



ANNUAL STRATEGY WORKSHOP

3 March 2016

Sunshine Coast
Business Council
one vision one voice 

WELCOME

Ms Sandy Zubrinich
Chair Sunshine Coast Business Council

TODAY

- **SCBC MEMBERS GETTING TOGETHER - DISCUSSING WHAT IS HAPPENING IN THE BUSINESS COMMUNITY & REGION**
- **REGIONAL PERFORMANCE**
- **SCBC FOCUS FOR CY 2016**
- **HEAR FROM MAYORAL CANDIDATES**

- **THERE IS NO DESIGNATED AFTERNOON BREAK – SO PLEASE HELP YOURSELF**
- Refreshments set up outside of the room
- Continuous tea and coffee available
- Afternoon tea served from 2.45 pm
- Drinks and canapes will be served poolside from 5.15 pm

ECONOMIC CONDITIONS IN 2016

MR Peter Bolton-Hall

Sunshine Coast Business Council State of Economy

Prepared for the Sunshine Coast Business Council
March 2016

JP Morgan Report – January 2016

- Australia: 2016 another underwhelming year following Underwhelming growth in 2015;
- we expect only slight improvement in 2016 Consumers doing well,
- but non-mining investment still missing
- Income compression to continue as GDP growth remains below trend RBA to stay sidelined, fiscal balance under pressure
- In 2016, there likely will be echoes of Australia's underwhelming 2015 economic performance. After all, the economy still is in the midst of a multi-year adjustment after an unprecedented boom in commodity prices and, subsequently
- The economy still is adjusting to the strains caused by the unprecedented commodity price boom, followed by a surge in investment in new resource capacity. These events have facilitated rapid growth in exports, but the distortions during the boom caused dislocation elsewhere.

JP Morgan Report – January 2016

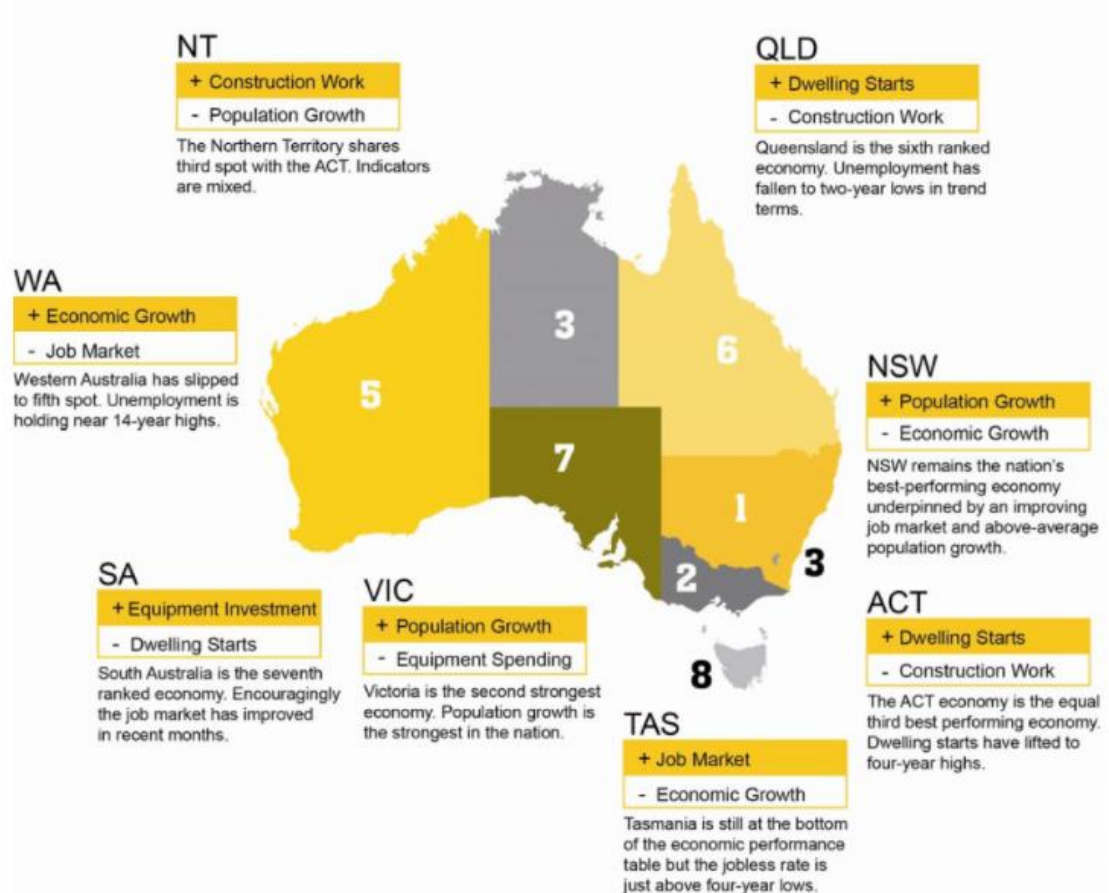
- Investment outside mining still lagging
- A still-prominent missing piece of the growth jigsaw, however, is business investment outside mining, which sits at a 20-year-low share of GDP.
- There are signs that the worst may be over—business credit is picking up alongside sentiment—but many firms still seem reluctant to boost investment, despite multi-year highs in jobs growth.
- This reluctance in part reflects the fact that most jobs are being created in services, where capital spending requirements are modest, but corporates also are dissatisfied with the slow progress on reform, and other structural impediments.
- We expect business investment outside mining to increase in 2016, but likely slowly, as these impediments will not disappear any time soon.
- Public spending, particularly on recurrent outlays, likely will remain a drag on GDP growth as state and federal governments push ahead with fiscal repair.
- But public capex is probably past its weakest point, as a slew of state-level infrastructure programs are due to commence.
- Looking further ahead to 2017, we forecast slightly firmer GDP growth, as the down draft in mining investment subsides somewhat

