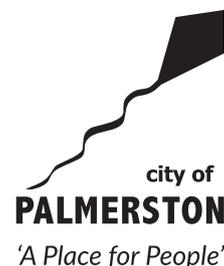




# Palmerston Local Economic Plan

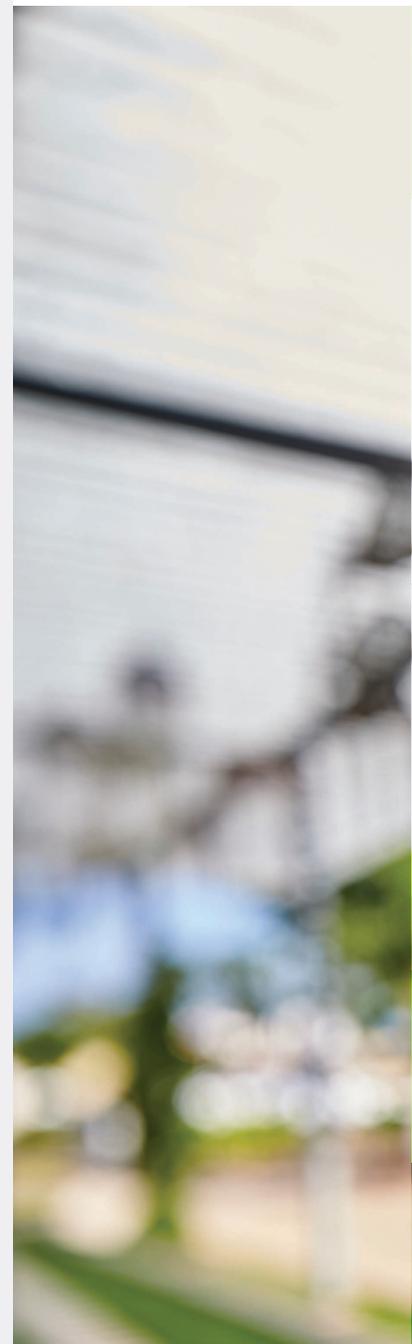
CITY OF PALMERSTON

2021 - 2031



# Contents

<b>01</b>	Executive Summary	<b>4</b>
<b>02</b>	Background	<b>6</b>
<b>03</b>	The story of growth in Palmerston	<b>7</b>
<b>04</b>	Palmerston's economic features	<b>8</b>
<b>05</b>	Economic analysis	<b>13</b>
<b>06</b>	Community insights	<b>15</b>
<b>07</b>	Growing Palmerston's Economy	<b>16</b>
<b>08</b>	Strategic considerations	<b>18</b>
<b>09</b>	Palmerston Local Economic Plan	<b>20</b>
<b>10</b>	Business and industry attraction and retention	<b>21</b>
<b>11</b>	Population attraction and retention	<b>24</b>
<b>12</b>	Foster business development and innovation	<b>26</b>
<b>13</b>	Strategic pursuits	<b>28</b>
<b>14</b>	Response to COVID-19	<b>30</b>
<b>15</b>	Implementation	<b>32</b>
<b>16</b>	Palmerston Local Economic Plan	<b>34</b>
<b>17</b>	Implementation plan	<b>36</b>
	Annexure A	<b>43</b>
	Annexure B	<b>45</b>



“Palmerston has demonstrated strong growth over a short period of time, setting a foundation for a dynamic future.”





# Foreword

## MESSAGE FROM CHIEF MINISTER

The Northern Territory Government is proud to present the Palmerston Local Economic Plan 2021-2031 in collaboration with the City of Palmerston.

The Plan is ambitious – and we should be ambitious – for the Territory and its future.

The year 2021, the commencement of the City of Palmerston's decade-long Plan, showed us that not only could Territorians bind together in a crisis, we could emerge from it with a head-start.

The Northern Territory has weathered this pandemic better than anywhere else in Australia.

We are now the country's comeback capital. With our continued 'whatever it takes' approach, we will ensure that we can turn this once-in-a-century crisis into a once-in-a-century opportunity.

The Palmerston Local Economic Plan aligns with the Northern Territory Government's Territory Economic Reconstruction Commission Report – our whole-of-Territory blueprint for our economic rebound – with an ambitious goal of making the Territory a \$40 billion economy by 2030.



Palmerston is a young, vibrant city. It is a place where families can lay down their roots and build a home, businesses can grow and the sense of community is strong.

Just as the Territory Economic Reconstruction Commission has provided a blueprint for the Territory, the Palmerston Local Economic Plan provides a focused blueprint for Palmerston.

It outlines the vast opportunities in Palmerston – in agribusiness, health, energy and minerals, international education and training and defence.

The Palmerston Local Economic Plan provides a pathway to capture these opportunities. To provide avenues for businesses and industry to thrive, and to ensure Palmerston is a key centre for growth in the Territory.

**Hon Michael Gunner MLA**  
Chief Minister, Northern Territory



“We are now  
the country’s  
comeback capital.”

## MESSAGE FROM MAYOR

City of Palmerston is proud to present its first Local Economic Plan, which has been developed in collaboration with the Northern Territory Government.

Palmerston is a young and vibrant community, with many families choosing to set down roots. This provides an opportunity for businesses to develop and provide a range of goods, services and employment opportunities for not only our residents but surrounding industries including Defence, gas, mining, aquaculture, agriculture and manufacturing. City of Palmerston is committed to attracting and supporting businesses and development within our municipality.

The Plan has been developed after thorough economic analysis of Palmerston and key stakeholder engagement to support and work alongside the Northern Territory Government’s Economic Development Framework.

To drive the continued growth of Palmerston’s economy, we have developed a 10-year Local Economic Plan with long- and short-term goals to capture and address the opportunities. City of Palmerston is dedicated to supporting our public and private sectors to ensure a strong economy is built and maintained for our Community and future generations. Our commitment through our Long Term Financial Plan is an investment of over \$100 million in infrastructure over the next ten years.

Palmerston is a major hub for small and medium business, with a majority of business operating within the municipality being sole traders or having less than 20 employees. Together with a rapidly growing population and strong sense of community, increasing by 41% in the 10-years from 2007, Palmerston provides plenty of opportunities and avenues for businesses to set up and expand.

Being centrally located in the Top End and representing 15% of the Northern Territory’s population, Palmerston is in close proximity to rail and port infrastructure, and prime agricultural land, making Palmerston an ideal location for investment. Offering a number of significant facilities, including a Charles Darwin University Campus and a regional Hospital, City of Palmerston is ready to support businesses to grow and thrive, and continue to provide opportunities for our future.

With the ongoing collaboration between City of Palmerston and the Northern Territory Government, this Plan will ensure that we will be “A Place for People” and a “Family City” where businesses set up to grow.

**Athina Pascoe-Bell**  
City of Palmerston Mayor

# 01

## Executive Summary



Economic health and prosperity is widely recognised as a vital pillar supporting a successful and prosperous community. This view is shared by the City of Palmerston local government and community, as highlighted in the Palmerston community plan, which states:

“When businesses thrive, families also thrive, and our city becomes more liveable.”<sup>1</sup>

The Palmerston City Council has identified the need to actively pursue an economic development strategy and to achieve this has commissioned Deloitte in the establishment of the *Palmerston Local Economic Plan 2021-2031*. The plan has been informed by:

- Economic analysis
- Consultation with business and community members
- Review and consideration of strategic opportunities and partnerships

The *Palmerston Local Economic Plan* commences from a strong foundation of growth in the City of Palmerston, including a history of high population growth, and positive outcomes in a range of economic indicators, such as annual gross regional product (GRP) growth of 4% per annum on average over the five years to 2019.

Socio-economic analysis highlights that Palmerston has a young and growing population, higher incomes relative to other centres in the NT, and a growing labour force.

Economic activity and employment in Palmerston is focused on construction, retail, and government services. A lack of industry and sector diversity, and a reliance on major projects presents some risks to the Palmerston economy due to potential volatility impacts. In addition,

<sup>1</sup>City of Palmerston, Community Plan, [https://www.palmerston.nt.gov.au/sites/default/files/uploads/files/2019/CoP\\_Community%20Plan.pdf](https://www.palmerston.nt.gov.au/sites/default/files/uploads/files/2019/CoP_Community%20Plan.pdf)

the dominance of small and medium business in the economy highlights the importance of business and economic support systems in Palmerston.

Economic analysis by Deloitte Access Economics has identified key advantages in Palmerston, presenting economic opportunities for Palmerston across local, regional and national economies, including:

- Cheaper rents than Darwin
- Proximity to port and rail infrastructure
- Proximity to prime agricultural lands
- Proximity to energy and mineral resources
- Proximity to Darwin
- A significant Defence presence
- The Charles Darwin University Campus
- The new Palmerston hospital precinct
- A young and growing population

In addition to opportunities, economic weaknesses and threats for Palmerston include:

- Lack of economic diversity
- Concentration of construction businesses
- Comparatively lower levels of educational attainment
- Completion of large-scale projects
- Delivery of critical infrastructure
- Proximity to other centres
- Climate change

In addition to economic analysis, consultation with local business and community members reflecting on the Palmerston economy has identified local stakeholder priorities including:

- Improving public safety
- Investment in retail and lifestyle services and supplies
- Ensuring available and affordable housing
- Investment in infrastructure to stimulate economic activity

With economic analysis of the Palmerston economy, identification of advantages, and stakeholder priorities, the following sectors offer growth opportunities in which economic pursuits should be focused:

- Agribusiness
- Education and training
- Energy and minerals
- Defence and defence support industries
- Health and allied health services
- Light industry, transport and logistics

In addition, potential opportunities, highlighted for future exploration have been identified as including:

- Social levers that support growth
- ICT industries
- Creative industries
- Tourism

To effectively harness the opportunities identified in Palmerston, while minimising weaknesses and threats, the *Palmerston Local Economic Plan* will work to grow the Palmerston economy by focusing on:

- Business and industry attraction and retention
- Population attraction and retention
- Fostering business development and innovation
- Strategic pursuits

The Plan identifies strategic intentions in each focus area, including:

- Attract agribusiness and energy and minerals companies, Defence support service and allied service and supply businesses to locate in Palmerston
- Foster industry precincts by co-locating supply and support service providers across Health, Defence, Agribusiness, Energy and Mining and Light industry, transport and logistics industries
- Promote Palmerston as a location for the establishment of new businesses and industries
- Attract target populations (Defence families, students and migrants) to Palmerston
- Invest in lifestyle attractions that enhance liveability and attractiveness of Palmerston
- Reduce City of Palmerston red tape to make it easier to do business in Palmerston and reduce regulatory burden
- Develop industry precincts in Palmerston and innovation enablement
- Facilitate business networking and business development services and assistance
- Explore ICT opportunities that Palmerston can develop
- Explore creative industry development opportunities in Palmerston
- Explore tourism industry development opportunities in Palmerston

The plan has a detailed implementation approach to achieve these strategic objectives.

Recognising the significant impact of the coronavirus pandemic (COVID-19) on economies across the globe, the *Palmerston Local Economic Plan* considers immediate action that can be taken to support businesses and communities.

# 02

## Background

Recognising that local government has an important role to play in supporting economic growth the City of Palmerston engaged Deloitte to establish a local economic plan for the Palmerston municipality.



A commitment to the development of an economic development plan has been formalised in the City's Municipal Plan, now named the *Palmerston Local Economic Plan 2021-2031*.

Deloitte established the plan through an iterative process, involving:

Data analysis by Deloitte Access Economics	Business and community consultations	Consideration of strategic opportunities and partnerships	Synthesis of analysis research and stakeholder input
<p>Focusing on:</p> <ul style="list-style-type: none"> <li>• Socio demographic profiling of Palmerston LGA; and</li> <li>• Economic assessment of opportunities for Palmerston.</li> </ul>	<p>With:</p> <ul style="list-style-type: none"> <li>• The Palmerston business community;</li> <li>• Palmerston community members;</li> <li>• City of Palmerston; and</li> <li>• Northern Territory Government.</li> </ul>	<p>With:</p> <ul style="list-style-type: none"> <li>• The Northern Territory (NT) Economic Development Framework (EDF);</li> <li>• NT 10 year infrastructure plan; and</li> <li>• Major and public and private projects.</li> </ul>	<p>Highlighting immediate and potential economic opportunities for Palmerston.</p>

The *Palmerston Local Economic Plan 2021-31* establishes targets, roles, responsibilities and measures in efforts to grow the Palmerston economy. A detailed implementation plan has been established to guide the delivery of the local economic plan.

