CITY OF LAUNCESTON SUBMISSION TO ECONOMIC DIVERSIFICATION AND INVESTMENT STRATEGY

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City of LAUNCESTON

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Executive Summary

The City of Launceston (Council) welcomes the opportunity to provide feedback on the draft Economic Diversification and Investment Strategy[1] (the Strategy). Council considers the Strategy to be broadly positive and well aligned with Launceston's economic development priorities, particularly its focus on unlocking private investment, lifting productivity, accelerating innovation, strengthening regional economies, building workforce capability and aligning infrastructure with future growth. These priorities are consistent with the City of Launceston Strategic Plan 2025–2035[2], which is built around the pillars of Prosperity, Place and People and identifies housing, transport, innovation, city centre renewal and economic opportunity as key drivers for growth in the municipality.

Council's central position is that Tasmania's future economic success will depend on implementation of the Strategy's vision and goals. The Strategy provides an appropriate high-level framework, but its impact will be determined by the strategies, funding and mechanisms put in place to support its delivery. Council recommends that future work gives greater prominence to the practical enablers of investment and productivity: local government capability, housing supply, workforce accommodation, investment-ready employment land, regional transport and digital connectivity, streamlined approvals and infrastructure sequencing.

Economic diversification should also focus on strengthening economic resilience by broadening Tasmania's industry base, developing emerging sectors and supporting innovation within established industries. While Tasmania's existing strengths remain important, long-term prosperity will depend on creating new sources of value and increasing economic complexity across the state.

For Launceston and Northern Tasmania, the strategy presents an opportunity to recognise regional cities as economic engines that support employment, education, health, logistics, innovation, tourism and advanced manufacturing across wider functional economic regions. Launceston's role as Northern Tasmania's primary regional centre means that investment in housing-enabling infrastructure, public transport, sewerage transformation, employment lands, city centre renewal and catalytic precincts such as the Boag's Brewery redevelopment will have benefits extending beyond the local government area (LGA) boundary into Northern Tasmania.

Does the draft Strategy set the right overall direction for Tasmania's economy over the next 10 years?

Council supports the overall direction of the Strategy and its focus on growing private investment, lifting productivity and strengthening regional economic performance as the foundations of Tasmania's future prosperity. The OECD identifies productivity growth as the primary long-term driver of higher incomes, wages and living standards, supporting the Strategy's strong focus on lifting productivity across the economy[3]. The Productivity Commission's national productivity reform agenda similarly identifies technology adoption, regulatory reform, skills development and improved business dynamism as critical

[1] Tasmanian Government, 2026, *Economic Diversification and Investment Strategy*, available at Economic-Diversification-and-Investment-Strategy_Consultation-Draft_0708.pdf

[2] City of Launceston, 2025, *Strategic Plan 2025 - 2035*, available at Strategic Plan - City of Launceston

[3] OECD, 2025, *OECD Compendium of Productivity Indicators 2025*, available at OECD Compendium of Productivity Indicators 2025 (EN)

drivers of future economic growth[4]. Council recognises that the private sector plays a crucial and leading role in driving growth, given the current fiscal and economic environment.

Council strongly supports the emphasis on regional activation and the acknowledgement that Tasmania's future will be delivered region-by-region, building on local strengths, points of difference, labour markets and infrastructure advantages. Regional economic growth is strengthened when investment decisions align infrastructure, workforce planning, land use and local economic strengths through place-based approaches[5]. The Australian Government's regional development framework similarly recognises regional centres as critical drivers of economic activity, population growth and productivity outside capital cities[6]. While Council supports the Strategy's overall direction, its success will depend on clear actions, funding commitments and delivery mechanisms.

Housing supply constraints and inefficient approval processes are increasingly acting as barriers to economic growth, labour mobility and workforce participation[7]. National research consistently demonstrates that housing availability directly affects a region's ability to attract workers, support major projects and facilitate business investment[8]. Further, Infrastructure Australia has repeatedly identified infrastructure readiness, transport connectivity, digital connectivity and serviced industrial land as critical enablers of regional economic development and investment attraction[9].

