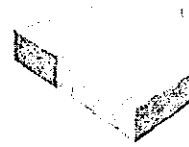


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CHAMBER OF
COMMERCE &
INDUSTRY
QUEENSLAND

28 May 2010

Ms Lyndel Bates
The Research Director
Economic Development Committee
Parliament House
George Street
Brisbane QLD 4000



Dear Ms Bates,

Re: Inquiry into developing Queensland's rural and regional communities through grey nomad tourism

The Chamber of Commerce and Industry Queensland (CCIQ) welcomes the opportunity to provide feedback to the Inquiry into developing Queensland's rural and regional communities through grey nomad tourism. CCIQ is the State's largest business organisation with a State-wide membership across all industry sectors and of business sizes. In total the Chamber represents in excess of 25,000 businesses - 3,700 members spread across the State with links to 135 local chambers of commerce and 60 industry associations.

Tourism, including grey tourism, is a crucially important industry in Queensland, with the positive flow-on effects from tourists travelling, staying and working in all regions of the state benefiting a wide variety of businesses including accommodation providers, local restaurants, entertainment venues and retail outlets. Regional areas of Queensland are keen to grow the grey nomad market, generating ongoing economic and social benefits for their communities.

In relation to the issues paper released on the inquiry, CCIQ would like to provide feedback on section 7 Infrastructure requirements and section 10 Utilisation of grey nomad skills in regional and rural Queensland.

Infrastructure requirements

The availability of infrastructure is essential to encouraging more people to visit and stay longer in regional areas outside of South East Queensland (SEQ). CCIQ recently undertook a detailed survey of members that covered concerns relating to the state's infrastructure networks. Businesses rated the state's infrastructure networks quite poorly, with key areas of concern including the quality, capacity, cost and planning of the state's road, passenger transport, social (including hospitals, education and community facilities), water and rail transport infrastructure networks. Businesses also expressed frustration with the lack of infrastructure projects undertaken in regional Queensland compared to SEQ.

CCIQ believes that many of the infrastructure concerns raised by the Queensland business community would also be relevant when considering growing the grey tourism industry.

The attached CCIQ Population and Infrastructure Blueprint includes an analysis of the state's infrastructure networks and recommendations to deliver the required infrastructure from a business perspective.

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Utilisation of grey nomads to address skills issues in regional and rural Queensland

Many of the regional and remote towns and cities in Queensland are experiencing severe skill shortages as employers struggle to attract workers, particularly younger workers, to their regions. Such severe skills shortages act as a brake on the potential for economic growth and prosperity in these regions. One of the strategies identified by Queensland businesses to assist them in meeting their labour and skilling requirements, particularly in regional areas, is increasing the workforce participation of mature age people and tapping into the skills of temporary visitors (or grey nomads).

Many grey nomads are highly skilled and hold qualifications in areas where skill shortages are prominent in regional Queensland. However mechanisms and support tools do not currently exist to facilitate the linkages between employers seeking skilled people and the grey nomads and mature age people located in other regions. Furthermore current employment and industrial laws as well as superannuation and pension payment conditions present a barrier to greater utilisation of grey nomads and create a disincentive for mature-age people to seek short-term and flexible employment. These laws and provisions need to be reviewed in order to encourage and facilitate employment models for grey nomads in regional areas.

Youth attainment and transition issues represent significant challenges in many regional areas of Queensland. Youth in these regions have limited access to mentoring, real life and career advice opportunities. Grey nomads with their lifetime of experience, practical skills and understanding of the workforce could be engaged in regional areas to support young people in making career decisions. Again, support tools and mechanisms are required to facilitate linkages between schools, young people and the mature-age grey nomads.

CCIQ appreciates the opportunity to provide feedback to the Economic Development Committee on developing Queensland's rural and regional communities through grey nomad tourism. If you have any questions regarding this correspondence, please do not hesitate to contact CCIQ Policy Analyst Leanne Usher on (07) 3842 2237.

Yours sincerely,



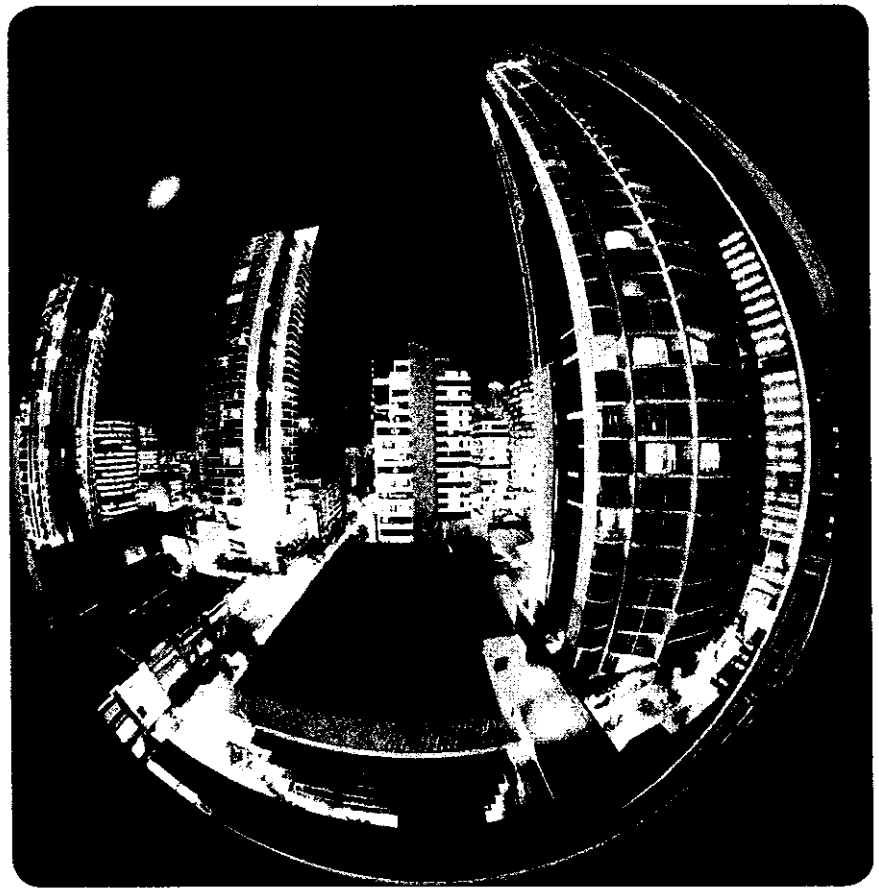
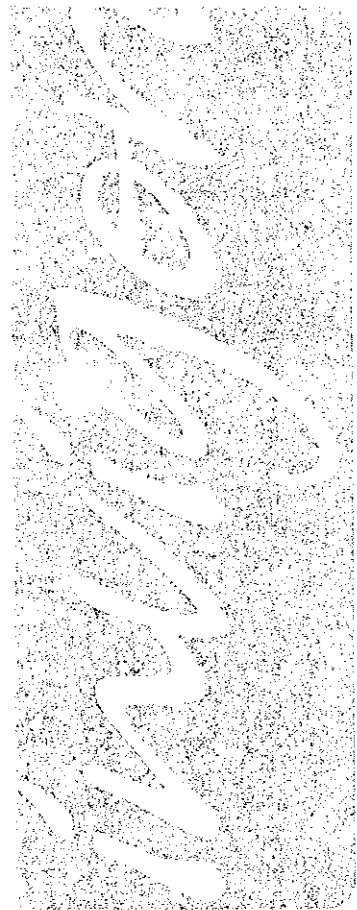
Nick Behrens
General Manager – Policy

Att. *CCIQ Population and Infrastructure Blueprint: Planning for Queensland's Future
Population and Economy*



CHAMBER OF
COMMERCE &
INDUSTRY
QUEENSLAND

Population & Infrastructure Blueprint for Queensland's Future Population and Economy



Chamber of Commerce & Industry Queensland
Population & Infrastructure Blueprint
March 2010





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2.1 CURRENT STATE OF POPULATION AND INFRASTRUCTURE

2.1 Understanding Queensland's population growth and projections is important to developing the most efficient and effective strategies for addressing the state's population growth and infrastructure issues moving forward.

2.2 Current Queensland population and growth trends

2.2.1 The current Queensland population is estimated at 4.5 million people, making Queensland the third largest state or territory in the country with one in five people choosing to live in this state.

2.2.2 Queensland's proportion of the national population is increasing; it has increased by 3.3 per cent since June 1989, whereas both NSW and Victoria's proportion of Australia's population has decreased over the same period.

2.2.3 Queensland has experienced the largest actual increase in population of all states and territories between June 1989 and June 2009, with an increase of more than 1.5 million people, far exceeding growth in both NSW and Victoria. Queensland's population increased by 55.8% in the period, more than double the population growth in NSW and Victoria.