# 03

## The story of growth in Palmerston

Palmerston was initially established in 1980 and is located about 20 kilometres south-east of the Northern Territory's capital city, Darwin. The city has grown quickly and has an estimated population of nearly 40,000 people in 2019.<sup>2</sup>

The municipality is adjacent to the Litchfield LGA and unincorporated land that lies between the City of Darwin and the City of Palmerston. Light industrial areas are located in the Palmerston suburbs of Pinelands and Yarrowonga. The city encompasses a total land area of 56 square kilometres.



Source: profile.id.com.au

Palmerston has demonstrated strong growth over a short period of time, setting a foundation for a dynamic future.

Palmerston's population grew by 41% in the ten years to 2017, and has continued to grow to

**38,270**

The number of registered businesses in Palmerston has grown by 75 between 2017 and 2019 to

**1,581**

The number of dwellings increased by 2,742 from 2011 to 2016 to

**13,119**

The median personal income in 2017 was 9% and 14% higher than City of Darwin and NT, respectively at

**\$64,885**

Palmerston's labour force has grown 24% from Dec 2010 to 2019 to

**21,256**

Palmerston's annual gross regional product has grown 4% per annum average for the past five years. Comparably, Australia's GDP grew 1.9% in 2019 a

**\$266 million**  
increase

<sup>2</sup> Economy.id, City of Palmerston LGA, economic profile, Regional Development Australia. pdf

# 04

## Palmerston's economic features

Analysis of the City of Palmerston economy reveals key features of the local economy. The analysis establishes the evidence base informing the *Palmerston Local Economic Plan*.



Some of the key socio-economic factors that differentiate Palmerston from its nearby capital city include:



A young and growing population



Higher incomes



A growing labour force



Strong economic growth

## SOCIO-ECONOMIC ANALYSIS

Palmerston has a number of advantages that place it in good stead for continued growth, however there are also several areas of weakness and threats which warrant recognition to support the mitigation of potential impacts.

### Palmerston has a young growing population

#### Palmerston is characterised by a rapidly growing population

Growing by **41%** and Representing **15%**  
from 2007 to 2017 of the total NT population

#### Palmerston has a young population

With a median age of **30 years** and Over **25%**  
of the population aged 0-14 years

#### Palmerston is known as the City of families for a reason

Over **50%** and **30%**  
of households consist of families with children 0-14 years of families are characterised by both parents working full time

### Palmerston has higher incomes

Likely a reflection of strong labour market conditions in the construction sector over recent years, relative to the City of Darwin and the NT:



Resident workers in Palmerston earned higher median personal incomes over the past five years



Median personal income in Palmerston in 2017 was higher at \$64,885

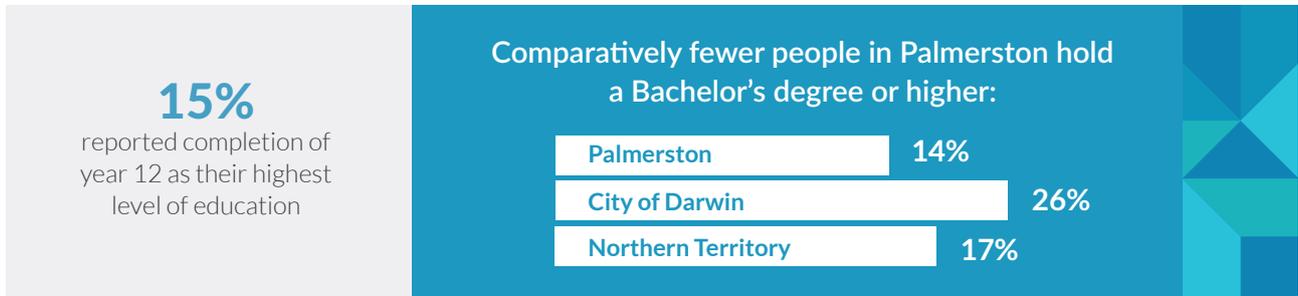


Median personal income in Palmerston grew more than 3% comparative from 2011 to 2016

While income measures in Palmerston demonstrate a positive trend, it is important to acknowledge income disparity is experienced in Palmerston like many areas across Australia. Establishing the need for government strategy and policy which considers a range of needs among the population.

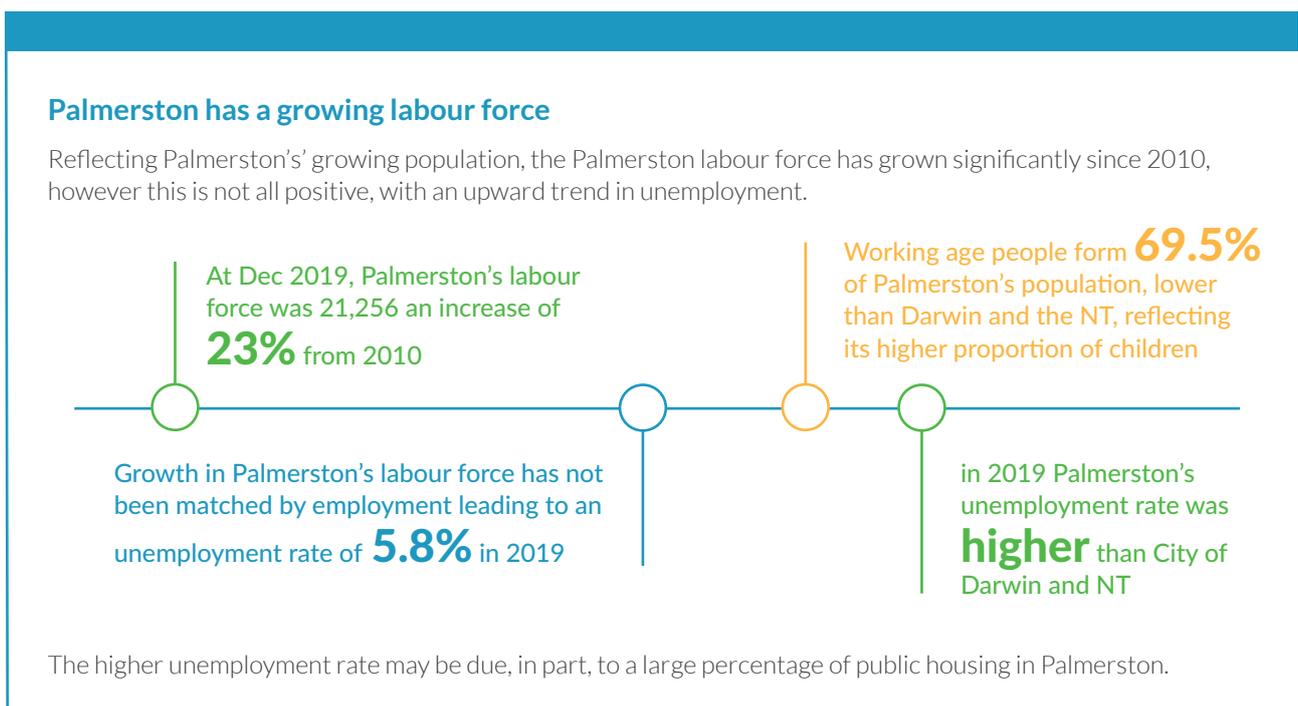
### Educational attainment

Overall, educational attainment in Palmerston is lower than in the City of Darwin and the NT as a whole. Of people aged 15 and over:



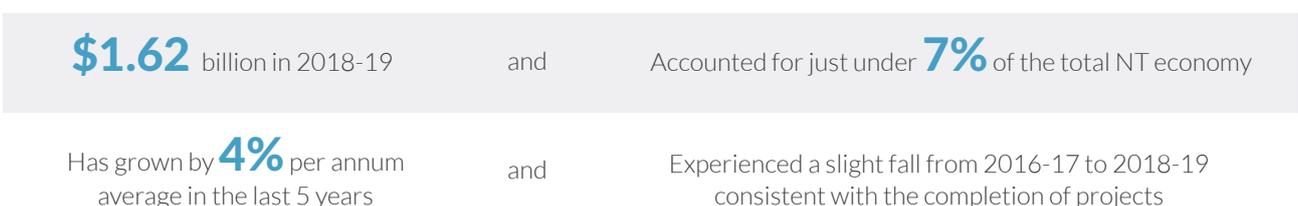
However, educational attainment has increased in Palmerston with the proportion of residents with a Bachelor's degree or higher increasing by 3% from 2011 to 2016, and with a young population, it is likely this trend will continue.

Though educational attainment is lower in Palmerston than in Darwin and the Territory as a whole, the median income in Palmerston is actually higher. This is likely a reflection of strong labour market conditions in the construction sector over recent years.



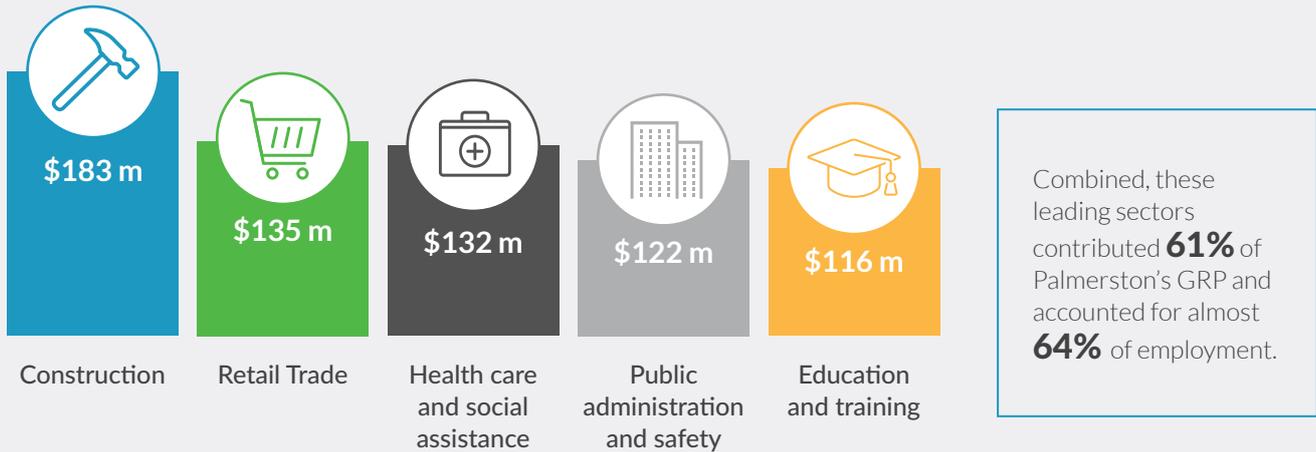
### Economic structure

Palmerston's annual Gross Regional Product (GRP) (a typical measure of the size of a local economy) was:



The overall trend for Palmerston’s economy is one of growth. The local economy has grown by \$266 million (or 20%) in nominal terms over the five years from 2014.

Palmerston’s key sectors and the value added from each in 2018-19, were:



Source: Economy.id, City of Palmerston LGA: Value added.

Government services industries (consisting of Education and Training, Health Care and Social Assistance, and Public Administrative and Safety) account for 36% of total employment in Palmerston.

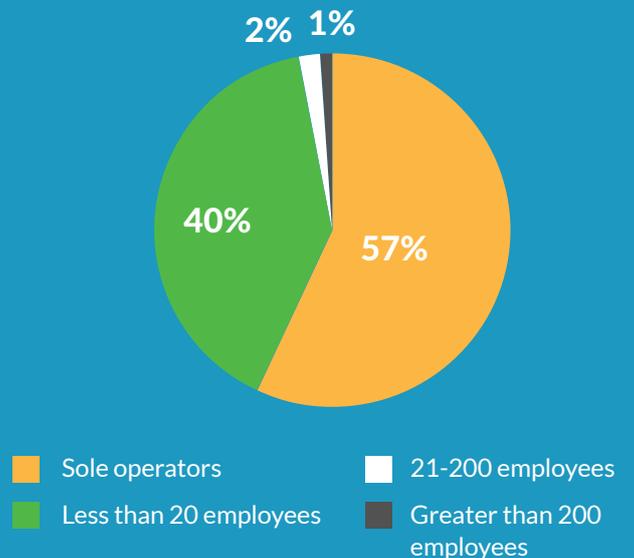
As of 2019, there were approximately 1,580 businesses in the Palmerston LGA. The industries with the largest number of businesses were:

<b>407</b>	Construction
<b>151</b>	Transport, postal and warehousing
<b>134</b>	Other
<b>133</b>	Professional, scientific and technical services
<b>131</b>	Retail, hiring and real estate services

Source: Economy.id, City of Palmerston LGA: Businesses by industry

The construction sector is a relatively cyclical industry and the high concentration of businesses in that industry is likely to expose the Palmerston economy to some output volatility. Continued diversification of the economy will help to diminish such volatility.

