



# Manufacturing and Making in the Northern Rivers 2040





## ACKNOWLEDGEMENT OF COUNTRY

Chasing Sunrises and Business NSW acknowledge the Traditional Custodians of the land on which we work and live and pay our respects to Elders past, present and emerging.

We recognise the continuing connection of Aboriginal people to land, waters and culture and we thank them for sharing their knowledge with us so that our relationship with this land can be enriched.

## PROJECT LEAD

The scenarios process, analysis and reporting was led by Steve Tighe, Director of Chasing Sunrises. Steve is a recognised leader in the fields of strategic foresight and scenario planning and is a long-time resident of the Northern Rivers.

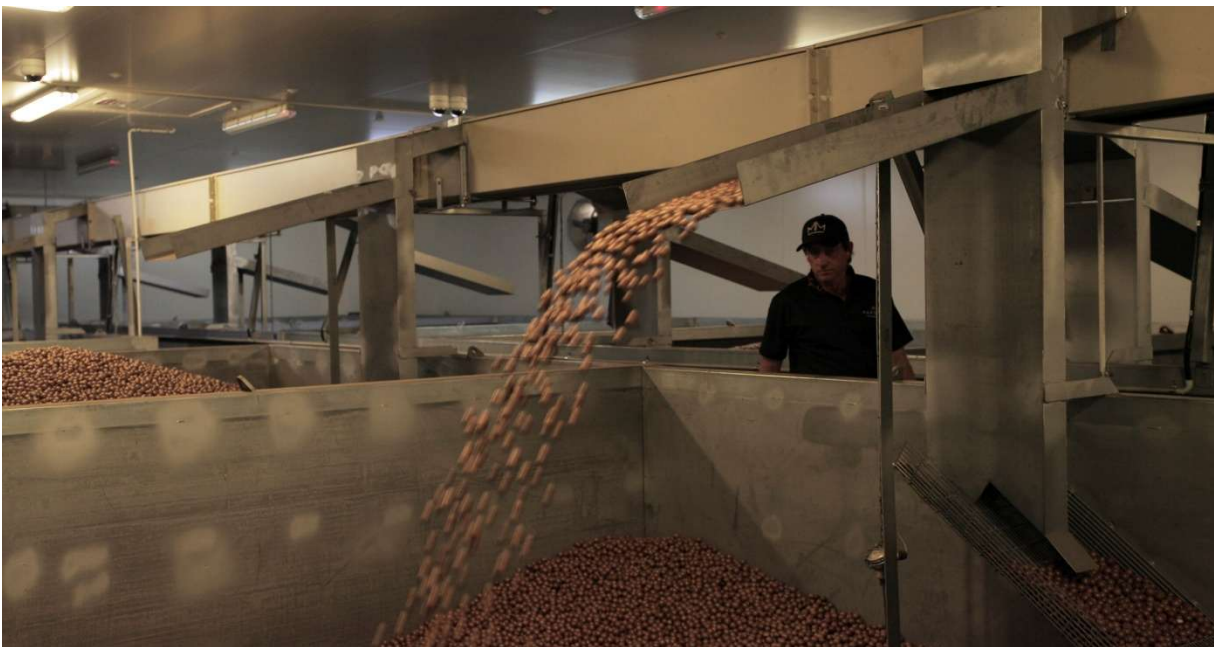
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February 2026





***“We make great products in the  
Northern Rivers”***

- Making it! in the Northern Rivers forum, December 2025





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## EXECUTIVE SUMMARY

### Introduction

**ProspER Northern Rivers** is a regional economic and environment plan to 2040 that seeks to shape the future of the Northern Rivers and Tenterfield Shire. Its purpose is to undertake full regional engagement to understand and define the opportunities for long-term economic wellbeing and prosperity.

Pivotal to the successful development of this plan is addressing the question:

#### **What could the manufacturing and making sectors look like in the Northern Rivers in 2040?**

Such a strategic question is critical, not only for the thousands of people currently employed in the sectors across the region, but also for identifying opportunities to unlock further potential for the sectors to prosper into the future.

The long-term nature of this question demanded a fit-for-purpose process that acknowledged the vast possibility for change over the next 15 years. Hence, two scenarios were developed to reflect this uncertainty: **Flying High** and **Lame Duck**.

Scenarios are detailed descriptions or stories of plausible future events and outcomes. These stories are developed by describing the evolving dynamics of significant forces and trends. Scenarios are necessary when exploring the future of manufacturing and making in 2040 because **there are no facts about the long-term future**. Therefore, tables, graphs and forecasts representing certainty and linear extrapolations from today are insufficient and frequently misleading, since the long-term future is non-linear and often ironic. Multiple scenarios reflect this uncertainty – the future could plausibly develop one way or the other.

Together, **Flying High** and **Lame Duck** expand the **zone of strategic consideration** by depicting diverse, plausible futures for manufacturing and making, and defining the opportunities and challenges ahead in each.

The purpose of this report is to inform, influence, and guide the future strategic direction of manufacturing and making in the Northern Rivers. It is designed to underpin a cohesive approach to strategic planning — **providing stakeholders with the capacity to see what is possible, understand what is needed, and identify where collective effort will have the most impact**.

In doing so, it aims to empower manufacturers and makers to proactively and collectively create their own *prosperous* future.



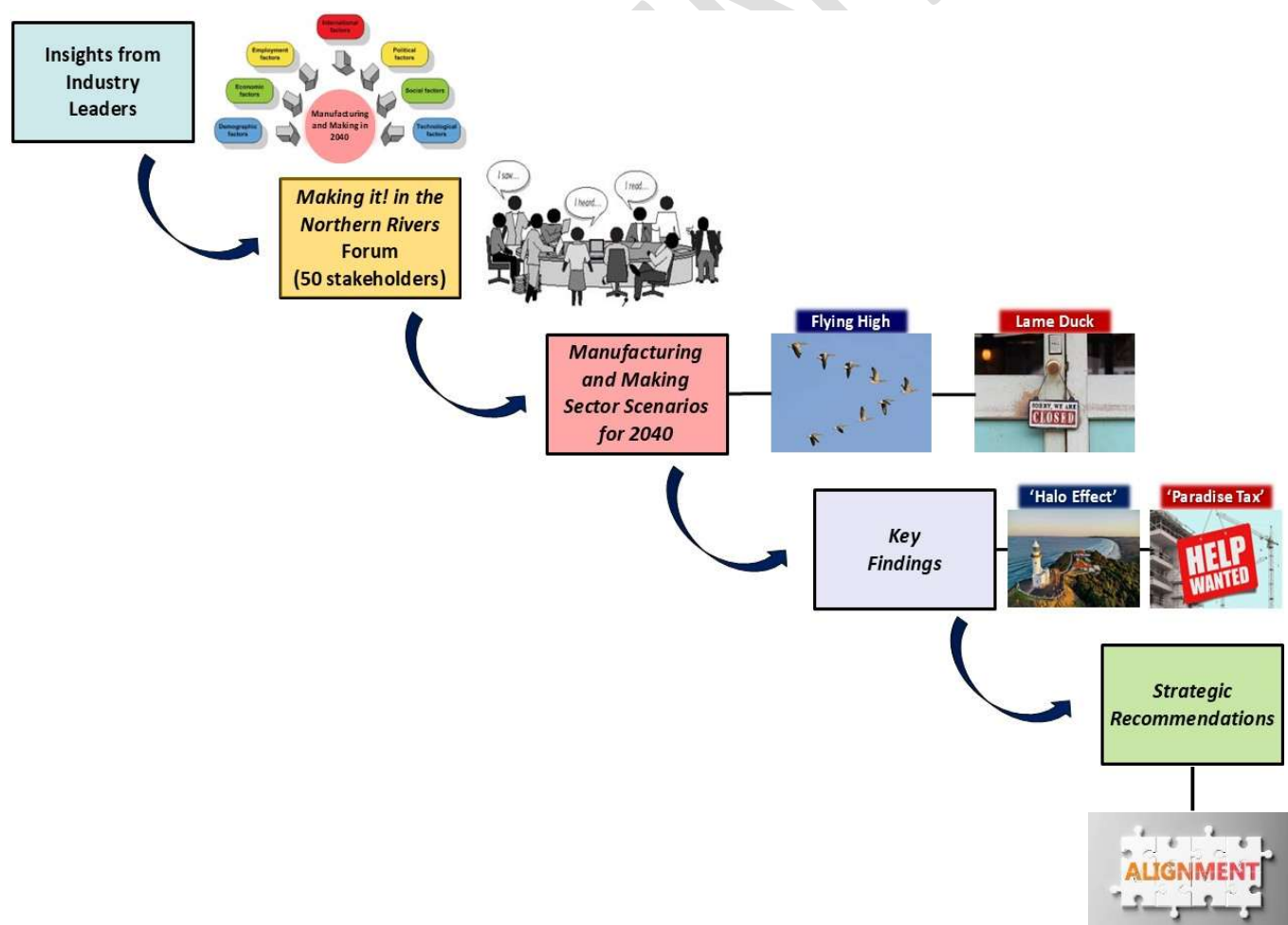


## Process outline

Strategic foresight methods were applied to develop **two scenarios** describing how the manufacturing and making sectors could develop over the next 15 years and the challenges and opportunities that might lay ahead.

