

Norfolk Island Economic Development Implementation Plan

NIRC Project Update and briefing 2

Please see second interim update for the Norfolk Island Economic Development Implementation Plan, including a summary briefing of time spent on Norfolk Island. This most recent report covers the previous two blocks spent on Norfolk Island and work completed during this period.

Public Engagements and group organisation engagements

Hindle met with a number of organisations on Norfolk Island to discuss the economic development works to be undertaken as part of the Implementation Plan contract as well as our approach to economic development. Organisations met with include:

- Norfolk Island Chamber of Commerce
- Unique Tourism Collection (UTC)
- Biosecurity – Department of Agriculture and Water Resources
- NIRC – Strategic Planning
- Norfolk Island Transitions Towns Movement
- Norfolk Island Regional Councillors – project briefings
- Department of Infrastructure and Regional Development

There were also a number of Public engagements to provide an update on the project and outline our approach to economic development, outline the scope of the project and also answer questions regarding the project. These included:

- Radio Interview – 18th October
- Series of public workshops

Business and project engagements

Hindle has engaged with a number of businesses on Norfolk Island and people wanting to start or grow their businesses or undertake a project which may contribute to or provide infrastructure for the Norfolk Island economy. A focus of our approach to economic development is to assist those in the community to develop their businesses or start a business / project which in turn will support economic activity, growth and diversification. Hindle have thus far engaged with 78 Norfolk Island businesses and projects (not including those who attended the workshops).

Workshops

During the most recent Norfolk Island visit (16th October – 20th October) Hindle ran three workshops targeting areas identified (through previous work and in consultation with NIRC) as requiring specific support. The workshops were designed to be interactive and engaging with participants. A summary of the workshops are provided below and the associated workshop slides and supporting documents are attached to this report.

- **Microbusiness and Cottage Industries Workshop – 17th October**
 - Held in conjunction with the Norfolk Island Transition Town Network
 - Objective to stimulate collaboration between microbusinesses and cottage industries
 - Focus on understanding and working through microbusiness challenges
 - Focus on knowledge economy
 - 26 participants
- **Small Business and Retail Workshop – 18th October**
 - Objective to discuss how the small business and retail business models have changed and demonstrate opportunities for small business and retail in current environment
 - Focus on highlighting the shift in small business aided by technology
 - Focus on taking advantage of technology for new industries such as drop shipping and freight forwarding as opportunities for Norfolk Island businesses
 - Focus on the future of retail and small business in the age of Amazon
- **Business Marketing Workshop – 19th October**
 - Objective to cover basic marketing principles and demonstrate how to identify and target a market segment
 - Focus on understanding of marketing funnels and converting action from your marketing
 - Raise awareness of power of social media marketing and opportunities for marketing via social media
 - Demonstration of a paid Facebook marketing post

Observations

Having continued to engage closely with the business sector on Norfolk Island we have made a number of observations regarding the current economic and business climate of Norfolk Island, further to those outlined in the previous project update. These observations along with individual business circumstances direct how we support these business and projects as well as how we may work with NIRC and relevant authorities to unlock potential or remove hurdles to economic development or realise an opportunity which has been identified.

A summary of these observations are provided below:

- Opportunity for a Norfolk Island 'brand' – We believe there is an opportunity to support the creation of a Norfolk Island brand in which local products and exported products can be marketed under. NI branding will allow products to be positioned as high quality and exclusive as well as leverage Norfolk Island's natural qualities/advantages.
- Opportunity to position Norfolk Island as a shining example of sustainable and clean living – We believe there is an opportunity to build on the sustainable and clean living systems on Norfolk and use this for knowledge transfer opportunities, export of sustainable living knowledge and systems and build the sustainable living tourism market
- Opportunity to take advantage of knowledge economy – as has been previously discussed and highlighted, there are a number of restrictions to export of Norfolk Island products, we have observed a number of businesses who can explore opportunities through use of the internet to share and 'export' knowledge with outside markets
- We believe there exists enormous potential in the youth of Norfolk Island to not only support existing businesses but to start and grow businesses of their own. We are currently

exploring a practical opportunity and model where NI youth can learn and participate in a new business / social enterprise

- Opportunity for 3rd party Labour Hire model – we have observed some challenges from some businesses in both hiring new staff and also managing the change to the Australian tax and wages regulations. We have also seen that some people who may ordinarily work numerous part-time roles may not take up further part-time employment under the Australian income tax system. Some of these challenges may be addressed and/or alleviated through a 3rd party labour hire model.
- Due to Norfolk Island's close proximity to Sydney, Brisbane and Auckland as well as Norfolk Islands (currently) underutilised accommodation supply there exists potential in further developing and expanding the meetings, incentives, conferences and exhibitions (MICE) markets as well as health retreats. These markets are a largely high value group travel market which aligns with the current tourism models and flight schedules.
- We believe there is an opportunity to facilitate and provide open access to a wide variety of destination marketing material, including capturing the stories, videos and imagery for businesses to use in their own marketing campaigns.
- Feedback from small businesses on the island is that there is a demand for more training and workshop style knowledge transfer for particular business topics to support their growth and also access to new markets.

Strategic projects and recommendations for implementation

Thus far, we have identified a number of strategic projects which may unlock further potential in the Norfolk Island economy, provide infrastructure that supports business growth or may facilitate access to new markets. In addition to opportunities identified and communicated in the first project update, we have compiled a number of discussion papers / briefing documents to communicate some of these opportunities, stimulate further discussion and seek direction from NIRC to take these forward. The discussion papers / briefing documents are outlined below:

- **KAVHA Opportunities**
 - Discussion paper exploring the KAVHA site as tourism infrastructure and opportunities for use
 - Presentation of a draft model for private enterprise engagement and use of the KAVHA site
- **Airline Route Development**
 - Update and discussion of airline route development for Norfolk Island
 - Discussion of possible new and future markets
- **Community Ownership of Projects**
 - Hindle have explored and provided information on community ownership models as a means to undertake development in community and share economic benefit
 - Provision of international and Australian examples of community models and how they can be initiated and implemented
 - Provided discussion of opportunities and areas within the Norfolk Island economy where community ownership models could be further explored.

- **University of Newcastle (UON) Roadmap for the Pacific Project**

- Hindle have been in discussions with Richard Bush, Global Innovation Chair, International Centre for Balanced Land Use, based at the University of Newcastle's Institute for Energy and Resources (NIER), regarding the possibility for Norfolk Island to become a part of their Research Roadmap, a joint capacity building initiative of The University of Newcastle (UoN) and The Secretariat of the Pacific Regional Environment Programme
- Hindle and the UoN hold the common belief that due to its constrained geography, Norfolk Island offers an exciting opportunity to examine sustainable development, with a view to the circular economy, bio-economy and innovation.
- Through such a project Norfolk Island could be a leading example of truly Sustainable Development, attracting global attention, which would open up numerous educational, tourism and broader economic opportunities.

We will aim to continue to keep the NIRC informed of the progress of the project and provide project updates and briefings where relevant. We also welcome any feedback you may receive or opportunities which the NIRC may want to explore.