State of the States

January 2016 State & territory economic performance report.
Executive Summary



NSW has retained top spot as the best performing economy, edging a little further ahead of Victoria. Both states are maintaining a healthy lead over the other states and territories. The big change over the past quarter has been the lift of the ACT economy to equal third position alongside the Northern Territory. Western Australia has slipped to fifth spot. Unemployment is holding near 14-year highs. In the third grouping of state and territory economies, Queensland is sixth ranked, ahead of the South Australia (seventh) and Tasmania (eighth).



Other economies had construction work lower than a year ago, led by Queensland, down by 30.5 per cent – the biggest annual decline in records going back over 26 years.

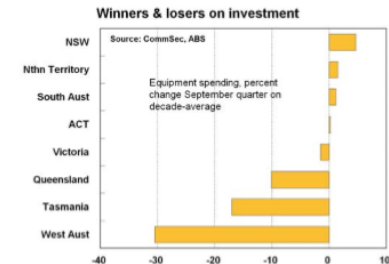
Queensland remains in the third tier of economies alongside South Australia and Tasmania.

Encouragingly, however, unemployment has fallen to two-year lows in trend terms. And dwelling starts have lifted to 7½ year highs

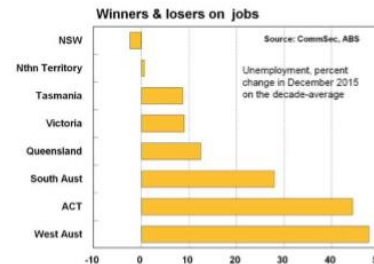
RETAIL SPENDING



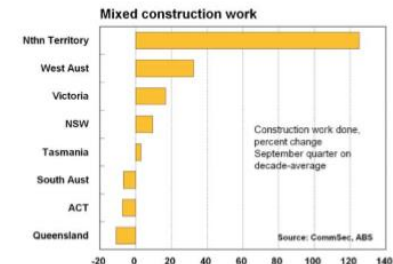
EQUIPMENT INVESTMENT



UNEMPLOYMENT



CONSTRUCTION WORK



JP Morgan Report - Guide to Australia's States and Territories, October 15

- The Queensland economy is still struggling with the transition from investment to production led growth in resources.
- Indeed, following record levels of resources capex in the 2000s, private investment is now plummeting, down close to 20% oya in the four quarters to June 2015.
- Private and public consumption have improved slightly, though not enough to offset the capex drag, with state final demand contracting 3.3% oya as of June 2015.
- Of course, increased production of coal and LNG will lead to a strong net trade contribution, though the multipliers to the domestic economy are considerably smaller than those seen during the investment phase.
- Queensland's unemployment rate remains elevated at 6.5%, and will likely remain above the national average for the next few years.
