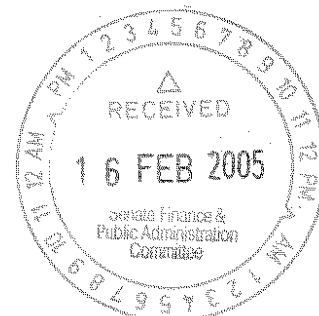


28 January 2005
Sarah Cobb
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Mr Alistair Sands
Secretary
Finance and Public Administration Committee
Department of the Senate
Parliament House
Canberra ACT 2600

By email: fpa.sen@aph.gov.au

Dear Mr Sands

SENATE INQUIRY INTO THE REGIONAL PARTNERSHIPS PROGRAM

Please find attached the submission from the Gold Coast City Council for consideration by the Senate Finance and Public Administration References Committee Inquiry into the Regional Partnerships Program.

Gold Coast City is one of the most rapidly growing areas of Australia with an active policy to diversify the economic base of the city. The Gold Coast City Council has been involved in several projects under the Regional Partnerships Program.

Based on Council's experience, the Regional Partnerships Program aligns closely with the objectives of Council's Economic Development Strategy "Gold Coast 2010" and projects have been undertaken to increase employment, facilitate investment and business development and increase exports. In addition, the projects have involved support and participation from a wide range of organisations including the Queensland Government, regional economic development organisations, Chambers of Commerce and industry organisations.

The Gold Coast City Council also draws attention to the professionalism of the Gold Coast Region Area Consultative Committee in working with the Council to develop applications and then to track progress and outcomes.

Should you require any additional information please contact Coordinator Economic Development, Sarah Cobb by email scobb@goldcoast.qld.gov.au or phone 07 5582 8787.

Yours faithfully

Dale Dickson
CHIEF EXECUTIVE OFFICER

Encl.

**Senate Finance and Public Administration
References Committee**

**Inquiry into the Regional Partnerships
Program**

Gold Coast City Council

28 January 2005

Senate Finance and Public Administration References Committee

Inquiry into the Regional Partnerships Program

1 Introduction

Gold Coast City is a large and rapidly growing regional centre and with an estimated resident population in 2003 of 455,473 and is growing at some 16,000 per year. It is the second largest local government in Australia.

The Gold Coast City Council (GCCC) has a clear Vision for the economic development and diversification of the city and a well-established Economic Development Strategy to achieve that Vision.

The Economic Development Strategy focuses on job creation, investment facilitation, business growth, export generation and new innovation in key targeted industries and geographic centres in the Pacific Innovation Corridor.

The Economic Development Strategy provides the foundation for the Council's involvement with the Regional Partnerships Program. Where the objectives of the Council's Economic Development Strategy align with those of the Regional Partnerships Program and the Gold Coast Region Area Consultative Committee (GCRACC), there is the opportunity to improve regional economic outcomes (jobs, investment, exports, etc) for the Gold Coast community.

Based on the GCCC's experience with the Regional Partnerships Program and the role of the GCRACC within that Program (which is outlined later in the submission), the Council considers that the:

- Regional Partnerships Program is performing a very useful function within Gold Coast,
- GCRACC has performed its tasks very well,
- Checks and balances are adequate to provide for proper and accountable public administration, and
- Regional Partnerships Program should continue.

A particular feature of the Regional Partnerships Program that is attractive to Gold Coast City Council is the fact that the Program applies to Gold Coast City, whereas other regional based programs have excluded Gold Coast City. Often the Gold Coast is excluded from Commonwealth regional based programs and also misses out on the natural economic growth that occurs in state capital cities.

The application of the Regional Partnerships Program to Gold Coast City is essential as it provides a means to engage with adjacent regional areas such as Tweed and Beaudesert and to address regional development issues reflecting the differences within a city the size of the Gold coast.

2 Basis of Submission

The Gold Coast City Council's submission is based on its economic circumstances and needs combined with its experience with the Regional Partnerships Program.

2.1 Gold Coast Circumstances and Needs

Gold Coast City has particular regional economic development needs arising from its geography, structure, history and past development. In addition, the centres or nodes within the city often have different economic development needs.

The main features of Gold Coast City that drive its particular economic development needs include:

- The city comprises a very large area of 1,451 square kilometres extending from Beenleigh in the north, Coolangatta to the south, and towards Mt Tambourine in the west.
- Gold Coast City has much greater diversity than the popular image of the narrow tourist strip. While highly urbanised in many areas, there are still large rural areas and small villages. The Hinterland areas, principally the rural areas, open space recreation areas, state forests and national parks comprise "the green behind the gold".
- Traditional reliance on the tourism industry has had to be countered with a focus on broadening and deepening the economic base of the City.
- It is the sixth most populous City in Australia and the largest city outside of Australia's mainland capital cities. The estimated resident population of Gold Coast City at 30 June 2003 was 455,473. In addition on Census night 2001 there were 49,991 tourists and visitors.