Palmerston’s economy is dominated by small to medium businesses, much like that of the rest of Australia.



The 2019 count of Australian Business in Table 1, shows business entries and exists in Palmerston Local Government Area by industry division and turnover size. The table highlights that over 50% of business in Palmerston earned less than \$200k in 2019, suggesting there are opportunities to support the substantial number of small businesses in the industries of:

- Construction;
- Transport, postal and warehousing;
- Finance and insurance services;
- Rental, Hiring and Real Estate Services
- Professional, Scientific and Technical Services
- Administrative and Support Services

...over 50% of business in Palmerston earned less than \$200k in 2019, suggesting there are opportunities to support the substantial number of small businesses...

**Table 1 - Business entry and exit by industry and turnover**

INDUSTRY	<\$50K	\$50K -< \$200K	\$200K -< \$2M	\$2M -< \$5M	\$5M -< \$10M	\$10M +	Total
Agriculture, Forestry and Fishing	13	11	15	0	0	0	<b>38</b>
Mining	0	3	3	0	0	0	<b>4</b>
Manufacturing	5	14	30	8	3	0	<b>60</b>
Electricity, Gas, Water and Waste Services	0	0	3	0	0	0	<b>3</b>
Construction	51	160	154	29	13	3	<b>407</b>
Wholesale Trade	9	9	10	11	0	0	<b>43</b>
Retail Trade	15	20	30	12	3	0	<b>84</b>
Accommodation and Food Services	3	14	36	3	0	0	<b>56</b>
Transport, Postal and Warehousing	75	41	30	5	0	0	<b>151</b>
Information Media and Telecommunications	6	3	0	0	0	0	<b>12</b>
Financial and Insurance Services	55	15	10	0	0	0	<b>83</b>
Rental, Hiring and Real Estate Services	28	60	38	7	0	0	<b>131</b>
Professional, Scientific and Technical Services	34	46	53	9	0	0	<b>133</b>
Administrative and Support Services	20	50	22	0	0	0	<b>94</b>
Public Administration and Safety	0	3	3	0	0	0	<b>6</b>
Education and Training	3	4	8	0	0	0	<b>21</b>
Health Care and Social Assistance	17	32	56	3	0	0	<b>108</b>
Arts and Recreation Services	3	3	10	0	0	0	<b>13</b>
Other Services	14	49	68	5	0	0	<b>134</b>
Currently Unknown	0	0	0	0	0	0	<b>0</b>
<b>Total</b>	<b>346</b>	<b>537</b>	<b>584</b>	<b>84</b>	<b>22</b>	<b>8</b>	<b>1,580</b>

# 05

## Economic analysis



Analysis of the City of Palmerston’s economic opportunities for growth, weaknesses and threats establish the evidence base informing the *Palmerston Local Economic Plan*.

### OPPORTUNITIES

The Palmerston economy has grown significantly over the past ten years.

From 2009 to 2019, Palmerston’s annual GRP has grown by around 50% to \$1.6 billion, and the number of jobs in Palmerston has grown similarly from around 7,200 to almost 11,000.<sup>3</sup>

Much of this growth is likely to have reflected Palmerston’s strong population growth. That in turn is likely to have been supported by increased mining-related construction activity in the broader Darwin region.

#### Key factors of advantage for Palmerston’s economy include:



cheaper rents than Darwin



proximity to port and rail infrastructure



proximity to prime agricultural lands



proximity to energy and mineral resources



proximity to Darwin



a significant Defence presence



Charles Darwin University campus



the new hospital precinct



a young and growing population

<sup>3</sup>Economy.id, City of Palmerston LGA: Gross Regional Product, <https://economy.id.com.au/rda-northern-territory/gross-regional-product?WebID=200&sEndYear=2008>

## WEAKNESSES AND THREATS

Like many regional centres, there are a range of factors that have the potential to limit or impede Palmerston's continued growth and economic prosperity. Potential factors of disadvantage may include:

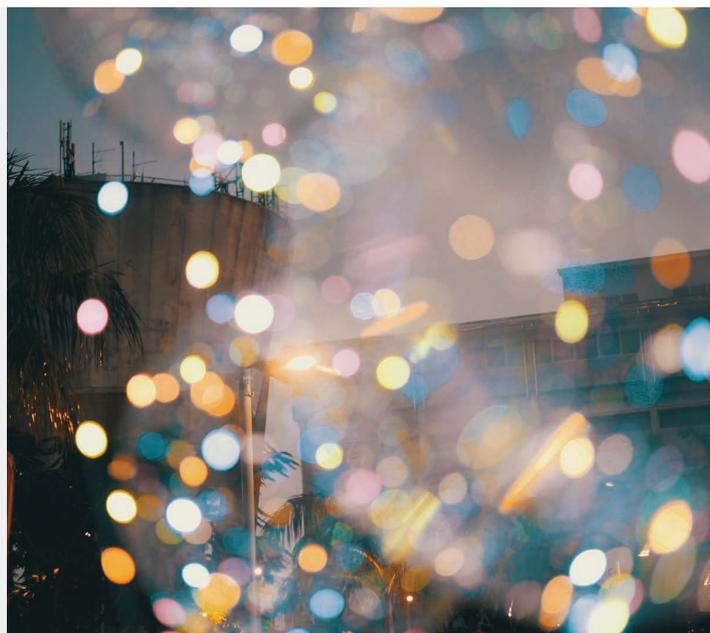
Lack of economic diversity	The Palmerston economy is very reliant on a small number of industry sectors.
	Construction and retail trade account for over a third of total GRP.
	Government services combine to account for 29% of economic activity.
Concentration of businesses in volatile industries	Palmerston currently has a large share of businesses focused on construction. A concentration of business in highly cyclical industry can expose the local economy to volatility.
Educational attainment	Relative to other areas in the NT, Palmerston on average has a lower skilled workforce with lower levels of education.
	Educational attainment will likely improve as the average age of Palmerston's population rises and the younger generation gain a higher level of education. However, until then, this can present a challenge to businesses seeking a higher skilled workforce from Palmerston itself. This also presents an opportunity to provide training for Palmerston's youth in Palmerston's growth industries.

A range of factors outside the control of Council and the Palmerston community can also impede or restrict Palmerston's continued economic growth. Potential threats to Palmerston that will need to be mitigated include:

Completion of large-scale resource projects	Business investment, employment and population growth are moderating as large-scale resource projects in the NT approach completion.
	Without a strong investment pipeline to follow, there is a risk of a decrease in private sector investment, resulting in a slowing of Palmerston's population and economic growth.
Delivery of critical infrastructure	Delivery and enhancement of Palmerston's economic, social and community infrastructure is critical to enabling continued business development and attracting and retaining a dynamic and capable workforce.
	The NT Government's 10-year Infrastructure Plan does highlight investment in Palmerston. However, the NT Government's limited capacity to fund substantial new infrastructure means partnerships between governments, the private sector and landholders are critical to delivering the critical infrastructure needs of Palmerston in future.
Proximity to other centres	Being located close to Darwin is both a strength and threat to Palmerston's continued economic development. While Palmerston can leverage growth opportunities in Darwin, it will also be competing directly with Darwin for private sector investment and for a dynamic and capable workforce.
	Proximity to Coolalinga, which also attracts retailers, can increase the competition faced by Palmerston
Climate change	Climate change is expected to result in greater rainfall variability, more extreme weather events, a greater number of hot days over 35 degrees, and place at risk fresh water supplies through salt-water incursion.
	Climate change is expected to negatively affect food and water security and increase the risks and costs to businesses particularly agrifood businesses.

# 06

## Community insights



As part of the development of the *Palmerston Local Economic Plan*, Deloitte engaged with stakeholders through a survey and public workshop to gain an understanding of expectations and views on growing the Palmerston economy. Key findings from the consultation are highlighted in this chapter, with further details provided in Appendix A.

Stakeholder priorities for the economy	<ul style="list-style-type: none"> <li>• Improving public safety and crime</li> <li>• Investment in retail and lifestyle services and supplies</li> <li>• Ensuring available and affordable housing</li> <li>• Investment in infrastructure to stimulate economic activity</li> </ul>
Challenges limiting economic development identified by stakeholders	<ul style="list-style-type: none"> <li>• Issues of public safety and crime</li> <li>• A lack of retail and lifestyle services</li> <li>• Transport</li> </ul>
Stakeholder perspectives on the future outlook for the economy	<ul style="list-style-type: none"> <li>• Higher rates of crime and public safety</li> <li>• A decline in business activity</li> <li>• Population decline in the NT including a loss of critical mass</li> <li>• Negative sentiment toward the outlook of the economy</li> </ul>
Stakeholder assessment on the state of the economy	<ul style="list-style-type: none"> <li>• Businesses aren't growing</li> <li>• Palmerston does not attract visitors or is not seen as a visitor destination</li> <li>• Palmerston does not attract businesses, nor is it seen as a business destination</li> <li>• Education and training is available to people who want or need it</li> </ul>
Measures of the economy stakeholders were neutral about	<ul style="list-style-type: none"> <li>• There is regional cooperation of economic development projects</li> <li>• Local Government and businesses work together on development projects</li> <li>• Entrepreneurs can succeed</li> </ul>
Stakeholders vision for the future economy	<ul style="list-style-type: none"> <li>• Lower crime and enhanced public safety</li> <li>• Thriving businesses and business growth</li> <li>• More activities/events/attractions for both locals and visitors</li> </ul>
Themes established through the community workshop	<ul style="list-style-type: none"> <li>• Build a sense of community, brand and identity for the community to unite behind</li> <li>• Focus on activating economic growth through the private sector</li> <li>• Invest in tourism</li> <li>• Invest in population growth and maintenance</li> </ul>

**NOTE:** the demography of respondents was not representative of the Palmerston community profile.

# 07

## Growing Palmerston's Economy

A desktop analysis of economic data for the Palmerston LGA identified several key sectors that offer opportunities to grow and expand the Palmerston economy:



Agribusiness



Education and training



Energy and minerals



Defence and defence support



Health and allied services



Light industry, transport and logistics

The economic rationale for focusing on each identified sector to grow the Palmerston economy is outlined below.



### Agribusiness

Palmerston can leverage its proximity to the vast productive agricultural, horticultural and aquaculture lands nearby.

Palmerston has an opportunity to become an agribusiness hub with a focus on providing agricultural equipment and services to agribusinesses located within proximity to Palmerston.

Relatively cheaper rents in the area and proximity to transport is likely to be attractive to agribusiness businesses.

There is an opportunity for Palmerston to provide services such as research activities, manufacturing, packaging and product distribution.



### Education and training

Palmerston's young and growing population means there will be growing demand for tertiary education and training services in the future.

Charles Darwin University has a campus located at Palmerston and planning for the future of university campuses will take account of the Palmerston campus.

There is also an opportunity for Palmerston to leverage its proximity to Asia and the growing demand in emerging Asian economies for international business and marketing degrees in English-speaking countries.



### Energy and minerals

The growing middle class in emerging economies such as Asia will continue to drive demand for the NT's energy and mineral resources.

Palmerston has the opportunity to support current and future investments in this sector through its proximity to the port and rail line, and by the establishment of maintenance, service and supply businesses, training services and through logistics and transport businesses.

The Greater Darwin Region's proximity to Asia provides export opportunities for Palmerston businesses.



### Defence and defence support

Defence is a key contributor to the NT economy, accounting for 7.6% of NT Gross State Product (GSP) in 2017-18.

Major defence bases include Larrakeyah Barracks, RAAF Base Darwin, Coonawarra Naval Base and Robertson Barracks.

Robertson Barracks is located adjacent to Palmerston with many defence personnel and their families living in Palmerston's suburbs. The other bases are within a ten to twenty-minute commute.

Continued investment in Australia's defence capabilities in the NT represent a significant opportunity for Palmerston to develop and build capability across a range of support industries, including heavy engineering, electrical and control systems support, repairs and maintenance, logistic networks and other support services.