These scenarios were borne from **interviews** with industry leaders and from a widely attended **Making it! in the Northern Rivers forum** that was held in December 2025. Extensive quotes from this stakeholder engagement appear throughout this report. The insights gained from the interviews and the forum provided the essential background and stimulus for the 2040 scenarios.

From the scenarios, **key findings** were identified. **The most significant finding is that the sectors have enormous potential for future growth and impact.** Other findings were categorised into regional advantages (*Halo Effect*) and challenges (*Paradise Tax*), providing a rounded understanding from which **strategic recommendations** could be formed. The central theme that weaves through these recommendations is **alignment**: stakeholders and governments working together towards a shared aspirational vision.





## KEY FINDINGS

### i. A Prosperous Vision

**The manufacturing and making sectors in the Northern Rivers have enormous potential for future growth and impact.**

This is the key finding from the research undertaken and the scenarios developed to explore how the sectors could look in 2040.

**The sector can continue to be a major regional employer.** Manufacturing and making can expand their economic impact across the region over the next 15 years and be at the forefront of transitioning workers to the new jobs created by technology in the workplace.

**The sector can positively impact the region's social fabric.** As a significant contributor to the region's economic performance, the sector positively impacts the health and vibrancy of local communities.

**The sector can authentically own relevant brand concepts.** This includes concepts such as sustainability, environment, natural and quality. In a world increasingly being hijacked by the artificial and fake, the strengths of the Northern Rivers provide a highly sought-after countertrend.

**The sector can become known for innovation.** Not only for new product development, but for employing lean manufacturing methods and providing a supporting ecosystem for start-ups.

**The sector can play a key role in future tourism.** Interstate and international exports provide a positive consumer touch point that promotes the region around the globe. An established tourist trail could present a collective Northern Rivers brand to residents and visitors alike ('Meet your Maker'). Local products provide experience-enhancing souvenirs that remind visitors of their time in the region. And a vibrant sector plays a key role in providing short-term employment opportunities for transient workers.

**The sector can become a powerhouse through collective scale.** Adopting a collaborative approach to knowledge sharing and developing economies of scale, thereby reducing inefficiencies, improving productivity, and encouraging innovation.

**The region can be the base for a booming exports sector.** Utilising collective resources to drive logistical efficiencies and meet growing global demand.

**The sector can become a political success story.** Partnering with all levels of government to realise the ambitious potential for the sectors in the Northern Rivers.

All stakeholders should be enthusiastic and ambitious for this prosperous vision for manufacturing and making in the Northern Rivers in 2040.





## ii. The Halo Effect

*“Products from the Northern Rivers can command a price premium at the moment because of the region’s reputation and the halo effect of Byron Bay”*

The Northern Rivers holds a special place in the hearts and minds of residents, and local and international tourists. The region’s natural assets combine with its post materialistic culture and lifestyle to create a broad ‘halo effect’. This ‘halo effect’ confers natural quality and other less-tangible benefits upon the businesses that operate here and the products they produce. It provides authenticity to talk about sustainability, quality, wellness, whole foods, and lifestyle. For many, it provides the fundamental differentiating advantage against their competitors, whether the product is dairy, beverages, meat, fashion, or jewelry.

*“People love a provenance story”*

Our provenance story is a *privilege*. Customers are attracted to products from this region because of it and it enables a premium price to be charged. This premium is essential for businesses to survive and thrive in the region, given the economic and logistical challenges they face. Preservation of this ‘halo effect’ should therefore be treated as sacrosanct; it is critical to long-term industry and business success in the Northern Rivers.





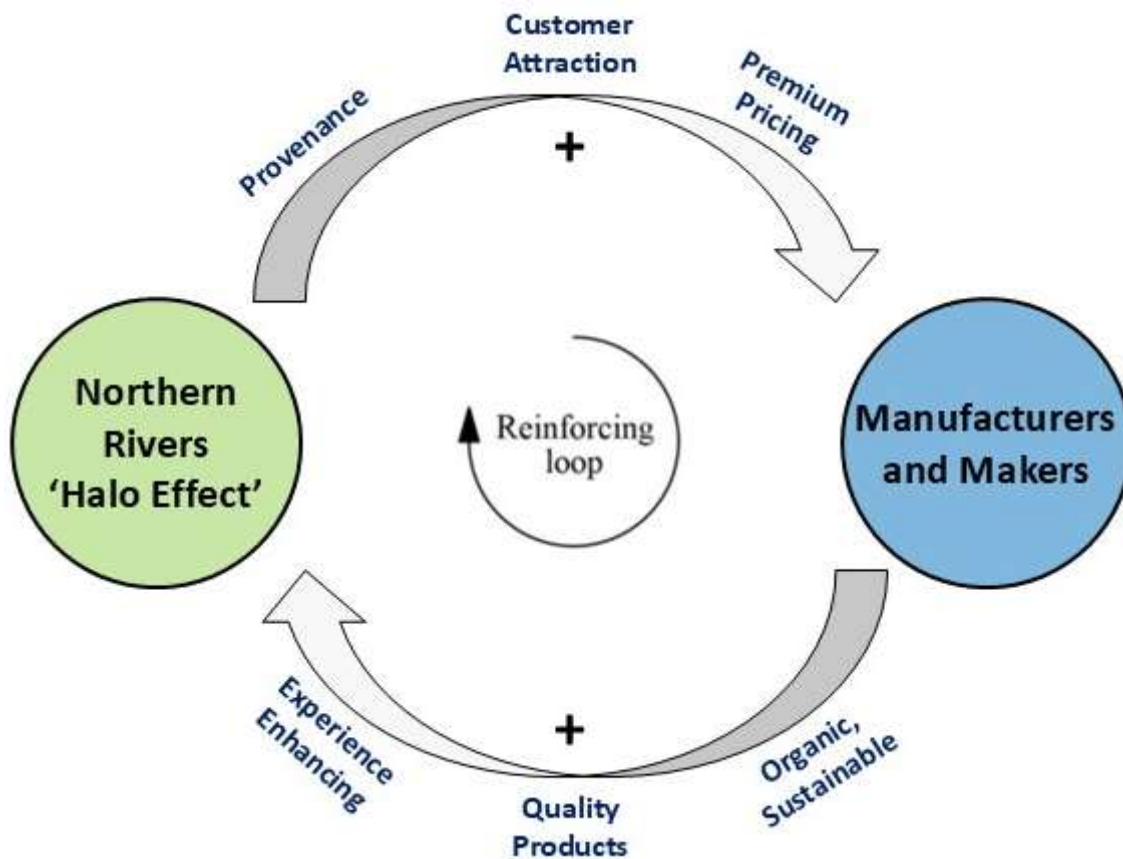
## A mutually beneficial relationship

A prosperous manufacturing sector is equally important and beneficial to the Northern Rivers.

Just as the 'halo effect' is beneficial to manufacturers operating in the Northern Rivers, so too, does a thriving industry deliver benefits that feed into, and reinforce the overall appeal and experience of the Northern Rivers.

The sustainable inputs and processes, and quality outputs produced by local manufacturers combine to deliver an overwhelmingly positive customer experience. For local and international tourists, these interactions are experience enhancing, reinforcing the appeal of the region. All of this is not to mention the employment benefits that a prosperous sector offers to local residents, and the social and economic value that springs from these.

## A Symbiotic Relationship





## Stakeholder alignment is the key to prosperity

Future prosperity for manufacturing and making in the Northern Rivers can be achieved with a unified and synergistic approach from sector stakeholders, including all levels of government and their representative bodies.

