

# **BUSINESS HUNTER**

## **DRAFT HUNTER REGIONAL PLAN 2041**

### **Business Hunter Submission**

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## Introduction

**Business Hunter** (formerly the Hunter Business Chamber) appreciates this opportunity to provide feedback on the Draft Hunter Regional Plan 2041 (DHRP2041).

We were pleased to have attended and provided input to both the Lower and Upper Hunter DHRP2041 webinar consultation sessions. The Department of Planning and Environment (DPE/ the Department) are to be commended for this phase of consultation, including consultation ahead of the DHRP2041 being released with local government and key stakeholders.

Business Hunter is the Hunter Region's peak business policy and advocacy group, representing more than 3,700 member and affiliate businesses and industries across all sectors, from SMEs to large corporations and organisations. We are connected to the business community statewide and nationally through affiliations with Business NSW and the Australian Chamber of Commerce and Industry (ACCI). Furthermore, Business Hunter is networked and affiliated with 20 local Chambers of Commerce across the Hunter region further enhancing our reach, connectivity and engagement with the business sector.

We believe our role is vital to help Hunter businesses succeed through championing comprehensive government and private enterprise policies that make room for entrepreneurialism, growth and diversification of modern Hunter businesses who have faced extraordinary challenges over the past two or three years. Through providing open access to business policy, thought leadership and strong advocacy we know we can assist in positioning this region for prosperity, to strengthen existing and generate new jobs, social wealth, and a better community in which to live.

## General Feedback

Business Hunter believes government achieves best policy outcomes for regional development when its strategies, plans and documents cross-reference related works in other agencies.

The DHRP2041 clearly references alignment with the Greater Newcastle Metropolitan Plan and, in parts, additional linked corporation plans such as the Lower Hunter Water Plan 2040. Overall, though, Business Hunter encourages additional strategic alignment across government agencies that will ultimately help deliver the final Hunter Regional Plan 2041 (Final Plan).

For business, strategic alignment and sequencing of government planning provides increased certainty and assurance that their own business investment, planning and growth strategies can be fully and comprehensively informed by government policy, no matter which government touchpoint they access for advice or support.

The DHRP2041 does provide relative flexibility for the region with key priorities such as infrastructure, connectivity, supporting growth industries and renewing small business opportunities all featuring.

If realised these broad principles can strengthen business and commercial presence in communities which will in turn, assist in realising the outcomes across a number of the Plan Objectives.

COVID-19 and the overturning of long-established business and consumer behaviours that has resulted, shows that localised commerce infrastructure requires support and targeted reinvestment to restore confidence in the business and commercial sectors is essential for achieving and maintaining a broadly diversified economy.

Overall, a commitment to including strong neighbourhood business revitalisation along with CDB revitalisation strategies presents an enormous opportunity to send the Hunter region – a region of active suburbs, villages and regional cities, with a globally-recognised capital in the Newcastle CBD – on a promising journey of connectivity, sustainability and new economic growth.

We note and congratulate the government for developing a comprehensive draft Plan. We also note that if adopted, the Plan will demand a process to identify and prioritise the ambitions it seeks to deliver. We doubt there are departmental resources immediately available to concurrently deliver across the respective Objectives. To assist, Business Hunter would welcome the opportunity to work with DPE to build a strategy around the allocation of resources to meet commercial and industrial objectives, and resulting business outcomes to achieve business and economic growth across the Plan.

### **Feedback related to business and commercial objectives**

#### **Objective One: Diversifying the Hunter's mining, energy and industrial capacity**

1. Business Hunter supports energy source, supply and transmission diversification and understands that, at least domestically, demand for thermal coal will decline as a source of residential and increasingly commercial energy over the next 10-20 years.

The business opportunities presented by transitioning coal mining economies are no longer contestable. Alongside the diversification and growth of new energy economies, Business Hunter agrees that mining, including coal for the foreseeable future, is a significant source of direct and indirect jobs and remains a strong contributor to much of the Hunter's prosperity. Acknowledging that coal mining is entering what we anticipate will be a managed transition phase, its resource still has currency in local and to a more significant extent, global markets, well beyond 2040.