Relatively cheaper rent could support the development of these businesses in the Palmerston LGA.

and subsequently the Palmerston economy grows and diversifies over time. Consultation with the community and City of Palmerston has established a desire for increased tourism investment in Palmerston. Tourism is a sector the City of Palmerston would like to grow, by promoting existing products such as bird watching and by developing new products such as eco-tourism experiences.

There are other opportunities that support Palmerston's economy and while not currently defined as growth drivers of the Palmerston economy, they do contribute to the economy by keeping people in jobs and businesses open. Some of them are also emerging or future opportunities. These include:

- Social levers that support economic growth (e.g. investments in education, which may not directly grow the economy, but improve liveability and lead to flow-on economic effects)
- Tourism
- Creative industries
- ICT industry.

In addition to growth sectors for the Palmerston economy, a number of infrastructure investments in Palmerston are scheduled to occur in the next 10 years. This infrastructure investment will result in economic benefits, both through an injection of capital, as well as through the establishment of infrastructure to support continued growth and development in the Municipality.

Further to infrastructure investment, both the City of Palmerston LGA and the Northern Territory Government invest a range of funding into the development of social capital, which works to support economic development through the positive relationship between social capital and economic outcomes.

A core consideration of the Palmerston Local Economic Plan is the availability of industrial land to support the establishment of industry hubs, to maximise the opportunities for growth through the industry near Palmerston (agriculture, energy and minerals and logistics). Service commercial zoned land in the Palmerston LGA includes Yarrowonga between Stuart Highway and Roystonea Avenue. Current industrial activities supported in Yarrowonga include warehousing, transport terminals, manufacturing, trade supplies, equipment hire, offices and retail.

The number of Service Commercial Zone lots in Yarrowonga has grown 250% in the 20 years between the years 2000 and 2020. However, modelling suggest that supply is currently exceeding demand, with this not expected to change until population growth in Darwin reaches 250,000 people. In addition, the NT Planning Commission has identified that there is an opportunity to redirect current commercial uses in Yarrowonga to the City Centre, due to the CBD being better suited to the commercial activities identified.<sup>4</sup>

<sup>4</sup> Central Palmerston Area Plan, Draft needs assessment, June 2020.



### Health and allied health services

The new Palmerston Hospital precinct could generate opportunities for allied health services, aged care, research facilities, and pathology labs.

The opportunity to provide health-sector training courses, such as in nursing or allied health services could also be considered.



### Light industry, transport and logistics

Proximity to Darwin, the port and rail line, and cheaper rents could make Palmerston an attractive location for:

- the sectors listed above
- businesses in light industry, oil and gas service supply, manufacturing or logistics (including logistics hubs for retailers); and
- businesses finding commercial and residential rents in Darwin increasingly expensive.

Palmerston's economic opportunities demonstrate a close relationship to the *NT Economic Development Framework* (EDF) growth sectors of agribusiness, tourism, energy and minerals, international education and training, and defence; and developing sectors of tropical health and research, creative industries, renewable energy, environmental services, and human services.

While tourism features prominently in the NT EDF, it did not emerge as a key opportunity for Palmerston but may do so in the future as the Northern Territory economy

# 08

## Strategic considerations



In addition to understanding the Palmerston economic context, broader influences and considerations on the economic activity are also considered in the development of the *Palmerston Local Economic Plan*, particularly activities, opportunities and planning underway with key strategic partners of Palmerston.

The NT Economic Development Framework (EDF) highlights the following comparative advantages for the Northern Territory:

- **A strategic location** – the NT is Australia’s gateway to Asia, creating significant opportunities for economic engagement with markets in Asia.
- **Land area and capacity to grow** – The Territory has a large landmass and relatively small population, presenting opportunities for growth and expansion of current capability.
- **Cultural diversity** – The NT’s culturally diverse population creates social and economic benefits, such as attracting and supporting international students, migrants and innovation.
- **Youthful population** – The NT population is young compared to the Australian population, creating a foundation for future social and economic development as the workforce matures.
- **Strong and stable governments** – The NT has a strong track record in pursuing strategic investments.

The EDF identifies the following key growth sectors for the NT:

- Agribusiness;
- Defence;
- Tourism;
- International education and training; and
- Minerals and Energy.

A number of major current and potential projects in the NT investment project pipeline offer opportunities for Palmerston and align to identified economic advantages. These opportunities, help to:

- Establish scale in industry or industry services in Palmerston;
- Bring opportunities for Palmerston to diversify its economy; and
- Attract business and industry through advantageous proximity to economic activity.

It is noted that several of the projects are in the planning phase only and may not proceed to a development stage.



## Health

- Remote health science and technology Park



## Agribusiness

- Gunn point tourism and agribusiness development (identified/scoping)
- Greater Darwin Regional Water Supply
- Mango roads \$21 M
- Project Sea Dragon Prawn Farm
- Humpty Doo Barramundi expansion



## Light industry, transport and logistics

- Ship lift infrastructure and marine industries precinct \$400 M
- Palmerston Regional Fire Response Complex \$25 M



## Defence

- Larrakeyah Barracks and HMAS Coonawarra construction & infrastructure \$686 M
- RAAF base Darwin developments \$185 M



## Energy and Minerals

- Darwin clean fuels condensate processing plant \$1.2 B
- Darwin LNG life extension \$600 M
- McArthur Basin and Beetaloo Sub-Basin exploration and appraisal



## Future opportunities

- Darwin data centre at Wishart
- Terabit Territory



## Social development

- Zuccoli subdivision stage 3-5 \$151.1 M

In response to the coronavirus pandemic (COVID-19), the Territory Economic Reconstruction Commission (TERC) was formed to provide advice on a path forward to grow the Territory Economy in the medium term. The first report of the Commission highlights multiple opportunities and focal areas that align with the priorities of the Palmerston Local Economic Plan, they include:

- Energy supplied by renewables and gas for domestic, industry and export
- The Territory's Middle Arm Industrial Precinct
- The Territory's resource endowment
- The Territory's natural advantages and greenfield sites
- Wet season rainfall in the Top End of the Territory
- Infrastructure to catalyse growth across the Territory and unlock development across a range of industries
- Land and coastline owned by Aboriginal Territorians or likely to be subject to native title opportunities for economic development
- The growth of the digital industry in the Territory through the Terabit Territory project and opportunities for datacentres
- Administration of regulation in the Territory, which is a problem for the private sectors
- Costs and the availability of shipping, rail, air and the road and their impact on production and export
- Workforce skills and population as key critical enablers to economic growth

Since the first report the City of Palmerston has made a submission to the Committee, following a call for ideas, vision and expertise on positioning the Territory to rebound for the COVID-19 crisis. The City's submission identifies the following opportunities:

- Development of a Regional Recreational lake in Palmerston
- Delivery of the City's major initiative 'Splashout – SWELL', to redevelop the Palmerston Swimming and Fitness Centre
- Delivery of the City's major initiative 'where we live matters - Zuccoli Community Hub' to meet the social infrastructure needs of the Palmerston community
- Establishment of a Solar Farm in Palmerston
- Investigation and establishment of new regional waste management infrastructure through a partnership of Litchfield and Palmerston Councils
- Implementation of projects identified in the Central Palmerston Area Plan
- Development of the Palmerston Water Recycling and Aquifers
- Development of a tourism train terminal in Palmerston to accommodate the Ghan

# 09

## Palmerston Local Economic Plan

### APPROACH TO LOCAL ECONOMIC GROWTH

The *Palmerston Local Economic Plan* will grow the Palmerston economy by focusing on:

- Business & industry attraction and retention
- Population attraction and retention
- Fostering business development and innovation

The *Palmerston Local Economic Plan* is designed to leverage and build on the tools and capabilities available across all levels of government (Commonwealth, Territory and Local Government), as well as through private sector investment and broader community and industry support to drive economic development in Palmerston.

To facilitate collaboration and acknowledge the need for shared responsibility in the development of the local economy, the plan sets out the roles and responsibilities of a range of stakeholders of the Palmerston economy.

### INTRODUCTION

The *Palmerston Local Economic Plan* creates a structured approach to the pursuit of economic growth opportunities for Palmerston, by:

1. Clarifying Palmerston's advantages to be leveraged;
2. Highlighting Palmerston's macro-economic growth opportunities;
3. Establishing a strategic direction; and
4. Setting an action plan for implementation.

The *Palmerston Local Economic Plan* has been informed by comprehensive research, through:

- Analysis of economic data;
- Stakeholder consultation; and
- Consideration of strategic documentation and relationships.

### THE ROLE OF THE CITY OF PALMERSTON

The City of Palmerston as a Local Government Authority has a range of opportunities to influence local economic development outcomes, including as a:

- Direct **Provider** of services;
- **Funder** of services delivered by others;
- **Partner** with other organisations;
- **Regulator** with responsibility for Council by-laws;
- **Facilitator** to bring interest groups together; and
- **Advocate** to promote the interests of Palmerston.

The *Palmerston Local Economic Plan* highlights both strategic and implementation roles that the City of Palmerston will have in supporting local economic growth. The Plan considers timeframes, funding and monitoring for the approach to deliver the strategic targets. It should be noted that the City of Palmerston has limited regulatory powers to impact development, and it will be crucial for the Northern Territory Government to assist where applicable (such as land planning).

# 10

## Business and industry attraction and retention



### WHY

Palmerston has a comparative advantage based on its proximity and infrastructure capabilities. Economic analysis has identified economic opportunities could be leveraged through targeted efforts that attract and retain business and industry to Palmerston.

There is opportunity to leverage Palmerston’s industrial lands to establish service hubs that help to grow and diversify the economy.

Palmerston is geographically positioned to establish itself as a hub for business support and services for the agribusiness, energy and minerals and light industry, transport and logistics industries.

With 26% of all business in Palmerston being concentrated in one sector (construction) in 2019, and with the construction sector being relatively cyclical, opportunities to diversify the Palmerston economy are a key focus of the *Palmerston Local Economic Plan*.

With over half of the businesses in Palmerston classified as non-employing<sup>5</sup> a focus on business and industry attraction will be key to supporting economic development.

Business and community stakeholders in Palmerston have articulated their vision for a prosperous Palmerston, which includes a developed and thriving business sector.

### PALMERSTON’S ADVANTAGES TO BE LEVERAGED

Economic analysis confirms that Palmerston has a number of advantages to leverage in attracting and retaining business and industry:

Commercial rents	<ul style="list-style-type: none"> <li>• Are cheaper than Darwin</li> </ul>
Favourable proximity to	<ul style="list-style-type: none"> <li>• Port</li> <li>• Rail</li> <li>• Agricultural lands</li> <li>• Energy and mineral resources</li> <li>• Defence activities</li> <li>• Darwin</li> </ul>
Population services	<ul style="list-style-type: none"> <li>• CDU campus</li> <li>• Palmerston hospital</li> </ul>

<sup>5</sup> Australian Bureau of Statistics, 8165.0 Counts of Australian Businesses, including Entries and Exits June 2015 to June 2019.

## ECONOMIC OPPORTUNITIES IN PALMERSTON

Economic analysis indicates that the Palmerston economy could be strengthened through the following identified opportunities.



### Agribusiness

By leveraging its proximity to the vast productive agricultural, horticultural and aquaculture lands nearby, Palmerston has an opportunity to become an agribusiness hub with a focus on providing agricultural equipment and services to agribusinesses located within proximity to Palmerston.



### Defence and defence support

Continued investment in Australia's defence capabilities in the NT represent a significant opportunity for Palmerston to develop and build capability across a range of support industries, including heavy engineering, electrical and control systems support, repairs and maintenance, logistic networks and other support services.



### Education and training

Palmerston's young and growing population means there will be growing demand for tertiary education and training services in the future.



### Health and allied health services

The new Palmerston Hospital precinct could generate opportunities for allied health services, aged care, research facilities, and pathology labs.



### Energy and minerals

Palmerston has the opportunity to support current and future investments in this sector through its proximity to the port and rail line, and by the establishment of maintenance, service and supply businesses, training services and through logistics and transport businesses.



### Light industry, transport and logistics

Proximity to Darwin, the port and rail line, and cheaper rents could make Palmerston an attractive location for the sectors listed above and including businesses in light industry, oil and gas service supply, manufacturing or logistics (including logistics hubs for retailers).

