

Moyne Shire Council

2021-22

Advocacy Priorities





About Moyne Shire

Moyne Shire is located in south west Victoria and stretches from the Great Ocean Road in the south to the pastoral area of Mortlake in the north. Spanning an area of 5,478 km², Moyne's communities include Caramut, Eilerslie, Framlingham, Garvoc, Hawkesdale, Hexham, Kirkstall, Koroit, Macarthur, Mortlake, Nullawarre, Orford, Panmure, Peterborough, Port Fairy, Purnim, Winslow, Woolsthorpe, Woorndoo and Yambuk.

Moyne has a total population of around 17,000 residents, with much of the growth within the Shire occurring to the south in the coastal areas. With a steadily increasing population, the State Government anticipates continued population growth up to 0.5 per cent through to 2031.

Economic Profile

Moyne Shire is central to Australia's agriculture and food manufacturing industry, forming part of a region that contributes around a quarter of Australia's dairy exports and domestic produce. Moyne also has a thriving tourism industry with some of Victoria's most picturesque coastlines and holiday destinations.

The Shire is dependent on agriculture and food manufacturing. 54 per cent of employment, 93 per cent of Moyne's exports, 73 per cent of local expenditure and 40 per cent of all local wages are tied to these two industries. As a result, road and transport infrastructure is critical to Moyne's economic prosperity.

The region is deeply connected to surrounding areas, most notably Warrnambool with approximately 30 per cent of workers in Moyne living in Warrnambool.

Moyne enjoys a low unemployment rate; which is two percentage points lower than the Victorian average. The unemployment rate for people aged 15-24 is approximately 4.4 percentage points below the state's average.

This can result in skill and workforce shortages across key roles and industries. Nevertheless, Moyne's workforce is incredibly productive, with the real gross value added to the GSP by the region estimated to grow by 2 per cent every year between 2016 and 2021. The year on year improvements in regional output reflects the capacity for the workers of Moyne to innovate and find efficiencies.

According to independent economic analysis the sectors most likely to generate both economic value and create jobs in Moyne are: retail trade, manufacturing, education and training, health care and agriculture, forestry and fishing. In addition, Moyne is well placed to become a renewable energy hub. The Shire is capable of developing both onshore and offshore wind generation, hydro energy storage and wave energy, as well as train the necessary workforce. Leveraging the Shire's relationship with Deakin University and South West TAFE, Moyne is able to partner with government to deliver the energy assets and workforce necessary for Victoria to achieve its emission reduction targets.

As it stands, a quarter of the state's electricity is sent to Portland, and a unique 500kv power line runs across the Shire to Glenelg servicing the Portland Aluminium Smelter. With excess capacity running in both directions there are opportunities for electricity transmission out of, and into Moyne.

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Impacts of COVID-19

The COVID-19 pandemic dominated all aspects of life in 2020. Of all Australian states, Victoria was the hardest hit, enduring a second wave that peaked in July/August and saw the state placed under one of the harshest and longest lockdowns in the world.

Regional Victoria enjoyed a longer period of freedom, compared with metropolitan Melbourne, thanks to very low case numbers and quick management and control of outbreaks in Kilmore and Shepparton. However, regional economies felt the absence of the Melbourne market. Tourism in particular suffered, with no international arrivals since March, and highly restricted intrastate travel until September.

Moyne is part of the Great Ocean Road (GOR) tourism region, which is more dependent on visitor spending than the eleven other regions of Victoria outside of Melbourne, with the exceptions of the less populous Phillip Island and Alpine regions.¹ For the year 2018/19 the GOR region recorded total visitor expenditure of just over \$1.9 billion, and over 13,000 jobs were directly and indirectly linked to visitor spending.

In the same year, Moyne recorded \$157 million in visitor spending, with 806 jobs due to the direct impacts of visitor spending, and an additional 270 jobs attributable to the total (direct and indirect) impacts of visitor spending. Moyne is particularly reliant on intrastate visitation, with two-thirds of visitor nights generated by Victorian travelers. The prolonged lockdown of metropolitan Melbourne has had a significant impact on tourism in Moyne.