The scenarios for 2040 make clear the challenges facing manufacturers in this region. These economic, geographic, social and environmental challenges are extensive. So extensive that they are unlikely to be overcome by a single entity, or by the industry acting alone. For the sector to thrive, it requires an all-in approach. Industry collaboration is required, as is government support. Future prosperity can be delivered if key stakeholders are aligned in their vision, decisions and actions.

### What is alignment?

- Stakeholders have a shared vision for what the industry could be in 2040
  - Understanding the vast potential for the industry
  - Understanding the tangible and intangible benefits a prosperous industry can deliver
  - Understanding how this potential can become a reality
- Stakeholders have belief and buy-in to the sector's long-term vision – they are ambitious for its future
- Stakeholders are committed to working together to deliver what's required to make the vision a reality





### iii. The Paradise Tax

*“The premium of the place comes with a cost”*

Manufacturing in the Northern Rivers can be hard! There are geographic challenges that ensure logistics can be costly and time-consuming. There are economic challenges in terms of higher wages to attract skilled workers. There are the social challenges that come with a smaller, more transitory population. And there are environmental challenges that damage truck routes and prevent workers from attending work on-site. Collectively, these challenges represent the ‘paradise tax’ for local manufacturers and makers.

*“So many things are against you in the Northern Rivers”*

#### 1. Manufacturing in the Northern Rivers is expensive

The cost of doing business is critical because it constrains expansion and investment. These costs are impacted by:

- a) The tyranny of distance
- b) Wage war for talent
- c) Highly sought-after land

##### a) The tyranny of distance

*“Freight kills you!”*

Manufacturers and makers in the region tend to be importers and exporters. They import raw materials for processing and export finished products across Australia and overseas. Inbound and outbound freight costs therefore pose a challenge, particularly against city-based competitors. It takes time and co-ordination to get materials from A to B, and to get goods from B to C - **“It takes a week to deliver stock, not 2 days, and time costs \$\$\$”**

##### b) Wage war for talent

*“We pay over the odds for people”*

Access to labour is an issue in the Northern Rivers. Consequently, manufacturers need to pay above-Award wages to counter local competitors and offset the cost of living in the Northern Rivers. Whereas city-based competitors have little problem in finding staff and can offer Award wages.

##### c) Highly sought-after land

*“Prime agriculture land is now housing”*

Land is expensive, valuable and highly sought-after, especially for residential development. This poses a cost-of-business challenge to manufacturers today (rents, warehousing) and a risk to farming access in the future.





## 2. Labour Pains

***“We have a massive issue with skilled staff – you cannot run manufacturing without engineers. If the engineer doesn’t work internally, it could take days for one to arrive.”***

Businesses have a challenge with not only finding employees, but more particularly, finding the right type of employee. Acquiring and retaining quality staff is hard for a number of reasons:

- **“Where are people going to live?”** The cost and shortage of housing creates problems for staff accommodation. Broader housing solutions are required to help counter this challenge.
- **Residential transience.** Many people living in the region are only passing through (tourists) or cannot sustain the cost of living for a long period of time.
- **A car is compulsory.** A shortage of public transport options and the tyranny of distance ensure people need a car to travel to work.
- **Different motivations.** Different social values mean an emerging number of people are happy to live in a state of impermanence, effectively eschewing stability or long-term job security.
- **Changing demographics.** There are more Executive-level residents moving to the area and less Entry-level people due to the cost of living.

Finding the *right* type of people, as in skilled labour, is even more challenging:

***“Even before the 2022 floods, we were pulling our engineer from Ballina. We couldn't get an engineer to work for us full-time and live in Murwillumbah, no matter what we offered.”***





### 3. The *Premium Paradox*

The premium paradox refers to the fact that businesses in the Northern Rivers must charge a premium to make a profit given the costs of production, yet at the same, consumers have been conditioned to expect low prices. The national supermarket duopoly has helped to create a consumer market looking for value and home brands, whilst quality food and products are perceived to be expensive.



### 4. Weathering the Storm

*“Our roads are rubbish”*

Extreme weather events, especially floods, have always been a feature of the Northern Rivers. They present many challenges to local manufacturers that are only likely to be amplified in the years ahead:

- Staff can't get to work because of flooding
- Trucks can't access plants and warehouses to transport freight
- Insurance increases – ***“Insurance is wild”***
- Roads are damaged; freight companies are charging variable rates based on the state of the route
- Industrial-zoned land availability is affected – ***“No one is building industrial zones on flat land”***
- Government budgets are impacted, drawing funds away from more productive investments
- Raw materials are being impacted – ***“We've seen earlier flowering in the past two years”***





## 5. Bureaucratic Pain Points

*“Council is a bureaucracy”*

Approval processes are seen as a hand brake on manufacturing investment and expansion. The perception is that bureaucratic red tape has only worsened since Covid, with regulatory changes meaning development approvals can take as long as 3 years.

**Greater release of land** for industrial use and increased focus on **investment-enabling infrastructure**, are viewed as untapped opportunities for manufacturing in the region.

*“What should take 6 months, takes 18 months”*





## Strategic Recommendations

The region's geographic, social, economic, environmental and regulatory challenges are formidable; but they are not insurmountable. However, they can't be overcome if the manufacturing sector and all levels of government are not aligned in their vision and actions. The challenges are simply too great for one party to act in isolation. What's required is a cohesive, an all-inclusive approach to the future.

***"We need a unified regional mindset"***

The following recommendations are proposed as strategic intervention points to deliver a prosperous manufacturing sector in the Northern Rivers in 2040. They seek to amplify the advantages currently enjoyed by local manufacturers (*Halo Effect*), whilst effectively countering today's challenges (*Paradise Tax*).

The central theme that weaves through these strategic recommendations is **alignment**: sector stakeholders and governments working together towards a shared aspirational vision. This synergy is essential to realising the sector's potential in the region.

### 1. VISION

Create a compelling and aspirational vision for a thriving manufacturing and making sector in the Northern Rivers in 2040.

- A vision that **ignites ambition and inspires** sector stakeholders, all levels of government, the broader Northern Rivers community, and potential employees and investors.
- **A holistic vision for the sector that reframes what is possible by encompassing and showcasing:**
  - ⇒ Regional economic, employment and social benefits
  - ⇒ Manufacturing and making tourism
  - ⇒ A booming global exports sector
  - ⇒ A vibrant, creative, innovative and collaborative industry
  - ⇒ Positive and lasting consumer impacts that reinforce the *"joie de vivre"* ("joy of living") in the Northern Rivers (symbiotic relationship)
- **What's required?** Demonstrate the pathway for the 2040 vision to become a reality
- **Alignment is key.** Buy-in and support from key sector stakeholders, including all levels of government





## 2. BRANDING

Protect, preserve and promote those unique aspects of the Northern Rivers that differentiate the region from other geographies and provide a premium advantage to local businesses.

*“Beauty and place are a key part of branding”*

- Preservation of the region’s ‘halo effect’ should be treated as sacrosanct since all manufacturers and makers benefit.
- It is the differentiating foundation that assists in attracting customers and enables premium pricing.
- This includes the natural environment, culture and lifestyle of the region.

## 3. BRANDING

Utilise the Northern Rivers NSW brand more effectively to uniquely position local manufacturing and making in the hearts and minds of consumers.

- A clear, differentiated and relevant brand provides a framework to guide individual business decision making, thereby reinforcing the image and branding of the broader Northern Rivers.

*“Consumers want sustainable, clean products - purpose-driven manufacturing across the supply chain”*

*“Our ‘mecca’, our underpinning claims to the world are environment, natural, sustainable”*

*“Nature-based solutions counter the shift towards artificial and fake”*

*“I don’t see the demand for bespoke, artisanal, craft foods going away”*

*“This region has an opportunity to lead in certified sustainability, and that’s what consumers are looking for globally. You get a better margin because consumers know.”*





#### 4. EFFICIENCY

- Invest in technologies and processes that support the implementation of lean manufacturing principles.

