

APRIL 2013

Northern Queensland Strategy

NORTHERN QUEENSLAND

Overview

North Queenslanders experience a great lifestyle; one we want to maintain and share with the rest of the world. The region, however, has long experienced booms and busts in its economy. With a weaker Australian dollar, our tourism market thrives, and during resource booms the mining sector does likewise. Combined with agriculture, these two industries provide some stability, but there is a deeper fragility and risk that North Queensland regions need to work on via a collective approach.

Four large Regional Development Australia (RDA) economic areas in North Queensland (RDA Far North Queensland and Torres Strait, RDA Townsville and North West Queensland, RDA Mackay Isaac Whitsunday and RDA Fitzroy and Central West) have taken a consolidated and visionary approach to the development of strategic initiatives that strengthen up the future of our economy as well as build upon recognised Commonwealth and State Government priorities.

This North Queensland 'Super-Zone'; a greater region of economic cooperation, aims to partner with Local, State and Commonwealth Governments, to work more closely and to jointly investigate alternative governance approaches and investment models for strategy development, policy change and investment.

Consistent with both State and Commonwealth priorities, our intention is to drive a long term placed-based approach to secure sustainable development, directly linking the region's well engaged priorities to annual Government planning and budget cycles.

The Northern Queensland Strategy benefits are:

- Four significant regions operating collaboratively rather than competitively
- A longer-term approach to improved strategic coordination and planning
- Coordination and alignment of strategic investment in the regions of Northern Queensland
- Delivery of a net economic, social and environment benefit to the local community and the national economy
- Meeting local needs through stronger community engagement mechanisms
- Realising the full potential of efficiency and productivity improvements across all levels of Government activities

The Northern Queensland Super-Zone in Brief

- Over 1.2 million km²
- 73 per cent of total state area
- Population 926,000+
- Production includes mining, agriculture, fisheries, internationally renowned tourism destinations
- \$75 billion+ GRP

Qld Treasury and Trade, 2013

NORTHERN QUEENSLAND STRATEGY



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The Northern Queensland regions exemplify Australia's patchwork and two-speed economy. The 'Super-Zone' is exhibiting strong growth, infrastructure limitations, skilled labour shortages, varying unemployment rates, natural disasters and major industry restructuring. It is not uncommon to find prosperity in some areas and then relative disadvantage in others across Northern Queensland.

As Australia enters the 'Asian Century', Northern Queensland faces an unprecedented opportunity to prosper. This 'Super-Zone' is plentiful with the natural assets of rich agricultural land and produce, mineral resources and prime tourism product to export into the expanding neighbouring markets of Asia. Northern Queensland has an opportunity to develop its international reputation for its 'tropical expertise'.

About the strategy

The Northern Queensland Strategy (NQS) seeks to facilitate and create long-term collaborative relationships across Governments, the private sector and the community. Northern Queensland's challenges go beyond the scope of one level of Government or one region; therefore collaboration is critical to future prosperity.

This strategy is driven and informed by four Northern Queensland Regional Development Australia Committees (NQ RDAs) who in a strong partnership of economic cooperation have engaged at all levels in their regions to identify regional priorities. The Commonwealth Department of Regional Australia and Queensland Government Department of State Development support this alliance.

The NQ RDAs agreed on four themes that would shape the discussion and direction of this strategy and includes key enablers to support effective economic growth.

These four themes are explicitly interlinked and encompass multi-dimensional factors pertaining to achievement of sustainable regional development via the key enablers.

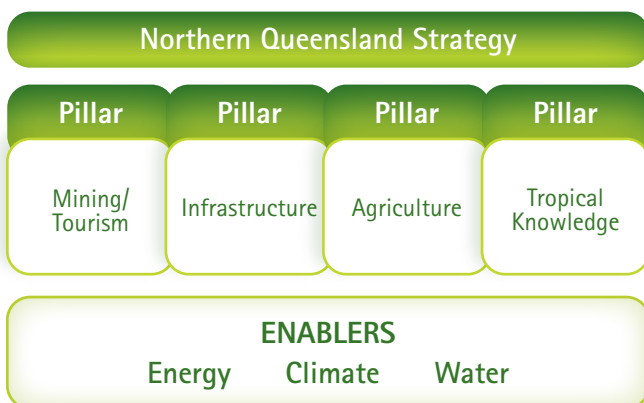
This strategy seeks to identify cross-regional synergies and correlating opportunities, which can be realised through leadership, leverage and partnerships. Furthermore, the NQS focuses on governance, capacity building and resources for reform required for planning and development.

Key Issues

The 'Super-Zone' generates \$75 billion a year in GRP, but a stronger foundation for the future is required.