## STRATEGY

The strategic vision for the attraction and retention of business and industry in the *Palmerston Local Economic Plan* focuses on:

- Attracting agribusiness and energy and minerals companies, Defence support service and allied service and supply businesses to locate in Palmerston
- Fostering industry precincts by co-locating supply and support service providers across Health, Defence, Agribusiness, Energy and Mining and Light industry, transport and logistics industries
- Promoting Palmerston as a location for the establishment of new businesses and industries

## APPROACH

Targeted approaches to delivering this strategy include:

- Incentivise commercial rental offerings in the City of Palmerston
- Establish Yarrowonga as a high-quality service commercial and industrial precinct, enabling and encouraging precinct development in Palmerston
- Develop an awareness campaign of business and industry opportunities and benefits in the City of Palmerston
- Engage with industry leaders to understand key needs and opportunities for attracting and retaining industry and businesses in Palmerston
- Incentivise research and development and innovation activities in the City of Palmerston

## ACTIVATION ACTION

Host a round table meeting of industry leaders in agribusiness, education and training, energy and minerals, Defence, health and logistics to discuss business needs, priorities and immediate actions to be delivering in Palmerston to support industry development.

## EXISTING COMMITMENTS

A number of existing commitments have been made by the City of Palmerston, NT Government, Commonwealth and industry that will support the City's aim to foster business development and innovation over the next 10 years. These initiatives offer resources and capabilities that can be further leveraged in delivering this economic growth strategy:

- Central Palmerston Area Plan
- Liveable cities grant scheme for property and business owners to assist in upgrading shopfronts
- It's always brighter project - implementing solar and renewable energy sources with financial and environmental benefits

A comprehensive list of existing commitments supporting economic growth in Palmerston is provided in Appendix B.





# Population attraction and retention



## WHY

Population growth has been identified as a key feature of the Palmerston economy to date. Characterised as a young and prosperous city, favourable for families, Palmerston has unique opportunities to further develop this identity and benefit from continued population growth outcomes.

Palmerston is already very successful at delivering lifestyle attractions which support population retention, with the City scoring its highest performance ratings for the category of family and community services in the Palmerston Community Satisfaction Survey.

Palmerston's youthful populace suggests that in the future economic growth opportunities will be supported by great labour force participation and high educational attainment outcomes.

Palmerston has an opportunity to leverage Australia's significant Defence presence in the Top End to both build supporting industry as well as provide a favourable destination for Defence personnel and families.

Palmerston has the opportunity to attract migrants, particularly through coordination of training and employment opportunities linked to the CDU campus and Palmerston Hospital precinct.

The importance of managing a growing populace, including maximising youth and community engagement outcomes and limiting crime and anti-social behaviour, was a key feature of Palmerston's business and community stakeholder feedback.

## PALMERSTON'S SOCIO-ECONOMIC ADVANTAGES TO BE LEVERAGED

Palmerston's economic advantages represent unique opportunities to attracting and retaining populations through local business development opportunities and positioning of education and training and health sector opportunities for target cohorts such as women and migrants.

Focused investment in Australia's Defence capabilities in the NT establishes an opportunity for Palmerston to develop and build capability across a range of support industries, as well as attracting Defence families to the City.

Palmerston's unique socio-economic characteristics highlight the attractiveness of the City to families which could be utilised to further enhance population attraction and retention efforts.



More families in Palmerston than Darwin or the NT have both parents working full time **(39%)**



Over **50%** of households in the city consist of young families with children aged between 0-14 years old, the highest percentage among any region in the NT



Palmerston also has a young population, with a median age of **30 years**



Over **25%** of the population in Palmerston are aged 0-14 years

## ECONOMIC OPPORTUNITIES IN PALMERSTON

Economic opportunities to grow and diversify businesses and industry in Palmerston may also result in population growth.

In addition, there is a potential to leverage Palmerston's proximity, demographic characteristics and health and education capabilities to attract and retain more residents. Targeted population growth efforts align closely with the NT Government population strategy which aims to attract population cohorts such as early career women.

Opportunities to develop the education sector in Palmerston are founded by Palmerston's young and growing population which suggests there will be growing demand for tertiary education and training services in the future. In addition, Palmerston's proximity to Asia and the growing demand in emerging Asian economies for international business and marketing degrees in English speaking countries highlights a demand opportunity.

The new Palmerston Hospital precinct could generate opportunities for allied health services, aged care, research facilities, and pathology labs. As well there is an opportunity to provide health-sector training courses, such as nursing or allied health services.

While Palmerston could also be marketed as a destination for Defence families in the NT, retention of Defence families may also be enhanced if Palmerston is successful in growing Defence support business and industry participation.

## STRATEGY

The strategic vision for the attraction and retention of business and industry in the *Palmerston Local Economic Plan* focuses on:

- Attracting target populations (Defence families, students and migrants) to Palmerston
- Investing in lifestyle attractions that enhance liveability and attractiveness of Palmerston

## APPROACH

Targeted approaches to delivering this strategy include:

- Develop and implement a campaign to attract Defence families to Palmerston
- Implement a migrant attraction campaign for the City of Palmerston
- Deliver migrant support services in the City of Palmerston
- Continue to invest in community sporting and recreational infrastructure in Palmerston
- Invest in the revitalisation and development of new youth facilities in the City of Palmerston
- Invest in tree planting, verge maintenance and further development of green corridors in Palmerston
- Invest in infrastructure that enhances public safety in Palmerston
- Deliver more services that enhance public safety in Palmerston

## ACTIVATION ACTION

Develop a suite of communications and marketing materials to showcase Palmerston and promote a unique selling proposition for residents.

## EXISTING COMMITMENTS

A number of existing commitments have been made by the City of Palmerston, NT Government, Commonwealth and industry that will support the City's aim to attract and retain populations over the next 10 years. These initiatives offer resources and capabilities that can be further leveraged in delivering this economic growth strategy:

- Joint Commonwealth, NT Government and City of Palmerston \$2 million investment in Smart Cities program
- Joint Commonwealth, NT Government and City of Palmerston investment in lighting upgrades
- Joint Commonwealth, NT Government and City of Palmerston investment in Splashing out – revitalising the swimming and fitness centre and amenities

# 12

## Foster business development and innovation

### WHY

Palmerston's economy is dominated by small to medium businesses which make up 97% of all businesses registered in Palmerston.

With over 50% of Palmerston's registered businesses being sole operators, a focus on business development and capacity building services and support is an important strategy for developing the local economy.

Currently there is an oversupply of retail and commercial space in Palmerston establishing opportunities for growth and development across business and industry<sup>6</sup>.

Palmerston has a high concentration of businesses in the construction sector (making up 26% of all of businesses registered in the Palmerston LGA in 2019). The construction sector is a relatively cyclical industry, exposing businesses and the economy to volatility, further emphasising the benefits of greater support to businesses to help diversify the local economy.

Stakeholder consultations highlighted the value of having a thriving business community, and development of economic capability through partnership with the private sector.

<sup>6</sup> Central Palmerston area plan Draft, June 2020, NT Planning Commission

### PALMERSTON'S ECONOMIC ADVANTAGES TO BE LEVERAGED

Palmerston's economic advantages relate to proximity, value offerings and infrastructure and service capabilities. These advantages provide Palmerston with the opportunity to develop a service-based economy focused on nearby industry, including agricultural, mining and energy, Defence, transport and logistics, and health.

Service-based economies, or those that co-locate people at a place, are important to enabling collaboration, knowledge spill-over and commercialisation of innovation to drive economic growth. A key feature of a service economy is the concentration of businesses in geographical areas to maximise local advantages, match skills, collaborate, or share knowledge and resources in a cost-effective way.

Palmerston already has industry and sector clusters forming through concentrated services offerings from which precincts and clusters could be encouraged including:

- Construction (26% of local businesses)
- Transport, Postal and Warehousing (10% of local businesses)
- Other Services (8% of local businesses)
- Professional, Scientific and Technical Services (8% of local businesses)
- Rental, Hiring and Real Estate Services (8% of local businesses).<sup>7</sup>

### ECONOMIC OPPORTUNITIES IN PALMERSTON

Palmerston has the opportunity to leverage cheaper rents and favourable proximity to develop business and industry capabilities that service and support, becoming a hub for:

- Agribusiness
- Energy and minerals services
- Defence industry services
- Light industry, transport and logistics supply and services

A focus on business and industry attraction and retention in Palmerston in a precinct development model assists to sustainably grow the industries, including enhancing attraction, retention and innovation outcomes, resulting from the benefits of business clustering.

<sup>7</sup> Economy.id, City of Palmerston LGA: Businesses by industry, <https://economy.id.com.au/rda-northern-territory/number-of-businesses-by-industry?WebID=200>

With the existence of approximately 1,580 businesses in the Palmerston LGA, almost all of which are small to medium enterprises, delivery of support for business development may also assist to enhance economic outcomes in Palmerston by enhancing business capability. It could be expected that additional benefits from investment in business support will arise, such as enhanced business confidence and consumer engagement.

## STRATEGY

The strategic vision for the attraction and retention of business and industry in the *Palmerston Local Economic Plan* focuses on:

- Reducing City of Palmerston red tape to make it easier to do business in Palmerston and reduce regulatory burden
- Developing industry precincts in Palmerston and innovation enablement
- Facilitating business networking and business development services and assistance

## APPROACH

Targeted approaches to delivering this strategy include:

- Review regulations in the City of Palmerston that impact business development and remove unnecessary regulation
- Incentivise commercial rental offerings in the City of Palmerston
- Develop infrastructure and services that enable and encourage precinct development in Palmerston's commercial zones
- Incentivise research and development and innovation activities in the City of Palmerston
- Develop business networking and advocacy services in Palmerston
- Deliver business support and capacity building services

## ACTIVATION ACTION

In partnership with industry undertake a survey of businesses in Palmerston to confirm challenges, strengths and priority business support services to inform a 12-month plan for business support.

## EXISTING COMMITMENTS

A number of existing commitments have been made by the City of Palmerston, NT Government, Commonwealth and industry that will support the City's aim to foster business development and innovation over the next 10 years. These initiatives offer resources and capabilities that can be further leveraged in delivering this economic growth strategy:

- Central Palmerston Area Plan
- Liveable cities grant scheme for property and business owners to assist in upgrading shopfronts
- It's always brighter project - implementing solar and renewable energy sources with financial and environmental benefits.

- Implementation of Carparking Strategy including expansion of free parking
- Sponsorship (\$30,000) of the NT PGA bringing in \$1.5 million of benefits to local businesses
- Pop-up dining trial in 2019 dry season at Sanctuary Lake
- City of Palmerston membership - Tourism Top End / Palmerston and Regional Business Association
- Industry briefings to inform local businesses of opportunities to do business with Council

A comprehensive list of existing commitments supporting economic growth in Palmerston is provided in Appendix B.

# 13

## Strategic pursuits

Analysis of strategic plans and reports in Palmerston and the NT, along with stakeholder consultations have highlighted three focal opportunities that have not been identified in the Palmerston economic analysis.



This may be because the opportunities are emergent. Accordingly, these opportunities have been considered in this report as pursuits, to be undertaken as small-scale targeted actions, while further data and insights informing the possible benefits and costs of these pursuits can be garnered to guide decision making.

**Tourism:** Business and community stakeholders in Palmerston have highlighted the potential for the development of tourism opportunities in the City to both build on local attractions and infrastructure, as well as attract the visitor markets in Darwin and Litchfield. Palmerston's location between Darwin and Litchfield and natural attractions like Litchfield and Kakadu National Parks may present an opportunity to expand tourism offerings to appeal to nature-based tourists. Opportunities to test

tourism products in Palmerston include bird watching and eco-tourism.

**Technology:** Strategic plans by NT Government highlight the intent to investigate and develop opportunities in information and communications technology industries, and the renewable energy sector. Exploration of how these opportunities could be supported in Palmerston across the public and private sector has been identified as a growth prospect by business and community stakeholders.

**Creative industry:** The significant size of the youth population, and diversity of culture in Palmerston has been identified by stakeholders as a potential catalyst for development of creative industries in Palmerston.

Engage with industry and government leaders to understand future market and strategic opportunities for the City of Palmerston.

## STRATEGY

The strategic vision for the attraction and retention of business and industry in the *Palmerston Local Economic Plan* focuses on:

- Exploring ICT opportunities that Palmerston can develop
- Exploring creative industry development opportunities in Palmerston
- Exploring tourism industry development opportunities in Palmerston

## APPROACH

Targeted approaches to delivering this strategy include:

- Engage with industry and government leaders to understand future market and strategic opportunities for the City of Palmerston
- Engage with creative organisations in the NT to understand needs and opportunities to attract creative businesses to Palmerston
- Complete an audit of Palmerston's tourism offerings and experiences and explore opportunities to grow tourism offerings that align to visitor market trends in Darwin and Litchfield

## ACTIVATION ACTION

Seek expressions of interest from ICT, Creative and Tourism industry representatives and businesses to engage with the City of Palmerston to research strategic opportunities for industry development in Palmerston.

