

ECONOMIC DEVELOPMENT COMMITTEE ISSUES PAPER NO 1 – JULY 2009

Introduction

- 1 Coming from the Wide Bay Burnett statistical area, which is recognised as the second highest unemployment area in the state, economic development is a major issue.
- 2 Specifically coming from the Gympie Regional Council (GRC) area, one would anticipate that because of cheaper development costs and proximity to South-East Queensland, that economic development would be a relatively easy progression. In today's competitive environment the requirement to minimise input costs such as site development and transport access are essential.

Employment Creation

- 3 Whilst employment creation is essential, employment sustainability within an area is also essential. In the GRC area a limited number of large industries are present and the requirement to find suitable industrial land with convenient transport access which is not in a flood prone area, limits the selection of land available. To this end, an Industrial Land Strategy Study was conducted by DEEDI and GRC to identify appropriate land. The preferred land identified was to the south of Gympie, but large Main Roads infrastructure costs negate the use of this area for even medium density industrial development.

Promotion of Innovation

- 4 GRC is of the opinion that industry innovation is an essential element of development, however, should not be constrained by supporting narrowly focused promotion on a small number of industries.
- 5 Paragraph 6.2 identifies six Centres of Enterprise in regions across the State. GRC has no issue with identifying these Enterprise Centres but, the State Government must remember that additional high skill enterprises occur outside these areas. In the case of Wide Bay Burnett, there are a number of industries that deserve recognition. In Maryborough, there is the rail industry that underpins the economy of that area and in the GRC area, there is Smith and Sons, who are innovative in equipment design, development and construction in the road industry.

Local Initiative

- 6 GRC is in the process of recruiting an Economic Development Officer to undertake duties to assist current industry development and to attract new industries to the Region.
- 7 The problem lies in establishing a *Whole of Government/State* approach to work in co-operation with Local Government. By *Whole of Government*, it is meant that individual departments should not work in isolation with Local Government.

As stated prior funds were contributed by one State Department and Council, but success was stifled by another Department expecting considerable funds to fund road infrastructure - to the detriment of the project.

Summary

- 8 Whilst this submission has not looked at the larger picture of technical training, export opportunities or development of markets, it has tried to highlight the issue - that to approach any area, development in isolation achieves very little.
- 9 GRC has outlaid considerable funds for an industrial land strategy study for no outcome. Heavy industrial and innovative manufacturing is being constrained because of the lack of land for expansion and ongoing development. GRC now risks losing this industry to another area possibly outside Queensland because of the lack of a *Whole of Government* approach.
- 10 State Government can develop significant policy on employment initiatives but until there is a *Whole of Government* approach, ie commitment to infrastructure such as a suitable road infrastructure, the solution will always be piecemeal. Decentralisation is one of Queensland's strengths - development of infrastructure is an essential element in the progression of decentralisation.



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