Because of this, Business Hunter seeks to reinforce the benefit of including previously approved government policies on coal, such as *the Strategic Statement on Coal Mining and Exploration*. Where existing mining and resource plans and strategies exist and are current, these should retain reference to maintain synchronised energy transition policies that will come from the approval and execution of the final Hunter Regional Plan 2041.

2. We recognise the authors of the DHRP2041 could not have foreseen the geopolitical crisis unfolding across the northern hemisphere since February 2022. These recent events and their potential to focus on global energy security, supply and resources more broadly, means the Hunter must be honest and flexible in its conversations around the decarbonised energy usage and export journey. We must keep a short-term view of our own national energy sovereignty and security, and the temperament of geopolitical relationships in our own region. Here, we must be a nimble region and ensure our business, commerce and industry remains ready to respond to the needs of our nation *and* our region in supply of affordable energy. We must acknowledge that we are a national powerhouse. We understand the added complexity of these circumstances, particularly that we must also focus on the short- mid- and long-term plans and actions to support the trajectory towards renewables and decarbonisation. The momentum must be maintained towards a net zero economy for Australia. We know the Hunter has the distinct capacity above other regions – particularly in the skills and business ecosystems we have in place, to lead net zero nationally.
3. Alongside this, a balanced transition that includes preparing businesses for uptake of new energy must be cognisant of reliability and affordability of supply.

Given the rocky twenty-four months of business trade and confidence that have preceded the current global uncertainties, many businesses are currently operating at a net negative budget position. They are now attempting to replenish their stockpiles and cash reserves that were depleted through the pandemic. The implementation of the rapid transition of energy use must include incentives for businesses to offset and then convert their power consumption and sourcing and enable them to play their part in the diversification of new energy sources and supply.

4. Policy around post-mining land use must be as flexible and accommodating as it is opportunistic for post-mining spin-off business and growth. Business Hunter fully supports the principles of the circular economy as one of the most exciting business growth and economic diversification opportunities on offer in the Hunter region. Business Hunter believes that site rehabilitation must recognise the relative position of built infrastructure in all forms and be allowed to accommodate planning for safe, sustainable needs-based redevelopment; from nature reserves through to new industrial precincts and hubs to drive circular economies and lifestyles at scale. One of the noted strengths of the DHRP2041 was its apparent flexibility in outcomes; in practical terms, the Final Plan must allow former mining sites to be assessed and granted a renewal strategy that complements economic growth suitable to the needs of the communities that surround it – not a “one principle fits all” approach.

#### **Objective 2: Ensure economic self-determination for Aboriginal communities**

1. Business Hunter supports robust and well-consulted policy and implementation through the final Hunter Regional Plan 2041 that clearly references the relevant LALC priorities for economic self-determination and growth according to the priorities and ambitions for cultural, business and trade plan actualization, and the principles of OCHRE.

Business Hunter would additionally like to see a joint statement from the LALCs and the NSW Indigenous Chamber of Commerce (NSWICC), alongside the strategic land-use and environmental resource management Strategies in the DRHP2041 to underpin the Final Plan. It is further recommended that consultation and implementation be guided by the University of Newcastle (through the Office of Indigenous Strategy and Leadership), TAFE NSW and the Wollotuka Institute, all of whom have robust and well-researched approaches to achieving Aboriginal participation and success in education, training and business objectives. By doing so, DPE will inform its Final Plan to meet objectives for First Nations people that ensure cultural economic priorities are achieved through an indigenous-focused, commercial evidence base.

2. Many strategies and actions identified to achieve objective 3 rely on Aboriginal commercial success achieved by Aboriginal agencies having to reach *into* the knowledge base and objectives of the Department, rather than the Department reaching *out* to these organisations and communities to identify *their* practical principles. Business Hunter encourages the latter in practice when the Final Hunter Regional Plan 2041 is released. This will aid fuller self-determination of Aboriginal business and economic futures.