- The Gold Coast City population is forecast (Department of Local Government and Planning medium series) to increase to 573,925 by 2011, that is an increase of over 150,000 in 10 years from 2001. The increase in the period is equivalent to the total populations of Rockhampton, Bundaberg, Mt Isa and Warwick combined. Recently the Gold Coast City increased by some 16,000 per year, the total size of a moderate sized Australian provincial town.
- Has an urban structure resulting from its topography and the mid to late twentieth century socio-economic forces, with a distinctive multi nodal linear urban form, without a single dominant centre, which is unlike the older capital cities in Australia.
- Is highly dependent on small private businesses. About three-quarters of businesses (74%) have less than 5 employees and 90 % have less than 10 employees. In total small business (less than 20 employees and 50 for Manufacturing) accounts for more than 95% of all businesses.

These factors are incorporated into the Council's Economic Development Strategy that was first adopted in 2001 and has been regularly updated since and which provides the foundation for the Council's economic development work.

2.2 Experience with Regional Partnerships Program

Council has been involved in the following projects either as the project proponent or in a support position.

Project approved where GCCC is proponent

- Gold Coast Hinterland Backpackers Initiative
- Advancing Burleigh
- Beenleigh Your Town Your Future

Project approved where GCCC has support role

- Beaudesert Equine Strategic Plan
- Progressing Gold Coast Health and Medical Industry Association
- Tweed/Coolangatta Aviation Cluster

Applied but not yet approved

- Regional Motorsport Supply Chain and Business Development

The feature of the approved projects is the wide participation of other organisations including:

- The Queensland Government,

- Other councils in the GCRACC region,
- Chambers of Commerce,
- Regional economic development agencies, and
- Industry development organisations.

Of the approved projects with which it has been involved, the GCCC has contributed 22% (cash and in kind contributions) of the value the projects, indicating the roles played and financial contribution made by other organisations including funding from the Regional Partnership Program.

2.3 Processes

The needs of the Gold Coast reflected in the Economic Development Strategy priorities for key industries and key places (within the Pacific Innovation Corridor) provide the basis for linkage with the Regional Partnerships Program.

Beenleigh, Burleigh and Coolangatta are key nodes in the Pacific Innovation Corridor, the Health and Medical and the Sports industries are targeted industries in the Economic Development Strategy and the Tourist Industry is the major industry on the Gold Coast, with the Backpacker sector a rapidly growing component. Projects also offer the opportunity to take a regional perspective such as projects undertaken in cooperation with the Beaudesert Shire Council (Beaudesert Equine Strategic Plan) and with the Tweed Economic Development Corporation (Tweed/Coolangatta Aviation Cluster).

The GCCC considers that the Regional Partnerships Program Guidelines and Application Form are clear, transparent and set out detailed requirements for the applicant. Applications are required to clearly and explicitly state the project objectives and the expected outcomes.

For many years the GCCC has maintained a good professional relationship with the GCRACC. That relationship has continued with the Regional Partnerships Program.

As required by the Guidelines, the GCCC as proponent works closely with and receives advice from the GCRACC to develop the application to the appropriate standard in particular in obtaining partners, identifying outcomes, setting milestones, timeframes and budgets and generally being made aware of the requirements of the Program including consistency with the GCRACC Strategic Plan.

The basis provided by the Council's Economic Development Strategy and the professional relationship with the GCRACC has resulted in high quality applications. In summary, the Council considers that the processes as applied to projects with which the Council has been involved are efficient, transparent and for the benefit of the community.

3 Comments on Specific Terms of Reference

As the GCCC submission is based on the experience as outlined above, comments on specific Terms of Reference are limited to those of an applicant. There are a number of the Terms of Reference on which Council is not able to comment.

3.1 Decisions to fund or not to fund particular projects

As outlined in sections 2.1 and 2.2, projects where Council has been a proponent or a major supporter have been based on a demonstrated need, such the Council's Economic Development Strategy or Tourism Strategy.

Projects are likely to be approved where the economic development needs of the community are well substantiated and documented and where these local needs align with the objectives of the Regional Partnership Program and the GCRACC's Strategic Plan

3.2 Recommendations of the Area Consultative Committees

As outlined in section 2.3, the Council receives advice from the GCRACC on means to improve the quality of applications. This is a requirement of the Guidelines.