The strategy would benefit from grouping related industries into broader economic sectors to support coordinated policy responses while maintaining sufficient flexibility to address sector specific opportunities and constraints. The current approach references many industry types which may create unnecessary complexity during implementation. Greater recognition should be given to local government's role in economic development, planning, infrastructure delivery and place-making. The Strategy should also place stronger emphasis on housing supply, workforce accommodation, investment-ready employment land and sequenced regional infrastructure, as these are critical enablers of investment, workforce growth and business expansion. The following recommendations will help address these concerns:

Recommendations

1. Strengthen the role of local government within the Strategy and recognise councils as delivery partners in delivering the strategic priorities.
2. Recognise housing supply, housing-enabling infrastructure and workforce accommodation as core economic development priorities that must be planned and delivered in alignment with broader investment, workforce, infrastructure and regional growth objectives.

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[4] Productivity Commission, 2025, *Creating a more dynamic and resilient economy Inquiry report No. 109 | 10 December 2025*, available at Inquiry report - Creating a more dynamic and resilient economy

[5] Infrastructure Australia, *Regional Strengths and Infrastructure Gaps Regional Analysis: Tasmania*, available at 7. RSIG_Regional Analysis_TAS_1122.pdf

[6] Infrastructure Australia, *Regional Strengths and Infrastructure Gaps Regional Analysis: Tasmania*, available at 7. RSIG_Regional Analysis_TAS_1122.pdf

[7] Productivity Commission, 2025, *Housing construction productivity: Can we fix it? Research paper*, available at Housing construction productivity: Can we fix it?

[8] Productivity Commission, 2025, *Housing construction productivity: Can we fix it? Research paper*, available at Housing construction productivity: Can we fix it?

[9] Infrastructure Australia, *Regional Strengths and Infrastructure Gaps Regional Analysis: Tasmania*, available at 7. RSIG_Regional Analysis_TAS_1122.pdf

3. Prioritise identification, servicing and protection of employment land and strategic industrial precincts across Tasmania's regional centres.
4. Adopt a place-based implementation approach that recognises and strengthens the role of regional cities such as Launceston as major economic hubs for their surrounding functional economic regions.
5. Develop action plans for grouped industry sectors that align processes while preserving the sector-specific nuances needed for effective implementation.
6. Recognise education, research and knowledge institutions as economic assets that drive innovation, workforce development, entrepreneurship and productivity growth across Tasmania.

Which of the six priority areas are most important to you, your organisation or your community?

Council supports all six priority areas and considers them highly interconnected, with progress in each dependent on the others. The City of Launceston has a vital role in enabling these outcomes through planning, infrastructure, economic development, community development and advocacy.

From Council's perspective, the priority areas most relevant to Launceston and Northern Tasmania are those that directly support productivity growth, regional activation and infrastructure readiness:

- Priority 3: Lifting Productivity is critical to improving wages, competitiveness and living standards and aligns with Council's interest in supporting innovation, digital adoption and business capability. The Productivity Commission has identified technology adoption, digital transformation, innovation and workforce capability as essential components of future productivity growth across Australia[10].

- Priority 4: Activating our Regions strongly aligns with Council's role in regional economic development and the need to connect land use, workforce planning, infrastructure provisions and local economic opportunities. Regional activation should also recognise the role of major regional cities as education, health and innovation hubs, which support surrounding LGA's. Launceston's concentration of tertiary education, vocational training, health and professional services creates economic benefits that extend well beyond local government boundaries. Regional Development Australia[11] (RDA) emphasises that economic growth is most successful when built on place-based planning that recognises regional strengths, labour markets and industry opportunities.

- Priority 6: Strengthening Infrastructure is important for Northern Tasmania because infrastructure readiness underpins investment attraction, housing growth, workforce participation and productivity improvements. Regions that align infrastructure planning with future economic opportunities are better positioned to attract investment and population growth[12].

Further consideration should be given to the practical barriers that may limit delivery of strategy's priorities. In regional centres, infrastructure delivery, land readiness and housing supply often lag investment opportunities, constraining workforce attraction, business expansion and major project delivery. A strong place-based framework is needed to ensure regional infrastructure needs are not overshadowed by statewide projects. The Strategy should also recognise delivery capacity constraints

[10] Productivity Commission, 2025, *Creating a more dynamic and resilient economy Inquiry report No. 109 | 10 December 2025*, available at Inquiry report - Creating a more dynamic and resilient economy

[11] RDA Tasmania, 2025, *Tasmania Economic Overview*, available at RDAT-Tasmania-Economic-Review-2025-v2.pdf

[12] Infrastructure Australia, *Regional Strengths and Infrastructure Gaps Regional Analysis: Tasmania*, available at 7. RSIG_Regional Analysis_TAS_1122.pdf

within local government and other agencies and ensure productivity and innovation initiatives are supported by workforce development and digital capability programs.

