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**Mareeba**  
Shire Council

13<sup>th</sup> March 2014

Dr Bill Pender  
Committee Secretary  
Joint Select Committee on Northern Australia  
PO Box 6021  
Parliament House  
CANBERRA ACT 2600  
By email to: [jscna@aph.gov.au](mailto:jscna@aph.gov.au)

Dear Dr Pender,

Tablelands Futures Corporation, in partnership with Tablelands Regional Council and Mareeba Shire Council, welcomes the opportunity to make this submission to the Joint Select Committee on Northern Australia, to help inform and shape the Committee's recommendations to the Parliament for the development of a white paper.

We look forward to the opportunity to further brief the Committee on the contents of this submission through the public hearing process.

**About Tablelands Futures Corporation**

Tablelands Futures Corporation (TFC) is the peak development agency for the Atherton Tablelands region in Far North Queensland. TFC is a not-for-profit organisation supported and funded by the Tablelands Regional Council and Mareeba Shire Council. Our Board is drawn from industry and local government and our Strategic Goal is that 'the Tablelands has a thriving and sustainable economy.' For more information please refer [www.tablelandsfutures.com](http://www.tablelandsfutures.com).

As part of the broader Far North Queensland region, TFC actively cooperates with Advance Cairns, the RDA Committee for Far North Queensland, Gulf Savannah Development and the Far North Queensland Regional Organisation of Councils. While our submission supports the content of the submissions from our Far Northern partners, it also provides a specific Tablelands focus.



Location of the Atherton Tablelands, Far North Queensland (map courtesy of Savannah Way)

### Current Status of Tablelands Economy

The Tablelands was the initial driver of the Far North economy, as coastal ports and rail infrastructure were developed to service the Tablelands mining industry. By the early 1900s the focus of the Tablelands economy had shifted to forestry and agriculture. Agriculture remains the mainstay of the Tablelands economy, supported by mining and resources, construction and tourism.

The Tablelands has existing connections with Asia both through industry (exports & investment) and history (Chinese workers in mining & agricultural industries).

The Tablelands region currently lags against state and national averages on key economic statistics<sup>1</sup>, including:

- personal weekly income
- worker productivity (though similar to other northern agricultural areas)
- high unemployment and low education levels
- rapidly ageing population.

It is also important to note that the Tablelands is built on small business, with almost 95% of the region's 4,807 businesses employing less than 20 staff. Only 4% of our businesses turnover more than \$2 million annually.

### Regional Statistics

|                         |                    |                      |
|-------------------------|--------------------|----------------------|
| Population:             | 45,563             |                      |
| Area:                   | 64,768 sq. km      |                      |
| Gross Regional Product: | \$1.91 billion     |                      |
| Key Industries (GVP):   | Agriculture        | \$404 million        |
|                         | Mining & Resources | approx \$320 million |
|                         | Construction       | \$85 million         |
|                         | Tourism            | \$54 million         |
| Employment:             | Total Labour Force | 19,090               |
|                         | Unemployed         | 10.3%                |
|                         | Agriculture        | 12.7 %               |
|                         | Retail Trade       | 11.5%                |
|                         | Health Care        | 11%                  |

<sup>1</sup> All statistics taken from Our Economy, Our Future, Tablelands Futures Corporation, 2013. This document provides a regional economic snapshot and industry profile and is recommended for the Select Committee's reference

## **Development Potential & Vision**

The Tablelands region has some fundamental strengths for economic growth:

- its diverse microclimates and abundant water resources provide a range of agricultural opportunities
- the region has an established 'clean and green' production capacity
- the region provides safety and stability including a lower risk of natural disasters
- there is a range of natural resources including in the agricultural, renewable energy and mining sectors
- the region is well placed to service east coast markets as well as Asian and global markets
- it hosts a high-value tropical environment with strong lifestyle and tourism attractions.

Our economic Vision for the Tablelands is identified below.