3.3 Criteria Used to Fund Projects

Based on its experience, Council considers that the criteria used to determine applicant eligibility for funding and the factors taken into account in determining need are adequate. The Guidelines are clear and the Application form requires extensive justification and support.

Council believes that its Economic Development Strategy and Tourist Strategy provide the foundation for well-developed applications. The analysis provided at Attachment 1, shows the Objectives, Needs and Justification of the projects where Gold Coast City Council has been involved either as project proponent or in a support role. This data objectively demonstrates the strength of the applications in responding to the Program's objectives and Guidelines.

3.4 Transparency and accountability of the process and outcomes

From the Council's experience, the Guidelines and the application process are clear. Key project parameters such as objectives, timeframes, budgets, and outcomes are required.

Council commits considerable resources to preparing good and well-supported application for funding under the Program, in the belief that the resources applied to the "front end" of the application process are reflected in better project outcomes for the Gold Coast community. The level of detail in addressing the project objectives and needs is reflected in Attachment 1.

Attachment 1

Summary Assessment of Project Objectives and Needs

Projects where Gold Coast City Council is proponent

Regional Backpackers

Objectives

Over the past 18 months, GCCC, Gold Coast Tourist Bureau and backpacker industry have collectively undertaken an industry analysis and produced a development plan to improve the performance of the Gold Coast as a backpacker destination. The Regional Partnership funding will assist local stakeholders to implement initiatives identified in this plan.

Project aims:

1. To build relationships to integrate backpacker accommodation and product and strengthen regional partnerships between the public and private sectors and across Gold Coast City and Beaudesert Shire.
2. To broaden the backpacker experience beyond the beach and nightlife activities currently associated with the Gold Coast to include new experiences focusing on nature-based adventure activities, particularly in the hinterland, Broadwater and South Stradbroke Island and the southern coastal areas.

As the result, the outcomes will be felt throughout the entire Gold Coast region and provide an integrated and coordinated approach the backpacker tourism development

Needs and Rationale

Backpackers represent 10% of the total inbound market to Australia. They tend to stay longer and therefore spend more than an average tourist during their stay. As recognised in the *Tourism White Paper*, backpackers represents a significant opportunity to growing Australia's - and by extension the Gold Coast's tourism industry. This was also identified in GCCC's tourism strategy.

Historically the Gold Coast has performed strongly in the mass tourism marketplace. Nonetheless, as a backpacker destination, the Gold Coast has not performed as well as other Australian backpacker destinations and appears to be stagnating in the backpacker marketplace.

The Gold Coast attracts 40,000+ less backpacker visitors and has a growth rate 10% less than many other regional backpacker destinations. Two key factors have impeded this growth: (1) fragmentation between accommodation and product development; and (2) failure to differentiate the Gold Coast from other Australian backpacker destinations. This project will proactively, in conjunction with private enterprise, work to build this segment to improve the region's viability as a backpacker destination.

Advancing Burleigh

Objectives

The project aims to build on the recent centre improvement program, progressing Burleigh by marketing and building economic growth and creating new jobs on the revitalised town centre. This will be achieved through the development of an Economic Development and Marketing Plan for Burleigh, developed in consultation with the local business community. Subsequently 3 potential projects will be implemented to enhance the economic development and job opportunities in Burleigh. Burleigh Chamber of Commerce, Gold Coast City Council and State government, where appropriate, are anticipated to take lead roles in the implementation of these projects.

Needs and Rationale

The project results from a combination of Council's commitment to Burleigh as one of the 10 centres of the Pacific Innovation Corridor and more recently Council's Centre improvement Program (CIP), which is being implemented in Burleigh.

The CIP has been a trigger for the local business community to look for economic development opportunities to enhance revitalisation.

Beenleigh Your Town Your Future

Objectives

This project is designed to stimulate economic development in Beenleigh and build stronger links between Beenleigh and Yatala Enterprise Area. It comprises several components:

- 1 Skills, Labour and Services Audit
- 2 Access Issues
- 3 Town Centre Future Vision
- 4 Eat Street Precinct
 - a Implementation Plan development
 - b Work with current businesses
 - c Marketing and investment attraction
 - d Cooperative marketing

- 5 CBD stocktake
- 6 Re-engaging Beenleigh youth
- 7 "Invest in Beenleigh" campaign
- 8 "New Beenleigh" marketing campaign

Needs and Rationale

Gold Coast Council is committed to working with stakeholders to address long term unemployment problems of Beenleigh and Yatala which had an unemployment rate as at September 2003 of 11.4% and 13.6% respectively, compared to the national average of 5.7% and Queensland 6.2%.

