

20th September 2013

The Hon. Jeff Seeney MP
Deputy Premier and Minister for State Development, Infrastructure and Planning
Department of State Development, Infrastructure and Planning
PO Box 15009
City East
Brisbane, QLD, 4002

Submitted via email: CQRegionalPlan@dspdip.qld.gov.au

Dear Deputy Premier,

Re: Chamber of Commerce and Industry Queensland submission on the draft *Central Queensland Regional Plan*

The Chamber of Commerce and Industry Queensland (CCIQ) welcomes the opportunity to provide feedback to the State Government on the draft *Central Queensland Regional Plan* (the regional plan).

CCIQ is the peak business and industry association in Queensland, representing over 25,000 businesses across all industry sectors in the State. Many of these businesses operate within the Central Queensland region. As part of our regional representation commitments CCIQ released a Central Queensland Business Priorities Report in May 2013 based on an extensive consultation process with local businesses (report attached for information). Accordingly, CCIQ is well placed to provide feedback to the State Government on the draft regional plan and the priorities, challenges and opportunities for businesses in this region.

Planning issues are of fundamental importance to the economic wellbeing of businesses within the Central Queensland region. However, one of the key issues raised by businesses is that existing planning schemes are restricting development and increasing business costs. Addressing this business concern must be a key priority and consideration when finalising the draft State Planning Policy (SPP) and the draft regional plan to ensure planning schemes do not negatively impact on business viability, regional growth or future investment.

Key priority areas for Central Queensland businesses

CCIQ undertook an extensive consultation process in the Central Queensland region during the development of our Business Priorities Report. During this consultation, businesses identified a number of regional strengths, weaknesses, opportunities and threats which must be managed appropriately to ensure a positive future for businesses in this region. CCIQ identified 8 key regional priorities to drive economic growth and investment which included:

- Improve the overall business operating environment;
- Infrastructure that supports economic growth;
- Making the FIFO/DIDO phenomenon work for Central Queensland;
- Reduce regulatory compliance costs on business.

CCIQ urges the State Government to consider our Central Queensland Business Priorities report and the identified regional priorities when finalising the regional plan.

Overarching feedback in relation to the planning framework

It is vitally important that state and regional planning schemes are streamlined to reduce red tape and complexity for businesses and deliver consistency, transparency and efficiency within the overarching planning vision. This must include a coordinated approach across all levels of government to deliver a meaningful, integrated planning system that will encourage joint ownership and shared accountability with respect to the implementation of planning instruments across the state, and provide much needed certainty for the business community in relation to investment and expansion decisions.

It is critical for business certainty, and consequently confidence, to ensure state planning and regional policies are synergised in terms of both content and timing. Businesses have raised concerns about whether draft regional plans can be successfully finalised until the SPP is approved and publically released. Rationally this would seem required to ensure streamlining of state and regional planning instruments, and that all matters determined to be of state interest are considered when developing and finalising the regional plan.

CCIQ urges the State Government to position these matters at the forefront of decision-making when finalising the SPP and respective regional planning instruments.

Overarching feedback in relation to the draft Central Queensland Regional Plan

Businesses are concerned about the limited focus of the draft plan. Central Queensland businesses are of the view that the regional plan primarily focuses on “land use” or “land zoning” matters, resulting in a plan that fails to encompass a big picture, long-term strategic planning approach to anticipate future economic, business and community needs.

CCIQ are pleased that the plan includes a focus on business priorities and economic growth with motivators including driving the region’s economic diversity and opportunity, facilitating tourism pursuits and avoiding the introduction of additional, unnecessary regulation. However, the draft plan itself fails to provide a broad strategic planning approach that satisfies the objective of supporting industry investment and business growth opportunities. In particular businesses expressed concern that two regional outcomes and four regional policies primarily focused on the land-use interactions between the resource and agricultural industries without recognising the diversity of existing and emerging sectors, and on creating certainty around the development of towns.

Subsequently, as a regional plan, CCIQ believes it fails to go far enough to deliver the desired regional outcomes and drive local investment and opportunities. Developing regional outcomes and regional policies under each of the state’s interests as identified under the SPP may assist in delivering a stronger foundation for successful businesses and industries by addressing key regional issues and bottlenecks impacting the local economy.

CCIQ continues to receive feedback from businesses in the Central Queensland area about their lack of awareness of the plan’s development or subsequent consultation process. It is important that wide-spread consultation processes have been undertaken within all areas to ensure all landholders and businesses have the opportunity to provide feedback on the new statutory planning scheme and on proposals that could potentially impact on their livelihoods and future investment decisions.

Managing the interaction between the agriculture and resource sectors

Agriculture and mining are two key industries within the Central Queensland region. The region's agriculture industry is a major contributor to Queensland's economy, and with the right support, will play a key role in the State Government's goal of doubling the state's food production by 2040. The region is also the most economically significant mining region in Queensland, is a world-ranked producer and exporter of black coal and a major centre for mineral processing.

The key challenge for the State Government is managing the co-existence of these two highly important industries, as well recognising the ongoing importance of the full range of highly competitive existing industries (which includes supply chain and value-add sectors to the resource and agriculture sectors) and providing opportunities for emerging and future industries.