#### **Objective 3: Create a 15-minute region made up of mixed, multi-modal, inclusive and vibrant communities.**

1. Business Hunter has previously stated the importance of alignment with existing, and current strategies and plans in the DRHP2041 and its final version. Objective 3 talks at length of the 15-minute region which is exciting. It also presents an opportunity for DPE to strengthen its intragovernmental alignment with other agency strategies to achieve the Plan.

Strong emphasis has been placed on multi-modal civic interactions and mobility. Reduction of car dependency is critical to successful multi-modal commercial activation across a 15-minute region, yet there is little identification of implementing the plan to redesign high street areas (be that a large CBD, or smaller commercial precincts). If car-use reduction is to be achieved, consolidated reform and revitalisation of the public transport offerings across the region must be prioritised and outlined clearly in the final Plan. This is important to businesses and commerce for an important reason – funding and maintaining amenity and access for parking is a cost burden. In some instances, parking, or lack thereof, is a disincentive to commercial trade in urban centres.

Many urban centres are implementing low-quantum, high-cost car parking strategies which, if reassessed, could aid in reducing congestion and boost public transport usage; the hop-on, hop-off accessibility to commercial areas and high streets is appealing. It builds walking patronage at the micro level, and overall urban/high street economic vibrancy at the macro. Yet the planning and implementation of easy-uptake public transport projects are missing from the DRHP2041. Business Hunter wrote previously about the revitalisation of local neighbourhood economies – strengthening and easing access and fluidity of a comprehensive needs-based, commercial and community activating public transport plan will assist in achieving the 15-minute region by incentivising car-use for intraregional transit, rather than inter-neighbourhood commuting.

2. As referenced earlier, Business Hunter believes the DHRP2041 should develop, for its final version, a strong statement of support for planning for and rejuvenation of village high streets and the corner store (local neighbourhood) economy. Doing so will not only diversify economic outputs of our region, it will also help virtual, digital or hybrid companies and employees adopt a “15-minute commute” mentality that revolves around their neighbourhood first. It will promote a return or reinstatement of new business activity.

By championing digital infrastructure planning along with physical, the Department can achieve a growing culture of businesses and employees on a walking commute for services when working from home, while retaining the 15-minute public transport commute to the commercial office when required, using cars for private transit only when impeded of travelling intra-region.

Overall, successful implementation of the 15-minute region approach must acknowledge the role of, and DPE’s requirement to work with, local governments to achieve activated urban and suburban commercial precincts.

#### **Objective 4: Plan for “Nimble Neighbourhoods”, diverse housing and sequenced development.**

1. Business Hunter is a partner in the Hunter Planning Alliance (HPA) and supports the objectives and submissions of our fellows in this forum including the Urban Development Institute of Australia (UDIA Hunter), the Hunter Chapter of the NSW Property Council, Committee for the Hunter, DANTIA and the Hunter Joint Organisation (HJO).

Particularly to Business Hunter’s advocacy is the relatively new realisation that diverse housing development and availability impacts business and commercial growth for the Hunter. Housing shortages are not necessarily a new phenomenon. Yet, over the past eighteen months, there has appeared a crucial point of crisis across all scales of housing access and affordability. At one extreme, workers are increasingly squeezed out of housing affordability in areas close to their place of employment (countering the objectives of the 15-minute region and car use dependency at one end, gross housing inequality at the other), to the other, our research shows that the

“advantages” of relocating to our regional from larger metropolitan areas throughout COVID-19 for housing affordability and lifestyle reasons is being drowned out by ballooning house prices unmatched to wage and salary growth in this area to match metro-cities. We are witnessing workers turning down roles as they unable to find and secure affordable and convenient housing in proximity to the workplace.

We support diverse housing developments that are reflected in many of the DHRP2041 strategies and actions, yet fully support the HPA ask that a \$500M Enabling Infrastructure (Unlocking) Fund be included in the Final Plan to aid the government and housing developers, from Compass Housing to the private sector, achieve the diversity objective outlined in the DHRP2041.