Yatala Enterprise Area has seen unprecedented uptake of land, and there is a window of opportunity to source employees for these new businesses from the high unemployment areas of Beenleigh and Yatala

Beenleigh and Yatala are identified as two of the Pacific Innovation Corridor Precincts within the Economic Development Strategy. This project will link each of these components to enable the development of the northern end of the Gold Coast City. Council is aware of the ACC's Strategic Regional Plan and considers the project fits within their goals.

Projects where Gold Coast City Council has a support role

Equine Strategic Plan

Objectives

The Beaudesert Shire Council has led an equine industry community consultation process over a six-month period, which have identified that the equine community believes that a lot of opportunities exist that a unified horse industry, as well as individual equine sectors and businesses could take advantage of.

In 2003, both the Department of State Development and the Beaudesert Shire Council undertook research studies of the equine industry in the Shire. These studies have identified that the equine industry already has a significant economic impact on the Shire of Beaudesert. However, it is thought that with effective strategic planning the existing industry could provide a very strong base for expansion of businesses and employment opportunities in the Shire.

Beaudesert Shire is ideally situated an hour from each of Queensland's three largest population centres and being a Shire of almost 2, 600 square kilometres there are significant opportunities for relocation of metropolitan-based businesses to the Shire as room for growth is particularly limited within the Gold Coast and Brisbane. It is also believed that there are significant regional opportunities to be identified for collaboration with Gold Coast City

Needs and Rationale

The project will develop and implement a Strategic Plan to build on the capability of the emerging equine industry across the Shire. The project will include the development and implementation of two projects that arise from the strategic plan, for example, the establishment of an industry cluster and the development of co-operative marketing materials to respond to and optimise market opportunities. The project will enable ongoing growth and development, attract other horse-related industries and businesses to the Shire, and exploit any regional opportunities that may exist with Gold Coast City. A consultant will be engaged to undertake this project. Project management will be provided through a stakeholder group comprising of industry representatives and the funding agencies

Progressing Gold Coast Health and Medical Industry Association

Objectives

Broadly this project aims to stimulate economic growth, catalyse further job creation and continue the diversification of the Health and Medical industry in Gold Coast City. Specifically, this will be achieved through the development and implementation of a strategic plan, a marketing plan and communication strategy, developed in consultation with the City's industry community and GCHMIA. GCHMIA, Gold Coast City Council and Department of State Development are expected to take lead roles in the implementation of these projects. Subsequently, it is expected these three projects will foster the following:

1. Developing strategies to increase the health and medical industry's capability to meet market demand, to create opportunities for growth and to exploit areas of competitive advantage.
2. Identifying and implementing strategies and initiatives to build an industry critical mass, based on collaborative activities between members and stakeholders.
3. Positioning Gold Coast City as the preferred destination for wellness, healthcare and medical services, the relocation of business activities and attraction of commercial investment.
4. Close collaboration between Gold Coast City health and medical firms.
5. Increasing the depth and variety of identified opportunities for trade in national and international markets across the industry.

2. Identify the economic impact of motor racing teams on the local economy to provide evidence to members of the supply chain that through the potential expansion of their operation a wider, more diverse array of opportunities are available.
3. An estimate of the level of services needed to support the motorsport industry as it expands through the implementation of the project is required. This will ensure that further skills gaps and resource strains do not develop.
4. Identify any synergies that might exist between the motorsport industry and other industries that use similar technologies, for example with microelectronics, fibre composites, marine and aviation.

Needs and Rationale

Council's Economic Development Strategy identifies the Sport Industry as one of the City's eight key industries crucial to future growth, economic diversification and prosperity. With a motorsport precinct having formed in South East Queensland it is believed that this industry has the potential to have a significant impact on the regional economy.

AVESCO, whose HQ is on the Gold Coast, is expanding motor racing on the domestic and international (New Zealand and China) stage which will generate additional flow-on growth in domestic service and supplier sectors.

Research has identified that motorsport was a significant catalyst to create employment growth in South East Queensland in industry sectors such as metal fabrication, engineering design and manufacture, training provision and other specialist service providers to the motorsport segment.

There is the opportunity through the identification of supply chain related opportunities to increase the level of business development in the region for businesses associated with motor sport.

It is also believed that certain skills gaps exist within the motor sport supply chain, this project will identify these gaps and recommend actions for eliminating the gaps and therefore increase the level of opportunities for associated businesses.

This initiative is compatible with a number of the Gold Coast and Region Area Consultative Committee's goals listed in the Strategic Plan, including:

Goal 1 - Promote the region as a desirable business location and a well serviced, clean and green environment in which to live.

Goal 2 - Assist in the building of constructive partnerships within the region encouraging alliances between the Government, business and community sectors to achieve sustainable regional development.

Goal 3 - Facilitate the development of a strong and diversified business sector with a wider range of enduring employment options.