- The state's fiscal position has also come under pressure, with the Treasury slashing surplus projections across the forecast horizon.
- The downgrades relate to a reduction in expected coal export royalties following further price declines in 1H15.

JP Morgan Report - Guide to Australia's States and Territories, October 15

- Tourism is a major industry for the Queensland economy, contributing almost 7% of gross state product and employing more than 200,000 people.
- From 2011 – 2013 QLD experienced numerous natural disasters, including tropical cyclones and severe flooding, which took a toll on both economic growth and the state's fiscal position.
- Unlike Australia's other eastern states, the Queensland economy has a large exposure to the resources sector, with the mining industry comprising just under 10% of the economy in 2014.
- Much of Queensland's resources industry is focused on the extraction and shipment of coal and LNG, with exports primarily sent to either China or Japan.
- China is Queensland's largest trading partner, with the world's second largest economy receiving a quarter of total exports.
- The construction and manufacturing sectors are also vital to the Queensland economy, with these industries accounting for roughly 10% and 8% of economic output, respectively.
- The construction sector, in particular, has been a significant beneficiary of the resources boom, boosting demand for both residential and non-residential construction.
- Other important sectors of the Queensland economy include wholesale trade (5%), retail (5%), education (3%) and agriculture (2%).



Employment by Industry – November quarter 2015⁴ (released 15 December 2015)

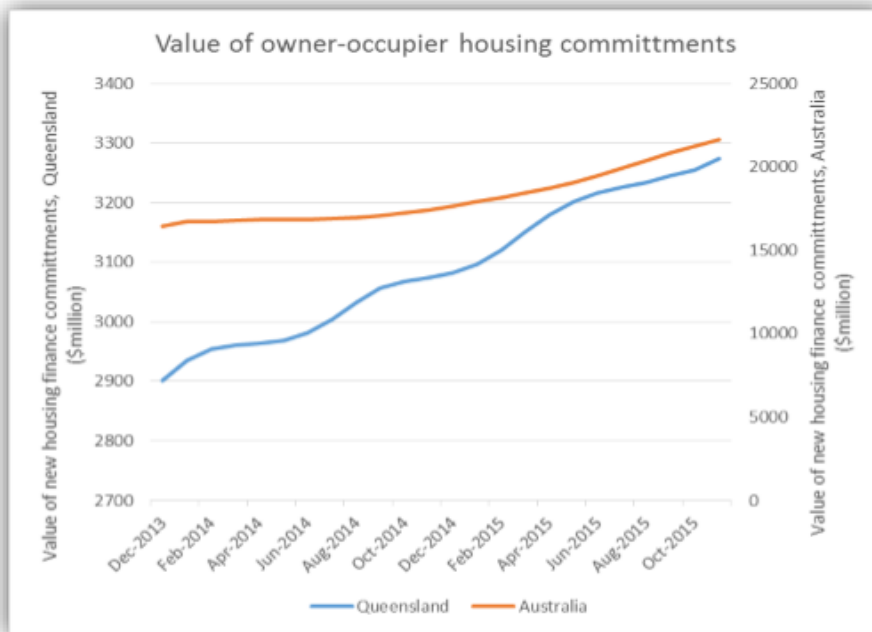
The table below shows employment by industry sector and the split of part-time and full-time workers, as well as changes over the past year. The table uses a graduated colour scale, with largest losses highlighted in red and smaller losses in orange, large gains highlighted in green, and smaller gains in yellow.