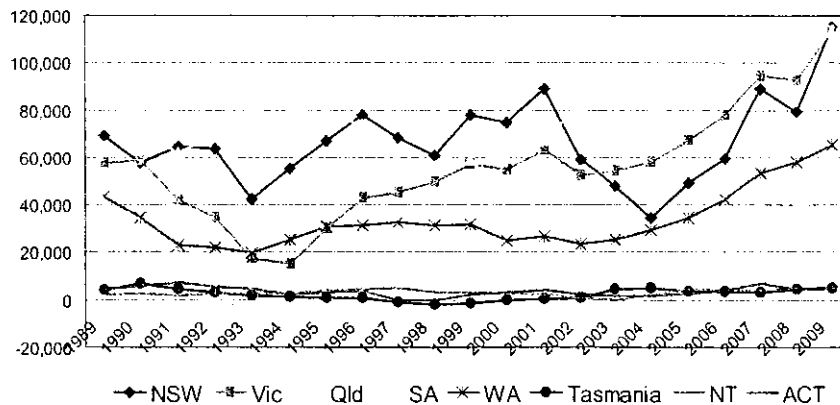
Increase in Population from June 1989 to June 2009

	NSW	VIC	QLD	SA	WA	TAS	NT	ACT	Australia
1989	5,776,283	4,320,164	2,827,637	1,419,029	1,578,434	455,258	161,179	276,432	16,814,416
% of national population	34.4%	25.7%	16.8%	8.4%	9.4%	2.7%	1.0%	1.6%	100.0%
1999	6,411,370	4,686,402	3,501,421	1,497,819	1,849,733	471,430	192,735	312,326	18,925,855
% of national population	33.9%	24.8%	18.5%	7.9%	9.8%	2.5%	1.0%	1.7%	100.0%
2009	7,099,714	5,427,681	4,406,823	1,622,712	2,236,901	502,627	224,848	351,182	21,874,920
% of national population	32.5%	24.8%	20.1%	7.4%	10.2%	2.3%	1.0%	1.6%	100.0%
Population Increase 89-09	1,323,431	1,107,517	1,579,186	203,683	658,467	47,369	63,669	74,750	5,060,504
% increase in growth 89-09	22.9%	25.6%	55.8%	14.4%	41.7%	10.4%	39.5%	27.0%	30.1%
% change in proportion of national population 89-09	-1.9%	-0.9%	3.3%	-1.0%	0.8%	-0.4%	0.0%	0.0%	N/A

Source: ABS Australian Demographic Statistics June 2009 Cat No 3101.0

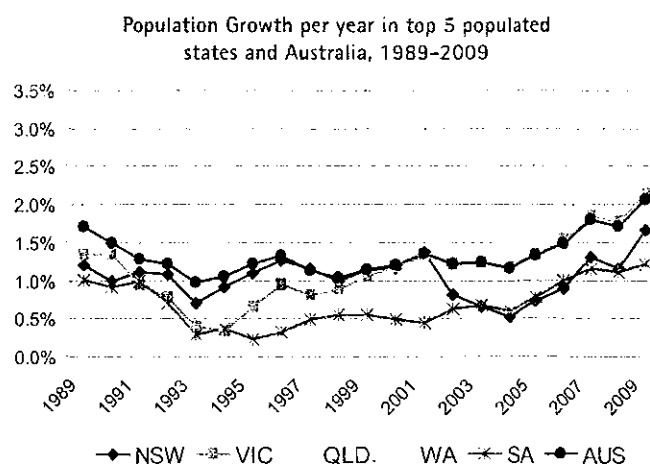
2.2.4 Population growth in Queensland has been increasing at a fairly steady pace. Queensland has not experienced the significant fluctuations in population growth particularly evident in NSW. This creates greater certainty for planning in our state.

Net Population Change, June 1989 to June 2009



Source: ABS Australian Demographic Statistics June 2009 Cat No 3101.0

2.2.5 Queensland has maintained the number one spot each year for the highest population growth throughout Australia until recently being overtaken by WA. Queensland's current growth rate (2.6%) is higher than the growth rate of Australia (2.1%), the world (1.1%), India (1.4%), China (0.6%), USA (1.0%), UK (0.3%) and the Philippines (2.0%).



Source: ABS Australian Demographic Statistics June 2009 Cat No 3101.0

2.2.6 Brisbane is the third largest city in Australia, with a population of around 2 million people. However, Brisbane has had the largest increase in population from 1998 to 2008 of all the capitals (23.9%), followed by Perth (19.8%) and Melbourne (16.1%).

2.2.7 Queensland and Tasmania are the only states or territories where the majority of the population live outside of the capital city (around 55% in Queensland and 58% in Tasmania). Around 73% of the population in Victoria, SA and WA live in the capital city, compared to 63% in NSW. This decentralisation and significant geographic distance pose added complexities in planning for Queensland's population and infrastructure.

2.2.8 The population in the balance of Queensland is growing at a slightly higher rate than the capital (between 1998 and 2008, Brisbane's population increased by 24.1% compared to a 24.9% increase in the balance of Queensland). In both NSW and Victoria, the balance of the state grew at a lower level than the state capital (10.8% in Sydney compared to 9.1% in the balance of NSW, and 16.5% in Melbourne compared to 9.7% in the balance of Victoria).

2.2.9 In 2008, there were 2,846,900 people living in SEQ, with two out of three people in Queensland settled in this area. The population increase in SEQ has been greater than other parts of the country, growing by 27.7% between 1998 and 2008.

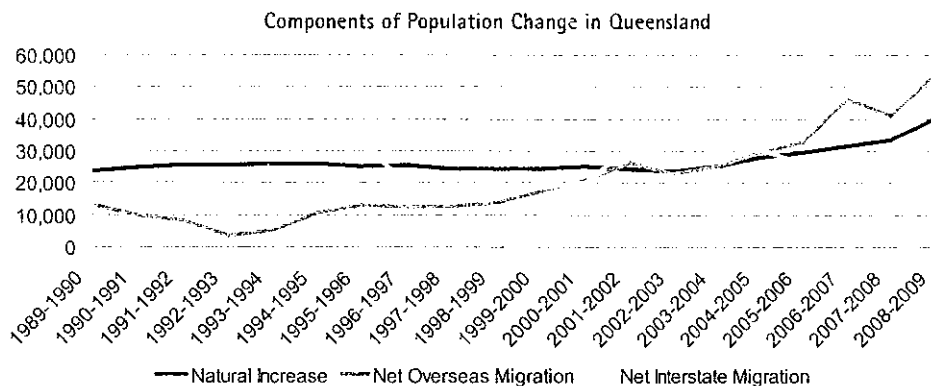
2.3 Components of Queensland's population growth

2.3.1 Previously, Queensland's population was primarily driven by interstate migration, however overseas migration became the key driver from 2006. In 2008-09, Queensland experienced the largest annual population increase on record (112,908 persons) comprised of 48.2% from overseas migration, 35.5% from natural increase and 16.3% from interstate migration. Twenty years ago, more than 50% of the population increase was from interstate migration.

2.3.2 Currently, Queensland's population is increasing by more than 2,000 people per week, 1,000 from overseas migrants alone. A key recommendation is to ensure overseas migrants have the necessary skills required for Queensland economy.

2.3.3 In the June quarter 2009, Queensland's net overseas migration contributed a record 54,410 persons to Queensland's population. Queensland attracted around 20% of the nation's net overseas migration in the year ended June 2009 compared to around 15% in 1989. Overseas migration is expected to remain a large driver of population growth moving forward.

2.3.4 The natural increase for Queensland in the same period was 40,110 persons, also the largest annual total on record. The strength in natural increase was driven by a record high of 67,038 births during the year. The high number of births partly reflected a high total fertility rate (TFR) of 2.2 births per woman in 2008-09, which was the equal highest TFR of all states and notably higher than Queensland's average TFR of 1.9 for the five years to 2007-08.



Source: ABS Australian Demographic Statistics June 2009 Cat No 3101.0

2.3.5 Net interstate migration continues to fall, however remains higher than all other states and territories. NSW continues to record negative net interstate migration, with a similar story in Victoria. However, interstate migration to Queensland is having the effect of increasing the young and working age population and slowing population aging (in the year ended June 2008, Queensland had a net gain of 5,700 children aged 0-14 years and 17,500 working age people aged 15-64 years, but had a net loss of 60 people of retirement age).

2.4 Economic Growth

2.4.1 Economic growth in Queensland has been very strong over the past decade compared to the rest of Australia. The Gross State Product (GSP) in Queensland between 1999 and 2009 grew by 72%, only marginally less than the highest growth state, WA. Queensland's growth over this period was significantly higher than the national growth rate of 54%.

Increase in Gross State Product from June 1999 to June 2009

	NSW	VIC	QLD	SA	WA	TAS	NT	ACT	Australia
1999 (\$m)	264,535	192,566	129,985	53,984	90,532	15,981	9,650	16,283	774,114
2009 (\$m)	382,314	283,784	224,187	77,991	156,603	22,564	16,297	24,916	1,194,496
Total Increase (\$m)	117,779	91,218	94,202	24,007	66,071	6,583	6,647	8,633	420,382
Economic growth 98/99 - 08/09	44.52%	47.37%	72.47%	44.47%	72.98%	41.19%	68.88%	53.02%	54.30%

Source: ABS Australian National Accounts State Accounts Cat No 5220.0

2.4.2 It is no coincidence that the States with the highest economic growth rates also have the highest population growth rates. The table below shows that economic performance over the past 10 years is almost perfectly correlated with population growth.