Recommendations

1. Prioritise infrastructure and land readiness to unlock housing, employment and private investment opportunities in regional Tasmania.
2. Support catalytic regional projects and strategic precincts that drive economic diversification, productivity and long-term investment.
3. Strengthen place-based planning and coordination between State Government, local government, industry and regional stakeholders to align infrastructure, workforce and economic development priorities.
4. Recognise regional cities such as Launceston as key economic hubs and support their role in driving innovation, investment and service delivery across wider regions.
5. Embed regional outcomes within implementation and reporting frameworks, supported by clear performance indicators and investment in transport, digital connectivity and housing-enabling infrastructure.

What would tell you that the Strategy is making a real difference?

Council supports the Strategy's emphasis on measurable outcomes and evidence-based decision making, rather than reporting focused solely on activity. The success of the Strategy should be assessed through clear and tangible improvements in private investment, productivity, workforce participation and regional economic performance. Its focus on investment, innovation, regional opportunity and workforce participation provides a sound basis for tracking progress over time. Council also supports the inclusion of regional indicators to ensure economic growth is monitored across Tasmania and that the benefits of growth are shared beyond Hobart.

Economic growth indicators alone will not fully show whether regions are attracting and retaining workers, supporting business growth, or improving liveability. To provide a more complete picture, the Strategy should include measures relating to infrastructure delivery, industrial land supply, housing availability and digital connectivity, as these factors directly influence Tasmania's investment readiness.[13] Statewide indicators can also mask significant differences between regions, so place-based and regional performance measures need to be included.

Recommendations

1. Measure progress against the Strategy's three overarching goals of[14]:
    a. Private investment and economic resilience;

[13] Infrastructure Australia, *Regional Strengths and Infrastructure Gaps Regional Analysis: Tasmania*, available at 7. RSIG_Regional Analysis_TAS_1122.pdf

[14] Tasmanian Government, 2026, *Economic Diversification and Investment Strategy*, available at Economic-Diversification-and-Investment-Strategy_Consultation-Draft_0708.pdf

    b. Productivity, innovation and competitiveness;
    c. Participation and regional opportunity.
2. Measure success through clear economic outcomes, including but not limited to:
    a. Development Approvals
    b. Regional Lead Pipeline
    c. Economic Impact reporting
3. Include indicators that measure productivity and innovation outcomes, Including:
    a. Digital and AI adoption, research and development activity, technology uptake and productivity growth across key sectors.
4. Monitor workforce capability and participation through:
    a. Migration
    b. Education Qualifications

Report performance at both a statewide and regional level.

5. Publish regular and transparent reporting against measurable targets and use performance data to inform future action plans, policy development and investment priorities.
6. Include regional liveability indicators such as whether people have access to services, recreation, appealing public open space, cultural opportunities, affordable housing and public transport, and whether they feel safe, connected and satisfied with life in their area, recognising that liveability influences workforce attraction and retention.
7. Track key economic enablers, as provided in the table below including:

TABLE 1:TRACKING KEY ECONOMIC ENABLERS

Enabler	Key metrics to track
Housing supply	Dwelling approvals, dwelling completions, housing pipeline, new dwellings by region, time from approval to completion
Housing affordability	Median house price-to-income ratio, rent-to-income ratio, rental vacancy rate, share of households in housing stress
Industrial land availability	Serviced industrial land supply, hectares of available employment land, industrial land absorption rate, years of supply remaining
Infrastructure funding	State-led infrastructure funding; projects delivered; local government and private sector contributions; funding gap for priority projects; private investment unlocked
Digital connectivity	Broadband and mobile coverage, average download/upload speeds, mobile blackspot reductions, business uptake of digital technologies

What would make Tasmania a clearer, faster and more attractive place to invest or grow a business?

Tasmania can become a more attractive, efficient and investment ready destination by providing businesses and investors with greater certainty, streamlined processes and better coordination across government. Council supports a whole-of-government investment facilitation model that offers a single point of contact, clear approval pathways and coordinated support from project inception through to delivery. This approach should be complemented by more efficient planning and regulatory processes, targeted incentives that address strategic economic and community needs, enhanced investment prospectuses, improved access to investor information and stronger alignment between infrastructure investment and identified growth opportunities.

