

**21.09 ECONOMIC ACTIVITY**15/07/2010  
C76

This section focuses on economic development in different sectors.

**21.09-1 Economic Development**15/07/2010  
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The Shire has a strong economic base derived from versatile, high quality agricultural land, the local processing of product and the expansion of services to support production. It is one of the richest agricultural areas in the nation and has major tourism development opportunities.

The Shire is strategically positioned at the gateway to Gippsland and within one and a half hour drive of central Melbourne and 30 minutes from the Latrobe Valley towns. This location provides substantial advantages in terms of developing partnerships within the region and beyond in value-added industry, education, health, transport, tourism and marketing.

The role of the tertiary sector, agricultural service industries and manufacturing in providing employment means the role of the towns is critical to the economy of the Shire.

The business and services industries can be developed through the expansion of agricultural production, population growth and increases in value added agricultural industries, with the Shire and the wider region.

Agriculture and rural employment is gradually declining in common with Statewide trends in the restructuring of these industries. This trend is expected to continue and be counterbalanced by growth in tertiary sector employment.

The Shire's employment pattern is dominated by the tertiary sectors, especially in community services and public administration. These sectors are represented in extensive education institutions and the Warragul central business district.

**Objective 1 To establish and maintain a strong, dynamic economy and employment base by building on the comparative advantages in primary industry, timber, transport, tourism, education, manufacturing and service industry and commerce.**

- Strategy 1.1 Encourage investment and establish value added industry both within the Shire and in the region.
- Strategy 1.2 Develop a co-operative and co-ordinated approach to economic development with other municipalities and Gippsland regional development agencies and community development services.
- Strategy 1.3 Coordinate Baw Baw Shire's strategic planning with the strategic directions set by adjoining municipalities.
- Strategy 1.4 Develop a coordinated approach with the adjoining South Gippsland Shire, Cardinia Shire and Bass Coast Shire to ensure that the natural resource base is managed to protect the quality of the agricultural land base.

**Implementation**

- Apply State policy, Management of resources, under Clause 11.03-3.
- Apply State policy, Economic development, under Clause 17Apply State policy, Networks with regional cities, under Clause 12.03.
- Use the economic objectives of local policy, General land use and development, under Clause 22.01 when considering applications that can have a lasting impact on the local economy.

- Use local policy, Strategy Plans, under Clause 22.02-1 when considering applications that have implications for the local economy.

**21.09-2**  
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## **Primary Production**

### **Context**

Baw Baw is part of the Gippsland region that represents an important critical mass of agricultural productivity at the National and State level and associated value added industries and employment opportunities.

The Shire is a major agricultural producer in the West Gippsland region. Agricultural output in the Shire is highly valued.

Dairying is the strength of the economy of the Shire. The south-west area of Gippsland within which the Shire is located, produces a substantial amount of Victoria's dairy production and a significant proportion of the State's vegetables.

Many opportunities exist for the further economic development of the Shire. Such opportunities include traditional produce, cut flowers, fresh fruit, nuts, bulbs, potato seeds and the timber industry. Such products will also assist in the further development of the Shire as a centre for agricultural production, research and education.

Demands on the Shire's resources from a range of industries will continue to influence the Shire's development. These include the maintenance of water resources, the impact of the timber industry and mining and the expansion of agriculture, horticulture and silviculture.

The economic strength of the Shire will continue to lie in agricultural production, principally in dairying and in a range of support services and industries. The requirements of traditional agriculture are rapidly changing with practices such as high input farming techniques and improved stock through genetic enhancement coupled with an increase in the average size of establishments.

Increased land values have resulted in some commercial farmers relocating out of the Shire where land prices are lower and the pressures from urban development are less. These changes and the popularity of alternative agricultural pursuits means that there should be a more flexible approach to facilitating agricultural production.

The future of agriculture for the Shire not only lies locally, but overseas. The agricultural sector will increasingly think globally for its continued prosperity. The needs and standards expected by these markets in quality produce and food processing will strongly influence the Shire's development and economy.

### **Objective 1 To enhance rural based economic activity in agriculture, horticulture and silviculture.**

Strategy 1.1 Facilitate opportunities to expand and value add.

Strategy 1.2 Develop the concept of the Shire as a centre for high quality agricultural production.

Strategy 1.3 Coordinate and continue the development of agricultural research, education and marketing facilities.

Strategy 1.4 Apply tighter control on uses and developments likely to impact detrimentally on agriculture and the environment.

### **Implementation**

- Apply State policy, Management of resources, under Clause 11.03-3.
- Apply State policy, Protection of Catchment, Waterways and Groundwater, under Clause 15.01.