Positive Correlation Between State Population & Economic Growth

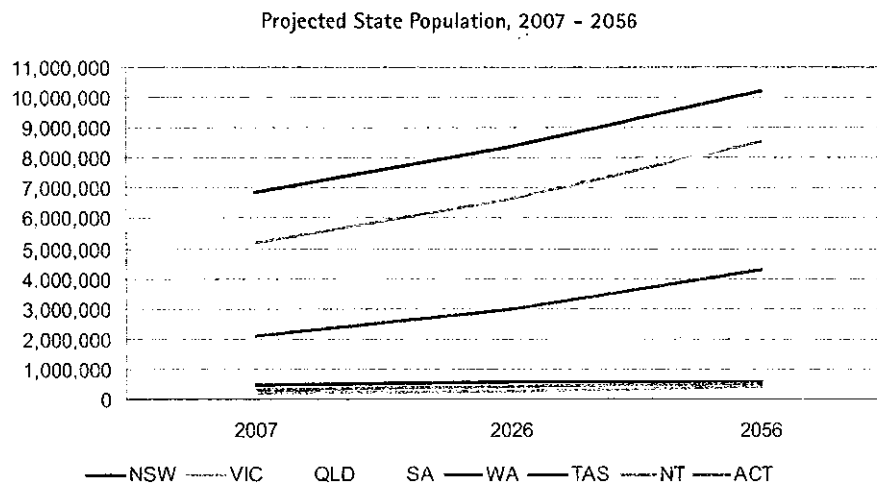
	NSW	VIC	QLD	SA	WA	TAS	NT	ACT
Population Growth 98/99 - 08/09	10.74%	15.82%	25.86%	8.34%	20.93%	6.62%	16.66%	12.44%
Economic Growth 98/99 - 08/09	44.52%	47.37%	72.47%	44.47%	72.98%	41.19%	68.88%	53.02%
Rank for Population Growth	6	4	1	7	2	8	3	5
Rank Economic Growth	6	5	2	7	1	8	3	4
Difference in rankings	0	-1	-1	0	1	0	0	1

Source: ABS Australian National Accounts State Accounts Cat No 5220.0 and Demographic Statistics Cat No 3101.0

2.4.3 Queensland is in the top two in terms of the highest population and economic growth rates in the country. Queensland's strong economic growth over the past 10 years has had a strong influence on the state's high population growth. This is due to the fact that strong economic growth results in increased employment opportunities, and a subsequent increase in persons moving to these areas to seek employment. An increase in population in turn also creates additional demand for goods and services. This shows the correlation between population and economic growth ie they are mutually supporting.

2.5 Population projections

- 2.5.1 Queensland's population is projected to reach 6 million in 2026 and be as high as 11 million by 2056. This represents an increase from Queensland's current population by 33.3% and 144.4% respectively. This growth rate is considerably higher than national projections (2026 – 23% increase, 2056 – 105% increase). To put Queensland's population growth into perspective, it took Queensland 150 years to reach a population of 4 million, it will now take less than 50 years to double that.
- 2.5.2 Excluding Tasmania, Queensland is predicted to remain the only state or territory in Australia where the population outside of the capital city exceeds that of the capital (expected to remain at a ratio of around 45:55).
- 2.5.3 By 2026, Queensland will have the largest population outside of the state capital (3,356,900 people compared to the second largest, NSW at 2,968,800 people). By 2056, Queensland may move to second place in terms of the largest population in Australia, overtaking Victoria.



Source: ABS Population Projections Australia 2002-2101 Cat No. 3222.0. Medium Series.

2.6 Regional considerations

In 2006, 66.5% of the state's population resided in SEQ (including Brisbane, Ipswich, Gold Coast and Sunshine Coast areas). The largest populated areas outside of SEQ include the Wide-Bay Burnett, Far North, Darling Downs (including Toowoomba), Northern and Fitzroy regions. By 2031, Queensland's population is predicted to increase by almost 2.2 million, with 1.5 million or 71% of these predicted to reside in SEQ. An extra 130,000 people are predicted to live in the Wide Bay Burnett, compared to 110,000 in Fitzroy, 107,000 in the Northern region and around 95,000 extra people each in the Darling Downs, Mackay and Far North regions.



Projected population in Queensland regions 2006 and 2031

	2006	% of Total	2031	% of Total
SEQ	2,705,705	66.5%	4,243,840	67.9%
Darling Downs	214,996	5.3%	309,048	4.9%
South West	37,107	0.9%	40,387	0.7%
Wide Bay Burnett	262,856	6.5%	393,624	6.3%
Fitzroy	205,356	5.0%	315,051	5.0%
Central West	12,535	0.3%	13,578	0.2%
Mackay region	159,800	3.9%	255,613	4.1%
Northern	207,757	5.1%	314,768	5.0%
North West	32,043	0.8%	36,502	0.6%
Far North	233,188	5.7%	328,000	5.2%
TOTAL	4,071,343	100.0%	6,250,411	100.0%

Source: Queensland Department of Infrastructure & Planning, Medium Series (Projected Resident Population) by age & sex

2.7 Queensland's age demographics

- 2.7.1 The age structure of Queensland's population growth has changed considerably over the past few decades, demonstrating a long-term trend toward an aging population with the movement of the large "baby boomer" generation into the older age groups.
- 2.7.2 This population aging means that the proportion of retirees will continue to increase substantially and the demand for pensions, health care and aged care will also increase. Population aging also reduces the proportion of working age people supporting those aged over 65 years. The latest Intergenerational Report states that the proportion of working age people to support each Australian aged 65 years and over by 2050 is expected to fall to 2.7 people, compared with 5 working aged people per aged person today and 7.5 in 1970.
- 2.7.3 The rate of improvement in average living standards is projected to fall, placing pressure on Australia's capacity to fund the spending pressures associated with an aging population, particularly in terms of health spending. This, in addition to a growing Queensland population, will place ongoing pressure on infrastructure services and the environment.
- 2.7.4 Looking at population projections for Queensland, there are clear challenges that need to be appropriately managed and planned for:
- > The increase in population for those aged over 70 years of age is predicted to increase substantially in all regions in Queensland, but in particular more than twofold in the Northern and Far North regions placing increasing pressure on aged care and health services and facilities;
 - > The reduced growth in population for those aged below 20 years in the North West, Central West and South West regions implicating a declining workforce growth rate;
 - > The substantial growth in persons aged under 5 years, particularly in the Mackay, SEQ, Wide Bay Burnett and Fitzroy regions that will significantly increase the demand for child care facilities;
 - > Sufficient education facilities to cater for the substantial increase in those aged under 20 years in the SEQ and Mackay regions;
 - > The increasing growth in those aged 50-69 years compared to those ages 20-49 years will have substantial implications for the staff profile of many Queensland businesses.

Growth in Population for the following age groups in Queensland regions between 2006 and 2031

	0-4 years	5-19 years	20-49 years	50-69 years	70-85+ years	TOTAL
SEQ	39.6%	46.4%	38.7%	70.3%	174.9%	56.85%
Darling Downs	21.5%	23.6%	29.9%	56.1%	140.8%	43.75%
South West	-5.6%	-18.0%	0.7%	23.9%	88.3%	8.84%
Wide Bay Burnett	38.7%	27.1%	37.9%	49.5%	140.3%	49.75%
Fitzroy	36.2%	34.8%	40.3%	69.0%	180.9%	53.42%
Central West	-6.5%	-11.2%	9.4%	14.9%	39.4%	8.32%
Mackay region	46.7%	40.6%	49.5%	71.2%	196.6%	59.96%
Northern	22.1%	34.7%	28.1%	79.7%	217.1%	51.51%
North West	-11.2%	-17.2%	4.4%	52.8%	173.3%	13.91%
Far North	16.4%	12.4%	22.0%	60.6%	210.3%	40.66%
TOTAL	35.1%	38.9%	36.5%	67.0%	172.9%	53.52%

Source: Queensland Department of Infrastructure & Planning, Medium Series (Projected Resident Population) by age & sex

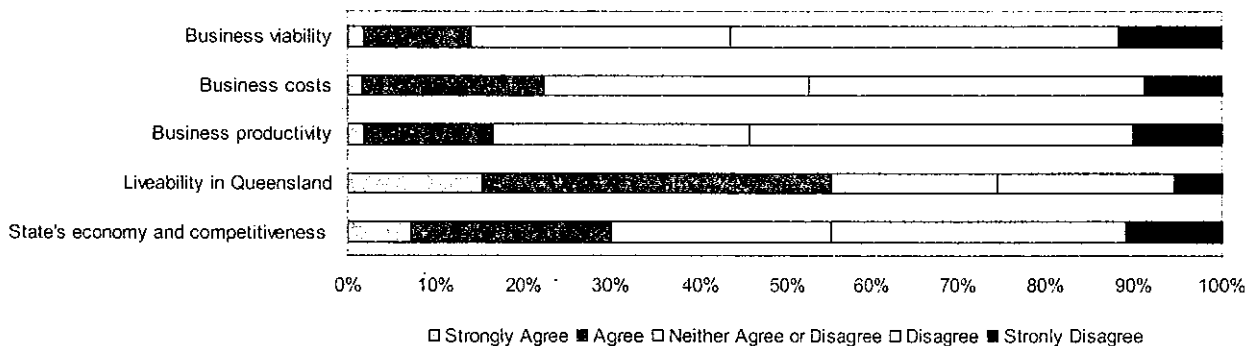
2.8 Key challenges and considerations moving forward

- 2.8.1 Although Queensland is not the most populated state or territory in Australia, population trends over previous decades demonstrate that Queensland is experiencing a significantly higher level of growth compared to the rest of the country. In many respects, this creates the most severe planning challenges in Australia. Governments and the community need to be more proactive in ensuring the needs of the growing population are met, particularly infrastructure network requirements.
- 2.8.2 These growth challenges provide the best opportunity for Queensland to emerge as a world class leader in effectively and efficiently managing population issues by successfully meeting the needs of the growing population, while supporting a thriving and internationally competitive economy.
- 2.8.3 Queensland's growing population, including a significant growth in persons aged over 70 years, will place significant pressures on government's capacity to fund the required infrastructure and services. More emphasis on private sector involvement and funding opportunities must be adopted moving forward.
- 2.8.4 Overseas migration is expected to remain a large driver of population growth. Additional consideration is required on how to meet the needs of an increasing multicultural society and how to assimilate them into businesses.
- 2.8.5 Each Queensland region is facing different challenges, meaning that a one-size-fits-all approach is unlikely to be successful.