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In contrast, the agricultural sector enjoyed good seasonal conditions and strong market prices; and the construction industry has remained strong and will be further supported by the re-opening of the Melbourne market.

¹ How the Great Ocean Road region visitor economy is impacted and will recover from the COVID-19 recession, K. Flowers, Decisive Consulting, October 2020



Economic recovery and long-term prosperity

The 2020-21 Victorian Budget provided significant funding across a range of areas which address key concerns for Moyne, these include the \$626 million investment in digital connectivity, with a focus on regional Victoria; and the \$17.4 million investment in priority roads which support the Barwon South West Dairy Supply Chain. However, further support is required to assist Moyne and its surrounding communities recover from the impacts of the COVID-19 pandemic, and position the municipality for long-term prosperity.

Moyne has identified local job creation and diversification of its economy through infrastructure and construction projects as a key element of its COVID recovery. This will also boost the broader regional economy.

Another sector critical to Moyne's recovery is tourism. Council has an important role to play in supporting local tourism operators and businesses across the accommodation and hospitality sectors, whether through access to grant funding, streamlining permit and licensing application processes, or provision of council-owned spaces for outdoor dining.

To achieve economic recovery after 2020 and set itself up for long-term growth Moyne needs to undertake three key tasks:

1. Address challenges with **supporting infrastructure and services**, such as housing and health, that are necessary for economic recovery in the short-to medium term; and for population attraction as part of long-term economic stability and growth;
2. Assist businesses in the region's existing sectors of **tourism, agriculture and food manufacturing** to return to full operations; and
3. Lay the foundations for long-term economic transition in the areas of **renewable energy** and circular economy, and diversification and adaption in sectors such as agriculture.

Making Moyne a great place to live and work

1. Health and well-being

Terang Mortlake Health Service (TMHS) Stage 1A and 1B of the redevelopment of its Mortlake Campus (\$6.665 million)

The redevelopment of the TMHS Mortlake Campus would include a new, purpose-built Community Health Centre, a new ambulance station and improve accessibility. The new facility will provide an emergency outpatients service, defined as an 'Outpatients Care Service' within the state trauma system. The new facilities would also integrate the GP clinic for a one stop shop health care facility, with services to include dental, physiotherapy, podiatry, dietitians, GP consulting, pathology, maternal and child health services, district nursing, occupational therapists and other community health services.

The TMHS Mortlake Campus makes a significant contribution to the local economy through employment and local business procurement which in turn creates a valuable secondary impact by maintaining local spend. In 2017-18, EFT employment generated by the Mortlake Community Health Centre contributed \$0.623 million to the Moyne economy via direct, supply chain and consumption effects.²

Mortlake is strategically positioned at the junction of two busy highways and two major arterial roads, making it easily accessible. With increasing local industry such as the expansion of the Western Victoria Livestock Exchange sale yards and nearby renewable energy projects, coupled with an aging population, there is increased demand on local health services. The provision of locally based health services reduces the need for patients to travel large distances to other centres, reducing the amount of 'spend-leakage' from the local economy. The total impact on economic output is estimated to increase by up to \$8.336 million.

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Rail Trail Upgrades (\$4 million)

Council's Health and Wellbeing Plan and Recreation Strategy highlights the demand for informal recreation opportunities including walking, running and cycling. The creation of active transport routes will increase opportunities for informal recreation, boost social connectivity and improve transport options across Moyne's smaller towns. Investment in this community infrastructure also helps the visitor economy, enabling affordable activity and promoting visitor dispersal through the region.

²REMPAN Economy



2. Housing and labour shortages

One side-effect of the pandemic has been an increase in residents shifting from metropolitan Melbourne to regional Victoria. The enforced and prolonged period of working from home in 2020 as a measure to halt the spread of coronavirus is becoming standard practice for many workplaces and is tipped to be an ongoing part of future employment.