- Apply State policy under Clauses 17.05 Agriculture, 17.06 Intensive Animal Husbandry, 17.07 Forestry and Timber Production and 17.10 Apiculture when dealing with development and use applications in rural zones.
- Apply local policy, Primary Produce Sales, under Clause 22.05-1.

### **21.09-3 Secondary and Tertiary Sectors**

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#### **Context**

The service industry sector and its links with agriculture provide a solid and diversified economic future for the Shire. The Shire acts as a centre for agricultural production and research.

Natural resources and raw materials from the Shire's forests and farms are often processed outside the Shire. Economic development will be assisted by increased local processing.

Future opportunities for major industrial activity particularly that which adds value to the Shire's primary products, are important to the economic development of the region.

The Shire is home to several substantial educational and health establishments, which, by themselves and through support businesses, provide many employment opportunities.

#### **Objective 1 To recognise and support manufacturing, service industries and the tertiary sector (education, administration, retailing, services) as major contributors to the local economy.**

- Strategy 1.1 Support these industries by targeting Warragul and Drouin as twin towns and as the main tertiary and service centres.
- Strategy 1.2 Support Trafalgar and Yarragon as important centres for manufacturing, service industries and the tertiary sector.
- Strategy 1.3 Protect the amenity of residents by appropriate design and siting requirements and pursuit of minimum impact techniques.
- Strategy 1.4 Support a locally based building industry to supply housing and other building needs and recognise this industry as a strong element of the local economy.
- Strategy 1.5 Provide for future large scale plants processing local agricultural product in the Princes Highway transport corridor. Development to be subject to environmental requirements, in particular how development treats and disposes of waste and ensures that water quality is not affected.
- Strategy 1.6 Identify suitable locations for major industry to be rezoned as appropriate.

#### **Implementation**

- Apply State policies Activity centres, Business and Industry under Clauses 17.01 – 17.03.
- Apply State policy, Design and built form, under Clause 19.03.
- Apply local policy, General land use and development, under Clause 22.01, for development and use applications in the main towns.
- Apply local policy, Strategy plans, under Clause 22.02-1 for development and use applications in the main towns.
- Apply local policy, Industry landscaping, under Clause 22.02-4 for development in Industrial zones.
- Apply local policy, Building lines, under Clause 22.04-2 for development applications in industrial zoned land.

- Apply local policy, Townscape, under clause 22.02-2 for development applications in main streets and roads in towns.

**21.09-4 Tourism**

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**Context**

There are many opportunities for expanding tourism. Baw Baw National Park contains the closest downhill skiing facility to Melbourne and also provides opportunities for other recreational pursuits. Walhalla, an isolated old gold mining town in the north of the Shire, presents visitors with a journey through history with great potential to accommodate visitors in the nearby picturesque towns of Rawson and Erica. The existing day-visit or weekend stay businesses present an excellent foundation for linking tourism with the area's produce and other natural and cultural attractions.

**Objective 1 Seek to attract high quality tourist development that is compatible with the environmental values of the area.**

- Strategy 1.1 Develop and promote tourism based on natural and built resources.
- Strategy 1.2 Support and encourage the utilisation of the Shire's resources for tourism where they are consistent with the sustainable management of the natural resource base and the provision of infrastructure.
- Strategy 1.3 Develop a coordinated Tourist Strategy encompassing the key tourism features of the Shire.
- Strategy 1.4 Support tourism through improvements to accessibility and promotion of the ski fields at Mount Baw Baw/ Mount St Gwinear and linking Erica and Rawson with Walhalla by a tourist train and by heritage based development of Walhalla.
- Strategy 1.5 Capitalise on the abundant tourism opportunities available in National Parks, State and Regional Parks.
- Strategy 1.6 Implement a consistent signage theme and comprehensive directional and tourist signage system, complementing the Latrobe regional signage system.
- Strategy 1.7 Support tourism based around agricultural assets.
- Strategy 1.8 Support the improvement of access to places of interest to the public while protecting their quality by sound management practices.

**Implementation**

- Apply State policy, Tourism, under Clause 17.04.
- Apply local policy, Tourist development, under Clause 22.05-2.
- Apply local policy, Walhalla tourist development area, under Clause 22.05-3.

**Reference Documents**

- Growth Management Strategy and Structure Plans – Warragul and Drouin (2005).
- Warragul Transit Precinct Study (2004).
- Other Township studies, including Shire of Narracan Planning Strategies Report, Urban Areas (1994).