Council also considers that Tasmania's investment readiness depends on practical enabling conditions, including serviced industrial land, investment-ready precincts, housing availability, workforce accommodation, transport connectivity and digital infrastructure. Without these foundations, investment opportunities will be lost. Local government place-making initiatives, city centre revitalisation, urban greening, active transport networks, cultural infrastructure, public realm improvements and climate adaptation measures should be recognised as economic enablers that improve livability, attract skilled workers and increase investor confidence. Council's ongoing work to facilitate residential development and infrastructure delivery through Neighbourhood Plans and the Infrastructure Funding Framework should also be recognised as a key contributor to Tasmania's investment readiness and long-term growth.

Tasmania should therefore clearly articulate its competitive advantages, including renewable energy, environmental credentials, liveability, regional growth opportunities and high-quality products and services, while also ensuring that the fundamentals of return on investment, cost certainty and speed of decision-making are strong. The State Government should lead by example, providing clear and consistent policy settings that maintain investor confidence and support long-term investment decisions. This should include strengthening and updating the Northern Tasmania Regional Land Use Strategy to better align land use planning, infrastructure investment and economic development objectives, ensuring the region is well positioned to accommodate growth and attract investment.

The Strategy should more clearly recognise Tasmania's natural environment, heritage and cultural assets as economic strengths that require ongoing protection and enhancement, as a major point of difference to competing markets.

Recommendations

1. A coordinated whole-of-government investment facilitation model that provides investors with a clear point of contact, streamlined support across both levels of government and greater certainty from project inception through to delivery.
2. Improve Tasmania's investment readiness by accelerating the planning, servicing and delivery of strategic employment lands, industrial precincts, housing and enabling infrastructure needed to support business growth and major projects.
3. Align planning, regulatory and infrastructure systems with economic growth priorities through clearer approval pathways, improved transparency, timely decision-making and ongoing collaboration with local government to remove unnecessary barriers to investment.
4. Unlocking investment through strategic projects that remove barriers for private sector, examples include:
    - Support local governments to monitor and report on development trends, planning decisions and investment activities, enabling evidence-based decision-making and more effective identification of growth opportunities.
    - Unlock private investment through strategic projects such as the Launceston Sewer Transformation Project[15], which will remove infrastructure constraints on housing and employment growth.
    - Support strategic urban renewal projects such as the Boags Brewery site to attract private investment, diversify economic activity and strengthen city centre vitality.

[15] Infrastructure Australia, 2025, *Launceston Sewer Transformation Program*, available at Stage 1 Evaluation Report Launceston Sewer Transformation.pdf

5. Consistency from State Government in the management of state projects.
6. Develop marketing collateral for targeted industry groups at a regional level.

Where should Tasmania focus effort to build new sources of growth and innovation?

Council supports the Strategy's focus on developing new sources of economic value in areas where Tasmania has established competitive advantages, including renewable energy, advanced manufacturing, food and agribusiness innovation, visitor economy experiences, Antarctic and marine sciences, defence industries and emerging digital technologies. Council also supports stronger collaboration between research institutions, industry and investors to improve commercialisation outcomes and foster the growth of high-value industries.

Tasmania's strong research capability provides an important foundation for innovation-led growth, consistent with OECD research identifying knowledge transfer, innovation networks and technology diffusion as key drivers of productivity and economic diversification[16]. Council further supports initiatives that improve access to capital, export markets and investment opportunities, enabling Tasmanian businesses to grow, innovate and compete on the international stage.

While Council supports the strategy's direction, several areas warrant greater attention. Further research is required to explore all emerging opportunities ensuring best practice and return on investment in growth and innovation. Greater attention should also be given to improving access to venture capital, growth funding and private investment, particularly for regional businesses seeking to commercialise innovative ideas and scale operations.

The enabling role of housing supply, workforce attraction and retention, and digital connectivity in supporting innovation and new industry development should also be more explicitly recognised. Finally, while the Strategy appropriately focuses on emerging industries, greater emphasis could be placed on innovation and productivity opportunities within key service sectors, including health, education, tourism and professional services, which collectively represent a significant share of Tasmania's economy.