*“The only way we can become competitive is through technology, but we’ll need support”*

*“We should aggressively pursue artificial intelligence and robotics”*

*“We must be more efficient than our competitors nationally and internationally”*

- Become leading adopters of efficiency improving technologies in the workplace including robotics, co-bots and artificial intelligence
- Be at the forefront of workforce transition by proactively preparing employees for the new roles that will be created by technology
- Integrate technology throughout operations to maximise productivity and efficiency

*“Technology has the potential to make us more productive. And in the current economic climate with staffing, which is extraordinarily difficult to get quality staff, the more technology, the better.”*

- Funding support.** Government financial support is essential. Hence, the need to achieve buy-in to the regional manufacturing 2040 Vision
- Transitional training.** Invest in the acquisition and application of new and relevant technology skills for the workforce. Government support will be required.





## 5. EFFICIENCY

- Establish a regional hub that connects and supports the broader manufacturing ecosystem and drives economies of scale.

A multi-purpose manufacturing hub could deliver the following roles and benefits:

- **Drive growth.** Drive trade locally and globally.
- **Economies of scale.** Drive efficiencies via facilitation of shared access to production facilities, warehousing including cold storage, freight services and back-of-house support.

*“Cold storage is lacking in the region. 30% of our sales go to Sydney”*

- **A local pool of trades.** Access for smaller and medium-sized manufacturers who don't employ trade workers internally.

*“If you're running a factory, the challenge is getting the quality skills around you. You need sparkies. You need people to run pumps. You need welders. You need engineers. And if you're not big enough to employ them yourself, it can be a struggle.”*

- **An incubator for innovation.** Supporting small and early-stage manufacturers with shared access to resources and providing an ecosystem for innovation through its regional collective of manufacturers.
- **Export scale.** Providing production scale to optimise storage and intermodal transport efficiencies for interstate freight and international export.
- **Energy generation.** A self-sufficient energy generator that supports sector growth and sustainability.
- **Professional assistance.** Facilitating training and development, offering professional support with government grant applications, and providing mental health and resilience support.

### What's required?

- **Anchor tenants.** Large manufacturing businesses to provide a strong foundation from which smaller and medium-sized businesses can build around and populate the hub.
- **Enabling infrastructure.** Including essential utilities such as power, water, gas, roads, etc.
- **Political support and funding.** All tiers of government need to buy-in to the region's vision.





## 6. WORKFORCE ACQUISITION AND RETENTION

Develop bespoke employee value propositions that meet the needs and wants of regional workers.

The Northern Rivers environment and the values and purpose of manufacturers and makers in the region are natural attractors to employees.

*“People with a passion for the environment love the Northern rivers”*

Yet, challenges persist, with workforce attraction and retention.

*“Young employees move through jobs quicker after being trained up”*

- To counter these challenges, businesses need to invest to get buy-in from their employees; value-adding as an employer to attain greater loyalty.

*“You must have a solid employee value proposition”*

- **Worker support**

- Softer support (mental health, face-to-face) - *“I need to see someone now”*
- Counsellors to check on staff at Christmas

*“We need to grow our own talent from within”*

- **Individualised development plans**

- Particularly with regards to the new jobs emerging with technology in the workplace

- **Workers’ accommodation**

- Businesses that need to source workers from overseas (PALM scheme) still need to confront the lack of housing availability.
- The Northern Co-operative Meat Company has built accommodation for their workers
- Opportunity to partner with government to provide specialised workforce accommodation

- **Community engagement programs** that align with organisational values and purpose





## 7. OPTIMISE EXPORT POTENTIAL

Drive export sales through regional scale and holistic supply chain support.

*“Access to international markets is important”*

*“The Northern Rivers is known as a wellness food bowl”*

*“Manufacturers in the Northern Rivers are exporters”*

*“The population is not big enough to sustain only selling within this local region”*

- **Achieve logistical efficiencies** via the scale achieved through a regional manufacturing hub
- **Invest in an intermodal transport system** to optimise freight efficiencies between the Northern Rivers and Brisbane ports.
- **Provide holistic supply chain support for exporters**
  - Assist businesses to get their stock overseas
  - Help to drive distribution in international markets
  - Support businesses with marketing program development to promote their products
- **Requires investment-enabling infrastructure from government, particularly roads and rail**





## Promote an innovation culture across the sector.

***“Our innovation team are the champions of our business”***

***“We must be smarter. More efficient. First to market.”***

***“The timeline for owning a solution is getting shorter”***

- **Innovation for...**
  - New product development
  - Countering operating inefficiencies
  - Opportunity identification
- **Collective innovation**
  - Harnessing the knowledge and skills of the collective to promote innovation and growth
- **Skills development**
  - Sector and workforce training that focuses on innovation skills development (Insights identification)
- **Innovation incubation**
  - Supporting small and early-stage manufacturers and makers with access to knowledge and resources to promote growth (Market insights, target marketing, distribution, branding, etc.)
- **Everyday innovation**
  - Not just products – processes, attitudes, culture
  - Integrated technology in all appropriate operations
  - Innovative energy sources including solar panels, battery-powered, renewables, etc.





## 9. PARTNERSHIPS

Partner with all levels of government to realise regional manufacturing potential.

*“Government support is necessary”*

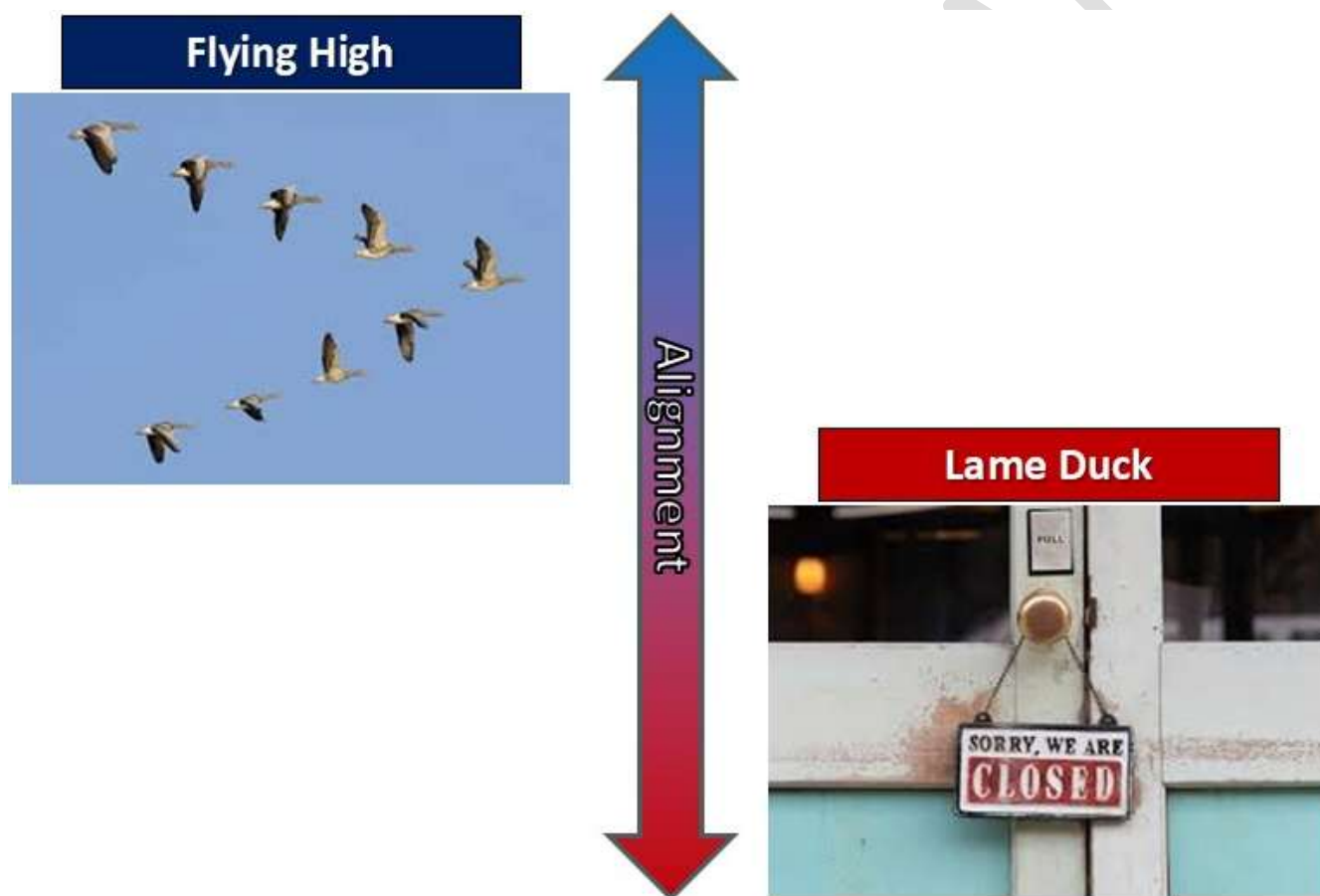
*“We need more investment from government”*