## EXISTING COMMITMENTS

Existing commitments by the City of Palmerston, NT Government, Commonwealth and industry that will support the City's aim to investigate future opportunities include:

- The NT Government creative industry strategy recommends action is undertaken to scope the establishment of a Palmerston specific creative organisations initiative.
- The NT Government *Digital Territory Action Plan* identifies a future action to conduct a study to examine the scope, viability and requirements to establish a commercial medium to large scale high security data centre in Darwin, with the intention of servicing national and international markets.

# 14

## Response to COVID-19

The trends informing the *Palmerston Local Economic Plan* are based on information and data established prior to COVID-19. Due to COVID-19, it is expected that the short to medium term trends across a number of industries in Australia will be impacted.

In addition, immediate disruption and negative economic outcomes have been witnessed globally as a result of the pandemic and related responses to managing population health.

Governments across Australia have invested in stimulus and policy initiatives to cushion the economic impact of the global pandemic, such as the Commonwealth Jobkeeper and Jobseeker schemes, the NT Government Home and Business scheme and immediate works program, and Palmerston's Council's various assistance measures. Yet much uncertainty exists as to the ongoing approach to manage the health and economic response to the crisis.

Recognising the need for leadership and a whole of government response to managing the economic and health implications of the pandemic, the City of Palmerston's response to COVID-19 aims to leverage broader government supports and policy initiatives to stimulate economic activity.



## Delivering support to individuals and businesses experiencing hardship

### STRATEGY

The City's COVID-19 response plan will focus on:

- Building capacity among businesses to reskill, reset or redirect resources to best navigate the rapidly changing economic landscape
- Delivering leadership and maximise the capability of all levels of Government to support economic growth
- Collecting data to monitor and effectively respond to business and industry needs
- Delivering support to individuals and businesses experiencing hardship
- Leveraging capital investment programs to stimulate the local economy

### APPROACH

The City aims to implement the plan by:

- Establishing an advisory committee comprised of Council, NT Government, Local business and Community members to inform a local COVID-19 response
- Facilitate the delivery of business training and capacity building services in Palmerston
- Build awareness of, and assist industry engagement with business training and capacity building services in Palmerston
- Work with NTG to complete an audit of businesses in Palmerston, identifying businesses in crisis, collect relevant data and facilitate assistance as needed
- Facilitate the delivery of hardship support and assistance programs and services in Palmerston
- Bring forward capital investment programs planned for the City of Palmerston
- Review opportunities to hold rental payments, and potentially provide rental rebates for business occupants of Council buildings
- Lobby for the delivery of grants to businesses, to support online services or transition of business to new service offerings
- Facilitate networking and communication among the private and public sectors to encourage innovation in new business and service opportunities.

### ACTIVATION ACTION

Sponsor the delivery of a short digital skills program in partnership with CDU to support skilling of business owners and residents impacted by the COVID-19 related economic downturn.

### EXISTING COMMITMENTS

Existing commitments by the City of Palmerston, NT Government, Commonwealth and industry that will support the City's aim to investigate future opportunities include:

- City of Palmerston free CBD car parking initiative
- Liveable cities grant
- Ratepayer assistance

# 15

## Implementation

The implementation, monitoring and evaluation of the *Palmerston Local Economic Plan* will be a key responsibility of the City of Palmerston.

As a leading institution in the region with legislative roles, influence and platforms through which it can form and leverage strategic partnerships, Council is well positioned to drive economic development outcomes in Palmerston.

It is crucial that City of Palmerston regularly review the Plan to monitor and evaluate the effectiveness of the strategies. It is suggested that City of Palmerston establish a Committee which includes business, industry and government representation to undertake annual reviews of the Plan and update where necessary.

As a local government, the City of Palmerston has several tools through which it can influence local economic development, including:



Business and private sector support



Procurement approaches



Facilitating collaboration and networking



Coordination and partnership management



Leadership and framework setting



Infrastructure and asset development and management



Lobbying, advocacy and promotion



Seed funding, grants and financial incentives



Strategy and planning



Collection and application of information and data



Local employment and workforce skilling



Coordination and implementation of regulation and compliance mechanisms

Given the impact of the broad and wide-ranging functions the City of Palmerston can have on the economic and business environment, the City of Palmerston is embracing an active and strategic role in supporting economic development through the *Palmerston Local Economic Plan* and detailed implementation plan. Implementation and investment should be targeted at the high priority actions initially, which have been identified as having greater impact.

The City's approach to economic development is focused on the local attributes of Palmerston LGA, and has been established with considerations of the strengths, weaknesses, opportunities and threats for Palmerston. As a leading institution in Palmerston, the City is well positioned to continue to engage with stakeholders and collect data and insights to regularly monitor and update its economic development approach.

...City of Palmerston is embracing an active and strategic role in supporting economic development through the *Palmerston Local Economic Plan* and detailed implementation plan.

## KEY PARTNERS

Key partners and stakeholders City of Palmerston will engage with in the implementation, monitoring and evaluation of the plan include:

- Existing businesses in Palmerston
- Future Palmerston businesses
- Department of the Chief Minister and Cabinet
- Department of Industry, Tourism and Trade
- Department of Infrastructure, Planning and Logistics
- Charles Darwin University
- Department of Defence
- Defence NT
- Centre for Defence Industry Capability
- Australian Industry Defence Network
- Department of Health (NTG)
- Department of Education (NTG)
- NT Industry Capability Network
- Chamber of Commerce NT
- Palmerston Regional Business Association
- Territory Economic Reconstruction Committee
- Palmerston/Litchfield Regional Reconstruction Committee
- NT Business Council
- Northern Australia Development Office
- Study NT
- Northern Territory Farmers Association
- Northern Territory Cattlemen's Association
- Extractive Industry Association of the NT
- Industry Skills Advisory Council NT

# 16

## Palmerston Local Economic Plan

The City of Palmerston's *Palmerston Local Economic Plan* considers the priorities for development over the next 10 years. The plan includes a strategic approach supported by a comprehensive report and implementation plan. A simple table summary of the strategic approach is provided here for quick reference.

Target	Role of Council	Role of NTG	Role of industry	Measure	Strategy
Attract agribusiness and energy and minerals companies, defence support service and allied service and supply businesses to locate in Palmerston	Advocate Partner	Partner	Facilitator Partner	<ul style="list-style-type: none"> <li>Number of agribusiness companies operating in Palmerston</li> <li>Number of energy and minerals companies operating in Palmerston</li> <li>Number of allied service and supply businesses operating in Palmerston</li> <li>Number of defence related businesses operating in Palmerston</li> </ul>	Business attraction and retention
Foster industry precincts by co-locating supply and support service providers across health, defence, agribusiness, energy, Mining and light industry, transport and logistics industries	Advocate Partner	Facilitator Partner	Advocate Partner	<ul style="list-style-type: none"> <li>Number of hubs/precincts in Palmerston</li> <li>Brand recognition of hubs/service areas in Palmerston</li> </ul>	Business attraction and retention
Attract target populations to Palmerston: <ul style="list-style-type: none"> <li>Students</li> <li>Defence Families</li> <li>Migrants</li> </ul>	Partner Advocate	Partner Provider Facilitator		<ul style="list-style-type: none"> <li>Number of students living in Palmerston</li> <li>Number of students studying at Palmerston campus</li> <li>Number of students working in Palmerston</li> <li>Satisfaction of Defence members residing in Palmerston</li> <li>Increases in population and persons born overseas residing in Palmerston in census reporting</li> </ul>	Population attraction and retention

Target	Role of Council	Role of NTG	Role of industry	Measure	Strategy
Invest in lifestyle attractions including: <ul style="list-style-type: none"> <li>Sports and recreation infrastructure and services</li> <li>Youth facilities</li> <li>Public and green spaces</li> </ul>	Provider Funder Advocate	Partner Funder		<ul style="list-style-type: none"> <li>Number of new sporting facilities</li> <li>Number of forums connecting sporting organisations</li> <li>Implementation of the City of Palmerston's Splashing Out and Where we Live Matters Major Projects as outlined in the 2018 Projects prospectus</li> <li>Improvements recorded from a youth engagement survey</li> <li>Number of revitalised Council-owned public spaces in the municipality</li> <li>Annual expenditure on enhancing Council-owned public spaces</li> </ul>	Population attraction and retention
Enhance perceptions of safety including by using smart technology to make the community safer and the city more liveable, and through the expansion and renewal of lighting systems	Funder Partner Provider	Partner Funder		<ul style="list-style-type: none"> <li>Implementation of the City of Palmerston's Smart Cities and Making the Switch Major Projects as outlined in the 2018 Projects prospectus</li> <li>Implementation of the Lighting Dark Spots program</li> <li>Improvements recorded from a community safety survey</li> </ul>	Population attraction and retention
Reduce red tape to make it easier to do business in Palmerston and reduce regulatory burden	Advocate	Regulator	Advocate	<ul style="list-style-type: none"> <li>Number of regulations removed to reduce the regulatory burden</li> <li>Number of regulations amended to reduce the regulatory burden</li> <li>Number of processes streamlined to reduce the regulatory burden</li> </ul>	Support business development
Business networking and business development services and assistance	Facilitate Advocate Partner	Provider Partner Facilitator	Provider Partner Facilitator	<ul style="list-style-type: none"> <li>Establishment of a Palmerston business development strategy supported by industry and government</li> </ul>	Support business development
Explore ICT opportunities that Palmerston can develop	Advocate Partner Provider	Partner Provider	Partner Facilitator	<ul style="list-style-type: none"> <li>Market research articulating Palmerston ICT businesses opportunities</li> </ul>	Strategic pursuits
Explore creative industry development opportunities in Palmerston	Advocate Partner Provider	Partner Provider	Partner Facilitator	<ul style="list-style-type: none"> <li>Market research articulating Palmerston creative industry opportunities</li> </ul>	Strategic pursuits
Explore tourism industry development opportunities in Palmerston	Advocate Partner Provider	Partner Provider	Partner Facilitator	<ul style="list-style-type: none"> <li>Market research articulating Palmerston tourism industry opportunities</li> </ul>	Strategic pursuits

# 17

## Implementation plan

The City of Palmerston's *Palmerston Local Economic Plan* considers the priorities for development over the next 10 years. The plan includes a strategic approach supported by a comprehensive report and implementation plan. A simple table summary of the implementation plan is provided here for quick reference.