Enabling a diverse housing development program to commence as a priority in the Hunter will help DPE achieve its signaled benchmarks of business and commercial growth, agricultural business diversification and a rejuvenated visitor economy. Compass Housing has produced a comprehensive, solutions-based approach to social housing and the HPA has worked together to produce a whole-of-region policy, planning and investment strategy for government to meet the overall housing shortfall across social, affordable and diverse housing needs. Both are supported by Business Hunter and should be closely considered by DPE.

#### **Objective 6: Reach net zero and increase resilience and sustainable infrastructure**

1. Business Hunter encourages implementation of the final Hunter Regional Plan 2041 to embrace existing regional infrastructure and plans that, if included, will enable net zero economies of scale and encourage sustainable infrastructure to drive net zero.

The NSW Government is aware of plans by the Port of Newcastle, AGL, Snowy Hydro 2.0 and most recently Orica’s partnership with Origin, to develop and execute strong, large-scale net zero projects across the region. Business Hunter also welcomes the NSW Treasurer’s recent announcement of more than \$100B in expressions of interest in projects within the Hunter-Central Coast Renewable Energy Zone (REZ). Through engagement with our business partners, we know that beyond the big-end projects, many smaller scale productive renewable projects are in the pipeline to support the REZ, the Hydrogen Hubs and large-scale developments. What Business Hunter would like to see is DPE and broader NSW Government financial support to fast-track feasibility and EOI and turn private investment appetite in the REZ into tangible, strategic projects as efficiently as possible. Prioritising the implementation and execution of the REZ will realise our region’s potential to diversify our business and commercial identity with confidence.

2. Business Hunter welcomes the integration of the NSW Climate Policy Framework along with its Energy and Electricity Roadmaps. We support our regional partners who have developed the first Hunter Hydrogen Roadmap, aimed at guiding traditional energy production towards a managed net zero future. We are strongly aligned with the NewH2 Hunter Hydrogen Technology Cluster and continue our strategic work with that and other energy agencies and committees in the Hunter to ensure that net zero economies will produce and realise new business and industrial opportunities for our region.

#### **Objective 7: Plan for business and services at the heart of healthy, prosperous and innovative communities**

Business Hunter references previous comments on local commercial revitalisation in considering this objective. We agree in a purpose-driven approach to high-street renewal to meet localized commercial objectives as well as diversity of business practices that meet varied customer needs across the accessibility spectrum of in-commerce, click and collect, and home delivery markets. Recent global contractions and pressures on business have placed diversity of business operations, accessibility and customer service in a new and different perspective.

Workplace and worker flexibility makes the requirement of town centre economies to be more flexible more vital for renewal, growth and sustainability. DPE planning must accommodate a 24-hour economy across the region to meet the transient and diverse workforce and business ownership communities that exist in renewed commercial ecosystems.

By encouraging 24-hour economies where fit for purpose, the DPE is also supporting businesses operating in multi-modal work environments to access goods and services, and care for family members (like childcare) at times that suit their mode of business operations. In consideration of these elements directly and indirectly achieve a stronger 15-minute region Strategy, planning mechanisms must be conscious of mitigating the impacts at the land use interface at zoning and development boundaries. If this is not managed correctly and the true ambition of communities is not realized, the concepts embodied on Objective 7 will be compromised and risk failure.

## **Conclusion**

Business Hunter would welcome further engagement and consultation on this submission, particularly relating to its practical implementation and the prioritisation of delivery across the Objectives.

We also appreciate intentions of the Plan to put the region in a best place to accommodate community and business growth however, we recognise that often whilst planning document in and of themselves do not impede progress, the steps in implementation are often difficult, fractured and contentious. Being aware to the impediments that may arise such as conflicts at the land use interface – across all usages and sectors, will help determine if the Plan will realise on its Objectives or have a compromised output because these issues were not fully contemplated and understood.

On this basis, Business Hunter submits our comments with the open-ended offer to continue to work supportively and constructively with DPE to assist and guide outcomes for business and commerce that will smooth the implementation of the Final Plan.

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