- **Sell the vision**
  - Sector stakeholders should promote the ambitious vision for the sectors with enthusiasm and belief
- **Partnering is essential**
  - Government support is critical to realising the region’s potential
  - An opportunity to work together to achieve aspirational regional goals (‘collaborative entrepreneurialism’)
- **Develop the pathway forward**
  - Outline what is required to make the vision a reality
  - Identify potential roadblocks or unnecessary red tape (including lack of housing accommodation for workers)
- **Investment-enabling infrastructure and policies**
  - Reduce private investment barriers, lower operating costs and unlock development opportunities
  - Invest in the pathway to 2040





## SCENARIOS FOR 2040





## Scenarios Process

Many manufacturing and making leaders from across the region were engaged in a participatory multi-stage process that generated insights leading into development of the 2040 scenarios:

### **Stage 1 – Interviews with Industry Leaders**

Interviews were held with industry leaders to understand how they perceived the existing challenges and opportunities for the sectors as well as their expectations for the future. The eight industry leaders and the businesses they represent were:

- Will Brook                Brookfarm
- Anni Brownjohn       Ozganics Australia
- Michale Hampson     Norco
- Simon Stahl            Northern Co-operative Meat Company
- Stephanie Booth       Wallaby Foods
- Katrina Main           Cawarra Cosmetics
- James Foster           ENV Solutions
- Manan Chokshi        Simply Clean

### **Stage 2 – Making it! in the Northern Rivers forum**

This was a half-day manufacturers and makers forum held in December 2025, involving 50 leaders and stakeholders from across the Northern Rivers.

### **Stage 3 – Critical Uncertainties**

From stages 1 and 2, many uncertainties were identified as having the potential to shape or determine the future of manufacturing and making in this region. These included:

1. **The degree to which housing accessibility impacts population growth and demographic mix**
2. **The degree to which the Northern Rivers ‘halo effect’ positively impacts brand perceptions**
3. **The level to which technological advancements impact manufacturing operations**
4. **The degree to which sector stakeholders are aligned**
5. **The level of access to appropriate labour services**
6. **The degree to which Manufacturing can achieve beneficial scale in the Northern Rivers**
7. **The level of access to international markets**
8. **The degree to which the natural beauty and appeal of the Northern Rivers is maintained**
9. **The extent to which climatic events impact manufacturing operations**
10. **The level of political support for the manufacturing sector in the Northern Rivers**
11. **The degree to which local decision-making supports entrepreneurialism**



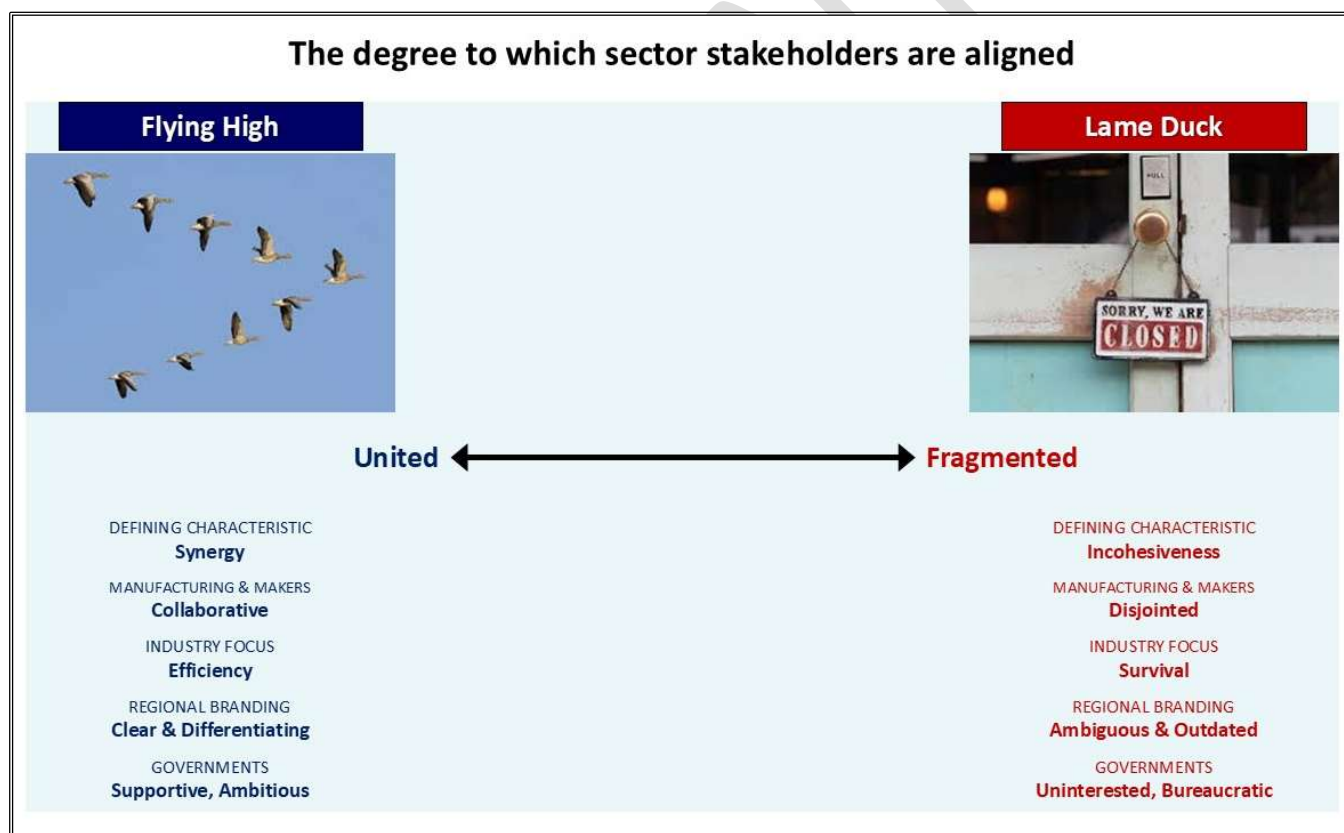


## Together We Soar

**The degree to which sector stakeholders are aligned** was determined to be the critical uncertainty that could shape the future of both sectors. This reflected the overwhelming challenges facing operators in the region and the judgment that the sector's potential could only be fully realised with a unified and synergistic approach from sector stakeholders and all levels of government.

It's important to remember that just because this uncertainty was deemed to be the critical factor to drive both scenarios, consideration of all other uncertainties is included within the scenario narratives - no uncertainty is discarded.

The two scenarios were **Flying High**, representing a prosperous future in which sector stakeholders and governments at all levels are united and act with long-term clarity, and **Lame Duck**, describing a future in which stakeholders are fragmented and decisions lack cohesion. The key features and differences between the scenarios are outlined below. Detailed scenario narratives appear over the following pages.





## Flying High

*The synchronised V formation is used by geese and other long-range migratory birds to optimise performance efficiencies.*