Recommendations

1. Explicitly recognise the role of regional centres such as Launceston in driving innovation, workforce development, research collaboration and economic growth across Tasmania.
2. Support the development of innovation precincts, industry clusters and strategic employment lands, while fostering stronger collaboration between industry, research institutions, tertiary education providers and investors to accelerate commercialisation and business growth.
3. Focus innovation and industry development initiatives on sectors where Tasmania has existing strengths, including advanced manufacturing, renewable energy, food and agribusiness, tourism, defence industries, health technologies and marine industries.
4. Conduct a regional study into investment opportunities and gaps that identify differences across regional Tasmania in collaboration with key stakeholders and local government authorities.
5. Strengthen links between food production, agritourism, premium branding and visitor experiences recognising Tasmania's competitive advantage in the delivery of integrated food, beverage and visitor experiences.

[16] Ibid

What would most help Tasmanian businesses, sectors and public services work more productively?

Council supports the Strategy's recognition that productivity growth is fundamental to improving wages, business competitiveness and living standards. The focus on technology adoption, artificial intelligence, automation, digital capability and workforce skills as key drivers of future productivity growth, supporting Councils existing work.

The City of Launceston also supports initiatives that reduce unnecessary regulatory burden, improve planning and approval processes, expand digital connectivity across regional Tasmania, improve digital literacy and lift productivity in major employment sectors including health, construction, retail, tourism and education.

While Council broadly supports the proposed direction, the Strategy should place greater emphasis on several factors that enable productivity growth. These include the provision of investment-ready employment land, industrial precincts and supporting infrastructure; targeted support for small and medium-sized businesses to adopt new technologies; and improved data sharing and digital integration across all levels of government to reduce duplication and improve service delivery. Greater recognition could also be given to the role of regional cities such as Launceston as centres of education, health, advanced manufacturing, logistics and professional services that drive productivity and economic growth across Northern Tasmania [17].

Recommendations

1. Accelerate technology adoption and innovation by increasing funding for programs through Business Tasmania
    a. Programs could focus on improving uptake of digital technologies, artificial intelligence and automation.
2. Improve productivity through regulatory reform by continuing to reduce unnecessary regulatory, administrative and planning barriers that increase costs, delay investment and prevent growth:
    a. Improve data sharing and digital integration across all levels of government to reduce duplication, improve customer experience and streamline regulatory and development processes.
3. Strengthen workforce capability through investment in foundational skills, digital literacy, lifelong learning and workforce participation initiatives that respond to changing industry needs.
4. Invest in productivity-enabling infrastructure and places by improving digital connectivity, strategic employment land and industrial precincts, and recognising the role of regional centres such as Launceston in driving economic growth and innovation.
5. Measure productivity outcomes through clear indicators relating to technology adoption, innovation, workforce participation, approval efficiency and public sector performance.
6. Establish regional productivity demonstrations showcasing the practical applications of AI, automation and digital technologies to SME's and local governments.

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[17] RDA Tasmania, 2025, *Tasmania Economic Overview - Sub-Regions Reports*, available at RDAT-Tasmania-Economic-Review-2025-Sub-Regions.pdf

What would most help your region strengthen its economy and benefit from future growth?

Northern Tasmania's ability to strengthen its economy and benefit from future growth will depend on better alignment between infrastructure, housing, workforce development, strategic employment land and industry growth opportunities. As Northern Tasmania's largest regional centre, Launceston plays a critical role in connecting businesses, workers, education providers, health services and investment opportunities across the region. Ensuring sufficient housing supply, investment-ready employment land, transport connectivity and digital infrastructure will be essential to attracting investment, supporting population growth and improving regional competitiveness. The ability to attract workers, support population growth and secure private investment is increasingly dependent on access to affordable and appropriate housing.[18] Strong collaboration between State Government, local government, industry and regional organisations will also be required to deliver coordinated, place-based economic development outcomes.
Council supports the Strategy's focus on regional activation and its recognition that economic growth is strongest when infrastructure, workforce planning, housing, land use and industry development are aligned through place-based approaches. Infrastructure Australia identifies the alignment of regional strengths, infrastructure and workforce planning as critical to regional economic success.[19].

A stronger focus on regional economic development partnerships, recognising that collaboration between local government, industry, communities and state government is essential to delivering sustainable growth outcomes.[20]

Greater recognition should be given to the importance of investment-ready employment land, industrial precincts and strategic growth areas, particularly in regional centres where land supply is critical to business expansion and economic diversification.

Additional attention should be given to transport connectivity, digital infrastructure and freight efficiency as key drivers of regional competitiveness and access to national and international markets. Infrastructure Australia identifies transport, digital connectivity and serviced land as critical enablers of regional growth[21].