### Agriculture

- expanded & profitable local agricultural production
- developed an international reputation as a 'clean, green' food bowl with improved export opportunities
- developed an international reputation as a centre of tropical agricultural excellence

### Mining & Resources

- expanded local mining activity
- the region becomes a significant service & FIFO centre for neighboring mining regions (Gulf, Cape York, PNG)
- local energy production expanded

### Tourism

- hosts a higher volume, higher value tourism industry that showcases the region's well-managed & protected environmental assets

### Other

- hosts a range of industries (bio-, hi-tech & creative industries) that depend on high levels of human capital, built on the basis of the region's superior lifestyle
- other service industries (tropical knowledge, aviation support services via the proposed Mareeba airport development) built on the region's connections to the Asia-Pacific region
- a strong construction and human services sector.

## **Impediments to Growth**

Many impediments to growth are industry-specific and the Committee is encouraged to seek the views of specific industries directly. However the cross-cutting impediments to growth are:

### Transport Infrastructure

- transport corridors within the Tablelands are generally inadequate
- transport corridors to the east coast (Cairns, Townsville) and export ports (Cairns, Mourilyan, Karumba) require significant improvement particularly for heavy traffic. For example, at present there is no direct B-Double route from Cairns to Mareeba. There is also limited seaport infrastructure in FNQ ports to facilitate export of Tablelands agricultural commodities
- improved transport corridors into neighboring regions (Gulf Savannah and Cape York) would also open up service opportunities for the Tablelands. Development of the Peninsula Development Road in particular is lagging
- transport corridors to southern markets also need significant improvement, specifically the Bruce Highway to Brisbane & Sydney and the inland Hann Highway which provides superior access to Melbourne, Adelaide & Perth

### Communications

- the quality of communication networks vary significantly within the region but are generally considered poor
- 2011 Census figures show that the region has low levels of household internet connections against State and national averages, and there is also evidence that businesses are slow to engage in digital opportunities such as e-marketing and e-sales. This reflects low levels of digital literacy and the poor quality of the digital network

### Energy

- the region is connected to the national grid but power is expensive (generated in southern Queensland) and unreliable (long transmission lines)
- energy supply and cost issues, together with the lack of base-load capacity, constrain a range of industries

### Water Infrastructure

- despite the plentiful water resources in the Tablelands, additional water supply infrastructure is required to service an expansion of agriculture and growth in coastal population/ tourism
- raw water pricing through SunWater is also prohibitive and does not facilitate economic growth (cost increases of 860% proposed)

### Labour Supply

- the region has a rapidly ageing population and also has relatively low levels of workforce participation
- the region needs to attract more knowledge workers and address the ageing population issue
- access to higher quality education and training, and higher levels of indigenous workforce participation, are also required

### Local Capacity

- local government economic development capacities are constrained by planning laws, small rate bases and limited revenue opportunities. Local economic development agencies are constrained by small business economies and financially-constrained Councils
- local investment is restricted by variable profitability in the small business sector
- these local 'agents of change' require a leg-up before they can become fully effective and self-sustaining.

## **Recommendations**

Infrastructure Investment. Because North Australia as a whole currently operates with an infrastructure deficit, development of Northern Australia requires a dedicated infrastructure plan and some dedicated Federal infrastructure funding. While we recognise the constraints on government funding, we do not consider that is appropriate to rely on private investment for core common-use infrastructure. In this regard we are presently developing an innovative cross regional tool to provide for the assessment and prioritisation of catalytic infrastructure projects. In the interim, infrastructure projects to facilitate Tablelands economic development are identified below.

Better Communications. World-class communications are vital to building the range of knowledge-based service industries identified in our Vision, and to enhancing the productivity and profitability of other industries. It is also needed to attract the target demographic (Gen Y/ families with children) required to address labour supply issues and to improving service delivery in remote parts of the region.

Incentives & Liveability. We support the introduction of incentives to build the population base and labour supply of the north, such as tax incentives or relocation subsidies. However this should also be accompanied by investment in community & social infrastructure to enhance the liveability of small, regional communities

Strengthen Local Capacity. Local agencies are the catalysts of change and play a critical role in charting and implementing local development initiatives, as well as attracting private investment. They require greater support, for example:

- local Councils are restricted in their ability to invest in community infrastructure, and land development initiatives are also currently constrained by planning laws. Simpler planning rules are required and in particular duplication needs to be avoided. The provisions in the draft Queensland Plan need to be taken seriously. Especially: "We have clear and flexible regional planning processes, developed locally with each region's unique environment, economy and social values in mind" (Page 12 4.3 Regions) Ensure interaction between levels of government is streamlined and timely and free of duplication" (Page 26 4.9 Governance). And we reduce bureaucracy and process, leading to faster decisions and more certainty" (Page 26 4.9 Governance). A full and independent review is recommended, to assess where barriers to development are occurring
- local economic development agencies should have access to a wider range of project grants to pursue specific initiatives (such as the Asian Century or regional marketing grants)
- there is a strong case for greater support to small business incubation and mentoring services given the nature of the Tablelands economy, the need to actively facilitate innovation and high-value industries, and to help address youth unemployment
- education capacity also requires improvement. The diverse Tablelands agricultural economy provides a great basis to develop the region as a centre of agricultural excellence, trading services into other tropical markets. An agricultural university based on the US land grant model is the sort of option worthy of further investigation. There is a solid core of tropical farming expertise in the region upon which such an institution could be based and rapidly mobilized.

Governance Arrangements. Strong governance arrangements that align State and Federal policies is essential and should extend to streamlining of approval processes, and reducing bureaucracy and green/ red tape. Effective governance also requires some devolution of decision-making to local agencies. This is a further reason to invest in capacity-building of local governments and representative agencies

Industry Support. There needs to be a commitment to address specific industry issues. While we acknowledge that some of these industry issues are not exclusive to Northern Australia, there needs to be plans in place to address them. The situation facing the northern cattle industry is a good example of policy neglect.

### **Critical Tablelands Economic & Social Infrastructure**

As outlined earlier, TFC in conjunction with key agencies across Far North Queensland, are presently working on an innovative model to assess the infrastructure needs of the area, and identify which may provide the best return on investment/catalyst for future growth. In the interim the following are the top infrastructure projects (in no particular order) to facilitate Tablelands economic development.

#### Transport Infrastructure

- Kuranda Range Road Upgrade
- Palmerston Highway Upgrade
- Peninsula Development Road Upgrade
- Hann Highway Upgrade
- Seaport infrastructure (Cairns, Mourilyan, Karumba)
- Bruce Highway Upgrade
- Heavy transport corridors within Tablelands (Mareeba- Kuranda, Mt Garnet- Millaa Millaa)

***Facilitating sustainable prosperity***

[www.tablelandsfutures.com](http://www.tablelandsfutures.com)

Rationale: connection to key markets & to neighboring regions through improved transport corridors is critical to growing the economy. Improved seaport infrastructure in the Far North would also facilitate export industries

#### Telecommunications Infrastructure

Rationale: improvements in broadband access speed and mobile data coverage are required to build a knowledge-based service sector and to increase the productivity of other industries

#### Redevelopment of Mareeba Aerodrome

Rationale: to develop Mareeba Aerodrome as Far`North Queensland's second major aviation service centre (after Cairns). Mareeba would become a training and service hub for the Asia-Pacific and the redevelopment would also facilitate export trade for local industries. Cost - \$15m

#### Industrial Park

Rationale: an expanded Mareeba Industrial Park, and possible similar developments in other Tableland centres, provides a base for all types of industrial activity and a base for businesses servicing the broader FNQ region

#### Nullinga Dam

Rationale: new water supply infrastructure is required to support agricultural and population growth. This dam site was identified many years ago as the next water supply option once Tinaroo supply is exhausted. It is now time to undertake detailed feasibility assessments for Nullinga Dam. Feasibility Cost - \$10m.

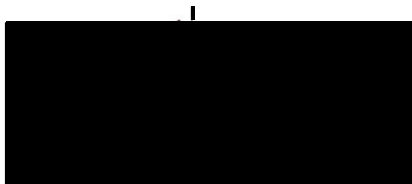
#### Tablelands Mountain Biking Infrastructure

Rationale: stage one of this project has been completed with development of the Atherton mountain biking hub. Growth in mountain bike tourism would integrate the Tablelands into FNQ as a premier adventure tourism destination and diversify the current tourism industry. Further investment in infrastructure and marketing is required.

#### Renewable Energy

Rationale: the Tablelands has abundant renewable energy supplies. Local generation of energy, and access to baseload power, will reduce supply costs, improve quality of supply and facilitate economic growth. This may require reform to planning processes and policy as well as incentives for private sector investment.

Yours faithfully,

A large black rectangular redaction box covers the signature area, with a small vertical line above it.

Michael Lawrence  
Chairman