

25<sup>th</sup> October 2013

Mr Ian Rickuss MP  
Chairman  
Agriculture, Resources and Environment Committee  
Queensland Parliament  
Cnr George and Alice Streets  
BRISBANE QLD 4001

By email to [arec@parliament.qld.gov.au](mailto:arec@parliament.qld.gov.au)

Subject: North Stradbroke Island Protection and Sustainability and Another Act Amendment Bill 2013

Dear Mr Chairman

I write on behalf of the Straddie Chamber of Commerce, an organization having over 100 member businesses each with assets and employees on North Stradbroke Island. We wish to make a submission in support of the proposed legislation, being the *North Stradbroke Island Protection and Sustainability and Another Act Amendment Bill 2013* and would encourage your Committee to recommend to Parliament that the Bill be passed.

As a community of over 2000 permanent residents and up to 30,000 visitors at peak times, the businesses we represent provide goods and services, employment opportunities, significant capital investment and community stability for the Island. Combined, our members are predominantly small to medium sized businesses and employ close to 1000 individuals across a broad spectrum of industries and from a diverse range of ethnic, age and education backgrounds, including many indigenous native Australians. We provide training and employment opportunities on the Island which allows families to stay as a unit rather than have to leave home to gain skills and jobs.

For over 50 years the sand mining industry has provided the direct employment opportunities for the residents and the critical mass for business sustainability on the Island. The industry provides the base load, consistent across 12 months of the year to offset the seasonal demand from tourism visitations, which correlate predominantly with the 16 weeks of school holidays. The Island economy suffers from peaks and troughs of economic demand and cash flows and we unfortunately lose businesses, unable to sustain viability in the bottom of the trough. Without the economic input that sand mining provides to the economy we would have a greater business mortality rate and a greatly reduced offering to both the resident and visiting customer base. Our research across our membership shows that the sand mining industry injects over \$100 million into the Island economy each year.

All businesses on the Island understand that any mine has a finite life and that when the ore body reaches the end of its economic life, the mine closes, the area is rehabilitated and other industries are developed to replace the economic activity. That replacement cannot, and will not happen over night and the transition needs time, vision and capital to come to

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life. It is a well repeated line in business that “Hope is not a Strategy” and that well thought through and resourced plans need to be developed and implemented. This leads to a sustainable economy.

Our support for this Bill is driven by the need to have time to develop and implement transition industries to replace mining. When the previous government introduced the plan in 2011 to close the mine in 2019, it was obvious that there was no plan, other than a vision to move to a Sustainable Tourism economy, but there was no substance, resource or framework to support that vision. As a result, over night our members had very difficult conversations with banks and lenders unsure of the ability of our members to sustain repayment plans, put in place when the surety of cash flow came from knowing the economic demand from the mine was secured by long term leases. In addition, we were unable to recruit new employees, again unsure of what tenure they were signing up for and we lost existing employees, who no longer had the prospect of long term secure employment. The capital value of our properties dropped accordingly and our ability to use those properties as financing collateral also fell away. All in all, a very worrying and depressing time for the business Island community.

The incoming government, during the election campaign promised to “move the goal posts back to the original position” and the business community immediately was able to plan over a longer timeline. We have watched and supported the efforts of both the Government and Sibelco over the last 18 months to achieve the stated objective, hence our support for this Bill to pass into law.

As an organisation we are not sitting on our hands waiting for somebody else to solve the problem. The Chamber is the Local Tourism Organization { LTO} for the island , charged with the responsibility to promote the island as a tourism destination and we have been spending significant resources , both money and time on that challenge. In addition, the Chamber is working with our members to facilitate a business advisory service to help our members understand the relevant levers to pull to maintain and grow their businesses. We have been using the resources of various State Departments to help us with this work. Finally, the Chamber takes on the role of speaking on behalf of the businesses with a collective voice, whether it be the issue of sewerage system roll out in Dunwich, the inability of the community to develop an inter township, after hours public transport capability or indeed an issue such as this – vital for the ongoing well being of the business community.

Thank you for the opportunity to make a submission on behalf of our organization and we ask again that your committee recommends that the Bill be passed into Law.

Yours sincerely

David Thomson  
Chairman, Straddie Chamber of Commerce



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