



Friday September 20, 2019

Committee Secretary
Department of the Senate
PO Box 6100
Parliament House
Canberra ACT 2600

To Whom it May Concern,

Re: Inquiry into and report on the effectiveness of the objectives, design, implementation and evaluation of the Australian Government's Northern Australia agenda.

On behalf of the Mackay Isaac Whitsunday (MIW) region, we would like to provide a response to the Inquiry into supporting Australian exports and attracting investment. Greater Whitsunday Alliance (GW3) and Regional Development Australia-Mackay Isaac Whitsunday (RDA MIW) commend the government and ministerial focus toward this inquiry.

Located north of the Tropic of Capricorn, the MIW region is one of Northern Australia's true economic powerhouse regions. This average GDP per capita for MIW is \$131,308 as compared to the Australian average of \$79,107.

Mackay Isaac Whitsunday is strongly positioned to accommodate the demand from the booming economies of south east Asia for energy, professional services, high quality agriculture and aquaculture products, advanced manufacturing and quality VET and tertiary education. We support the initiatives that have stemmed from the 'The Our North, Our Future White Paper' and we look forward to seeing further improvements to the delivery of that vision.

GW3 and RDA MIW remain committed to advocating for a growing MIW regional economy. We look forward to working with the Federal Government to identify and deliver initiatives as articulated in the Northern Australia agenda.

Yours Sincerely,

John Glanville – Chair
Greater Whitsunday Alliance Ltd.

Darryl Camilleri
Acting Chair – RDA Mackay-Isaac-Whitsunday



SUBMISSION

Select Committee inquiry into and report on the effectiveness of the objectives, design, implementation and evaluation of the Australian Government's Northern Australia agenda.

With particular reference to:

- a. facilitation of public and private investment in infrastructure and economic development;
- b. economic and social benefit arising from that investment for Northern Australians, in particular First Nations people;
- c. funding models and policy measures that capture the full value of existing and emerging industries;
- d. measures taken to develop an appropriately skilled workforce;
- e. emerging national and international trends and their impact on the Northern Australia agenda; and
- f. any related matters.

REGIONAL OVERVIEW



Source: Remplan (Mackay Isaac Whitsunday)

INTRODUCTION

This is a joint submission between Greater Whitsunday Alliance Ltd (GW3) as the lead regional economic development organisation for the Mackay-Isaac-Whitsunday Region and Regional Development Australia Mackay-Isaac-Whitsunday Inc. (RDA MIW) one of 55 Regional Development Australia bodies nationally.

GW3 and RDA MIW prepare this submission on behalf of the Mackay, Isaac, Whitsunday (MIW) region. Located north of the Tropic of Capricorn, the MIW region is one of Northern Australia's true economic powerhouse regions. This average GDP per capita for MIW is \$131,308 as compared to the Australian average of \$79,107. The economy of the MIW region offers diverse investment opportunities with a proven track record as a region for growth and prosperity. The Isaac region is home to the Bowen Basin, housing the largest coal mining deposits in Australia. Most Queensland's prime coking coal reserves are mined here, including the highest-grade metallurgical coal in the world. Mackay is the centre of one of Australia's most developed Mining, Equipment, Technology and Service (METS) industries, has enormous bio future potential and the Whitsundays is not only a world-class tourism destination attracting more than a million visitors annually but is a highly developed food producing region with sugar cane, horticulture and aquaculture.

This a submission in response to the establishment of a Select Committee on the effectiveness of the Australian Government's Northern Australia agenda.

FACILITATION OF PUBLIC AND PRIVATE INVESTMENT IN INFRASTRUCTURE AND ECONOMIC DEVELOPMENT

Despite the concerted efforts from officers of the NAIF and agencies such as GW3 and RDA MIW, the MIW region has yet to be successful in being awarded NAIF funding for a project. The investment mandate changes introduced by the Federal Government in April 2018, have certainly widened the opportunity for proponents in the region to make a successful application, however there are still several barriers:

- Current NAIF application and reporting requirements are still prohibitive to projects seeking less than \$10M in loan support. The MIW region is dominated by SME business enterprises which in the main seek a level of grant or investment loan support that ranges from \$500k - \$4M at any one time. Simply the degree of loan application information, and reporting required by NAIF for a project valued between \$500K and \$4M is not supported by many potential proponents. This leads to a perception of lots of "Red Tape" regarding NAIF operations.