3.0 THE IMPACT OF POPULATION GROWTH OR DECLINE ON BUSINESSES IN QUEENSLAND AND THE STATE'S ECONOMY

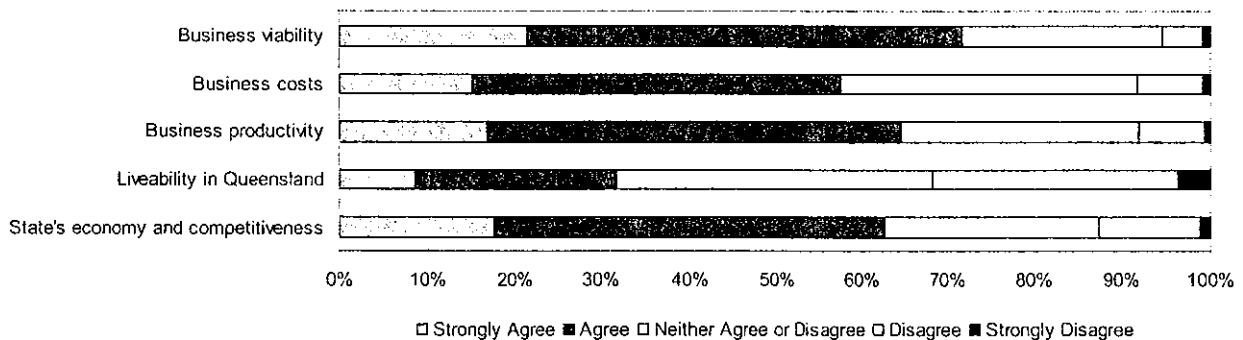
- 3.1 The impact of population growth or decline on businesses in Queensland requires attention, particularly when considering that thriving businesses drive a strong economy.
- 3.2 Population decline is likely to have a greater impact on Queensland businesses than population growth. Businesses stated that population decline would represent a significant threat to business viability, costs and productivity. Almost two thirds of businesses agree that population decline would be a significant threat to the State's economy and competitiveness. It is the liveability of Queensland that is questioned when considering population growth.

To what extent do you agree that population growth is a significant threat to:



Source: CCIQ population survey 2010

To what extent do you agree that population decline is a significant threat to:



Source: CCIQ population survey 2010

- 3.3 There are more businesses in the Brisbane and SEQ region that believe population growth is a significant threat to liveability in Queensland. Alternatively, businesses outside of this area are particularly concerned about population decline and the impact on business viability, costs and productivity as well as the associated impact on the state's economy and performance. These results support the case for encouraging more Queenslanders to settle outside of the SEQ region.
- 3.4 Businesses have a variety of opinions regarding population growth in Queensland. Many believe that population growth and movement should not be restricted, as people and businesses should be free to live and invest where they choose. Other businesses believe that current population growth is unsustainable and in an effort to protect quality of life, should be capped.
- 3.5 Recent media commentary has floated the idea of introducing measures to limit population growth in Queensland, such as population caps. Queensland businesses are not supportive of the State Government taking any measures to limit the state's population growth. Many businesses state that population caps only lead to artificially increased property values with negative implications for housing affordability and decreased economic growth opportunities.

- 3.6 The business community is split in relation to whether Government should take steps to limit the state's population within SEQ. Businesses are however strongly against government taking steps targeted at increasing SEQ's population growth. Around half of the Queensland business community believes steps should be taken to increase the state's population growth in areas outside of SEQ.

Do you think the State Government should take steps to:

	Limit the State's Population Growth?			Increase the State's Population?		
	Statewide	Only in SEQ	Only outside SEQ	Statewide	Only in SEQ	Only outside SEQ
Yes	14.3%	43.6%	4.8%	42.8%	15.0%	48.1%
No	74.0%	43.8%	82.4%	43.7%	70.1%	36.8%
Unsure	11.7%	12.6%	12.8%	13.5%	15.0%	15.1%

Source: CCIQ population survey 2010

3.7 Key challenges and considerations moving forward

3.7.1 A growing population is very important for ensuring that Queenslanders continue to enjoy a high standard of living, and for a vibrant regional Queensland economy and community. There are strong links between population and economic growth.

3.7.2 Queensland and Australia are fortunate to not be facing population decline challenges like some parts of the world (for example, by 2050, the population of Japan is expected to fall by 27 million and Europe is expecting a decline of 100 million people). However the population challenges of other countries can pose threats for Queensland's economy by decreasing demand for our export products and reducing the number of overseas migrants moving to the region.

3.7.3 Key challenges and considerations moving forward include:

- > Businesses are supportive of attracting more people to regional areas outside of South East Queensland. Strengthening regional economies will have positive impacts on regional unemployment rates and on population growth whilst partially helping to alleviate growth pressures for South East Queensland;
- > In moving forward, priority needs to be given to meeting the needs of the population, particularly in regional Queensland.



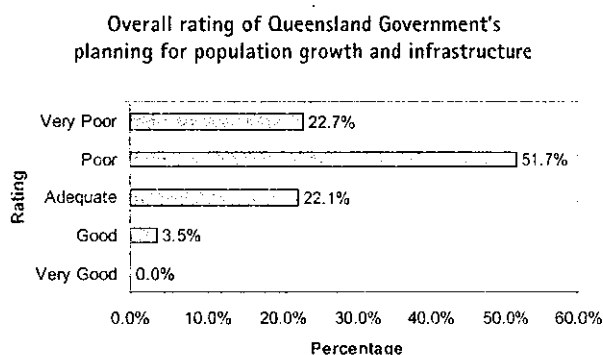
4.1 STATE GOVERNMENT PLANNING AND INFRASTRUCTURE POLICY DEVELOPMENT

4.1 The State Government currently has an array of policy and regional planning instruments aimed at addressing issues arising from population growth and infrastructure requirements. These include:

- > Towards Q2 policy platform;
- > The Sustainable Planning Act 2009 (which replaced the Integrated Planning Act 1997);
- > Regional planning instruments (such as the SEQ Regional Plan and the Far North Queensland Regional Plan
- > Blueprint for the Bush;
- > Infrastructure planning instruments (such as the SEQ Infrastructure Plan and Program and the Northern Economic Triangle Infrastructure Plan);
- > Local government planning and development approval processes.

4.2 Overall views from Queensland businesses on State Government planning for population growth

4.2.1 The majority of Queensland businesses believe the State Government's planning for population growth and infrastructure is poor to very poor (74.4%). There is an even higher level of discontent with the government's planning for population growth and infrastructure in north Queensland, South-West Queensland and Central Queensland with more than 80% of respondents in these regions rating the government's planning as poor or very poor. It is important to note that much of this criticism however relates to previous State Governments rather than the current one.



Source: CCIQ population survey 2010

4.2.2 The common perception expressed by business is that planning for population growth and infrastructure over the past decade has been mainly reactive resulting in existing infrastructure and current developments catering only for the needs of the existing population, not the growing population moving forward. As a result, the State Government is seen to be playing "catch-up" in terms of meeting the needs of a growing population. Furthermore, businesses express frustration that government is seen to be focusing on the south east corner, with limited focus on the needs of regional communities and metropolitan areas outside of SEQ. Queensland is seen to be well behind other states, significantly reducing its competitiveness.

4.2.3 Queensland businesses strongly advocate for a long term strategic planning approach to be adopted across the state with a focus on meeting the needs of a growing population. Government needs to be proactive to ensure each region can reap the benefits of a growing population and economy. Population planning, infrastructure spending and development need to remain apolitical with planning and commitments extending well beyond election timeframes. Furthermore, businesses stress the importance of our state remaining an attractive option for permanent settlement by both Australians and migrants in addition to being competitive in attracting business investment, development and expansion activities.

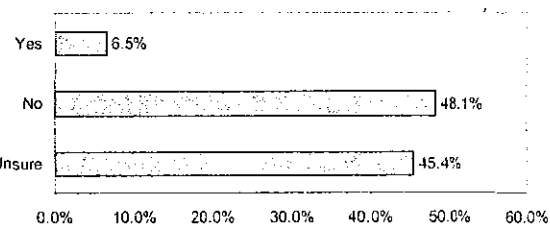
4.2.4 Other business comments relating to planning and the role of government include:

- > The State Government needs to undertake more action to complement planning;
- > There is a lack of a cohesive vision or action across all levels of government to plan and implement strategies addressing population planning and growth;
- > Too much bureaucracy and regulation is causing planning inconsistencies, confusion and delays;
- > More funding is required from both state and federal governments, with increased focus on financing investments;
- > Too much taxpayers' money is spent on government, leading to a serious need to make government more efficient;
- > Concerns relating to long delays with council building approvals and the need for better planning.

4.3 Queensland business views on regional planning instruments

4.3.1 Only 6.5% of Queensland businesses believe that current regional planning instruments adequately address and plan for the needs of Queensland's growing population.

Do current regional planning instruments adequately address and plan for the needs of Queensland's growing population?



Source: CCIQ population survey 2010

4.3.2 Overall, there is limited awareness of regional planning instruments among Queensland businesses. Businesses support harmonising regional planning instruments across the state and increasing local community involvement. Other comments include:

- > Regular reviews and amendments are required, with a particular focus on allocating land for new housing and industrial use;
- > Regional planning instruments have not been successful in assisting businesses, particularly SMEs;
- > There are examples of planning instruments restricting or preventing business expansion;
- > Planning instruments also require a focus on job creation;
- > Regional plans confine development within boundaries which artificially increase land values and reduces the supply of land.