While this intrastate migration is providing regional economies with a boost, it is also contributing to a housing shortage in the region. Housing and labour shortages are two sides of the same coin.

Due to the pandemic and the restrictions on inbound travel, tourism, hospitality, horticulture and other sectors, do not have access to overseas workers such as Working Holiday Makers and seasonal workers, on whom many businesses have come to rely for labour. Attracting employees from outside the local area, particularly on a seasonal basis, is made more difficult when there is no accommodation (rental or otherwise) available. The housing shortage is an acute issue in other regional areas around the country, including nearby Surf Coast Shire.³

However, with a quarter of the \$5 billion Big Housing Build program allocated to regional Victoria⁴, there is an opportunity to build more affordable housing in Moyne which could increase supply and help to attract more metropolitan workers, whether on a temporary or permanent basis. With the local construction industry accounting for 13 per cent of Moyne's economy, building

community housing in Moyne will not only bolster this important industry but promote the diversification of the local economy.

3. Griffiths Street Bridge and Port of Port Fairy Masterplan implementation (\$8 million)

The Port of Port Fairy Master Plan is a shovel ready project that has undergone extensive community consultation. The proposal presents significant economic benefits to the Shire in both the construction phase and afterwards through increased tourism and improved conditions for recreational and commercial fishers.

The project would not only make the Port of Port Fairy more reputable, sustainable and functional. If implemented, the masterplan would maximise the use of the port, conserve heritage features, improve access for boat owners and improve the amenity for locals and tourists.

The Port of Port Fairy is much of the reason 600,000 people visited Moyne Shire in 2019, attracting \$135 million to the local economy.

As it stands, demand for berths at the Port is high, with a long waiting list of applicants. Developing the Port would increase the number of berths for commercial and recreational users.

³ www.abc.net.au/news/2021-01-08/surf-coast-rentals-at-zero-vacancy/13037172

⁴ www.vic.gov.au/regional-investment



Energy projects

1. Renewable Energy

Moyne Shire forms a large proportion of the South West Victoria candidate Renewable Energy Zone (REZ) and is the major growth area for wind energy facility development in Victoria. Within Moyne Shire there are five operational wind farms, two under construction, three with permits but not yet constructed and three seeking permits or in the feasibility stage. If all these wind farms are constructed the Shire will host approximately 800 turbines, generating about 3 GW of electricity and covering over 12 % of Moyne Shire's land area.

The cumulative impacts of wind farms are a current issue for Council and its community. Noise, visual, traffic, road, accommodation and environmental impacts are consistently raised by the community as areas of concern. Council resolved on the 27 November 2018 to oppose any further wind farm development until recommendations in the National Wind Farm Commissioners 2017 annual report were implemented in the Victorian context.

2. Port Fairy Smart Energy Precinct

The Port Fairy Smart Energy Precinct (PFSEP) is an exciting and innovative initiative that seeks to counteract escalating energy prices, through collaboration and renewable energy technology. The Port Fairy Smart Energy Precinct has been founded by the following businesses through the realisation that they have shared ambitions and outcomes in relation to increasing their uptake of reliable locally generated renewable energy and a desire to deliver broader community benefits.

- Bamstone – Nationally recognised manufacturer of natural stone products
- Southern Ocean Mariculture – International exporter of marine food products
- Sun Pharma – Global pharmaceutical manufacturer
- Wannon Water – Regional water authority for the South West of Victoria
- Moyne Health Services – Regional health provider

Funding ask \$300K to align with renewable energy infrastructure such as battery storage, wind turbines and solar.



Caring for Moyne's natural environment

3. Food and Fibre - energy requirements (3-phase power)

Moyne Shire supports calls by the Great South Coast Group to upgrade single phase power to three phase infrastructure in South West Victoria. Upgrading the region's power infrastructure would underpin efforts to modernise irrigation and strengthen agricultural water security, and better prepare the region for the impacts of climate change. It would support the region's key sectors of agriculture, food and fibre, as well as tourism.