### SHORT TERM – 1-2 YEARS

#### Priority – stimulus and activation to the local economy

Action	Strategy	Why	How	Benefits	Priority
Establish an advisory committee comprised of Council, NT Government, Local business and Community members to inform a local COVID-19 response	Mitigate impact of COVID-19	To ensure the response is representative of the local needs and attracts local business support	Partner with NTG and seek expressions of interest in the community for local business and community members to join	<ul style="list-style-type: none"> <li>Local buy-in and co-design of solutions</li> </ul>	High
Host a round table meeting of industry leaders in agribusiness, education and training, energy and minerals, Defence, health and logistics to discuss business needs, priorities and immediate actions to be delivering in Palmerston to support industry development	Business and industry attraction and retention	To identify opportunities to immediately attract businesses and industry, and action needed to attract businesses and industry in the future	Partner with industry leaders to engage with businesses at a round table meeting	<ul style="list-style-type: none"> <li>Establishment of data to inform future actions</li> </ul>	High

Action	Strategy	Why	How	Benefits	Priority
Develop a suite of communications and marketing materials to showcase Palmerston and promote a unique selling proposition for residents	Population attraction and retention	To effectively communicate benefits and opportunities of Palmerston and engage with target population segments	Leverage the City's communications and engagement teams to develop communications materials	<ul style="list-style-type: none"> <li>Development of a suite of tools to effectively facilitate marketing and engagement activities</li> </ul>	Medium
Seek expressions of interest from ICT, Creative and Tourism industry representatives and businesses to engage with the City of Palmerston to research strategic opportunities for industry development in Palmerston	Future growth exploration	To better understand opportunities and potential of anticipated future growth industries in Palmerston	Work with NTG agencies to distribute EOI materials and complete due diligence on responses	<ul style="list-style-type: none"> <li>Establishment of data to inform future actions</li> </ul>	High
Incentivise commercial rental offerings in the City of Palmerston	Business and industry attraction and retention  Foster business development and innovation	Attract and support retail in Palmerston CBD	Subsidise commercial rental through designated grant or fund	<ul style="list-style-type: none"> <li>Decrease in commercial vacancy in the City</li> <li>Enhanced retail opportunities for residents and businesses</li> </ul>	High
In partnership with industry undertake a survey of businesses in Palmerston to confirm challenges, strengths and priority business support services to inform a 12-month plan for business support. Ensure adequate representation from sole operators, who make up over half of businesses in Palmerston	Foster business development and innovation	To identify priorities and needs for businesses	Partner with industry leaders to deliver a survey of businesses	<ul style="list-style-type: none"> <li>Establishment of data to inform future actions</li> </ul>	Moderate - High
Bring forward capital investment programs planned for the City of Palmerston	Business and industry attraction and retention	Stimulate construction and associated economic activity in the City of Palmerston	Work with NTG to advance scheduling of infrastructure projects for the City of Palmerston	<ul style="list-style-type: none"> <li>Economic expenditure in the Municipality during a period of slowing economic activity</li> </ul>	Moderate - High

Action	Strategy	Why	How	Benefits	Priority
Develop an awareness campaign of business and industry opportunities and benefits in the City of Palmerston	Business and industry attraction and retention  Foster business development and innovation	Attract business and industry to Palmerston	Work collaboratively with industry to undertake market research, design and disseminate targeted marketing	<ul style="list-style-type: none"> <li>Increased number of businesses engaging with Palmerston</li> <li>Data insights into target industry sectors</li> </ul>	Moderate - High
Invest in tree planting, verge maintenance and further development of green corridors in Palmerston	Population attraction and retention	Beautification and maintenance of Palmerston green spaces to retain and attract residents	Continue to implement Council's tree and green space programs	<ul style="list-style-type: none"> <li>Increased greening of City of Palmerston</li> </ul>	Moderate - High
In partnership with NTG, complete an audit of regulations in the City of Palmerston that impact business development and remove unnecessary regulation	Business and industry attraction and retention  Foster business development and innovation	Attract business and industry to Palmerston  Retain businesses in Palmerston  Encourage innovation and commercialisation	Complete an audit of City regulations and identify opportunities to reduce or eliminate low value regulations in consultation with Council and executive	<ul style="list-style-type: none"> <li>Increased efficiency in business delivery</li> <li>Reduced regulatory burden</li> <li>Increased number of businesses engaging with Palmerston</li> </ul>	Moderate
Develop business networking and advocacy services in Palmerston	Business and industry attraction and retention  Foster business development and innovation	Connect businesses and industry in Palmerston to private sector support and commercial opportunities	Collaborate with industry bodies (PRBA, Chamber of Commerce NT, Major Business Group, MBNT, PRBA, ICN) to develop a calendar of business networking events and activities	<ul style="list-style-type: none"> <li>Enhanced collaboration between businesses</li> <li>Enhanced engagement with industry services by Palmerston businesses</li> </ul>	Moderate
Deliver business support and capacity building services. Ensure tailored support for different business sizes, including sole operators	Foster business development and innovation	Build the capacity of small and medium businesses in Palmerston	Work with DTBI to target Small Business Champion services in Palmerston	<ul style="list-style-type: none"> <li>Increased update of business support services in Palmerston</li> <li>Increased capacity of business owners in Palmerston</li> </ul>	Moderate

Action	Strategy	Why	How	Benefits	Priority
Facilitate the delivery of hardship support and assistance in Palmerston	Business and industry attraction and retention and population attraction and retention	Support business and residents of Palmerston during a challenging economic period	Work with social service organisations to deliver support locally  Work with Council to hold or reduce rates for a period	<ul style="list-style-type: none"> <li>Reduced risk of welfare dependence of businesses and residents in Palmerston</li> </ul>	Moderate
Review opportunities to hold rental payments and potentially provide rental rebates for business occupants of Council buildings	Business and industry attraction and retention	Support business of Palmerston during a challenging economic period	Work with Council to hold or reduce rental for Council properties for a period	<ul style="list-style-type: none"> <li>Increased likelihood of business sustainment during crisis</li> </ul>	Moderate
Facilitate grants for businesses to support online services or transition of business to new service offerings	Business and industry attraction and retention and foster business development and innovation	Support business of Palmerston during a challenging economic period	Work with Council and NTG to establish, and deliver funding to businesses in response to COVID-19	<ul style="list-style-type: none"> <li>Increased likelihood of business sustainment during crisis</li> </ul>	Moderate
In partnership with NTG, complete an audit of businesses in Palmerston, identifying businesses in crisis, collect relevant data and facilitate assistance as needed	Business and industry attraction and retention	Establish need to target business development initiatives and identify a base line to measure outcomes against	Work with DTBI and industry to implement a survey assessing the current capacity, needs and priorities of the businesses registered in Palmerston	<ul style="list-style-type: none"> <li>Comprehensive data set to inform planning and development of targeted support initiatives</li> </ul>	Low - Moderate
Sponsor the delivery of a short digital skills program in partnership with CDU to support skilling of business owners and residents impacted by the COVID-19 related economic downturn	Mitigate impact of COVID-19  Foster business development and innovation	To support businesses and community members to transition to knowledge-based economic opportunities	Work with CDU and NTG to develop and implement a digital skilling program targeting Palmerston businesses and residents	<ul style="list-style-type: none"> <li>Upskilling of the Palmerston labour force</li> </ul>	Low

## MEDIUM TERM – 3-5 YEARS

### Priority – stimulus and activation to the local economy

Action	Strategy	Why	How	Benefits	Priority
Determine where unincorporated land could be allocated to City of Palmerston	Business and industry attraction and retention	To gain land to allow light industry and other industry to expand and develop support industries for surrounding areas	Work with NTG to increase land availability for Palmerston and understand where unincorporated land can be allocated to the City of Palmerston	<ul style="list-style-type: none"> <li>Fewer barriers to businesses expanding</li> <li>More land space for new businesses to move to Palmerston and existing businesses to expand</li> </ul>	High
Develop and implement a campaign to attract Defence families to Palmerston	Population attraction and retention	Enhance labour force participation, and high educational attainment outcomes	Collaborate with Department of Defence and NTG to develop a campaign to attract and support Defence families in Palmerston	<ul style="list-style-type: none"> <li>Increased population and associate growth outcomes</li> </ul>	High
Develop infrastructure and services that enable and encourage precinct development in Palmerston's commercial zones	Business and industry attraction and retention Foster business development and innovation	Attract industry and businesses to Palmerston	Assess commercial zones and document infrastructure capabilities to identify opportunities to enhance precinct attraction and function (e.g. NBN, services, retail). Establish an infrastructure and zoning plan with NTG to activate precincts	<ul style="list-style-type: none"> <li>Increase in businesses locating in Palmerston</li> <li>Increased collaboration and innovation outcomes</li> </ul>	High
Implement a migrant attraction campaign for the City of Palmerston	Population attraction and retention	Enhance labour force participation, and high educational attainment outcomes	Collaborate with NTG to leverage and support the NT population strategy and activities relating to migrant attraction	<ul style="list-style-type: none"> <li>Increased population and associate growth outcomes</li> </ul>	Moderate
Deliver migrant support services in the City of Palmerston	Population attraction and retention	Support population management and retention	Collaborate with social services organisations to deliver migrant support services in Palmerston	<ul style="list-style-type: none"> <li>Increased likelihood of population growth and retention</li> </ul>	Moderate

Action	Strategy	Why	How	Benefits	Priority
Invest in the enhancement or development of sporting and recreational infrastructure in Palmerston	Population attraction and retention	Support population management and retention	Map and prioritise sport and recreational infrastructure developments in Palmerston and collaborate with NTG and Commonwealth for investment in priority projects	<ul style="list-style-type: none"> <li>Increased likelihood of population growth and retention</li> </ul>	Moderate
Invest in infrastructure that enhances public safety in Palmerston	Population attraction and retention	Support population management and retention	Map crime and safety issues in Palmerston and investigate infrastructure solutions to alleviate causal factors	<ul style="list-style-type: none"> <li>Increased likelihood of population growth and retention</li> </ul>	Moderate
NT Government to invest in services that enhance public safety in Palmerston	Population attraction and retention	Support population management and retention	Map crime and safety issues in Palmerston and investigate police and other community service solutions (community night patrol) to alleviate causal factors	<ul style="list-style-type: none"> <li>Increased likelihood of population growth and retention</li> </ul>	Moderate
Invest in the revitalisation and development of new youth facilities in the City of Palmerston	Population attraction and retention	Support population management and retention	Map and prioritise youth facility revitalisation in Palmerston and collaborate with NTG for investment in priority projects	<ul style="list-style-type: none"> <li>Increased likelihood of population growth and retention</li> </ul>	Low

## LONG TERM 6 – 10 YEARS

### Priority – Development and sustainment

Action	Strategy	Why	How	Outcomes	Priority
Engage with industry leaders to understand key needs and opportunities for attracting and retaining industry and businesses in Palmerston	Business and industry attraction and retention	To enable targeting and tailoring of business development and retention activities	Collaborate with industry leaders (PRBA, Chamber of Commerce NT, Major Business Group, MBNT, PRBA, ICN) to research and analyse the needs of businesses and how Palmerston can meet identified needs	<ul style="list-style-type: none"> <li>Database detail industry needs</li> <li>Informed approach to targeting businesses</li> </ul>	High
Engage with industry and government leaders to understand future market and strategic opportunities for the City of Palmerston	Strategic pursuit Business and industry attraction and retention	To inform future planning and strategy development	Collaborate with NTG and industry leaders to undertake market research and develop strategic approaches that support industry outcomes in Palmerston	<ul style="list-style-type: none"> <li>Informed and strategic approach to targeting industry and economic development</li> </ul>	Moderate - High
Incentivise research and development and innovation activities in the City of Palmerston	Foster business development and innovation	Encourage research and innovation commercialisation	Develop targeted grants for businesses to undertake research and development activities in Palmerston, partner with NTG and Commonwealth (e.g. Defence) to increase the pool of funding	<ul style="list-style-type: none"> <li>Increased quantity of innovative business activities in Palmerston</li> <li>Development of a culture of innovation among businesses in Palmerston</li> </ul>	Moderate
Complete an audit of Palmerston's tourism offerings and experiences and explore opportunities to grow tourism offerings that align to visitor market trends in Darwin and Litchfield	Strategic pursuit	To explore and test future tourism industry opportunities in Palmerston	Collaborate with NTG, tourism operators and industry leaders in tourism to undertake market research and develop strategic approaches that support industry outcomes in Palmerston	<ul style="list-style-type: none"> <li>Informed and strategic approach to targeting tourism industry development</li> </ul>	Moderate
Engage with creative organisations in the NT to understand needs and opportunities to attract creative businesses to Palmerston	Strategic pursuit	To explore and test future industry opportunities in Palmerston	Collaborate with NTG, organisations and industry leaders in the creative industry leaders to undertake market research and develop strategic approaches that support industry outcomes in Palmerston	<ul style="list-style-type: none"> <li>Informed and strategic approach to targeting creative industry development</li> </ul>	Low - Moderate

# Annexure

# A

## Stakeholder consultation report

### DEMOGRAPHIC ANALYSIS OF SURVEY RESPONDENTS

A cross-section of business and community members responded to the survey. Respondents included:

- a significant proportion of long-term residents of Palmerston (+5 years)
- business owners (22%)
- persons who reside outside of the Palmerston LGA (approximately one-third).

### ECONOMIC INSIGHTS FROM SURVEY

Participants were asked to reflect on their understanding of the Palmerston economy, and consider options relating to the priorities and challenges for stimulating economic activity in Palmerston. Responses focused on social infrastructure and investment as a tool for supporting the economy, including:

- Improving public safety and crime - as a tool to grow the economy, the negative outcomes of safety and crime as a barrier to economic growth and investing in safety and crime prevention as a preferred strategy to underpin efforts to grow the economy.
- Retail and lifestyle services and supplies - as a tool to grow the economy, a lack of retail and lifestyle services as a current barrier to growth and investment in retail and lifestyle services as a preferred strategy to grow the economy in the future. Qualitative survey responses indicated varying views

on retail, including that population is too low to keep retailers thriving, that there are too many retailers for Palmerston's size, and that there are not enough retailers. Other responses indicated that the best economic outcome for the City would include more retail options and more investment in retail.