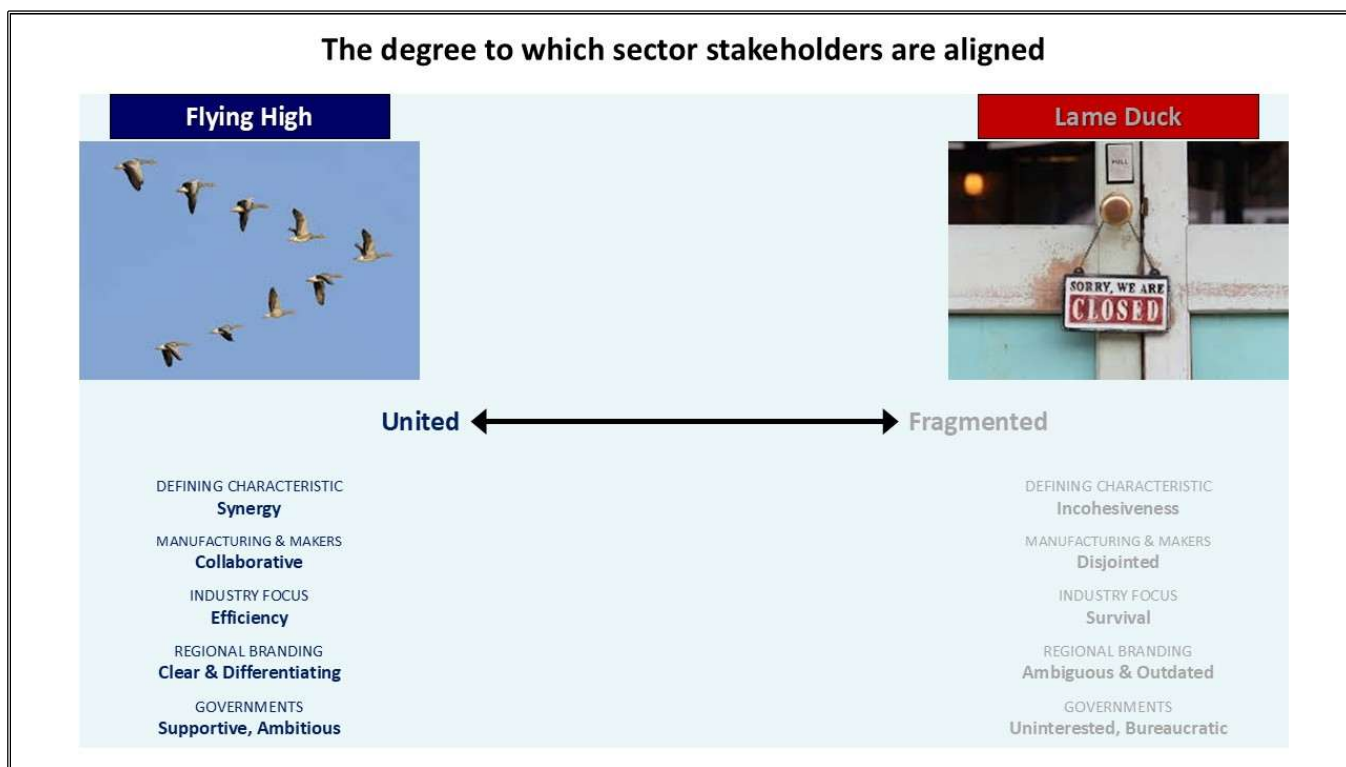


***“We need a unified regional mindset”***





## Flying High: Overview



**Flying High** is a scenario about **vision** and **synergy**. It describes successful manufacturing and making sectors in 2040 that have been guided by a long-term and united vision of the future.

With key stakeholders, including government, convinced of the sector's ambitious potential, cohesive and purposeful decision-making has seen an efficient, innovative and vibrant culture emerge. These decisions and actions include:

- Preserving the image and branding of the Northern Rivers
- Partnering between key stakeholders and government to encourage sector entrepreneurialism
- Developing a regional manufacturing hub
- Delivering economies of scale to improve sector productivity
- Cultivating collaboration to reduce costs of production
- Adopting technology to improve workplace automation
- Implementing lean manufacturing principles
- Investing in an innovation culture to drive continuous improvement and growth
- Facilitating export growth

Collectively, these decisions lead to the manufacturing and making sectors becoming jewels in the crown of the Northern Rivers economy in 2040

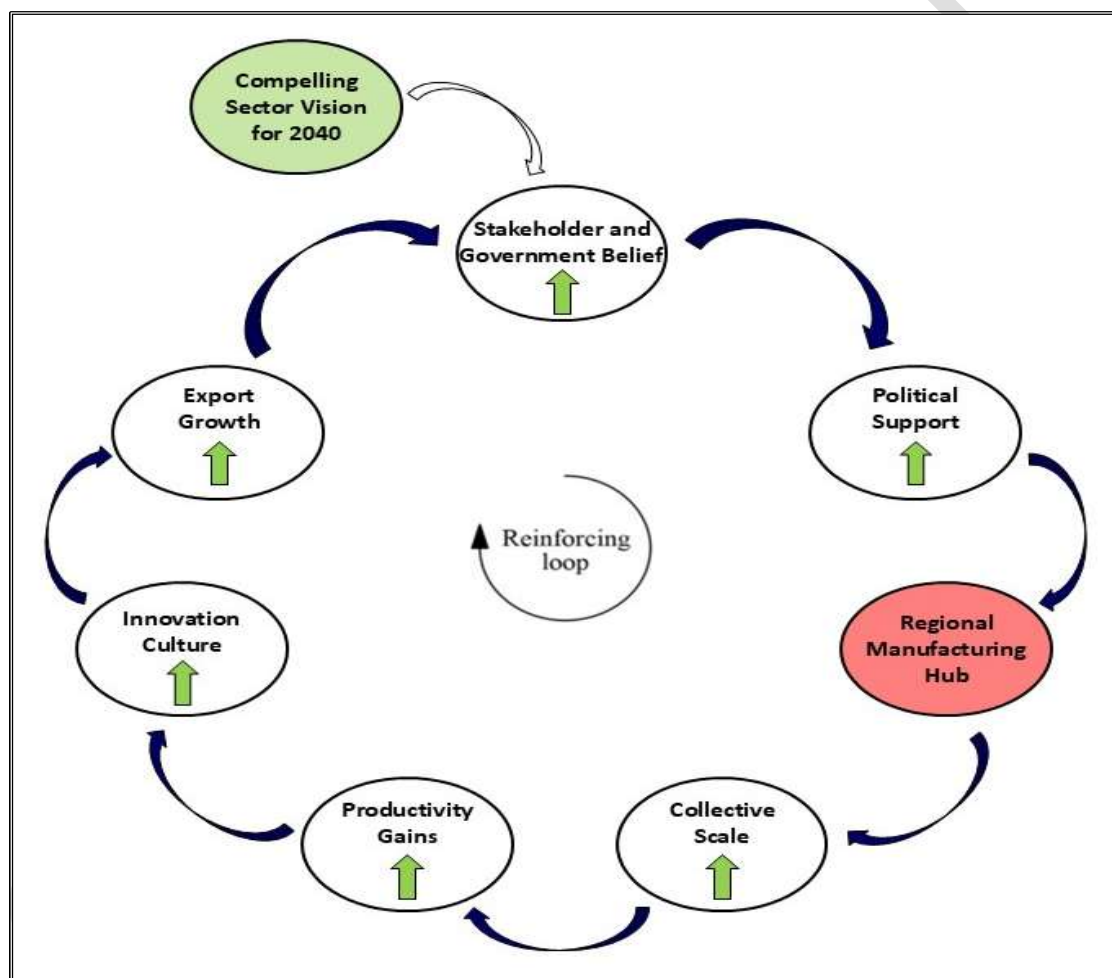




## Scenario Background

**Flying High** starts with a compelling vision; an aspirational image of future operations and success.

All stakeholders should be excited and ambitious for the future of manufacturing and making in the Northern Rivers. Such a vision for success is critical to driving stakeholder and government belief and support. From this support springs the cohesive decisions and actions that drive the **Flying High** scenario, as illustrated in the systems diagram below:



Critical to this prosperous future is preservation of the region's unique qualities - those qualities that differentiate the Northern Rivers from other manufacturing locations: the natural beauty, the hinterland, the beaches, the relaxed lifestyle, the creative and counter-cultural attitudes. These qualities hold a special place in the hearts of residents and tourists alike. Collectively, these qualities provide the advantage to manufacturers and makers that elevate their products in the mind of consumers.

The successful preservation of the image and branding of the Northern Rivers is the foundation of the **Flying High** scenario. It is the essential enabler to unlock the sector's vast potential.





## Scenario Narrative

Following input into the sector's 2040 vision, all tiers of government have belief in the sector's future. There is a shared ambition for the sector's future as stakeholders and governments form a partnership to ***"make this thing happen"***. A joint-committee is formed in December 2026 to understand the funding, investment-enabling infrastructure, and policy support that might be necessary to make the 2040 vision a reality.

As part of the committee's charter, a review of current planning and approval processes is included to encourage a more entrepreneurial approach from government. This follows multiple complaints from sector stakeholders about the length of time development applications were taking to be approved. With some business applications having taken as long as three years to receive approval, it was clear that governments could be a more constructive partner. Processes for the release of land for industrial use would therefore be scrutinised. The objective was to **remove any unnecessary red or green tape**, or bureaucratic duplication that had stifled development in the past.