This upgrade, covering less than 100 kilometres of single phase line and estimated to cost almost \$9 million, would bring at least \$2 million in value annually in the form of jobs, economic value and flow-on spending.

East Beach rock wall (\$5 million)

The coastline of the township of Port Fairy underpins a strong local economy driven by tourism. Sea level rise driven by climate change has threatened the coastline, putting at risk a critical industry for the region.

As it stands Council is working closely with the Department of Environment, Land, Water and Planning to bolster existing rock walls and to defend critical sections of the beach. However, local businesses remain concerned about the future. Investing in the completion of this shovel-ready project would not only bring jobs to the region; it would also give local operators the certainty they need to make investments and better plan their recovery from COVID-19.





Improving Moyne's built environment

1. Implementation of the Dairy Supply Chain study recommendations for local road improvements (\$5 million)

The Barwon South West Dairy Supply Chain Study outlines the case for a \$317.5 million investment over ten years into the road network in South West Victoria, which supports Australia's largest dairy production region, responsible for 24 percent of Australia's milk production.

The report notes, *"the freight task needed to transport production inputs, milk and final goods to market is significant and costs industry around \$345 million per annum, around 29 per cent of total expenditure. The road network across the region, as well as the entry and exit points to the region, are critical to the competitiveness of the industry"*.⁵

Improving the condition of local and regional roads throughout Moyne will benefit not only the dairying industry and associated supply chains; but also other major users of the South West Roads network, including the forestry, tourism, livestock transport, wind farm construction, and aluminium sectors.

As indicated in the Study, the proposed investment is a long-term proposition over ten years. However, it is important that works commence as a matter of urgency, as any delays will result in further deterioration of the roads, and increase the cost of upgrades, improvements and repairs.

Moyne has identified several local roads for immediate remedial works, at an estimated cost of \$5 million. This will address immediate safety issues, as well as facilitate the growing freight task over the long-term. Details of these road projects are contained in the Dairy Supply Chain Study.

2. Princess Highway West (\$12 million)

The Princes Highway is a critical tourist and freight corridor between Melbourne and Adelaide, with the stretch from Warrnambool to Port Fairy a key priority area for Moyne Shire. More than 14,000 vehicles use that stretch of highway each day, and road upgrades are urgently required to improve the safety of all road users.

The Federal Government has committed \$60 million to the duplication of the road between Warrnambool and Port Fairy, however a further \$12 million is required from the Victorian Government for the works to commence.

⁵ www.moyne.vic.gov.au/files/assets/public/documents/your-council/documents-plans-reports/plans/dairy-supply-chain-study.pdf



3. Koroit Township renewal (\$5 million)

Koroit is the second largest community in Moyne Shire with the main urban centre home to approximately 1,600 people with a forecast population of 1,850 by 2041.

The town also serves a wider rural catchment including Crossley, Killarney, Kirkstall, Winslow, Woolsthorpe, Mailors Flat and other rural localities. With its close proximity to the major centre of Warrnambool, Koroit offers an attractive lifestyle location for living, working, tourism and recreation with many heritage and natural features and affordable living choices.

The town provides a range of important services including health, education, retail, library, post office, rural supplies, sport and recreation facilities, visitor and tourism services and range of businesses including the Bega milk processing plant. The town is also located next to the popular Tower Hill Game Reserve which attracts over 250,000 visitors each year and has attracted an \$11.3 million investment from the Victorian Government to improve the visitor experience.

The township renewal project would include a new streetscape for the main street of Koroit, including undergrounding of over-head power lines, new footpath pavements and street trees and furniture. The village green would be upgraded to enhance usability for a range of different community users, and additional parking would accommodate increased patronage to new and emerging businesses, including new retail outlets, a boutique brewery and the current supermarket expansion.



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