Council also considers that capacity constraints within local government and regional delivery organisations should be acknowledged, given their key role in implementing economic development initiatives, facilitating investment and delivering regional growth outcomes. The state should explore models that can alleviate these constraints.

Recommendations

1. Adopt a place-based approach to regional development that recognises Launceston as Northern Tasmania's primary regional growth hub, supporting surrounding municipalities through employment, education, health, innovation and logistics functions.

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[18] RDA Tasmania, 2025, *Tasmania Economic Overview - Sub-Regions Reports*, available at RDAT-Tasmania-Economic-Review-2025-Sub-Regions.pdf

[19] Infrastructure Australia, *Regional Strengths and Infrastructure Gaps overview* available at RSIG_Introduction_3.1.pdf

[20] RDA Tasmania, 2025, *Tasmania Economic Overview - Sub-Regions Reports*, available at RDAT-Tasmania-Economic-Review-2025-Sub-Regions.pdf

[21] Infrastructure Australia, *Regional Strengths and Infrastructure Gaps overview* available at RSIG_Introduction_3.1.pdf

2. Recognise Launceston's role as Northern Tasmania's primary education centre and support investment in tertiary education, vocational training and research activities that strengthen workforce capability and innovation outcomes.
3. Prioritise housing supply and enabling infrastructure to support workforce attraction, population growth and investment readiness across regional Tasmania[22].
4. Collaborate with local governments to accelerate the identification, servicing and protection of strategic employment land and industrial precincts to ensure business growth and investment opportunities are not constrained by land availability.
5. Strengthen coordination and funding between State Government, local government, industry and regional organisations to better align infrastructure planning, workforce development and economic growth initiatives.[23].
6. Embed regional outcomes within implementation and reporting frameworks by monitoring investment attraction, workforce participation, housing delivery, industrial land supply and business growth to ensure all regions share in the benefits of economic development.
7. Partner with local government to identify and promote investment ready sites supported by targeted incentives where required to attract private sector investment and deliver projects that activate place making opportunities.

What would most help Tasmania build the workforce and skills it needs?

Council endorses the focus on increasing workforce participation, improving educational attainment and ensuring Tasmania develops the skills required to support future industry growth, productivity and economic resilience. Council also supports investment in workforce capability, digital literacy, lifelong learning and training pathways that enable Tasmanians to respond to technological change and emerging industry opportunities. Any initiatives that prepare workers, businesses and communities for the opportunities and challenges presented by innovative technologies are supported, whilst also recognising the pressing need to attract more workers to Tasmania.

While Council supports the overall direction of the Strategy, greater emphasis could be placed on retaining young people through stronger school-to-work pathways, graduate employment opportunities and closer connections between education providers and local industries. Council is already working with UTAS on a project to understand these barriers further. Retaining skilled graduates and young workers will be critical to meeting future workforce demand and supporting regional economic growth.

Greater recognition could also be given to the role of regional education and training institutions, including the University of Tasmania, Australian Maritime College and TasTAFE, in developing the workforce needed to support priority industries and regional growth. Additional attention may be required to address persistent workforce shortages in key sectors, including health, construction, education, advanced manufacturing and professional services, particularly in regional Tasmania.

Housing availability and affordability could also be more explicitly recognised as workforce issues, given the increasing importance of housing supply in attracting and retaining skilled workers.

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[22] Productivity Commission, 2025, *Creating a more dynamic and resilient economy Inquiry report No. 109 | 10 December 2025*, available at Inquiry report - Creating a more dynamic and resilient economy

[23] RDA Tasmania, 2025, *Tasmania Economic Overview*, available at RDAT-Tasmania-Economic-Review-2025-v2.pdf

Recommendations

1. Strengthen workforce participation and skills development through investment in education, training, lifelong learning and digital capability programs that respond to changing industry needs.
2. Improve pathways from education to employment by strengthening partnerships between schools, training providers, tertiary institutions and industry.
3. Support the attraction and retention of skilled workers through coordinated migration, housing, workforce and regional development initiatives.
4. Invest and create a workforce attraction action plan that implements strategies and promotes Tasmania.
5. Support regional workforce development by recognising the role of regional education and training institutions and addressing skills shortages in key industries and locations.
6. Develop a coordinated graduate retention strategy focussed on increasing the proportion of school leavers and University graduates who remain in Northern Tasmania following the completion of their studies.
7. Provide funding support to the City of Launceston for our *Come*, *Stay*, *Leave* study in partnership with UTAS commencing in FY27.