Perhaps the opportunity for NAIF to explore a varied level of loan information and supporting documentation provision and reporting that is commensurate with the level of lending volume and risk. Such a process may support more interest from SME businesses, and this may support suitable risk management requirements for government while reducing a perception of Red Tape.

- The Building Better Region Fund (BBRF) whilst a valuable grant source, via current guidelines prohibits direct investment toward "For Profit" business and many other grants programs follow this same principle of "For Profit" Business ineligibility". For the Mackay Whitsunday Isaac region most of the significant development and growth opportunities are aligned to "For Profit" SME businesses which provide services and goods aligned to the trade and investment of commodities and services (agriculture, mining, METS, tourism). As these SME businesses grow and expand, they require employees which in turn drives population growth which in turn drives hard and soft infrastructure needs and support services. Most of the MIW SME businesses express interest in grants support or loans ranging from \$500K- \$4M in any given single transaction. This level of funding or investment support also means the use of programs such as NAIF are not ideally suited. The result is that most SME business fall in between or do not qualify either directly or indirectly for the programs on offer via the current Northern Australia Program.

Perhaps consideration in undertaking a situational study (CRC NA Funded) that is charged with better understanding SME business requirements for growth and government funding support is required. The study could utilise existing literature and studies as well as engaging with SME business in regional and remote Northern Australia. Compilation of the information then being used to influence policy and programs design and guidelines for Commonwealth funding support and in doing so making the programs more "customer friendly".

- Limited use of RDA Committees and operations and suboptimal investment toward RDA operations limits regional public and private investment facilitation. Examples include
 - o Directly neither NAIF, ONA, IA, Austrade or CRC NA have in place formal or informal service relationships with respective RDA's in Northern Australia. This is despite the existence of a Northern Australia RDA Alliance and an RDA Charter that clearly articulates the roles and functions of RDA 's in promoting, supporting and developing with local stakeholders increased development, growth, trade and investment opportunities. Equally the respective regional RDA's are usually very well networked with regional public and private stakeholders and thus are ideally placed to maximise business and community engagement and involvement with Northern Australia Development programs.

To capitalise on this unique role and opportunity, the Northern RDA Alliance has approached these respective Northern Australia agencies to explore both formal and informal service relationships. These approaches have to date realised limited positive feedback and or ability

to explore service arrangement opportunities. Instead what has been seen is general desire for respective Northern Australian agencies and organisations to self-engage with regional and local communities via the provision of their own internal staff - many of which are not based in regional/remote centres and have limited relationships with regional stakeholders and businesses. This lack of relationship does not support active involvement from regional business and community stakeholders.

The workable solution to generate more effective and efficient regional interest toward Northern Australia Development programs and policy would ideally see Commonwealth organisations seeking to engage and collaborate with regional communities in Northern Australia via RDA groups and the Northern RDA Alliance via a formal and funded service agreements between respective RDA's and national agencies and organisations to support enhanced program delivery.