CCIQ is supportive of finding a balance between mining and agricultural activities, with mitigation activities put in place to ensure primary producers and other industry sectors alike continue to have access to land and resources for development.

Whilst CCIQ maintains this high level position, our members have raised a number of concerns in relation to agricultural land-use and whether the plan will provide sufficient level of protection to this sector specifically:

- Businesses are concerned that the establishment of Priority Agricultural Areas (PAAs) within the draft plan (in which agriculture will be identified as the priority land use) will not be sufficient in protecting prime agricultural land. The identified PAAs are smaller than those identified under the strategic cropping land framework and exclude large areas of productive agricultural land. There are concerns surrounding the rights of land holders in areas not located within the defined PAAs, with no additional protections offered in the draft plan than exist currently.
- Concerns have also been raised in relation to the "co-existence criteria" and whether it will have the desired effect of ensuring an approval for any proposed resource development does not materially impact or threaten the ongoing viability of agricultural production. The four PAA Co-existence criteria appear to provide loopholes in favour of the resource industry if they can show there is no reasonable alternative for their activities. It is essential that any criteria put in place finds the right balance between mining and agricultural activities, delivering mutually beneficial arrangements from an equal footing.

Whilst the regional plan has a role in providing certainty for development and investment for industry broadly, CCIQ believes that the management of the interactions and specific issues relating to land, water and environmental and social impacts is best dealt with outside of the regional planning process. Additionally it is our key recommendation that the regional plan express broad high level priorities non-specific to particular industries but rather put in place a priority statement that provides for '*all current and emerging industries of economic significance to the region continue to grow with certainty and investor confidence*'.

Housing and liveable communities

The draft regional plan aims to provide greater certainty for investment in the development of the region's towns while also accommodating compatible resource activities. Concerns have

been raised by communities regarding the undertaking of mining activities close to regional towns. The establishment of Priority Living Areas (PLAs) and the subsequent consideration in the state's assessment of proposed resource activities within these defined areas of community expectations as defined by the relevant local government may be a step in the right direction to addressing these concerns.

Consideration is required of accommodation supply and affordability in the Central Queensland region. Strong population growth associated with a strong local resource sector, in addition to the increase in the number of non-resident or FIFO/DIDO workers has resulted in a low supply of affordable housing and short term housing options.

Transport and Infrastructure

Businesses in the Central Queensland region have reported to CCIQ for a number of years that existing infrastructure is impeding business confidence and investment. Particular concerns raised by businesses include:

- Infrastructure limitations driven by the region's vulnerability to climate and weather patterns;
- Maintenance and supply issues on the Bruce Highway and other major transport routes;
- Limited intra-regional public transport network;
- Pressures placed on services and social infrastructure by FIFO/DIDO workers;
- Infrastructure in the region is overly geared to the needs of the resources industries to the detriment of the overall liveability and amenity in the community.

Significant infrastructure development is required in the region to ensure demand can be met from growing industries and to cater for and facilitate population and economic growth. Particular infrastructure projects sought by Central Queensland include significantly upgrading the Bruce Highway, improving road and rail freight options for businesses outside of the resources sector, and further expanding the region's aviation capacity.

CCIQ is supportive of developing regional outcomes and regional policies under the state interest of transport and infrastructure in the regional plan to ensure a long term infrastructure planning approach is established in the region. This will help drive economic and regional growth by providing signals to the business community on where infrastructure development will occur moving forward.

Additional feedback in relation to the draft Central Queensland Regional Plan

CCIQ would like to provide the following additional feedback for consideration during the finalisation of the draft regional plan:

- A narrow economic base poses a threat to Central Queensland's economy. Focus is required on economic diversification to attract new industries and capitalise on emerging market opportunities. CCIQ is supportive of the regional plan including a broader focus on facilitating economic development in the region, outside of the mining and agricultural sectors. Consistent with our recommendation above, CCIQ believes the regional plan should express broad high level priorities non-specific to particular industries but rather put in place a priority statement that provides for *'all current and emerging industries of economic significance to the region continue to grow with certainty and investor confidence'*.

- The Central Queensland business community wants to see the FIFO/DIDO phenomena work for the region. The significant influx of non-permanent workers into Central Queensland has been the subject of significant debate, which has largely centred on whether or not this model of working arrangement has resulted in any significant economic benefits to the region. CCIQ strongly believes that is necessary to achieve a balance between the skills needs of the resources sector and those of local business, industry, and the community. The regional plan therefore must:
 - facilitate the development of social and economic infrastructure to attract and retain a skilled workforce and business investment; and
 - address critical infrastructure priorities which currently act as a barrier to greater intra and inter regional connectivity and access to market opportunities.

Overall, CCIQ believes the state's planning framework must take a 'big picture' approach, with longer term strategic planning key to anticipating future industry and community needs and ensuring planning and action in response to emerging opportunities and constraints. Incorporating industry issues and priorities into the final regional plan will ensure greater certainty of outcomes for regional businesses, governments and local communities.

CCIQ welcomes the opportunity to provide feedback to the draft regional plan. If you have any questions regarding this correspondence, please contact Senior Policy Analyst Leanne Connell on (07) 3842 2227 or email lconnell@cciq.com.au.

Yours sincerely

Nick Behrens
General Manager – Advocacy

Att: Central Queensland Business Priorities Report: May 2013