H	High local social impact may have economic impact potential.
Jerilderie Shire Council	Tourism	Restoration of the iconic Ned Kelly sites	Improved utilisation of existing capacity	-	M	-	-	M	
Narrandera Shire Council	Tourism	New VIC and toilet block at Narrandera Park	Improved utilisation of existing capacity	-	L	L	-	H	High local economic and social impact may have higher impact potential.
NSW Business Chamber Murray-Riverina Regional Advisory Council	Transport	Rail Branch Lines	Improved utilisation of existing capacity	-	L	L	-	L	High local economic and social impact may have higher impact potential.

Sponsor / proposer	Market / Industry	Opportunity	Primary category	Secondary category	Key area of regional impact			Ease of implementation (H – L)	Comment
					Economic	Social	Environment		
NSW Business Chamber Deniliquin Council Murray Shire Council	Transport	Deniliquin Airport Upgrade	Improved utilisation of existing capacity	-	L	L	-	M	High local economic and social impact may have higher impact potential.
NSW Business Chamber Deniliquin Council Murray Shire Council	Transport	Moama-Deniliquin Rail Upgrade	Improved utilisation of existing capacity	-	L	L	-	M	High local economic and social impact may have higher impact potential.

Further Assessment

Further assessment of the information in this report is proposed at a workshop with the project Steering Committee on the 31st January 2010. This workshop will:

- Consider whether there are any other opportunities
- Review and amend as necessary the initial impact assessment
- Determine a shortlist of opportunities for more detailed documentation
- Confirm a common process to assess all opportunities
- Identify any proposed opportunities that should be included in the short shortlist for business case assessment.

The long shortlist will then be tested in a second round of consultation and further desk research. It is anticipated that the second round of consultation may identify additional viable opportunities as the earlier consultation was slightly truncated due to Christmas and holidays. If so these will be included in the overall spreadsheet and subject to the common assessment process prior to either further documentation or inclusion in the short shortlist.