4.4 Key challenges and considerations moving forward

- 4.4.1 It is important for Queensland to remain an attractive option for permanent settlement by both Australians and migrants in addition to being competitive in attracting business investment, development and expansion activities.
- 4.4.2 Currently, there is a lack of awareness of State Government planning for population growth and infrastructure including regional planning instruments. Government needs to further engage with local communities and businesses to ensure full community support and involvement in tackling challenges moving forward.
- 4.4.3 A more visible focus on all Queensland regions outside of SEQ is essential to help facilitate the decentralisation of the state's population and ensure that all regions can reap the benefits of a growing population and economy.
- 4.4.4 There is the need for the adoption of more proactive, apolitical and long term strategic planning approaches with increased community involvement that extends well beyond election timeframes.
- 4.4.5 There is no clear indication that current regional planning instruments are the most beneficial way forward, particularly in light of examples that they have restricted or prevented business expansion. Consideration of alternative planning methods may be required to ensure all Queensland regions can embrace a growing population and economy.

5.4 QUEENSLAND'S INFRASTRUCTURE NETWORKS

5.1 Queensland's infrastructure is vital to our economy. In order to grow and prosper, it is essential that our infrastructure is capable of meeting the needs of the state's economy today, and through better planning, construction and maintenance, meets the needs of our growing economy and population into the future.

5.2 The state's infrastructure networks underpin each region's quality of life with inadequate infrastructure impeding economic and social growth. It is essential to identify infrastructure concerns and adequately address them to ensure Queensland can capitalise on population growth. If the business community is going to be encouraged to invest in Queensland regions, it needs to know that its infrastructure needs will be met with bottlenecks addressed.

5.3 Population growth and demand for infrastructure

5.3.1 The above average population growth currently being experienced is placing increasing pressure on Queensland's infrastructure networks. Queensland also faces additional challenges in meeting the state's infrastructure requirements due to its large geographical area and low population density, which means that the cost of maintaining infrastructure is high and shared among relatively few taxpayers without cross-subsidisation.

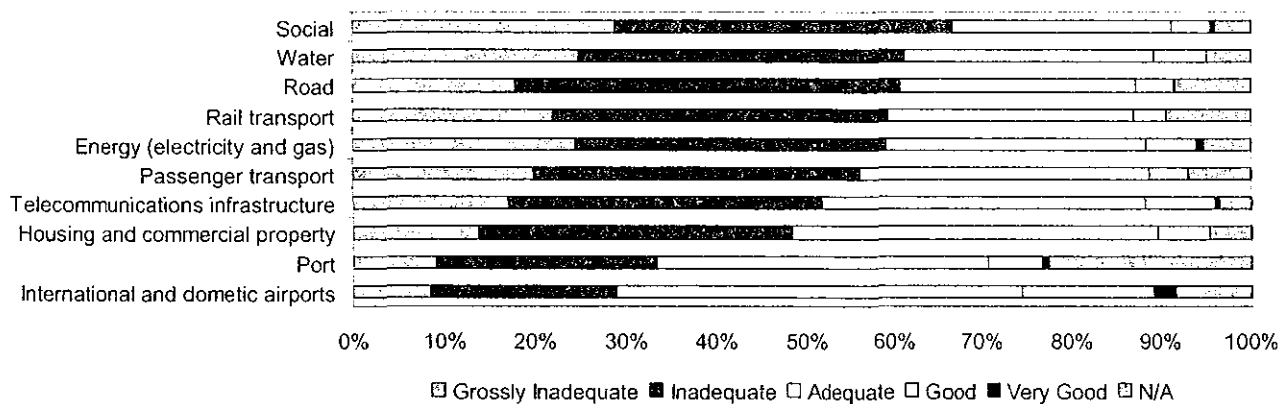
5.3.2 It is important that the state's infrastructure networks are able to cope with increasing demand in order to:

- > Encourage ongoing business investment and expansion into regional areas leading to positive impacts on population growth;
- > Drive above-average economic growth and ensure the future prosperity of all Queensland communities;
- > Enhance the competitiveness of the state in domestic and global marketplaces;
- > Reduce the negative impacts felt by businesses due to poor or inefficient infrastructure such as higher business costs, reduced productivity, impacts on customer relationships, reduced availability of staff and delayed expansions of businesses.

5.4 Business rating of Queensland's infrastructure networks

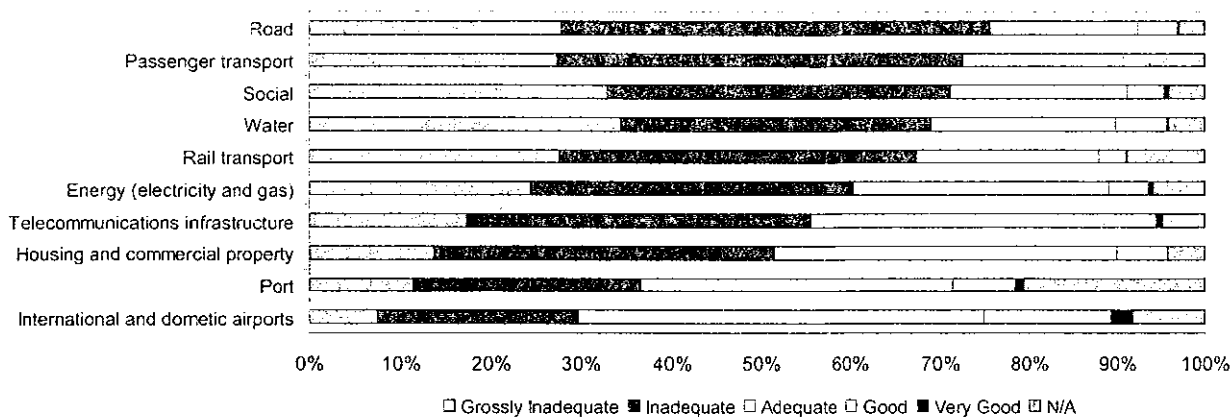
The business community rates Queensland's infrastructure networks quite poorly. Key areas of concern include the quality, capacity, cost and planning of the state's road, passenger transport, social (including hospitals, education and community facilities), water and rail transport infrastructure networks.

Cost of Queensland's Infrastructure networks



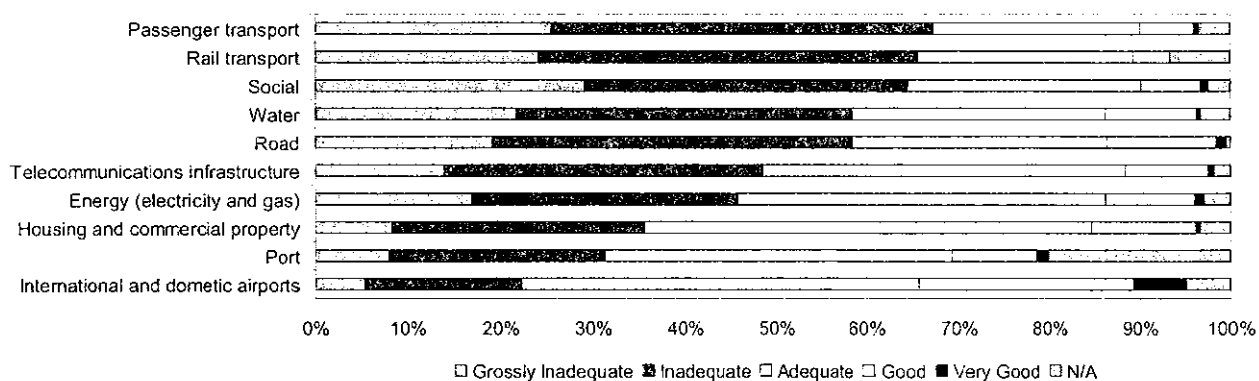
Source: CCIQ population survey 2010

Planning for Queensland's Infrastructure networks



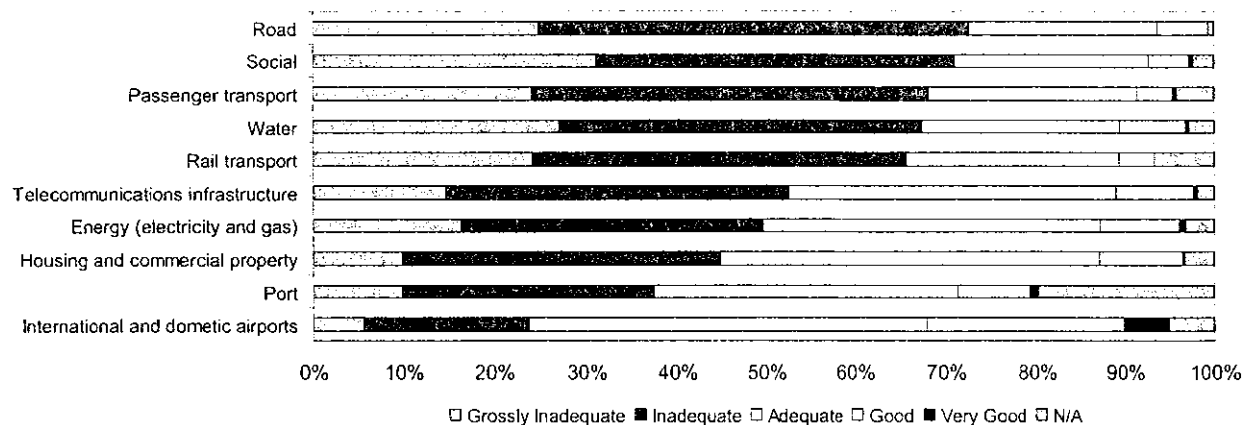
Source: CCIQ population survey 2010

Quality of Queensland's Infrastructure networks



Source: CCIQ population survey 2010

Capacity of Queensland's Infrastructure networks



Source: CCIQ population survey 2010

5.5 Overall feedback from businesses on Queensland's infrastructure networks

5.5.1 Queensland businesses believe the state's infrastructure networks are inadequate and are straining under the pressure of population growth and demand. Businesses rightly or wrongly believe the government focuses on infrastructure projects and upgrades in SEQ, with requirements outside of this area largely ignored. Ongoing and immediate attention is required to develop and upgrade infrastructure in all regions to ensure it is capable of meeting ongoing demand and acts as an incentive to encourage increased business investment in Queensland regions.