The key issues include:

- Dealing with the significant benefits and impacts from the resources boom, particularly infrastructure, services and the high Australian dollar on tourism
- Strengthening our agricultural sector
- Better preparing for major cyclones by adapting our infrastructure, industries, disaster recovery and insurance arrangements
- Transforming our energy and water sectors, the enablers
- Diversifying through the development of a strong tropical knowledge economy
- Raising productivity here and export to the Asia Pacific
- Addressing major project coordination across Northern Queensland including regulatory reform
- Investigating alternative infrastructure financing models



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Outcomes

The key outcomes we wish to achieve from this strategy include securing a region that is renowned for being open to business with second-to-none lifestyle values. Doing this will mean:

- Improving the governance and coordination of economic, social and community infrastructure
- Supporting regions to realise their economic potential
- Building communities that are inclusive, accessible, resilient, healthy and safe
- Increasing social and economic participation at a local and regional level

A Precursory Requirement – Key Regional Governance Reforms

Such a unique and innovative place-based approach requires supportive and enabling governance to mediate policy impacts, improve major project approvals and attract investment. At the same time, Northern Queensland requires greater capacity to prioritise and broker complex investment arrangements building on the work of the Ernst and Young 'Strong Foundations' Infrastructure Report. With the introduction of the *Economic Development Act 2012*, the region needs to position itself for innovative land use/ infrastructure planning and asset management and capacity building of the Regional Organisation of Councils is a key component.

The Queensland Government through development of a one-stop-shop has undertaken substantial work for coordinated planning, reduction of red tape and devolution of decision-making. To build on this work and for the NOS to be effective and successful, several governance reforms need to be realised:

- An ongoing and long term commitment to the concept of this Northern Queensland Place-Based approach, linking annually into State and Federal Budget cycles;
- Placement of a Senior Departmental capability in North Queensland to coordinate/manage policy and major project negotiations between SEWPAC, with a focus on the EPBC Act;
- A trial progressing regionally-based regulatory reform and infrastructure investment models; and
- Strategic Australian and Queensland Government investment in Regional Organisation of Councils, to lift their land use planning, asset management, investment raising, and governance capacities.

Northern Queensland includes 48 local Government areas (LGAs) with 18 of these Aboriginal or Torres Strait Islander councils. Strategic capacity building of Regional Organisations of Councils (ROC) and Local Government Associations particularly around the areas of governance, planning and asset management is needed to drive increased private investment into Northern Queensland and create cost efficiencies through improved asset management and planning.





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A vision for Northern Queensland

Northern Queensland will have opportunities for investment and growth that will create strong and resilient communities and industries that support a great lifestyle and respect our environment.

The vision will be delivered through:

1. Developing road, energy and water infrastructure that builds greater capacity for industry and communities, such as reducing flood impacts on the Bruce Highway and major arterial roads, delivering price competitive energy and increasing water security;
2. An aviation strategy for expansion of opportunities such as food and agricultural exports, inbound tourism, servicing of mines and better access for communities;
3. Building more disaster resilient public infrastructure that utilises the region's tropical expertise in design and construction and building strong and resilient communities through disaster mitigation strategies;
4. Well planned workforces with opportunities for all; including cross fertilisation of skills across industries such as agriculture, mining, construction and tourism;
5. Social infrastructure that builds community capacity and liveability to encourage increased populations and wellbeing in Northern Queensland.

Source of Statistics and Data:

- Qld Treasury and Trade, 2013 Experimental Estimates of GRP.
- Qld Treasury and Trade – OESR 2013. Qld Regional Profile, Northern Qld Super Zone
- Qld Transport and Main Roads, Oct 2012 Bruce Hwy Action Plan
- North Qld Road Alliance, Feb 2012. Economic Impact for North Qld of Closure of the Bruce Hwy
- Bureau of Resources and Energy Economics July 2012 Australian Bulk Commodity Export and Infrastructure Outlook to 2025

"Working in strong partnership with the Australian and State Governments over the long term will be the key to success for Northern Queensland. Our joint work with both Governments is helping to align everyone's efforts and budgets with those of the regional community.

As the Northern Queensland economy can be boom and bust, our future needs to be secured by a great lifestyle, and a prosperous, knowledge based economy; the sort of place where Australians and their families want to live and build a future. What is needed is transformational change".

Northern Queensland RDA Chairs

WHO WE ARE

The role of Regional Development Australia Committees is to work across all three levels of Government, local industry and their regional communities to enhance the growth and development of regions across Australia. This includes the identification and advocacy of agreed regional priorities; and working in collaboration with regional partners to strengthen each region's long-term sustainability for the long-term benefit of future generations.

www.rda.gov.au

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