| | Total jobs | % of total jobs | % change in jobs since Nov 2014 | Full-time jobs | Full-time jobs, % change p.a. | Part-time jobs | Part-time jobs, % change p.a. |
|---|------------------|-----------------|---------------------------------|------------------|-------------------------------|----------------|-------------------------------|
| Agriculture, Forestry and Fishing | 57,664 | 2.4% | 8.3% | 42,164 | 4.8% | 15,500 | 19.2% |
| Mining | 59,481 | 2.5% | -7.7% | 57,783 | -9.0% | 1,697 | 80.0% |
| Manufacturing | 172,580 | 7.3% | 10.6% | 154,124 | 15.1% | 18,456 | -16.6% |
| Electricity, Gas, Water and Waste Services | 28,536 | 1.2% | -12.3% | 26,074 | -14.2% | 2,462 | 13.3% |
| Construction | 203,765 | 8.6% | -6.5% | 181,323 | -4.3% | 22,442 | -20.9% |
| Wholesale Trade | 67,174 | 2.8% | -2.5% | 57,558 | -2.1% | 9,616 | -4.6% |
| Retail Trade | 250,638 | 10.5% | 1.3% | 140,826 | 2.6% | 109,812 | -0.4% |
| Accommodation and Food Services | 169,021 | 7.1% | -6.3% | 67,496 | -12.3% | 101,525 | -1.7% |
| Transport, Postal and Warehousing | 131,882 | 5.5% | 11.1% | 107,552 | 12.7% | 24,330 | 4.9% |
| Information Media and Telecommunications | 33,288 | 1.4% | 8.1% | 25,734 | 7.8% | 7,555 | 9.3% |
| Financial and Insurance Services | 69,315 | 2.9% | 16.3% | 56,261 | 17.4% | 13,054 | 11.8% |
| Rental, Hiring and Real Estate Services | 51,514 | 2.2% | 5.2% | 37,946 | 2.2% | 13,569 | 14.5% |
| Professional, Scientific and Technical Services | 176,245 | 7.4% | -4.5% | 133,523 | -5.5% | 42,722 | -1.2% |
| Administrative and Support Services | 88,561 | 3.7% | 0.7% | 48,206 | -1.4% | 40,355 | 3.4% |
| Public Administration and Safety | 146,408 | 6.2% | -4.9% | 116,964 | -6.8% | 29,444 | 3.4% |
| Education and Training | 205,020 | 8.6% | 21.3% | 117,798 | 26.5% | 87,223 | 15.0% |
| Health Care and Social Assistance | 324,322 | 13.6% | 14.9% | 187,989 | 15.0% | 136,333 | 14.8% |
| Arts and Recreation Services | 37,704 | 1.6% | -7.5% | 22,803 | 4.3% | 14,901 | -21.1% |
| Other | 104,377 | 4.4% | -4.4% | 74,391 | -7.3% | 29,986 | 3.7% |
| Total | 2,377,498 | 100.0% | 3.1% | 1,656,515 | 2.9% | 720,983 | 3.4% |

Source: Prepared by Parliamentary Library from ABS data



Housing finance, November 2015⁷ (released 15 January 2016)



Source: Prepared by Parliamentary Library from ABS data

In Queensland, the value of housing finance commitments (owner occupied) for Queensland fell -0.6% to \$3 273 million in November 2015. The change in the value of owner occupied housing commitments across the states and territories is in the table below.