- There is also a lack of clarity in the regional market about the role of NAIF and traditional financiers. Specifically, many potential proponents would be regarded as relatively immature from an investment perspective and therefore do not understand the opportunity that NAIF presents. Solutions toward offering enhanced clarity and information concerning NAIF and its target audience or customers could be provided via RDA's in respective regions but can only occur via formal agreements - to manage respective NAIF and RDA entity risks.
- A perception that NAIF only funds large scale infrastructure projects: airports, roads, sea ports and the like is evident in the MIW region. This perception was possibly fuelled by only-negative dialogue around the Adani rail line and Queensland Government. It also needs to be understood that feedback from NAIF itself suggests that while no minimum limit is set for loan applications, the reality is that the level of data, information, studies and planning required via NAIF is unlikely to be provided for a proponent seeking less than \$10M in loan support.
- Regional Development, Trade and Investment Initiatives and Programs are in the main aligned to either research-based studies and investigation and / or ready to go" Shovel Ready" commercial projects and initiatives. The expectation from government is that respective businesses will develop at their own cost both strategic and operational plans and associated risk management process to underpin expanded or new business development. A desktop review of available funding programs in support of economic development, growth, trade and investment, indicates that limited public investment is available to support business entities develop these types of business plans, operational strategies, business risk assessments and so on. Feedback from most SME business who are interested in the NAIF and BBRF (as two examples), identifies that the internal resources and capabilities to develop suitable strategic, business and operational plans is a key limiting factor toward consideration of future growth. Effectively finding the time and resources to work 'on' the business v/s 'in' the business for most SME groups is limited. The provision of specific funding to support SME businesses in the development of strategic, business and operational plans is likely to fast track regional business growth.
- Despite our reputation as an export-focussed region, the services provided by EFIC "support SMEs, corporates and governments to realise export opportunities or contribute to the export supply chain",

there has been negligible regional take up of service. Potential export proponents state that the process is simply too red-tape heavy to consider.

- Public investment in Northern Australia does not always align with the objectives of the Northern Australia agenda. For example, just because a project is located in Northern Australia and may provide short term construction jobs do they really reflect the objectives outlined in 'The Our North, Our Future White Paper'?
- The recently announced \$4.5B Roads of Strategic Importance initiative is a great step forward to funding Northern Australia road infrastructure, however given that Northern Australia is 40% of Australia's land mass and this fund is open to other corridor projects in other parts Australia, it is difficult to see how impactful this will be in Northern Australia.

The Developing Northern Australia Implementation Report 2018, whilst an informative document, did not provide enough granular detail on how many projects and initiatives have been funded and or delivered which align with 'The Our North, Our Future White Paper'. This information should be easily and readily accessible through the Office of Northern Australia website as it informs not only regional planning, but offers broad market confidence.

ECONOMIC AND SOCIAL BENEFIT ARISING FROM THAT INVESTMENT FOR NORTHERN AUSTRALIANS, IN PARTICULAR FIRST NATION'S PEOPLE

The MIW region is an active participant in all Northern Australia activities and opportunities. As a region, we are actively seeking continued investment into regional projects which have opportunities to capitalise on locational advantage and engage with emerging regional and global opportunities.

FUNDING MODELS AND POLICY MEASURES THAT CAPTURE THE FULL VALUE OF EXISTING AND EMERGING INDUSTRIES

FUNDING MODELS

As outlined above, the primary challenges in the Mackay Isaac Whitsunday region regarding funding models aligns to the following;

- Most Commonwealth grant programs in support of Development of Northern Australia and emerging Industries outline "For Profit" Businesses are ineligible for funding support as per the guidelines. Given that most of the regional development and growth in the MIW region is aligned to SME private owned "For Profit Businesses" it is therefore not surprising that limited interest via this sector in available grants programs exists. Within the MIW region grant's programs are accessed in the main by local governments, sporting and community groups, some peak bodies and cultural organisations. While supportive of these entities applying it also true that these entities are not directly driving regional business development and growth of emerging or current industries – they tend to support the broader community in providing hard and soft infrastructure to support better standards of living. The suggestion is to open grant funding to SME "For Profit" Businesses in Northern Australia. In addition, if there is a focus to support emerging industries the development of specific calls for grants aligned to a specific sector or industry could be created and run.