5.5.2 Other feedback gathered from Queensland businesses includes:

- > Fairer infrastructure charges are required;
- > The removal of infrastructure subsidies has slowed development of local infrastructure, reducing its ability to provide for a growing population;
- > Some developments take place without consideration of infrastructure requirements, for example, the lack of public transport and medical facilities in some regional areas;
- > Essential infrastructure projects are being pulled without explanation;
- > Better access to the capital from regional areas is needed;
- > Perception that selling public assets, including power infrastructure, is a poor outcome.

5.5.3 Regulatory burdens coupled with the cost of doing business in Queensland has led to many infrastructure projects being subcontracted to overseas companies. Businesses provided examples of instances where particular infrastructure was built overseas, shipped to Queensland and "put together" here. Businesses have stated that circumstances such as these are a direct result of the cost of doing business in Queensland, in addition to the regulatory burdens that place barriers on productivity. This has negative flow-on affects for economic growth and employment generation. Rectifying this situation must be a key focus.

5.6 Analysis and recommendations by type of infrastructure network

This section provides an overview of the infrastructure networks that are important to the success of businesses and their rating given by businesses. A poor rating means that infrastructure network is likely to be hindering businesses performance, their economic contribution and the level of employment they are able to generate. A poor rating is also likely to indicate that the particular infrastructure network is hindering population growth in that region.

5.6.1 Road infrastructure

Queensland businesses rate the state's road infrastructure as very poor, with more than half rating the quality, capacity and cost of this infrastructure as inadequate or grossly inadequate, with higher levels of dissatisfaction registered from businesses outside of SEQ. More than 70% of businesses in all regions rate planning for road infrastructure as inadequate or grossly inadequate, with this figure rising as high as 86.7% in Central Queensland. Businesses believe upgrades are required to beat traffic congestion, and for areas in regional and outback Queensland, to increase accessibility to other metropolitan areas.

CCIQ recommends:

- > Bringing spending on road infrastructure back to at least 2008/09 levels. An analysis of state expenditure on roads and transport over the past 5 years found that budget allocations in 2009/10 were significantly lower than other years and almost half the amount allocated in 2008/09;
- > Ensure considered budget allocations for road infrastructure amongst all regions. This is even more important considering the push for decentralising the state's population and the links between population growth, economic growth and adequate infrastructure networks.

5.6.2 Passenger transport infrastructure

Businesses rate passenger transport infrastructure quite poorly, particularly in SEQ, Central Queensland, North Queensland and Far North Queensland regions. Businesses commonly point to the importance of efficient and effective public transport networks, especially as many employees and customers/clients rely on these networks to gain access to businesses and the region. Many businesses feel Queensland and Australia are well behind other countries in relation to public transport systems. Substantially improved public transport networks in all regions will have positive flow-on effects for local communities and the economy.

CCIQ recommends:

- > A review of passenger transport systems in all Queensland regions that identifies potential transport options that can be explored to improve the current situation. This should include an analysis of systems in other countries to determine what has worked best and how to deliver options at the lowest price for consumers.

5.6.3 Rail transport infrastructure

Rail transport infrastructure is important for freight movement, particularly for the export of the state's resources. Currently, businesses rate the state's rail transport infrastructure poorly with more than half rating the quality, capacity, cost and planning of rail transport infrastructure as inadequate or grossly inadequate. Overall, there are high levels of discontent with the state's rail transport infrastructure from businesses located outside of SEQ, particularly South West Queensland, Central Queensland, Central Coast, North Queensland and Far North Queensland regions. Businesses in Brisbane are particularly concerned about the capacity of the state's rail transport infrastructure. There is also a high level of concern from businesses on the Sunshine Coast relating to the cost and planning for rail infrastructure.

CCIQ recommends:

- > Exploring the potential for increasing rail transport services in Queensland, particularly outside of SEQ. Increasing the capacity of rail services will have significant flow on effects for tourism, export industries and regional migration, as well as provide inroads for enhancing the accessibility of all Queensland regions.

5.6.4 International and domestic airports

Compared to other infrastructure networks, businesses appear reasonably content with the quality, capacity, cost and planning of international and domestic airports. Businesses in regions outside of SEQ, particularly the Central Coast and Far North Queensland regions, express a higher level of concern with the capacity, cost and planning of airports. This may be explained by the fact that the major airports in Queensland are located in SEQ and along the Coast, with smaller airport services and facilities located in regional areas, including Emerald, Biloela, Longreach, Mt Isa and Winton, however services in these regions tend not to be as frequent as coastal services and are more expensive. Furthermore, Far North Queensland is largely reliant on the tourism industry, therefore, businesses in this region are likely to support increasing the capacity of services in this area, provided at a cost friendly price for consumers.

CCIQ recommends:

- > In the medium to long term, increasing the availability and standard of airport facilities to increase accessibility to all regions that will in turn encourage more people to migrate outside of SEQ and have positive flow-on effects for the tourism industry.

5.6.5 Port infrastructure

Queensland's port infrastructure is essential for many businesses throughout the state. This infrastructure connects many businesses with domestic and international markets. Currently, port infrastructure is rated fairly highly by businesses in all Queensland regions, however not as high as ratings for airports. There are more businesses in the Gold Coast, Central Coast, North Queensland and Far North Queensland regions who are concerned about the capacity, cost and planning of the state's port infrastructure.

CCIQ recommends:

- > Adequately planning for, maintaining and upgrading port infrastructure to ensure it continues to meet the needs of Queensland businesses into the future.

5.6.6 Water infrastructure

Queensland businesses believe adequate water infrastructure and planning is a critical factor in accommodating population growth. As a result, this area is of huge concern, with water infrastructure receiving an extremely poor rating from businesses in all regions. In particular, businesses in SEQ, South West Queensland and Far North Queensland regions expressed high levels of concern with the capacity, cost and planning for the state's water infrastructure.

Queensland is likely to experience greater challenges relating to adequate water supplies compared to other states as a result of our higher population growth and impacts of climate change. Although the current government has undertaken a lot of planning and development in this area, CCIQ cautions against the government becoming complacent with water infrastructure, particularly following recent significant rain events.

CCIQ recommends:

- > Developing long term comprehensive water supply strategies for each region to ensure the ongoing adequacy and security of water supplies. These strategies need to consider the impacts of population growth and climate change;
- > Ensuring businesses and the wider community are provided with assurances in relation to future water supplies and potential restriction schedules. This needs to include providing reliable information on the impact of infrastructure developments on the price of water as this information is integral to the investment decisions of many businesses and may also influence where businesses and people decide to invest or settle.

5.6.7 Energy Infrastructure

Electricity prices are of key concern for business. Queensland's electricity costs represent a major area where we can either stimulate or suppress ongoing economic growth. Electricity is an essential input into nearly every good or service so its price is a key influence on the competitiveness of business. As with other 'costs of doing business' CCIQ stresses the need to drive them down and be both nationally and internationally competitive.

Businesses also raise concerns about the quality, capacity and planning for the state's energy infrastructure, particularly those within the Gold Coast, South West Queensland, Central Coast and North Queensland regions. Businesses felt more generation is required and more attention needs to be directed towards renewable energy and the rollout of solar power across the state.

CCIQ recommends:

- > The flow through of additional revenue through the network component of the Benchmark Retail Cost Index (BRCI) for Electricity be explicitly linked to performance improvements by the electricity distributors and retailers as occurs in other jurisdictions by respective Energy Regulators;
- > Implementing a mechanism to benchmark and publicly report on the competitiveness of Queensland electricity prices against that of other states.

5.6.8 Telecommunications infrastructure

Reliable and affordable telecommunications services are essential in ensuring Queensland businesses are domestically and globally competitive. However, Queensland businesses provide mixed support on the current state of telecommunication networks. Businesses in the SEQ region, Central Coast, North Queensland and Far North Queensland regions express significantly higher levels of dissatisfaction with telecommunications infrastructure.

The Federal Government is rolling out a new high-speed broadband infrastructure covering black spots in regional Australia. Although developments such as this are supported by business, there are concerns surrounding the lengthy implementation periods that may mean the technology is outdated by the time it is established in regional areas.

CCIQ recommends:

- > Regular reviews of telecommunication services in regional and rural Queensland, alongside assessments on whether new technologies can be delivered in these areas. Ensuring businesses in areas outside of SEQ have access to the same telecommunication services will go a long way towards strengthening regional economies and promoting population growth.

5.6.9 Housing and commercial property infrastructure

Housing and commercial property receive a fairly good rating from business. However, there are high levels of concern regarding the capacity, cost and planning for housing and commercial property infrastructure from businesses in the Gold Coast, Sunshine Coast, South West Queensland, Central Queensland and Central Coast regions.

Businesses express concern with the lack of affordable rental accommodation (including low rent / rent controlled housing) and escalating house prices. Placing population caps on certain regions would only aggravate housing affordability issues, ultimately forcing average earners (such as nurses, police officers and child care workers) out of these regions. Managing the density and spread of housing, reducing development costs and rural subdivisions are also of concern to business.

CCIQ recommends:

- > Updating the State Government's housing affordability strategy, taking into consideration population projections and the push for decentralising Queensland's population from the SEQ corner. Consideration of the quality, cost, capacity and planning of the state's housing and commercial property infrastructure is also required.

5.6.10 Social infrastructure

Social infrastructure includes a wide variety of facilities and services that are used by both employers and employees within communities including education facilities, health services, sporting clubs, parks and other community facilities. Poor social infrastructure can significantly impact on employers' ability to attract staff and also negatively impact on employers' lifestyles in their role as members of the community.