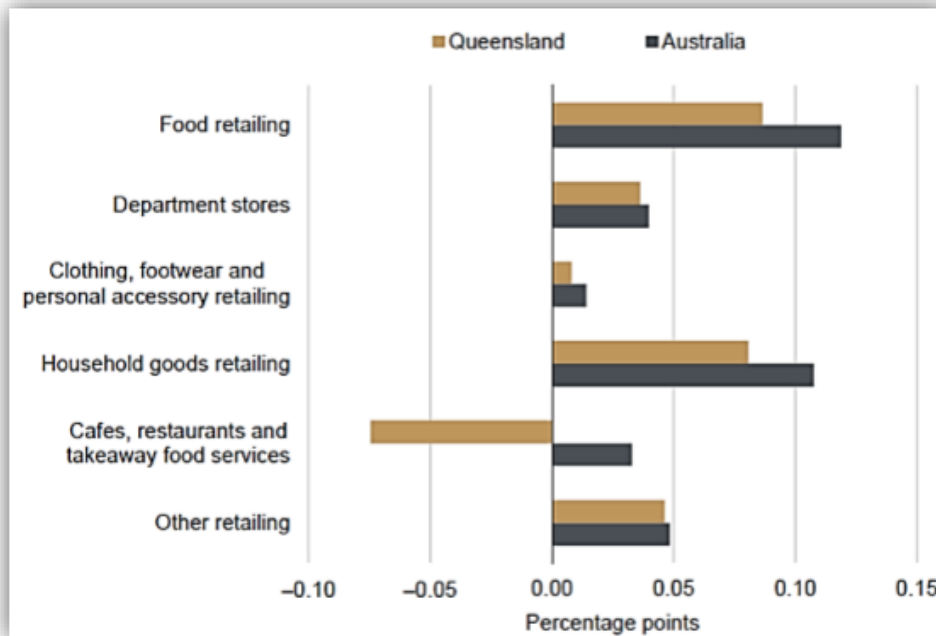
| | |
|------------------|-------------|
| NSW | 2.3% |
| VIC | 3.0% |
| QLD | 0.5% |
| SA | 1.4% |
| WA | -0.4% |
| TAS | 1.3% |
| NT | 1.4% |
| ACT | 2.7% |
| Australia | 1.7% |

In Australia, The value of housing finance for total dwellings increased 0.1% nationally for November, to be valued at \$33 243 million. The value of owner occupied housing commitments rose 1.7% to \$21 625 million. Investment housing commitments fell 2.9% to \$11 618 million for the month.

The number of owner occupied housing commitments rose by 0.8% in October 2015, to 56 378.



Retail Trade, November 2015⁸ (released 8 January 2016)



Source: Queensland Government Statistician's Office

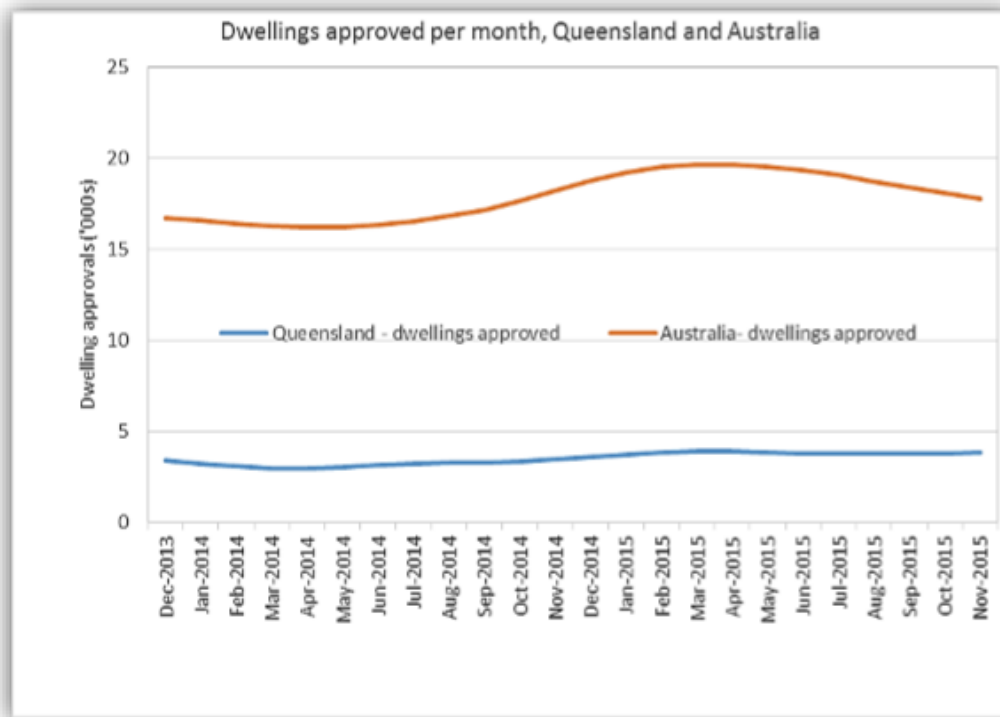
Subdued retail growth continued in November, with monthly estimated retail turnover increasing by 0.2% to be valued at an estimated \$4 974 million in November 2015. This was \$122.2 million (2.7%) higher than the \$4 842 million recorded in November 2014. Retail trade in Australia rose 0.4% in November, to \$24 730 million. For the year from November 2014, the national estimate of retail turnover increased 4.1%, or \$976.2 million.