Next on the committee's agenda was how to improve **sector productivity** and achieve better **economies of scale**. This was an obvious priority given the geographic and logistical challenges facing the sector and the impact this had on margins. Scale and collaboration were seen as the keys to unlocking this challenge. To compete with their city-based competitors, the Northern Rivers sector had to pool their knowledge and resources to improve efficiencies.

Scale could be achieved in the long-term with sector growth, however, within the time horizon of the 2040 vision, a regional manufacturing hub was determined to be the best option. The hub would be located on the outskirts of Murwillumbah and would receive significant government support, including the allocation of land and provision of essential services. The objective is to attract at least two large manufacturing anchor tenants and then support these with many smaller firms.

The purpose of the manufacturing hub is to drive local and international trade by connecting and supporting the broader manufacturing ecosystem and drives economies of scale. Collective scale is achieved via access to shared production facilities, warehousing including cold storage, freight services and back-of-house support.

The hub would also provide access to a shared pool of trades for those who didn't employ trade workers internally. Whereas previously, businesses may have had to wait for up to a week for a welder, now they could have one onsite within hours.

There would also be resources at the hub to provide support for mental health, particularly regarding resilience in times of natural disasters. There would also be professional assistance with applying for government grants and funding. Training and development opportunities would also be offered, especially in workplace technology and helping to transition the workforce into the new job opportunities created by technology. The purpose is to provide holistic business support.





Investment in **technology** was seen as critical to becoming a **lean manufacturing ecosystem**. The sector needed to become leading adopters of efficiency improving technologies in the workplace, including integrating robotics, co-bots and artificial intelligence. At the same time workforce transition planning had to be undertaken to prepare employees for the jobs of the future. With the cost of technology seen as a prohibitor, government support was viewed as critical to helping the sector to transition to more efficient modes of production.

**Innovation** was also identified as essential for sustained prosperity. The sectors could not survive on merely improved efficiency. A vibrant sector that was relevant to current and future consumers was necessary. Businesses would be encouraged and assisted to invest in everyday innovation including new product development, countering operating inefficiencies and identifying new sales and marketing opportunities. Training opportunities would be provided to learn skills in proven innovation techniques. Formal innovation forums would be facilitated to harness and share the collective knowledge and skills of the broader sector ecosystem. And the hub would act as an innovation incubator, supporting small and early-stage businesses with access to knowledge and resources to promote growth.

**Achieving greater export volume for regional producers** was a clear objective of the joint-committee. Multiple aspects to this objective were identified:

- i) Providing production, storage (incl. cold storage) and transport support to optimise efficiencies for international export, especially to the Port of Brisbane.
- ii) Education programs to prepare businesses starting out on their export journey, including identifying international target markets, achieving distribution targets, selling and marketing to different cultures, and understanding local compliance regulations.
- iii) Regular, formal trade delegations promoting manufacturers and makers from the Northern Rivers to overseas markets

Investment-enabling infrastructure from government, particularly roads and rail, were marked as essential to supporting this vision for expanding export sales.





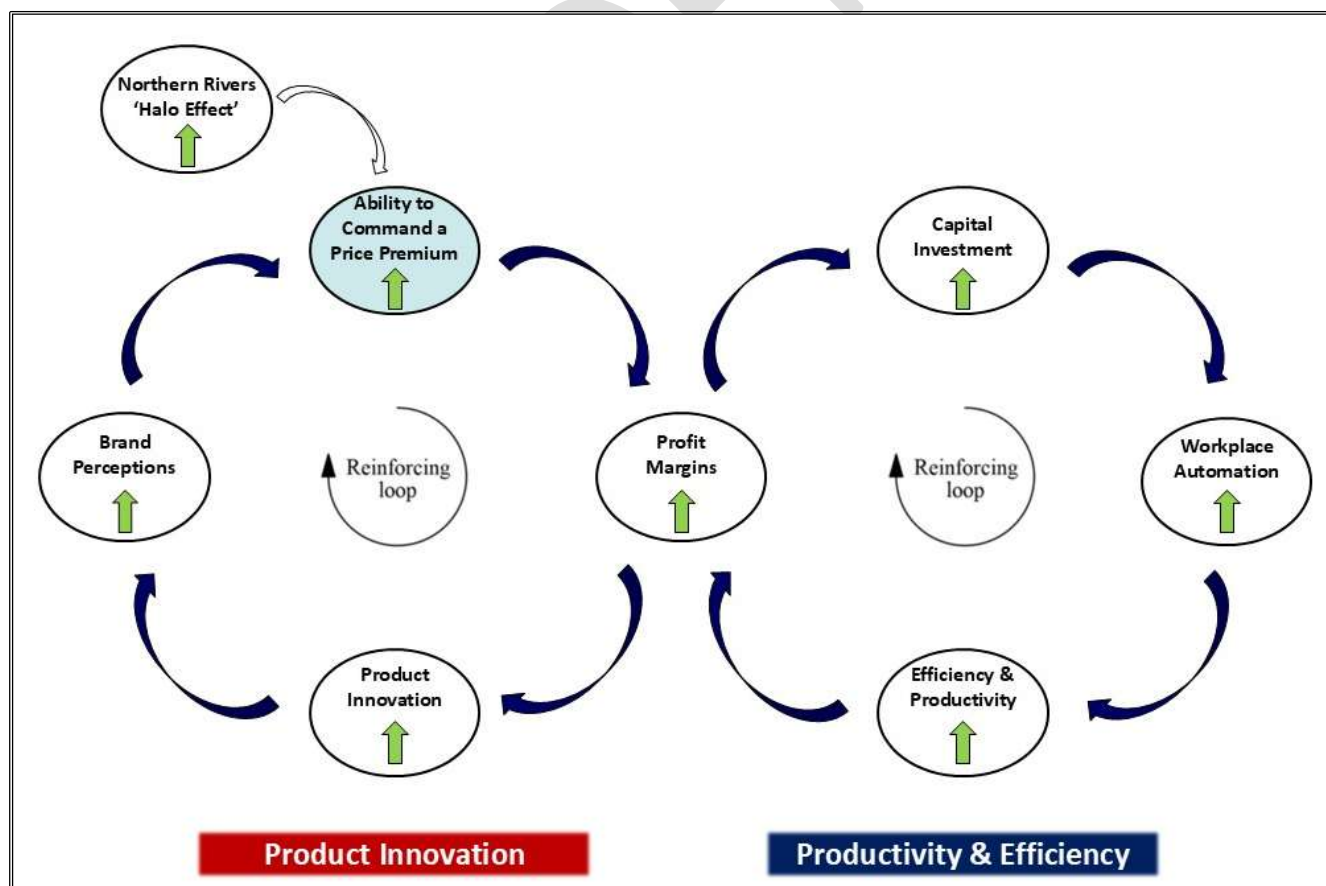
Finally, the committee's focus turned to **attracting and retaining workers**, an issue that had been identified by all businesses as one of the key challenges of doing business in the Northern Rivers. Whilst having access to the shared pool of trades in the hub was put forward as a part of the solution, much more was required.

To combat staff transience, businesses would need to invest and value-add to attain greater loyalty. No longer would a one-size-fits-all approach to employment suffice, as bespoke employee value propositions were encouraged to meet the needs and wants of workers. As part of these propositions, it was anticipated that businesses would be able to offer more competitive wages, given the prosperous outcomes that were envisaged in the 2040 vision.

To assist with the shortage in workforce accommodation, the committee vowed to review existing policies to assist businesses in providing multiple accommodation options for workers. This included opening up suitable land for residential use near the manufacturing up and exploring multi-generational housing options that optimised accommodation opportunities.

As a result of the combined impact of these strategic initiatives undertaken in the years 2026-2030, the manufacturing and making sectors are **Flying High** in the Northern Rivers in 2040.