What infrastructure should Tasmania prioritise to support jobs, investment and regional growth?

Council supports the Strategy's recognition that infrastructure is a fundamental enabler of economic growth, investment attraction, workforce participation and regional development. The Strategy appropriately identifies transport, energy, digital connectivity, water, land readiness and housing-enabling infrastructure as critical economic foundations.

A focus on aligning infrastructure investment with economic priorities to ensure public investment unlocks private sector growth, productivity improvements and regional development opportunities is well received. Council also supports continued investment in transport, freight and logistics infrastructure, recognising Northern Tasmania's role as a gateway for trade, manufacturing, agriculture and tourism.

While Council supports the overall direction of the Strategy, greater recognition should be given to the importance of investment-ready employment land and industrial precincts, including the infrastructure required to service and activate these areas. The availability of serviced employment land is increasingly important to attracting investment, supporting business growth and enabling economic diversification.

Additional focus is required on regional transport connectivity, including freight corridors, inter-regional transport links and public transport systems that improve workforce mobility and access to employment opportunities. The Strategy could also place greater emphasis on infrastructure sequencing to ensure transport, utilities, housing-enabling and community infrastructure are delivered ahead of, or alongside, anticipated growth and investment.

Council also considers that greater recognition should be given to catalytic regional infrastructure projects that have the potential to transform economic outcomes, unlock private investment and strengthen the competitiveness of Northern Tasmania.

Recommendations

1. Progress infrastructure upgrades that support the development of strategic employment lands and industrial precincts in Northern Tasmania, including the Northern Midlands transport and logistics

corridor, Launceston Airport precinct, Bell Bay Advanced Manufacturing Zone and other emerging employment precincts.[24].

2. Support improved public transport connectivity and frequency within greater Launceston and between Northern Tasmania's regional centres, recognising that workforce participation is increasingly influenced by transport accessibility. The draft strategy identifies transport as a key factor influencing workforce participation and regional opportunity[25].
3. Recognise the strategic importance of the Boag's Brewery precinct redevelopment and broader Launceston urban renewal opportunities as catalytic projects capable of attracting private investment, supporting tourism, strengthening the visitor economy and creating new employment opportunities in the city centre.[26].
4. Recognise the Launceston City Heart Plan as a catalytic infrastructure and urban renewal project that can strengthen the city centre, improve public realm and transport connections, stimulate private investment, support visitor economy growth and reinforce Launceston's role as Northern Tasmania's primary regional cultural and economic hub.
5. Prioritise delivery of the Launceston sewerage transformation project as a major housing-enabling, environmental and economic infrastructure investment that will modernise wastewater systems, improve water quality, increase development capacity and support future population and industrial growth across Greater Launceston[27].
6. Align infrastructure investment with the growth of the Launceston Health and Education Precincts, including transport, housing and enabling infrastructure that supports the Launceston General Hospital, University of Tasmania campuses and the Australian Maritime College.
7. Investigate long-term opportunities to improve passenger and freight transport connections between Launceston, Hobart and other major regional centres, recognising that stronger inter-regional connectivity would support workforce mobility, tourism, logistics and statewide economic integration.
8. Modernise governance and regulatory environments through the implementation of the Economic Future Act, digital approvals systems, integrated project facilitation processes and improved coordination between State and local governments.

Are there any specific actions or initiatives you think should be included in future action plans?

Council supports the development of practical, place-based action plans that translate the strategy's priorities into measurable work. The following initiatives are recommended for consideration in any future planning to strengthen regional competitiveness, improve investment readiness, support workforce development and unlock sustainable economic growth across Tasmania.

1. Develop regional action plans linked to the strategy that identify priority projects, workforce requirements, infrastructure needs and economic opportunities for each of the state's regions.

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[24] Infrastructure Australia, *Regional Strengths and Infrastructure Gaps overview* available at RSIG_Introduction_3.1.pdf

[25] Tasmanian Government, 2026, *Economic Diversification and Investment Strategy*, available at Economic-Diversification-and-Investment-Strategy_Consultation-Draft_0708.pdf

[26] Ibid

[27] TasWater, 2026, *Launceston Sewer Transformation*, available at Launceston Sewer Transformation | Your Say

- Outcome supported: *Regions*, *Tasmanians*

2. Establish and fund a regional growth partnerships program involving State, local governments, industry, RDA Tasmania, NTDC, to coordinate regional economic development projects and federal government advocacy.