- Current funding models are mostly designed to support “shovel ready” projects and initiatives – the expectation is that proponents have worked to get applications to a level of readiness waiting for government grants support. The reality is that most SME businesses are busy working ‘in’ the business v/s ‘on’ the business. To that end many interested proponents and potential grant projects are not shovel ready or at least not shovel ready at the time of grants advertisement and availability. Consideration toward the following may help in supporting a greater number of shovel ready project proponents and better-quality applications:
 - Greater focus toward the skills and capability of regional community and SME businesses in grant applications. This involves the delivery of grant skills workshops and availability of one on one support via qualified and experienced grant submission people and access to those regionally who have been successful in past applications (group learning). To date these types of programs have been offered in a limited capacity via RDA in the region, however with more direct resources RDA could offer a much more complete skills development program in the regions.
 - Improved grant forward planning (well in advance) for application timeframes. For example some private grants funds lock in application dates twelve months in advance as this gives proponents a timeframe to work toward. This contrasts with the current grants development timeframes in place for most Commonwealth programs and where initial notice of grants availability is often less than six weeks prior to grants application closing date.
 - Grants programs could utilise a two stage grant process, whereby stage one is a simple EOI , those successful in an initial EOI can then be asked to produce a more detailed application – while the this process takes up more grants administrator time and resources – it does simplify the proponent process and applications time commitment v/s the current arrangements of full application development and submission.
 - Create a more direct service role for regional RDA organisations to support grants application proponents. Current guidelines effectively prohibit RDA entities from directly supporting proponents. Noting that if this service function was to be supported, respective RDA organisations in Northern Australia would require more resources. It is possible to maintain professional independence while still supporting applicants.
 - Create a regional small grants program which allows local RDA Committee to administer upwards of \$150K per annum (maximum grant amount per application of \$15K) in support of local proponent's early development and validation of larger scale infrastructure and services projects - this arrangement over time effectively supports a production line of higher quality project applications from proponents.
- Successful grant programs require active promotion, engagement, administration and delivery support and where this support is offered to administrators, applicants and recipients of grants. Currently many of the grants aligned to the development and growth of Northern Australia are administered from Canberra and have little requirement to report to regional stakeholders and community – this arrangement leads to the following outputs:
 - Locals are not aware of detail aligned to the specific successful grants funding and its desired outcomes – hence limited ability to actively support or promote the project and its outcomes and equally limited ability for the community to determine if the project and grant submission is a priority for the region.

- Inability to create case studies and local examples of grants success which can be utilised to leverage and promote greater regional interest.
 - Limited ability to leverage additional cash and in-kind support, reducing both ROI and co-contribution potential for projects at a regional scale.
 - Limited ability to work with the grants proponent in fostering additional business development growth opportunities across regional economic development and growth support organisations and networks. This is primarily due to the lack of open dialogue and transfer of information pertaining to the specific successful grant project.
- THE NAIF program lending arrangements and associated planning and reporting requirements are well suited to infrastructure and development projects above \$10M. While the NAIF program offers no direct minimum loan amount, the reality is that the level of planning and reporting required from proponents is not possible to justify for most SME loan requests which range from \$500k- \$3M in the MIW region. Perhaps NAIF could consider a different level of planning and reporting requirement commensurate with the lending request.

POLICY MEASURES

The success of the Northern Australia agenda relies heavily on not just tripartite agreements (local, state and commonwealth) but also on close engagement with key industry and community.

Emerging industries by their very nature are difficult to manage and often policy settings are not in line with the growth or direction of the industry. This lack of collaboration is clearly evidenced at a local level with regards to the bio-futures sector – identified as a potential new industry of focus for the MIW region. Despite MIW region being identified as a bio-futures 'hot-spot' several current policy measures do not align to fully support the growth of the industry. For example, the current Queensland Ethanol Biofuel Mandate Policy and Targets while supportive of biofuels, does not support a substantial growth in new infrastructure, as in the main existing suppliers can meet the mandated supply demands.

At the national scale recommendations for the Productivity Commission are not in support of ethanol mandates and federal government has previously introduced changes to the ethanol and biodiesel excise arrangements which increase biofuel production costs. Additionally, there has been limited processes undertaken to find resolution amongst conflicting parties regarding biofuel policies. The identified need for Australia to pursue diversification opportunities and green energy sources (and indeed the Queensland Government's 10-year Bio-Futures Roadmap) does not align with a range of policy settings which will enable that outcome.

This dichotomy in policy settings then in turn has a direct impact on the funding opportunities available to these emerging businesses because of future uncertainty.