- Available and affordable housing - as a tool to encourage economic activity, and the provision of available and affordable housing a preferred strategy for future efforts to grow the economy in the future.
- Transport was identified as a challenge facing the Palmerston economy but not a priority investment strategy to stimulate economic activity.
- Investment in infrastructure was identified as a preferred strategy to stimulate economic activity.

Respondents most frequently identified investment decisions and strategy as barriers to growing the Palmerston economy, compared to macro-economic factors. This suggests respondents consider economic outcomes to be largely due to local and regional decision making.

When asked about the future outlook for the economy, respondents indicated their concerns relate to:

1. High rates of crime and public safety
2. A decline in business activity
3. Population decline in the Northern Territory including a loss of critical mass.

A relatively negative sentiment toward the outlook of the economy was recorded through the survey with just under 45% of respondents rating the outlook for the economy over the next 12 months as being poor or very poor.

Respondents also perceived that overall, the state of the economy is worse when compared to the state of the economy five years ago. This however contrasts to the macro-economic outcomes over the period.

In assessing the state of the economy, respondents assessed a range of economic measures, the most conclusive assessments included:

- Businesses aren't growing
- Palmerston does not attract visitors or is not seen as a visitor destination
- Palmerston does not attract businesses, nor is it seen as a business destination
- Education and training is available to people who want or need it

Respondents were most conclusively neutral in response to the following measures:

- There is regional cooperation of economic development projects
- Local Government and businesses work together on development projects
- Entrepreneurs can succeed.

When reflecting on a vision for the economy, the three most common themes identified were:

1. Lower crime and enhanced public safety
2. Thriving businesses and business growth
3. More activities/events/attractions for both locals and visitors.

## OUTCOMES OF THE COMMUNITY WORKSHOP

A focused workshop was held with Palmerston community members and business representatives, providing a forum to discuss expectations for local economic development in detail. A significant proportion of the workshop was devoted to identifying targets for the economic development plan. The themes established through this process are:

- Investment to build a sense of community, brand and identity for the community to unite behind and support
- Use tools that can support economic growth through the private sector
- Investment in tourism
- Investment in population growth and maintenance.

Whilst the participants of the community workshop identified tourism as an approach to local economic development in Palmerston, Deloitte Access Economics analysis did not identify tourism as a comparative advantage for the City of Palmerston. This suggests that tourism is unlikely to be a key driver of future economic growth in the area. However, some opportunities for increased economic activity through tourism may arise, especially for types of activities requiring access to more affordable land for businesses or accommodation for tourism workers, which could provide future benefits to Palmerston.

The *Palmerston Local Economic Plan* (Chapter 7) identifies targets to grow the Palmerston economy. The plan addresses growth sectors identified through economic analysis, opportunities found across sectors, as well as social levers that support economic growth. The Plan also highlight future opportunities, many of which have been identified through stakeholder engagement, which whilst not being supported by economic data analysis, may well warrant consideration in the future as the Palmerston community grows and matures over the Plan's 10 year life. The plan provides a high-level approach to economic growth, requiring each target to be developed with partners to coordinate implementation, funding and delivery timeframes.

# Annexure

# B

## Existing commitments supporting economic growth in Palmerston

### CITY OF PALMERSTON PROJECTS

The City of Palmerston's commitment to improving the liveability, sustainability, progression and innovativeness of the City of Palmerston, through investment in infrastructure projects is outlined in the City's Project 6 report. The projects are supported by all levels of Government, and include:

#### Smart Cities

- A \$2 million project cofounded by the Commonwealth Government, Northern Territory Government and City of Palmerston.
- The initiative focuses on using smart technology to improve community safety and liveability.
- Outcomes will include CCTV, e-commerce and e-entertainment opportunities, smart lighting, increased free WiFi, smart waste management and more efficient irrigation
- The Smart Cities application has been approved, with a commencement date in 2019 and to conclude within 18 months from commencement.

#### Splashing Out

- An estimated \$10 million project over 2 years
- The Council is working to grow the sense of community in Palmerston by providing opportunities for outdoor recreation and leisure with the development of a complex including a family swimming and fitness centre, community hub, playgrounds, wading pool, wave rider, Palmerston's only public swimming pool and a renewal of ageing swim centre.

### Making the switch

- Recognising the importance of safety and liveability as a contributor to the economic outcomes of the City, the Council has committed to a renewal and expansion of lighting.
- The project is estimated to involve a \$3.65 million investment from the City of Palmerston in the renewal of the existing lighting system, and a \$2.59 million investment in public lighting expansion co-funded by the Commonwealth, Territory and Palmerston Governments.
- The project is expected to achieve the conversion of 4,700 street and public lights to LED, a reduced carbon footprint for the City, improved public safety through brighter focused light, reduced electricity bills for the City, and opportunities for further lighting improvements.

### Liveable cities

- The City is seeking funding partnerships with all levels of government to support investment in landscaping spaces and greening corridors in Palmerston.
- With an estimated \$3.5 million, over 3 years, the City plans to increase green cover through tree planting and establish a grant scheme for property and business owners to assist in upgrading shop front and providing shelter.

### Where we live matters

- The City is seeking funding partnerships with all levels of government to support investment in facilities encouraging creativity, fostering economic opportunities and enhancing quality of life.
- With an estimated cost of \$6 million over 3 years, the City is aiming to establish a community hub, digital and e-Gaming hub, community garden and kitchen, dog park and playground for families

### It's always brighter

- Through a partnership with all levels of government and the private sector, the Council is hoping to take advantage of the Palmerston climate to harness solar power to create a clean, green and energy neutral community.
- With a 2-year timeframe, the City is hoping to establish solar farms, which would include use of different locations for a 15MW system and a 2 MW system.

## NORTHERN TERRITORY ECONOMIC DEVELOPMENT FRAMEWORK

The NT Economic Development Framework was established collaboratively across all sectors of the NT economy, to identify the most important direction and actions needed to accelerate the Territory's economic development. The Framework now

informs the Territory's long-term decision making relating to the economy providing policy and regulatory certainty to partners and investors. Key decisions within the framework relating specifically to the City of Palmerston include:

Action	Measure	Lead/Partners
Continue to support local Aboriginal communities, the regions and major centres of Katherine, Nhulunbuy, Tennant Creek, Palmerston and Alice Springs to develop and deliver economic development plans and priority projects that realise local aspirations	Economic development plans established Priority projects progressed	NTG Land Councils Regional Economic Development Committees (REDCs) Regional peak bodies Local government
Explore opportunities to co-locate clinical teaching and research staff and students at the Palmerston Regional Hospital site	Concept and business case developed	NTG Menzies
Co-develop and co deliver an overarching Northern Territory branding and marketing strategy to promote the Territory – including regional destinations – as places to live, work, visit, study, invest, trade and do business	Strategy implemented Population data	NTG Industry Regional Economic Development Councils Local government
Work with local governments and property owners to reinvigorate the city areas of Darwin, Alice Springs and other regional centres	Central Business District (CBD) areas reinvigorated	NTG Local governments

In addition to the actions in the framework specific to the City of Palmerston, the broader efforts to build and develop the NT economy through the identified growth and developing sectors, are recognised to produce likely benefits to Palmerston as a result of greater economic prosperity.

## NT 10 YEAR INFRASTRUCTURE PLAN

The NT 10 year infrastructure plan is informed by the NT economic development framework and the NT infrastructure strategy. The plan outlines the planned and proposed infrastructure projects for the NT over a 10-year horizon from 2017. A number of infrastructure projects have been planned for the Palmerston LGA, including:

Project	Prospective contributor	Total estimated cost (\$m)
The Heights Durack	Private	160
Zuccoli Village – Stage 1 – a joint venture with a private developer to deliver lots for sale	NTG Private	80
Zuccoli Mitchell Creek Green – Stage 2	Private	
Zuccoli Aspire – Stage 3, 4 and 5 – 1180 lots – neighbourhood centre	Private	150
Holtze Area Plan – infrastructure plan and delivery		
Palmerston East – headworks	NTG Private	8
Palmerston/Litchfield Region – new infrastructure to mitigate flooding	NTG	3
Farrar West – future residential subdivision	Private	
Robertson Barracks 25/100 metre range	AG	6
Robertson Barracks – Land 200 Battlefield communications systems	AG	5
Robertson Barracks – Land 17 – 1B/1C Land Force artillery simulator replacement, including new hangers and simulator facility	AG	4
Robertson Barracks – A9009 – Land 136 – Phase 1 Force mortar replacement	AG	2
Zuccoli Primary School – government preschool and primary school – shared facilities	NTG Private	47
Palmerston College Rosebery campus – new science lab – new multi-purpose centre	NTG	12
Power Network and Substation upgrades – Palmerston, Archer and Weddell	NTG	50
Sewerage pump station, treatment, reticulation upgrades	NTG	59
Water storage and transmission upgrades	NTG	39
Water source and reticulation upgrades	NTG	11
Chung Wah Terrace – capacity improvements and upgrades	NTG LG	44
Construct new two-lane link from Tiger Brennan Drive to Kirkland Road	AG NTG	40
Elrundie Avenue – capacity improvements and upgrades	NTG	27
University Avenue – capacity improvements and upgrades	NTG	18
Lambrick Avenue – capacity improvements and upgrades	NTG	10
Upgrade Kirkland Road and Woodlake Boulevard intersection	NTG	10

Project	Prospective contributor	Total estimated cost (\$m)
Roystonea Avenue – capacity improvements and upgrades	NTG	7
Stuart Highway – Tulagi Road intersection upgrade	NTG	
New Youth Justice Training Facility	NTG	70
Palmerston new Police Station – watchhouse, regional emergency operations centre, and community hall	NTG	30
Palmerston Fire Station relocate and upgrade	NTG	11
Palmerston Court	NTG	
Palmerston Renal Services expansion – 30 bed renal patient accommodation unit	NTG	
Palmerston new ambulance station	NTG	
Palmerston expand oral health services	NTG Private	4
Palmerston Regional Hospital hydrotherapy pool	NTG	3
Palmerston Super Clinic – upgrade air-conditioning and refurbishment	NTG	
Darwin and Palmerston renal services expansion – Home Therapies Unit	NTG	4
Palmerston CBD – The Boulevard – 15 storey multiple use development in 3 towers (in 3 stages)	Private	150
Palmerston – Urban Public Housing – new builds and redevelopment program	NTG	5
Johnston – Camm Street – 3 by 3-bedroom dwellings	Private	
Palmerston new infrastructure <ul style="list-style-type: none"> <li>swimming pool</li> <li>arts and cultural performing arts centre</li> </ul>	NTG LG	19
Rosebery Sporting Hub <ul style="list-style-type: none"> <li>hockey and basketball facilities</li> <li>car park expansion</li> </ul>	NTG	10
Smart Cities Technology – adopt intelligent IT systems	AG LG	2

In addition, nominated projects identified by industry, business and community stakeholders for the consideration of Government noted in the plan include:

- Operate the new Palmerston Regional Hospital as a fully digital model (electronic health records): It is noted in the annual review of the infrastructure plan (2018) electronic medical records will be phased in at Palmerston Regional Hospital, and all other government health and hospital facilities, as the Core Clinical Systems Renewal Program is rolled out across all Northern Territory Government health services.

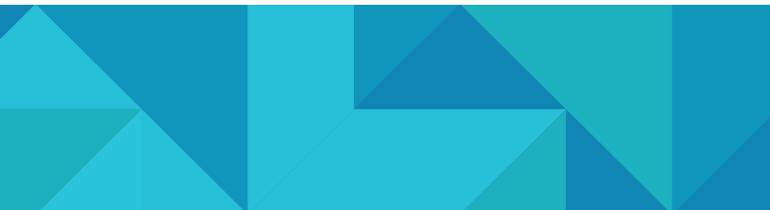
In the annual review of the infrastructure plan (2018), it is noted that integrated land use and infrastructure planning is needed to support in continual growth, priority development projects for Palmerston include:

- The Palmerston Health Precinct

A number of other infrastructure projects across the NT described in the Plan are likely to result in positive economic benefits to Palmerston, however for simplicity only Palmerston specific projects have been listed above.

The NT 10 year infrastructure plan is reviewed and updated annually, and the status of projects listed in this report may change with each review. It is recommended that readers interested in the projects associated with the plan consider the most recent review which can be found at <https://dipl.nt.gov.au/strategies>





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