    - Outcome supported: *Regions*, *Tasmanians*

3. Support and fund a regional innovation ecosystem through improved collaboration between industry, UTAS, the AMC, research institutions and industry.

    - Outcome supported: *Regions*, *Business and Employers*

4. Develop a regional workforce attraction and retention program that supports housing, migration, graduate retention, liveability promotion and employer support to address labour shortages in regional Tasmania.

    - *Outcome supported: Tasmanians*, *Businesses & Employers*, *Regions*

5. Develop and promote regional investment prospectus's program highlighting priority sectors, available land, infrastructure capacity, workforce strengths and catalytic projects.

    - *Outcome supported: Investors*, *Regions*, *Businesses & Employers*

6. Create a statewide economic performance dashboard with regional indicators to track progress against investment, workforce, housing, industrial land, infrastructure, productivity and liveability measures at both statewide and regional levels.

    - *Outcome supported: Regions*, *Tasmanians*, *Businesses & Employers*

7. Support digital connectivity and business technology adoption in regional areas that help SMEs adopt AI, automation, e-commerce and productivity-enhancing technologies.

    - *Outcome supported: Businesses & Employers*, *Regions*

8. Create a regional infrastructure sequencing program enabling infrastructure required to unlock housing, employment land, industrial growth and major investment opportunities.

    - *Outcome supported: Regions*, *Investors*, *Business and Employers*

9. Establish a whole-of-government investment facilitation framework with a single point of coordination for significant projects, supported by simplified approval pathways, clear timeframes and dedicated project management teams that have representation from local government.

    - *Outcome supported: Businesses & Employers*, *Investors*

10. Create a statewide strategic employment lands program that identifies, protects and markets investment ready land and employment precincts.

    - *Outcome supported: Investors*, *Business & employers*, *Regions*, *Tasmanians*

11. Prioritise the Boag's Brewery precinct redevelopment as a catalytic urban renewal and visitor economy initiative for Launceston and Northern Tasmania, ensuring a competitive process is conducted for best possible outcomes

- *Outcome supported: Regions, Investors*

12. Implement a statewide investment fund to co-contribute to CBD activation initiatives which local governments can apply through a competitive process

    - *Outcome supported: Investors, Business & employers, Regions, Tasmanians*

13. Deliver a Regional Data and Insights Program providing councils, investors and regional bodies with improved economic, demographic, workforce and liveability information to support investment decisions and place-based planning.

    - *Outcome supported: Regions*

Proposed Measures of Success

Investment

- Private capital expenditure.
- Investment facilitated.
- Value of major projects approved.
- Industrial land absorption.
- Employment land supply.
- Foreign Direct Investment (FDI) attracted

Productivity

- GRP per worker.
- Business AI adoption rates.
- Digital technology uptake.
- SME innovation rates - ABS survey data.
- Labour productivity rates.
- Development approval (DA) timeframes.

Regional Development

- Regional employment growth.
- Housing approvals and completions.
- Industrial land supply.
- Population growth.
- Business formation rates.
- Liveability survey results.

Workforce

- Participation rates.
- Apprenticeship completion rates.
- Graduate retention.
- Skilled migration rates.
- Workforce vacancy rates.

Conclusion

Council supports the overall direction of the draft *Economic Diversification and Investment Strategy* and considers it a solid foundation for guiding Tasmania's economic development over the next decade. The Strategy appropriately recognises the importance of private investment, productivity, innovation, workforce capability, regional development and infrastructure in supporting long-term prosperity.

However, success will depend on effective implementation, clear governance arrangements, measurable outcomes and strategic partnerships between the Tasmanian Government, local government, industry and regional stakeholders. Local government should be recognised as a critical delivery partner in achieving the Strategy's objectives.

Council also emphasises the significant role of regional cities such as Launceston in delivering the Strategy's objectives and recommends that future implementation adopt a place-based approach that recognises the distinct strengths, opportunities and challenges of Tasmania's regions.

The City of Launceston welcomes the opportunity to continue working with the Tasmanian Government, industry and regional stakeholders to support the development of future action plans and help translate the Strategy into measurable outcomes for Launceston, Northern Tasmania and the broader Tasmanian economy.


City of
LAUNCESTON