Social infrastructure is rated very poorly by businesses in every region, especially by businesses located outside of SEQ. A common concern is the need for better community services, particularly hospitals and medical facilities. Waiting lists for health services including hospitals and dental was seen as unacceptable. Social infrastructure issues for employees and their families are also becoming an increasingly important issue for companies that have (or may potentially have) projects in regional Queensland. The development of a strong network of social infrastructure helps to foster economic development to the extent that people are attracted not only for the economic opportunities that exist, but also the lifestyle advantages. Regional Queensland is currently not serviced well in this regard.

5.7 Key challenges and considerations moving forward

- 5.7.1 Infrastructure quality, capacity, cost and planning play a critical role in determining the level and strength of economic growth and standards of living. Growth in Queensland over past decades has outpaced the capacity of core infrastructure to support that growth. Continued strong population projections show this situation is likely to further deteriorate. Queensland has a significant amount of catching up to do to invest in the infrastructure capacity that will support growth moving forward.
- 5.7.2 It is essential that the State Government commits to a major infrastructure agenda designed to improve the state's economic growth and standards of living in all regions. Infrastructure investment must keep pace with the economy and population growth. If these issues are not addressed, it will put a brake on productivity and economic growth.
- 5.7.3 CCIQ has made a number of recommendations relating to infrastructure networks in Queensland that are particularly important to the success of Queensland businesses. Implementing these recommendations will go a long way towards delivering infrastructure networks in Queensland that meet the needs of the growing population and economy.
- 5.7.4 Overall, it is essential to:
- > Have adequate and reliable planning and information on future infrastructure needs coupled with increased funding for key infrastructure requirements that are not driven by election dates and deliver value for money for the taxpayer;
 - > Substantially increase private sector involvement in the planning, development, construction and operation of Queensland's infrastructure. This will diversify and enlarge the pool of funds available to finance the construction and maintenance of infrastructure, enabling some projects to be brought forward and completed earlier than anticipated. Furthermore, the private sector has the potential to deliver significant benefits by delivering higher quality infrastructure at lower cost due to high competition that drives competitors to be more efficient and effective;
 - > Investigate selling the option rights to the private sector to build and/or operate projects that are vitally needed in Queensland's future. It is clear that the demand for new and improved infrastructure far exceeds the State Government's capacity to deliver in the short term. Implementing this recommendation would ensure the required infrastructure is delivered while allowing Government to steer the state's budget deficit into positive territory.
 - > Focus on reducing regulatory burdens and the cost of doing business in Queensland to ensure more infrastructure projects can be subcontracted to local businesses, delivering positive flow on effects for local employment and the economy;
 - > Reduce regulatory burdens to minimise costs, time and barriers to significant infrastructure projects, as well as allow infrastructure to be used as intended;
 - > Have a transparent and equitable pricing regime which does not adversely affect the competitiveness of Queensland businesses and industry.

6.0 POPULATION AND ECONOMIC DEVELOPMENT IN REGIONAL QUEENSLAND

- 6.1 Throughout the population debate, much attention has been directed towards the need to decentralise the Queensland population to ensure a more even distribution in all Queensland regions. Many Queensland businesses have expressed support for decentralising the Queensland population from the SEQ corner to ensure Queensland can reach its full potential while sustaining and capitalising on growth.
- 6.2 Promoting population flow to regional Queensland may also slow the strong population growth in SEQ, positively contributing to tackling the urban congestion and infrastructure deficiencies.
- 6.3 The strength of regional economies will remain the major factor in determining population flows, due to the strong link between economic performance and population growth. As a result, it is essential to consider the factors that are important to businesses when they contemplate whether to invest, relocate or expand in any Queensland region as well as the factors that motivate people to change residences. It is also important for government to implement policies that support and foster economic growth in regional Queensland.

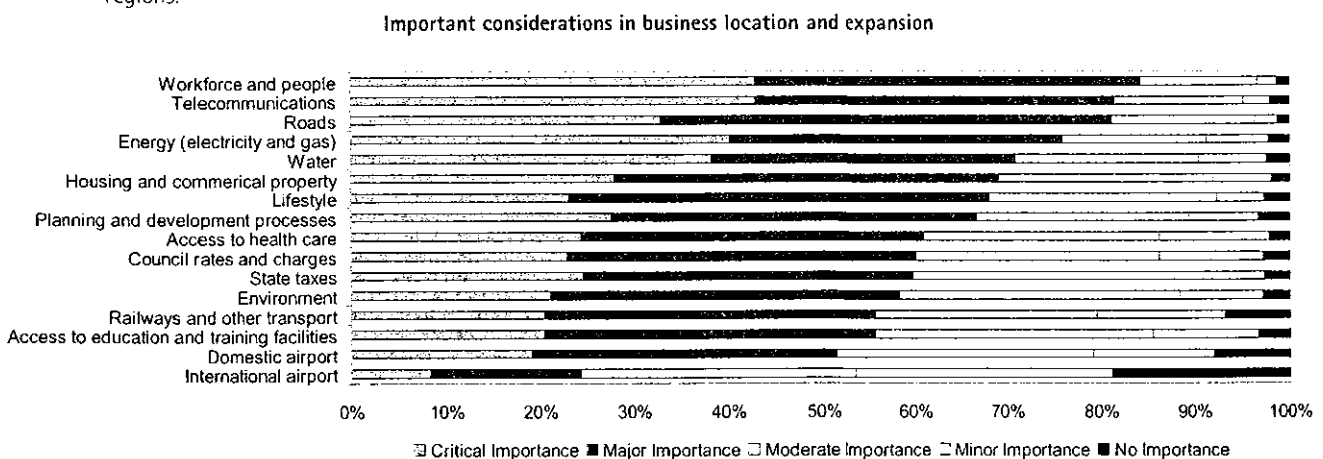
6.4 Business considerations

6.4.1 A common theme raised throughout CCIQ's population survey was the need to attract business and industry investment in regional Queensland. In order to do this, the factors and infrastructure networks that businesses consider important when investing and establishing themselves in a new region must be readily available and accessible.

6.4.2 CCIQ's population survey identified the top three factors that businesses consider when contemplating business location, relocation or expansion to other areas. These are workforce and people, telecommunications and roads. More than 60% Queensland businesses also indicated that the following were of major or critical importance:

- > Energy (electricity and gas);
- > Water;
- > Housing and commercial property;
- > Lifestyle;
- > Planning and development processes;
- > Access to health care
- > State and local government taxes and charges.

6.4.3 Considering the poor results given by Queensland businesses to the state's infrastructure networks in the previous section, it can be seen that significant improvements are required in order to encourage increased investment throughout all Queensland regions.



Source: CCIQ population survey 2010

6.5 Population mobility

- 6.5.1 When considering strategies to decentralise Queensland's population, it is important to take into consideration the reasons that motivate people and businesses to move. The lack of, or poor, infrastructure was highlighted as the most significant disincentive or barrier to more people and businesses moving to regional cities in Queensland, followed closely by the lack of business and employment opportunities. Distance and connectivity to other areas of the State and Australia was ranked third and lifestyle and community factors were ranked fourth.
- 6.5.2 Other barriers or disincentives for more people and businesses moving to regional cities in Queensland included:
- > Lack of marketing on regional centres resulting in limited awareness on what they have to offer;
 - > Dealing with local governments;
 - > Lack of health, medical and specialist facilities outside of SEQ;
 - > Cost of living;
 - > Smaller wages;
 - > Community safety;
 - > Lack of long term employment.
- 6.5.3 The Australian Bureau of Statistics (ABS) has undertaken a study looking at population mobility in Queensland. Key findings included that the most mobile age group were those aged between 25 and 34 years, with mobility decreasing steadily as age increased. Furthermore, once a person owned a home, they were less likely to move than those renting. Increasing housing affordability and targeting those aged between 25 and 34 years may prove a successful strategy in encouraging further decentralisation of the state's population.

6.6 Government policies to support and foster economic growth in regional Queensland

- 6.6.1 A common theme raised throughout the CCIQ survey was that regional Queensland was not seen as an attractive option when compared to SEQ. The south east corner was seen to have a higher level of the services and infrastructure networks that acted as a large draw card for attracting people including higher education facilities, hospitals and adequate medical facilities. There was also the perception that the State Government focused on the SEQ corner, with infrastructure, businesses and communities in the remainder of the state largely ignored and forgotten about.
- 6.6.2 In order to attract people and businesses to areas of Queensland outside of the south east corner, it is important for the State Government to adopt policies that support and foster economic growth in regional Queensland. This needs to include significant emphasis on jobs creation and investment opportunities, while ensuring the infrastructure networks in areas outside of SEQ adequately meet the needs of a growing population. This is a perception that needs to be corrected.
- 6.6.3 The strength of regional Queensland's economies will remain the major factor in determining population flows to those areas outside of the south east corner. Strong economies that provide increased job opportunities will inevitably result in an increased flow of people which further creates a large incentive for increased business interest and investment.

6.7 Key challenges and considerations moving forward:

- 6.7.1 Strengthening regional economies and enhancing employment opportunities outside of SEQ will be a major drawcard for enhancing population growth in regional areas.
- 6.7.2 Government and industry need to work together to ensure the infrastructure networks and other factors that businesses deem as important when considering location, relocation or expansion in other areas are readily available and accessible in all Queensland regions.
- 6.7.3 Purchasing a home and employment related reasons are some of the key drivers behind population mobility.

7.0 RECOMMENDATIONS AND IMPLEMENTATION STRATEGIES

- 7.1 A strong, diverse economy is central to the long term prosperity of all Queensland communities. A thriving local business community is the driving force behind each region's economic growth and the creation of jobs and economic opportunities in that region. A thriving local business community subsequently has positive impacts on regional unemployment rates and on population growth.

Moving forward, it is essential to facilitate economic development in all regions and not create unnecessary barriers for businesses seeking to locate or expand their activities. It is also essential for infrastructure networks to be adequate and capable of meeting the needs of the local community, both now and into the future.

Recommendation: Implement a Population Policy for Queensland

- 7.2 The State Government needs to take a leadership and coordination role to ensure the most consistent, coherent and considered approach to population planning and infrastructure provision is undertaken state-wide. Government needs to take this opportunity to efficiently and effectively manage population issues by successfully meeting the needs of a growing population resulting in a thriving and competitive economy.
- 7.3 The majority of Queensland businesses (63.5%) support the development of a population policy for Queensland to deliver this objective.
- 7.4 Currently, Tasmania, South Australia and Victoria have population policies. The State Government should learn from the experiences of governments in these states to develop a population policy for Queensland that:
- > Delivers infrastructure networks in all regions of the state that anticipate growth;
 - > Strengthens regional economies;
 - > Generates increased employment opportunities;
 - > Actively encourages evenly distributed population growth throughout the state.
- 7.5 A Queensland population policy should represent the adoption of a more proactive, apolitical and long term strategic planning approach that embraces increased community involvement and extends well beyond election timeframes.

CCIQ recommends the development of a Queensland population policy that supports the following strategies:

- > Encouraging the settlement of the state's increasing population to regional Queensland;
- > Planning and development of infrastructure networks that meet the needs of the growing population and economy;
- > Marketing and promotional campaigns to increase the knowledge, awareness and attractiveness of Queensland's regions;
- > Developing strategies to meet the labour and skills demands of business, encouraging investment and settlement in all Queensland regions;
- > Developing region and industry specific Industry Development Plans;
- > Implementing strategies that enhance the tax competitiveness of Queensland regions;
- > Adopting innovative and practical ways to reduce the regulatory burdens impacting on Queensland businesses and communities;
- > Strengthening community engagement and consultation practices.



Recommendation: Implement a Queensland Population Policy that includes the following strategies:

Strategy 1 Encouraging the settlement of the state's increasing population to regional Queensland

The Queensland business community is supportive of placing increasing emphasis on encouraging the settlement of the state's growing population to regional areas outside of SEQ. This includes the location of State Government Departments in Regional Queensland.

Implementing all of the strategies outlined under CCIQ's recommended population policy will significantly strengthen regional economies leading to positive impacts on regional unemployment rates and population growth. Businesses are also supportive of embracing incentives that:

- > Provide support for businesses to relocate to regional cities;
- > Motivate people to migrate to regional and rural areas; and
- > Encourage businesses to stay in Queensland.

Strategy 2 Planning and development of infrastructure networks that meet the needs of the growing population and economy

The Blueprint provides a detailed analysis of infrastructure networks in Queensland and recommendations to deliver the required infrastructure that adequately meets the needs of the growing population and economy. Better planning and increased investment for infrastructure and services with a particular focus on improving the connectivity between and accessibility to regions of the state is strongly supported.

Key strategies that should be implemented include:

- > Continuing adequate and reliable planning and information on future infrastructure needs coupled with increased funding for key infrastructure requirements that deliver value for money for the taxpayer;
- > Substantially increasing private sector involvement in the planning, development, construction and operation of Queensland's infrastructure;
- > Investigate selling the option rights to the private sector to build and/or operate projects that are vitally needed in Queensland's future;
- > Reduce regulatory burdens to minimise costs, time and barriers to significant infrastructure projects, as well as allow infrastructure to be used as intended;
- > Transparent and equitable pricing regime which do not adversely affect the competitiveness of Queensland businesses and industry.

Strategy 3 Marketing and promotional campaigns to increase the knowledge, awareness and attractiveness of Queensland's regions

In order to attract people and businesses to regional areas, it is important to increase the knowledge and awareness of what these areas have to offer, in addition to adopting strategies that enhance their attractiveness. Currently, there is a lack of knowledge and awareness of what particular regional communities have to offer which is hindering stronger population growth in many areas.

Key strategies that should be implemented include local governments and communities actively marketing and promoting their areas to encourage population growth and investment. It is essential to note that each community and industry is different, and therefore a diverse range of unique strategies will be required.

Strategy 4 Developing strategies to meet the labour and skills demands of business, encouraging investment and settlement in all Queensland regions

People are the key consideration for businesses when considering business expansion or relocation. It is essential to focus on strategies that will deliver the right people with the right skills at the right time to businesses to encourage investment and settlement in all Queensland regions.

Strategies that could be further explored in this area include:

- > Targeting 25 to 34 year olds, who are the most mobile age group;
- > Increasing housing affordability in regional areas will act as an incentive for those wanting to purchase a home;
- > Enhancing the economic growth in regional areas, as this is directly linked to population growth;
- > Reviewing migration programs and policies to encourage more skilled migrants to move to Queensland;
- > Bonuses for businesses who create job opportunities outside of SEQ;
- > Increasing workforce participation of older generations and overseas migrants by ensuring they have the skills required for strengthening Queensland's economy.

CCIQ will be releasing a Blueprint later in 2010 looking at labour and skill strategies.

Strategy 5 Developing region and industry specific Industry Development Plans

Developing Industry Development Plans to address the different challenges faced by each region and industry, particularly for areas outside of SEQ is required. As each region and industry faces different challenges, it is unlikely that a one-size-fits-all approach will be successful.

Focus must be placed on addressing industry and regional challenges and on new industry development, which would require the investigation of emerging industries that could be established and what would be required to ensure they are successful in regional areas.

Strategy 6 Implementing strategies that enhance the tax competitiveness of Queensland regions

Every region in Australia is in competition with each other to some extent in the area of investment attraction through competitive taxation regimes. As a result, it is essential that Queensland maintains a business operating environment that is the most competitive of all states. If Queensland does not respond to initiatives occurring elsewhere our attractiveness is diminished in the eyes of potential and existing investors, as well as to those people looking to migrate to our state.

The State Government must adopt a long term strategy that will ensure Queensland continues to have a tax regime that is the most competitive of all States. Initiatives to enhance the tax competitiveness of Queensland regions should include:

- > Taxation reform to support regional economies and encourage decentralisation;
- > Improving the efficiency of the State Government public service by delivering services required by the taxpayers in the most efficient manner possible. This should include a focus on its own cost structures and considering the strategies adopted by other states such as Western Australia;
- > Significantly reducing the cost of doing business in this state and in particular Queensland regions;
- > Reducing payroll tax and other taxes that hinder employment;
- > Reintroducing the State Fuel Subsidy for Regional Queensland;
- > Developing and implementing a competitiveness strategy.

The strength of regional economies will remain the major factor in determining population flows to those areas outside of SEQ. Strong economies that provide increased job opportunities will inevitably result in an increased flow of people which further creates a large incentive for increased business interest and investment. Enhancing the tax competitiveness of Queensland will go a long way towards strengthening regional economies and increasing job opportunities.

Strategy 7 Adopting innovative and practical ways to reduce the regulatory burdens impacting on Queensland businesses and communities

The compliance and paperwork burden on all businesses must be reduced by developing innovative and practical ways to lower red tape. Inappropriate and inefficient regulation is acting as a constraint on business growth, productivity and investment and is reducing Queensland's competitiveness both nationally and internationally. Government regulation therefore is a key issue for the Queensland business community and more must be done to reduce the burden and create a more positive environment for business.

CCIQ's Blueprint for Fighting Queensland's Over-Regulation: Removing and minimising the cost of regulations to enable business to grow and employ (2009) outlines a 7 point action plan for regulatory reform in order to bring about consistent, efficient, sustained and systemic regulatory changes in Queensland. This plan involves:

- > Establishing high level political leadership and commitment to a state regulatory reform agenda;
- > Measuring the regulatory burden and establishing a baseline of existing 'regulatory requirements';
- > Imposing constraints on regulators through binding targets to reduce the overall stock; and restrict the future growth of regulation by implementing a 'one in, one out' approach;
- > Publicly report regulatory reform measures and progress against the target on a regular and ongoing basis;
- > Drive cultural change in the use of regulations and the way they are made;
- > Ensuring adequate communication and consultation with the business community;
- > Improving Government customer service by setting 'business relevant' targets for outcomes and service quality.

Delivering CCIQ's Blueprint for Fighting Queensland's Over-Regulation will go a long way towards meeting the needs of a growing population and economy.

Strategy 8 Strengthening community engagement and consultation practices

Government must better consult with and involve the community and industry in population planning and infrastructure development to allow them to have their say on how to best spend taxpayers' money to meet the needs of a growing population and economy. This will provide a visible component to government activities and will provide businesses and the community with greater certainty about key planning and development issues and infrastructure priorities.



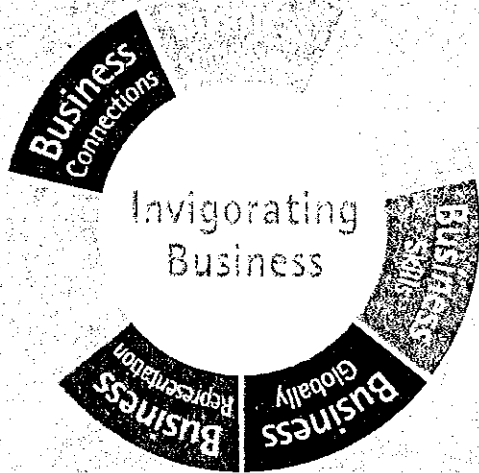
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