Food retailing and *Household goods retailing* showed the greatest growth both in Queensland and nationally (see Figure). The table below compares trend retail growth:

| | |
|-----|------|
| NSW | 0.4% |
| VIC | 0.6% |
| QLD | 0.5% |
| SA | 0.2% |
| WA | 0.2% |
| TAS | 0.3% |
| NT | 0.2% |
| ACT | 0.2% |



Building approvals, November 2015⁹ (released 7 January 2016)



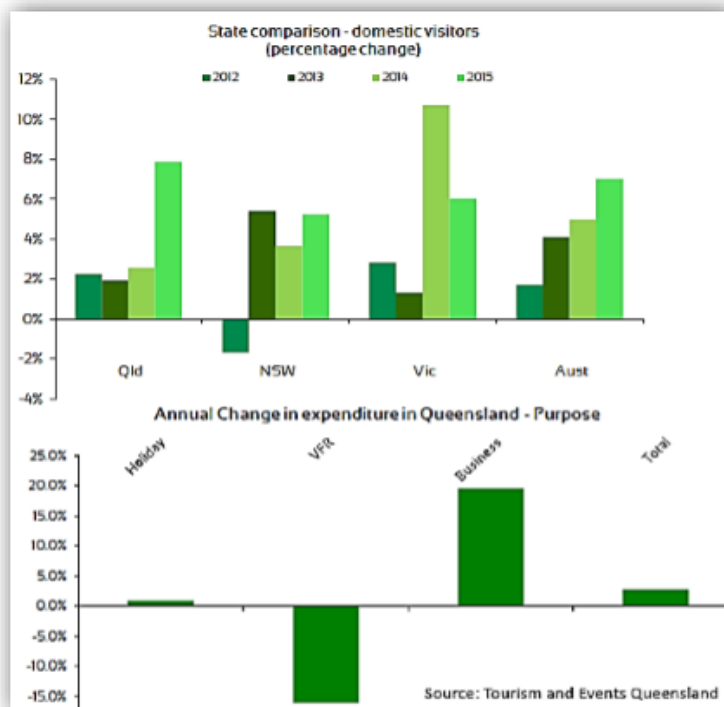
In Queensland, dwelling unit approvals rose to 3,841 (0.9%), breaking a seven-month losing streak, while the estimated value of residential buildings approved in October increased to \$1,066.1 million (0.2%).

In Australia, dwelling unit approvals fell for the seventh month, to 17 753 (-1.9%). The estimated value of new residential buildings fell for the sixth month, to \$5,584.1 million (-1.2%)

Source: Prepared by Parliamentary Library from ABS data



Domestic Tourism, Year ended September 2015⁵ (released 16 December 2015)



Queensland

Domestic visitors to Queensland increased by 7.9% to a record 19.77 million in the year to September 2015. Holiday visits grew 2.0% to 7.55 million, while the 'visiting family and relatives' (VFR) segment grew by 3.4% to 6.74 million. Business visits rose 27.9% to 4.6 million. Intrastate visits grew 10.3% to 14.170 million, while growth in interstate visitors was 2.1% to 5.597 million.

Visitor expenditure grew by 1.9% to \$13 827 million, made up of \$6 277 million of holiday spending (a 0.9% rise), \$2 058 million of VFR spending (a 16.0% fall) and \$2 351 million (a 19.5% rise) of business spending. Domestic tourism expenditure in Queensland accounted for 25.0% of Australian domestic tourism expenditure.