In short, greater cohesion needs to exist across all levels of government so that the objectives and intent of the Northern Australia agenda are clearly articulated and embedded into policy.

MEASURES TAKEN TO DEVELOP AN APPROPRIATELY SKILLED WORKFORCE

There are several effective measures currently in place to develop an appropriately skilled workforce including:

- Queensland Skills Gateway project
- Regional Skills Investment Strategy
- Skills for Education and Employment Program
- Study Assist
- New Enterprise Incentive Scheme
- Trade Support Loans
- Australian Apprenticeship Incentives Program
- Skills for Education and Employment
- Trade Recognition Australia
- Study Assist
- Commonwealth Grant Scheme

However, in a region such as Mackay, Isaac, Whitsunday these programs have limited ability as our unemployment rate (collectively 3.3%) is well below both Queensland and national levels. The single biggest barrier to developing workforces in Northern Australia is population and the loss of young people aged between 18-25 as they seek learning opportunities in non-regional areas and following learning and training fail to return to Northern Australia. Most large-scale infrastructure projects located in Northern Australia are likely to experience not just skills shortages – but labour (in all forms) shortages.

As a priority, we are seeking that the Commonwealth focus on measures to incentivise residents and young learners of Australia to stay or relocate to regions in Northern Australia, otherwise the current rates of population growth (0.4% over the last five years) will not be enough to support the goals and objectives of the Northern Australia agenda.

Changes to the current tax arrangement for residents of Northern Australia would be extremely helpful, particularly a re-examination of the recommendations contained in the initial report from the Productivity Commission's review of the zone tax offset (ZTO) in regional areas. Whist both GW3 and RDA acknowledges the impacts from specific regionally focused grants from the Australian Government such as the Building Better Regions Fund (BBRF) and other state measures of regional funding focus; and there is evidence to suggest that wages may be higher in regions and housing costs may be lower, these are not fixed measures and vary wildly between regions. Therefore, it is the view of both RDA and GW3 that the ZTO promote regional migration, by providing tax incentives for people to relocate to particular regional or remote areas. However, it must be noted that the current \$57 a year base rate, plus 20 per cent of applicable dependant rebates for Zone B residents is far from incentivising.

In addition, solutions regarding the lowering insurance costs for both domestic and commercial property and infrastructure within Northern Australia must also be found. It is evident the high cost of insurance is a major deterrent to the Northern Australia's ability to attract private business investment and people given the already high living costs for most Australians.

Additionally, the Australian Government's Skilled Regional Visa program (both provisional and permanent) goes a long way to addressing skills shortages and could have definite advantages in the context of Northern Australia. However it must be noted that in Queensland, regional is considered as anything outside of South East Queensland and therefore may disadvantage communities in Northern Australia. An enhanced approach to matching migrant skills and aspirations with local industry needs will result in better outcomes for migrants and regional communities in Northern Australia alike.

EMERGING NATIONAL AND INTERNATIONAL TRENDS AND THEIR IMPACT ON THE NORTHERN AUSTRALIA AGENDA

There are five what we call mega trends that will have an impact toward the Northern Australia agenda. These include:

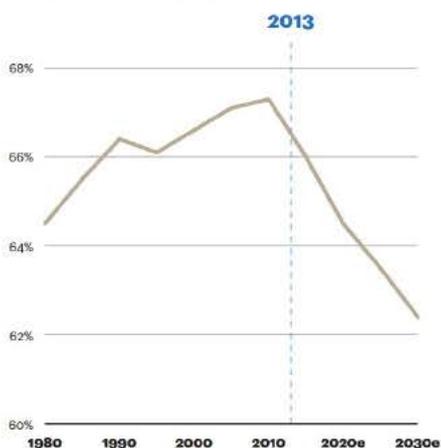
The Ageing Population

Australia's population is not only growing, it is also getting older. Over the past three decades, the economy has benefited from this larger population and its growing share of people who are of working age. The population is expected to continue to grow but the relative share of the population which is of working age – the labour force — is expected to shrink. This means, over time, a smaller group of workers will be supporting a larger group of retirees. The maths simply doesn't stack up, so there will be a need for changes.