The positive reinforcing loops at the heart of this scenario appear below:





## Lame Duck

*A person or enterprise that is weak, ineffective or falling behind in ability or achievement.*

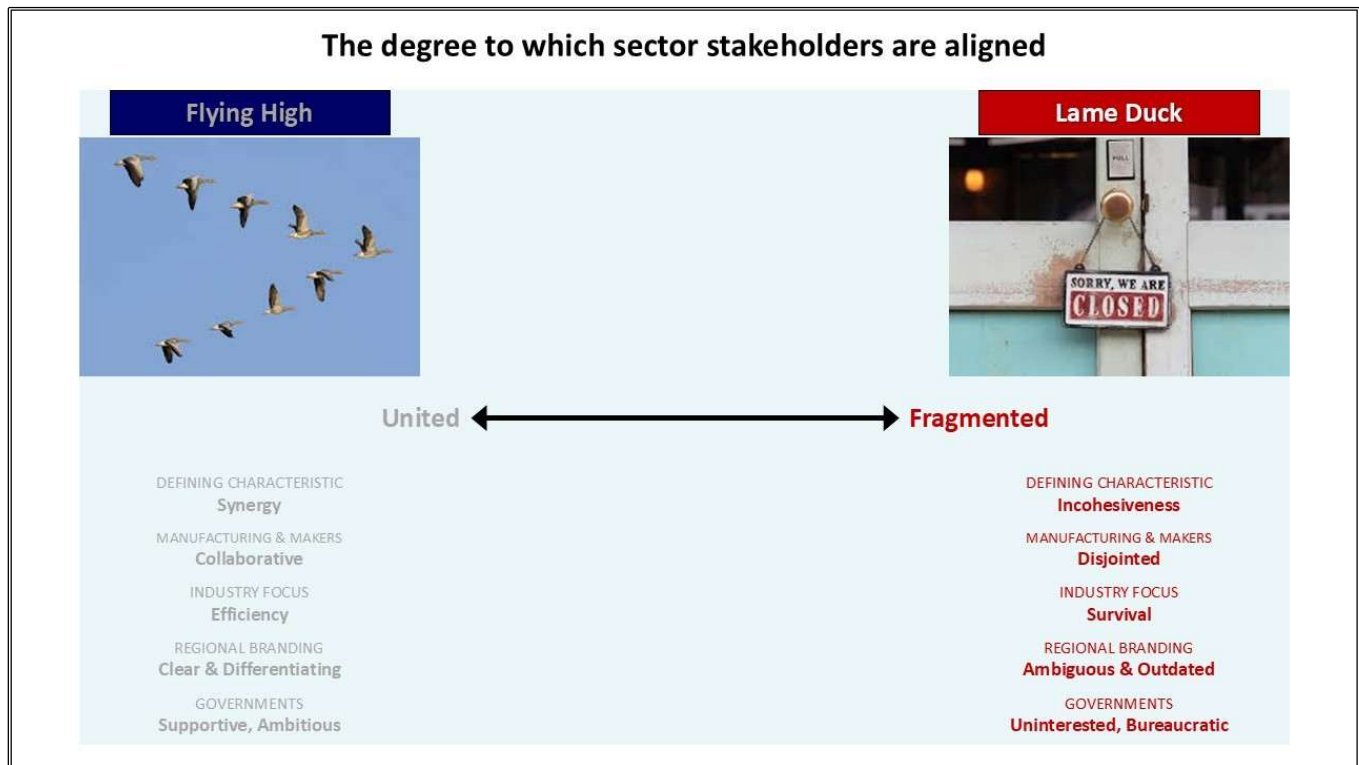


***“Our competitive advantage is shrinking”***





## Lame Duck: Overview



**Lame Duck** describes a bleak future for manufacturing and making in the Northern Rivers. It's a future brought about by years of fragmented, incohesive, and short-term decision making that prevents the sector from taking flight.

**Lame Duck** is defined by a collapse in the perceived value of products made in the Northern Rivers. Over-development, over-tourism, overexposure and overpowering environmental events combine to strip the region of its 'halo effect'. Consequently, local manufacturers and makers find themselves unable to command the premium prices that are necessary to sustain doing business from the Northern Rivers.

With margins down, operators find themselves unable to invest in product innovation, further reducing competitiveness with interstate and international rivals. Products from the Northern Rivers begin to lose their lustre and consumer appeal.

Furthermore, reduced margins lead to a decline in investment and workplace automation, restricting sector growth and ensuring operational inefficiencies persist. As operators are overwhelmed by the strain of surviving month-to-month, many exit the industry. What remains is a loose collection of manufacturers and makers operating in an unlikely setting.

In 2040, the **Lame Duck** sector is at risk of going the way of the Dodo.





## Scenario Background

*“The Northern Rivers is a part of our story.”*

The Northern Rivers brand has always provided a significant foundation from which manufacturers and makers could promote their products and command a premium price. The relaxed, bohemian culture and natural beauty of the region is the intangible basis upon which brands have been built.

The challenge for the sector is how to maintain this competitive advantage when the region is becoming increasingly gentrified, expensive and crowded.

*“Is the Northern Rivers losing its pzazz? It’s no longer seen as it was.”*

From a heritage built on the back of a natural and organic essence, the Northern Rivers is increasingly associated with residential development and celebrity sightings. Such associations dilute the region’s differences and advantages vis-à-vis other geographies, and erode the natural competitive advantage enjoyed by businesses operating in the Northern Rivers.

In **Lame Duck**, we see the long-term consequences of short-term thinking guided by economics and profits.

- **Over-development** transforms the region into a “polished but hollow” version of its former self.
- **Over-tourism** creates a claustrophobic feeling in major town centres, causes friction to rise between locals and holidaymakers, and erodes social fabric through the impact of short-term rentals.
- **Overpriced** housing forces families with children to pack up and move to cheaper regions, changing the demographic profile of the Northern Rivers. Meanwhile, the creative community and artists are being pushed out by rising costs as the median house price sits above \$2 million in some pockets.
- **Overexposure** in the form of celebrities and influencers, creating a tall poppy backlash against Byron Bay and Northern Rivers’ ‘elites’.
- **Overpowered** by environmental events, severe erosion impacts beaches all along the coast, but particularly at Kingscliff, Lennox Head and Belongil, Main and Clarkes Beach in Byron Bay. These beaches are classified by the NSW government as critical, high-risk erosion hotspots, as sand dunes are damaged, beach access points are closed and private property and infrastructure are threatened.

As these events cascade into one another, each compounding the effects of the other, the Northern Rivers begins to **“lose its pzazz”**. No longer seen as an organic paradise, the region becomes renowned as a superficial brand exemplified by overexposed celebrities and over-zealous residential development. And the manufacturing and making sectors pay the price.





## Scenario Narrative

As the image and reputation of the Northern Rivers is diminished, so too is the ability of local manufacturers and makers to charge a premium price. Such a premium is essential for making a profit in the face of higher production costs associated with a regional sector.

Demand for goods from the Northern Rivers begins to fall, causing operators to drop prices. This goes against the sector's unwritten rule: **Don't compete on price!**

With demand and margins down, businesses are constrained in their ability to invest in capital, technology and workplace automation. Opportunities for capacity expansion are therefore restricted. The lack of investment in technology and automation ensures businesses are unable to employ lean manufacturing methods, thus preventing efficiency and productivity gains. Production inefficiencies are locked in.

The sector finds itself in a classic pincer movement: unable to command a premium price for their products while simultaneously being unable to reduce production inefficiencies and the high cost of goods.

Reduced margins also constrain the sector's ability to innovate. This further weakens brand competitiveness. Products from the Northern Rivers look dated and tired compared to those of their more innovative rivals. Here too, the sector is paying the price for not investing in an innovation culture in the late 2020s. Instead, it has been allowed to drift into mediocrity. The decline in brand perception only reinforces the broader view that the Northern Rivers is past its prime. Exports begin to fall in 2030.

Under political pressure to fight for a swag of Sydney-based seats, government support and funding for a regional manufacturing hub is limited. This ensures there is a lack of collective manufacturing scale, further locking in existing operating inefficiencies.

The lack of government support is hardly surprising. All tiers of government are generally uninspired by manufacturing in the Northern Rivers. There is little confidence in the sectors and scant enthusiasm for throwing 'good money after bad' at businesses that are seen as inefficient and in decline. It feels like the last days of the car industry in South Australia.

The increasing occurrence of extreme weather events only adds to the sector's inefficiencies. Roads, it seems, are in a perpetually poor state, restricting freight options and the access of workers to job sites during regular flood periods. Freight companies have taken to charging extra premiums to transport goods on particularly poor roads in the Northern Rivers. Businesses are forced to either pay the extra charge or accept the re-routing of cargo to less direct ways. Either way, freight costs rise.

Weather events also impact primary industries, forcing local manufacturers to source more of their inputs from interstate and overseas, locking in higher costs of production.



The negative reinforcing loops at the heart of the **Lame Duck** scenario appear below:

