



POLICY LEADERS



QUEENSLAND
FUTURES
INSTITUTE

SUMMARY REPORT

Queensland Policy Leaders Series Importance of Regional Queensland

Thursday 14 March 2019

07.30 am - 9.00 am

Customs House

Moderator

Moderator: Associate Professor Lisa Ruhanen, Director of Education,
UQ Business School

Panellists

Councillor Margaret Strelow - Mayor, Rockhampton Regional Council

Shane Charles - Chairman, Toowoomba and Surat Basin Enterprise

John Glanville - Chairman, Greater Whitsunday Alliance (GW3)

Trent Twomey - Chair, Advance Cairns

Bridget Woods - Director – Tourism and Events, Townsville Enterprise

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Breakfast Summary

The predominant theme from the 2019 Queensland Futures Institute *Queensland Policy Leaders Series* “Importance of Regional Queensland” focused on the achievements and challenges across regional Queensland.

Representatives from Cairns, Rockhampton, Toowoomba Townsville, and the Whitsunday, regions discussed various completed and upcoming projects, as well as challenges such as attracting skilled labour and involvement of various institutions, as well as the role of the Federal Government in developing Regional Queensland.

The general discussion allowed the audience to further explore how Queensland’s regions could be supported, such as through payroll tax incentivisation, as well as support for further economic diversification.

Key comments by panellists

Councillor Margaret Strelow - Mayor, Rockhampton Regional Council

- South Rockhampton Flood Levee: Secured full funding and should break ground before the end of this financial year. This Levee will protect close to 70% of the properties which would get wet in one and a 100-year flood event, equivalent to 1,500 properties.
- The \$31.5 million-dollar Art Gallery is fully funded as of Monday, and construction will begin soon. It will be one of the largest regional art galleries in Australia.
- Rookwood Weir: Fully funded and provides industrial, agricultural and urban water.
- Fitzroy River: Quite active fishing tourism, five charter companies and nine charter boats.
- Aquaculture: Half of the land that the State Government has identified suitable for aquaculture is in the regional council area.
- Smart Hub: 55 entities. Rockhampton offers infrastructure concessions on developments and businesses in health, education, aged care and tourism destination development as well as for the resources sector.

Shane Charles - Chairman, Toowoomba and Surat Basin Enterprise

- Queensland has grown at 2%; Toowoomba grew 4.8% last year and 4.5% the year before.
- Toowoomba region’s growth is driven largely by resources, closely followed by construction. The gas industry is the primary source; it is now considered part of the landscape and there are no issues with the gas industry in our part of the world.
- Building supporting infrastructure:
 - International Airport: attracts produce from QLD and NSW, with international destinations.
 - Has the first Datacentre in regional Australia
 - Over \$1.5 billion in highway upgrades – the Second Range Crossing
 - Renewable sector: five or six solar farms, one wind farm; plenty more on the books.
- Opportunities:
 - Inland Rail: Half the cost of the Inland Rail project will be around Toowoomba.



- Specifically, with the datacentre, looking into increasing innovation, automation, energy and a range of other possibilities.
- Challenges: Do more with less: water scarcity; attracting skilled people - are Toowoomba's largest challenges.

John Glanville - Chairman, Greater Whitsunday Alliance (GW3)

- Whitsundays: Nine billion dollars in gross regional product out of the region.
- Challenge:
 - Skill shortages: 2.9 % (vs. QLD 6.2%), we need to diversify our workforce.
- Opportunity:
 - Working closer with industry partners on diversification
 - Regional water security: a few projects are ongoing
 - Give young people the opportunity to move to regional Australia; property is affordable.

Trent Twomey - Chair, Advance Cairns

- Cairns is home to three World Heritage areas: Great Barrier Reef, Wet Tropics Rainforest, and the Riversleigh Fossil deposits.
- A new Performing Arts Centre: 1000 seats indoors and can accommodate 4000 people outside.
- A disproportionately large tourism sector. However, now it is number two, as health has taken over. It is the largest employer, with the Federal Opposition announcing \$200 million for hospitals in Queensland, \$60 million of that just for Cairns Hospital alone.
- Convention Centre: \$176 million upgrade being signed for May 2020.
- The Cairns Shipping Development project: Navy base upgrade. Expansion of white boat and grey boat fleets.
- First hotel opening in two decades, however once completed will see a large number of unemployed trades people.
- Payroll tax: Victoria has introduced a differential payroll tax system, i.e. if you employ outside the greater metropolitan Melbourne, you have half of the payroll tax compared to metropolitan employees. If Queensland, the largest decentralised state cannot implement a similar system to help address the high youth unemployment rates, what other mechanism is there in place?
- Skilled labour: Single largest handbrake on tropical Queensland, as we will not get Australians to do some of those jobs. We have to have skilled migration.

Bridget Woods - Director – Tourism and Events, Townsville Enterprise

- Townsville is recovering from the recent flood event. We are working on supporting the businesses and the community that have been affected by this weather event.
- Tourism: The region welcomes 1.2 million visitors. The challenge remains the limited investment in tourism infrastructure in our region. We haven't been able to increase the numbers which have been the same in the past 10 years. To increase these numbers, we are working on opportunities, such as:



- We see opportunity in marine science space in the region. James Cook University is the number one university in the World for marine sciences. We also have the Australian Institute of Marine Science in Townsville as well as the Great Barrier Reef Marine Park Authority. Hence, we have come up with a project called the Museum of Underwater Art and have been able to attract the world's leading underwater art sculpture. The museum will have four sites: Strand, which will be out of the water. The second site will be on the Great Barrier Reef. The third will be on Palm Island (the only indigenous community that lives on a Great Barrier Reef Island in Queensland). The fourth site will be on Magnetic Island. This is a project to differentiate us from our neighbours when it comes to tourism. It is also about acknowledging Australia is doing something about protecting the Great Barrier Reef and the World needs to know it.
- The other project that we support is Adani.

General Discussion

If there was one thing that you could from a government perspective to improve in your region, what would that be?

- **Cr Strelow:** Free payroll tax for 15 years; business migrants and probably \$50-100 million dollars to give people to make it easier in the regions.
- **Bridget:** Agree with Cr Strelow, incentivising people to move to the North in order to supercharge our economies.
- **Trent:** A regional economic plan for tropical North Queensland that ensures that the regional managers of every government department are singing from the same hymn sheet.
- **Shane:** Fast transport to Brisbane. Despite the \$15 million that the Government has set aside for the railway, it would also be important to address the skills shortages.
- **John:** Give incentive to young people to move to Regional Queensland not necessarily forever but to at least have a good start that they won't have in capital cities.

Given that we have researchers, educators, community leaders, and business leaders, how could they get involved through their organisations to support regional Queensland?

- **Cr Strelow:** Let's get more serious about things, such as sustainability and climate change. There is a large distrust among Regional Queenslanders towards the Southeast Queensland, not necessarily politics only. I am a climate change believer, but I also believe that our current solutions are not perfect. We don't need to stop Adani, because it needs to go ahead, because in the World's grand scheme of things it is a good thing, but we need to do so much more, and it has to be real. We need our journalists and social media to have that more real conversation.
- **Bridget:** We are working hard on creating a new theme precinct: the new STEAM (science, technology, engineering, arts and maths) We need to focus on ensuring that our young children have an ability to be exposed to those types of education opportunities, things that children in Brisbane, Melbourne etc. are exposed to. We need to look at technology. Our project is important to develop a sophisticated educated youth that will stay in our region and build that sustainable future. We also support the transition from coal into the future, but the World does not have the technology to support that yet.
- **Trent:** What the Southeast Queensland can do for the Cairns region is to empower it. There is an



anti-establishment coming from Regional Queensland. We are a large State, we cannot have one person from Regional Queensland to represent the entire Regional Queensland, because that represents the failure of our institutions.

- **Shane:** The resources sector is crucial for us in Regional Queensland. Adani is important to central Queensland. The regions do not feel the support from the CBD and the Southeast corner. But on a more positive note, connectivity and infrastructure are very important for us. We see this happening in the US, but we don't have that here in Australia. However, we will have these in Toowoomba with the airport and the new railway, which is a positive thing.
- **John:** There is disproportionate spend in Urban vs. Regional Queensland. Politicians go along with populism rather than doing the right thing. Moreover, we need to encourage children to move to Regional Queensland. It is only an hour and a half flight to come back home whenever.

Q and A

Youth unemployment – what sort of future do we have for young people in Cairns?

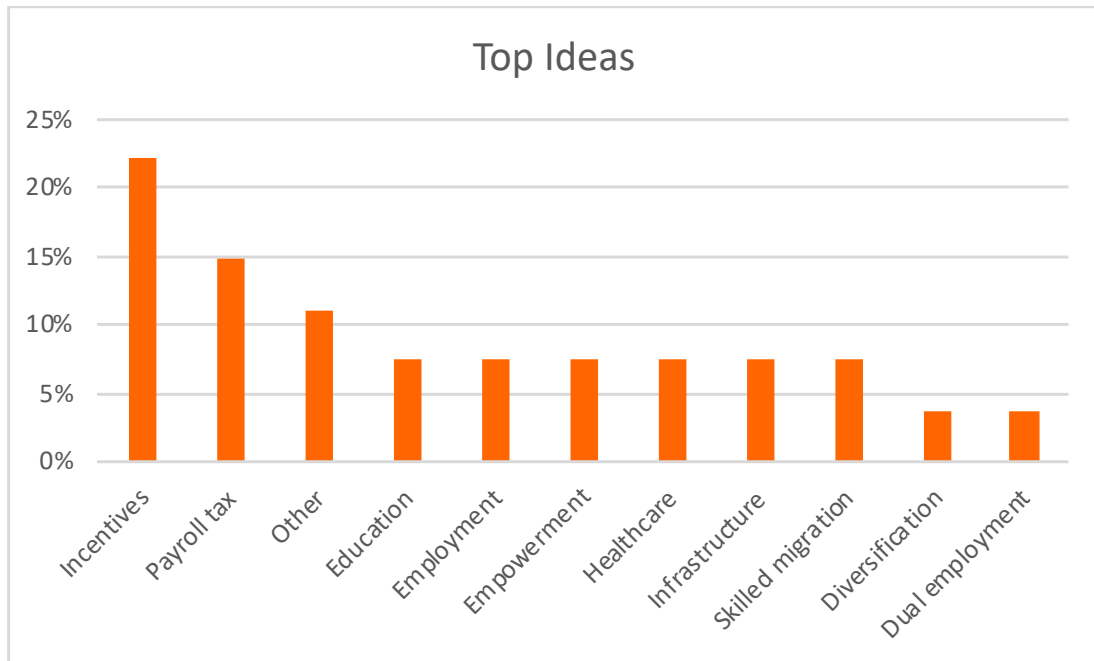
- **Trent:** A great future – unemployment and underemployment rate has come down. The headline unemployment rate has halved in the past 24 months. The GFC hit Cairns really hard – it is boom-bust cycle. The issue is not the tourism industry, but the construction industry, which includes the tradie jobs. Nevertheless, we don't have a problem at the moment compared to our friends in other areas. Skilled migration is a blunt instrument. As soon as the employment goes up, they pull on the hand brakes.
- **Bridget:** To address the youth employment rate, we have a few agricultural projects, such as providing Asia with high value crops. Our second project is the lithium ion battery plant, some advanced manufacturing for Townsville. We also need to look for jobs for unskilled labour but also skilled labour which will require investment and consistency from the Government in order for those projects to come to fruition.

Why don't we have a Constitutional Convention? Because unless something happens on this basis, we can discuss the urban and regional disproportions until the end of time.

- **Trent:** Unless people in the Southeast corner hear us, there will be a demand for a blunt instrument, which will be a Constitutional Convention, which will be for Statehood.
- **Cr Strelow:** We are losing population and there is so much opportunity. The State needs to put the effort into policy decision to get people out and finish developing the State.



Summary of Ideas



The Queensland Futures Institute acknowledges the support of Samira Nazar, PhD Candidate at UQ Business School for her summary of the Breakfast.



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