These trends also suggest on going challenges regarding accessing a skilled workforce in Northern Australia and the additional challenges regarding the provision and assess of health care for an ageing population.

This ageing population will create both opportunities and obstacles. The opportunities will be mostly around wealth accumulation. While becoming older, Australians have also become richer with average net worth rising more than 40 percent. Australians are also accumulating funds at a faster rate. Both these trends point to larger balances and faster growth of funds available for investment in building the new economy and hence opportunities for investment in Northern Australia.

Working-age population
(% of total population)



In an optimistic scenario, Australia will be rich in capital and funds from savings and pensions being productively deployed and thus opportunity for these funds to invest into development of Northern Australia to build the new economy and allow the country to become a net exporter of capital. In turn, investments result in productivity improvements which sustain GDP growth.

Emergence ASEAN plus Three (Asia)

The rapid increase in income and the expanding population in ASEAN countries plus China, Japan, South Korea and India are big themes in the global economy, and they will have a big effect on Northern Australia. Growth in these regions is expected to be higher than in any other part of the world. In an Asia-driven world

economy, a close integration is instrumental for Australia's future, and Northern Australia from both a spatial location and trade and investment perspective is well placed to collaborate. Some could even argue that Northern Australia's economy is more connected with these areas on the three important dimensions: trade, capital, and people than it is with the southern parts of Australia.

Trade an average continues to grow at about 18% per year, exports from Australia to Asia have grown faster than imports to Australia, primarily driven by the increased demand for resources from Northern Australia into Asia, particularly China.

Capital investments from Australia into Asia and vice versa have increased. Incoming investments from Asia has grown steadily, over 10 years.

Outgoing investment has been more volatile but has grown in the same period. Currently Australia is a net importer of capital.

Migration from Asia to Australia grew in the decade leading up to 2011, with China and India as major contributors.

This growth includes permanent and temporary migration, which encompasses Asians spending a limited amount of years in Australia for their education and Australian workers on assignments in Asia. Of Australian emigrants, 40% are moving to Asia.

In trade, the large and growing Asian countries could represent a highly attractive export market beyond the resources sector that currently accounts for a big part of exports. This offers opportunity for Northern Australia and its communities to leverage existing relationships and collaborations via the resources sector toward other commodities, services and products.

In capital investments, a closer integration with Asia could provide Northern Australia with access to capital that is seeking returns in a low-risk environment. This in turn can be used to fuel Northern Australia's growth investments.

In migration, the local market in Northern Australia could grow thanks to permanent and temporary migration, which will bring a bigger marketplace in general and more opportunities for products and services focused on immigrants.

In an optimistic scenario, local Northern Australia SME businesses could grow because of access to Asian consumers and the bigger marketplace. In addition, foreign investment and immigration could drive growth of multiple local sectors, including education, tourism, real estate, professional services, and financial services.

The rising impact of digital connectivity

A digital tsunami is driving structural changes in industries across the world. The impact of this change on Northern Australia's economy, individual businesses, and consumers will be significant.

The overall economic impact of implementing the National Broadband Network is expected to be more than 1.2% of GDP per year.

Opportunities for the Northern Australian economy include:

- Increased efficiencies using technology and improved productivity via automation, transparency, and simplicity in business transactions.
- Maximised customer value through faster access to better and cheaper products and services.
- Greater access to the global marketplace for local businesses as more people are connected to the Internet at faster connection speeds.
- Use of more local talent leads to more innovation around digital technology; new start-ups contribute to GDP growth and job growth.

An optimistic scenario is characterised by a boost in economic growth as Northern Australian companies expand into global markets, powered by increased connectivity and innovation across all sectors of the economy, including a thriving tech start-up sector. At the same time, digital developments substantially increase productivity and boost economic output. Foreign players will enter the Australian marketplace but will nurture a healthy competitive environment across all sectors.

Global capital is “scared” and expensive

Although the quantity of global capital has recovered and even surpassed levels from before the global financial crisis, capital remains more risk averse than pre-GFC. The flow of cross-border capital has dropped from the 2007 peak.

Capital also became more risk averse on a household level, where investments in equity dropped in favour of holding funds in deposits. In the wake of the financial crisis, the allocation to equity has dropped, and the allocation to deposits has increased.

Capital is more expensive to attract. Investments with similar risk levels now demand higher returns than a few years ago. The spread for A-rated corporate bonds has increased compared with pre-crisis levels, implying that a higher risk premium is demanded for the same levels of risk.

Looking ahead, it does not seem likely that the cost to attract capital will decline.

This development can bring opportunities for Australian capital in the form of increased potential returns and a broader variety of investment opportunities. High returns could be expected if there is excess domestic capital willing to venture into global opportunities, while other countries stick to home markets.

The infrastructure investment needs in Asia are massive, requiring lots of funding. Indonesia, for example, needs more than \$300 billion in infrastructure investment.

However, risk averse and expensive capital brings threats as well. If capital is not available or invested in low productive alternatives, local enterprises become capital starved, which in turn stifles growth.

In an optimistic scenario, Australia could become a capital-exporting country. Its capital will generate healthy returns in the global marketplace, the abundance of investment opportunities will make diversification easier, and the country would benefit from a healthy global portfolio.

Key natural resources will become more scarce

Demand for energy, steel, food, and water has been growing over the past several decades. In the years to come, demand for natural resources will continue to grow, putting more pressure on prices and potentially



on geopolitical stability. The increase in demand is underpinned by a worldwide population expansion and accelerated income growth in emerging economies with up to three billion more middle-class consumers expected by 2030.

Price volatility, which has already increased over the past decade, is expected to continue to rise as a result of increasingly harder-to-find resources and the use of more expensive methodologies to source the supply.

For Northern Australia, global scarcity of resources can be good news. If the country can maintain its surplus of key resources, opportunities will be plentiful. As a resource-exporting country, Australia will be well-positioned to profit from the increased global demand and higher prices on global markets. Greater demand will also bring development opportunities in various sectors, including agriculture and infrastructure, which in turn will attract foreign investment.

In an optimistic scenario, Australia is a diversified resource exporting country. The economy will benefit from domestic resource availability and high export prices. Investments in and innovation by resource sectors such as infrastructure, agriculture, and mining will underpin economic growth. Innovation becomes a competitive advantage and is leveraged on a global scale.

ANY OTHER MATTERS

The development of Northern Australia is at its core depends on the ability to unlock information and data and with it make better decisions and understand how different facets of business and society work together to drive a restructure of Northern Australia. Our ability to grow wealth in Northern Australia is aligned to how we use digital technologies and data to improve the efficiency of supply chains. This data and technology should support our ability to consider many decisions including that of infrastructure requirements, education, and health decisions as an example. The focus of unlocking data and information is to allow for improved decision making and allow for better resource utilisation which in turn helps to combat increase cost of resources as they become less abundant. The transition in time for the Northern Australian Economy from a resource export dominated economy to one of resource use innovation is a key to the long-term sustainability of regional economies. Our challenge is to ensure we make good use of earnings from resources such as food, water and mineral energy today and invest this toward the reinvention of markets, services and products over the long term.

CONCLUSION

Greater Whitsunday Alliance (GW3) and Regional Development Australia-Mackay Isaac Whitsunday (RDA MIW) are of the belief that communities in Northern Australia can directly benefit from a coordinated approach to achieving the objectives contained in the 'The Our North, Our Future White Paper'.

Mackay Isaac Whitsunday is strongly positioned to accommodate the demand from the booming economies of south east Asia for energy, professional services, high quality agriculture and aquaculture products, advanced manufacturing and quality VET and tertiary education. We support the initiatives that have stemmed from the 'The Our North, Our Future White Paper' and we look forward to seeing further improvements to the delivery of that vision.

Once again, Greater Whitsunday Alliance (GW3) and Regional Development Australia-Mackay Isaac Whitsunday (RDA MIW) commend the government and ministerial focus toward this inquiry and we look forward to working with the government on this issue further.