National

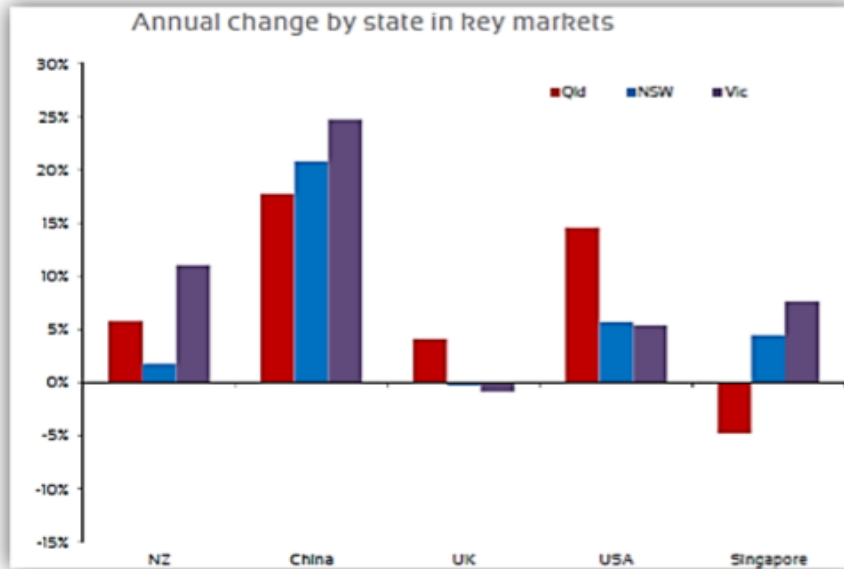
Domestic visitors within Australia rose 7.0% to 85.320 million in the year to September 2015. Visits by holidaymakers rose by 4.1% to 34.074 million, while visits to family and relatives (VFR) grew by 3.6% to 29.864 million. Business visits rose 18.2% to 18.049 million. Interstate travel grew by 8.7% to 27.771 million, while intrastate travel grew by 6.2% to 59.045 million.

Domestic visitor expenditure rose by 5.9% to \$56 890 million over the year, largely due to business visitors' spending growth of 13.5%, to \$9 966 million. VFR expenditure fell 3.8% to \$9 153 billion, while holiday expenditure grew by 5.2% to \$23.844 billion.

⁵ Tourism and Events Queensland, [Domestic Tourism Snapshot, Year End September 2015](#), TEQ, 2015.



International Tourism, Year ended September 2015⁶ (released 16 December 2015)



Source: Tourism and Events Queensland

Queensland

International visitors to Queensland increased by 6.3% to 1.521 million in the year to September 2015. Visits by holidaymakers grew 5.5% to 1.521 million, while VFR grew by 6.7% to 0.558 million. Business visits fell 2.4% to 0.165 million. Total expenditure grew by 13.5% to \$4 657 million, 20.1% of Australian international tourism expenditure.

National

Domestic visitors within Australia increased by 6.7% to 6.581 million in the year to September 2015. Visits by holidaymakers rose 6.5% to 3.508 million, while visits to family and relatives (VFR) grew by 5.6% to 2.568 million. Business visits fell 2.9% to 0.846 million. International visitor expenditure rose by 6.7% to \$6 581 million over the year.

⁶ Tourism and Events Queensland, [International Tourism Snapshot, Year End September 2015](#), TEQ, 2015.

Implications for the Sunshine Coast

- We must “Punch above our weight” and can’t rely on State and Federal Economies to drag us along
- “Game Changer” projects with Private Sector Investment are crucial
- Supporting Domestic and International Tourism Growth crucial
- Local Government stability and coordination with State and Federal
- Speak with “one voice” to compete for investment
- Support Residential Dwelling Growth and affordability

HEARING FROM OUR INDUSTRY MEMBERS

Mr Dustin Welch

Property Council

(see separate presentation)

HEARING FROM OUR INDUSTRY MEMBERS

Mr Will Wilson

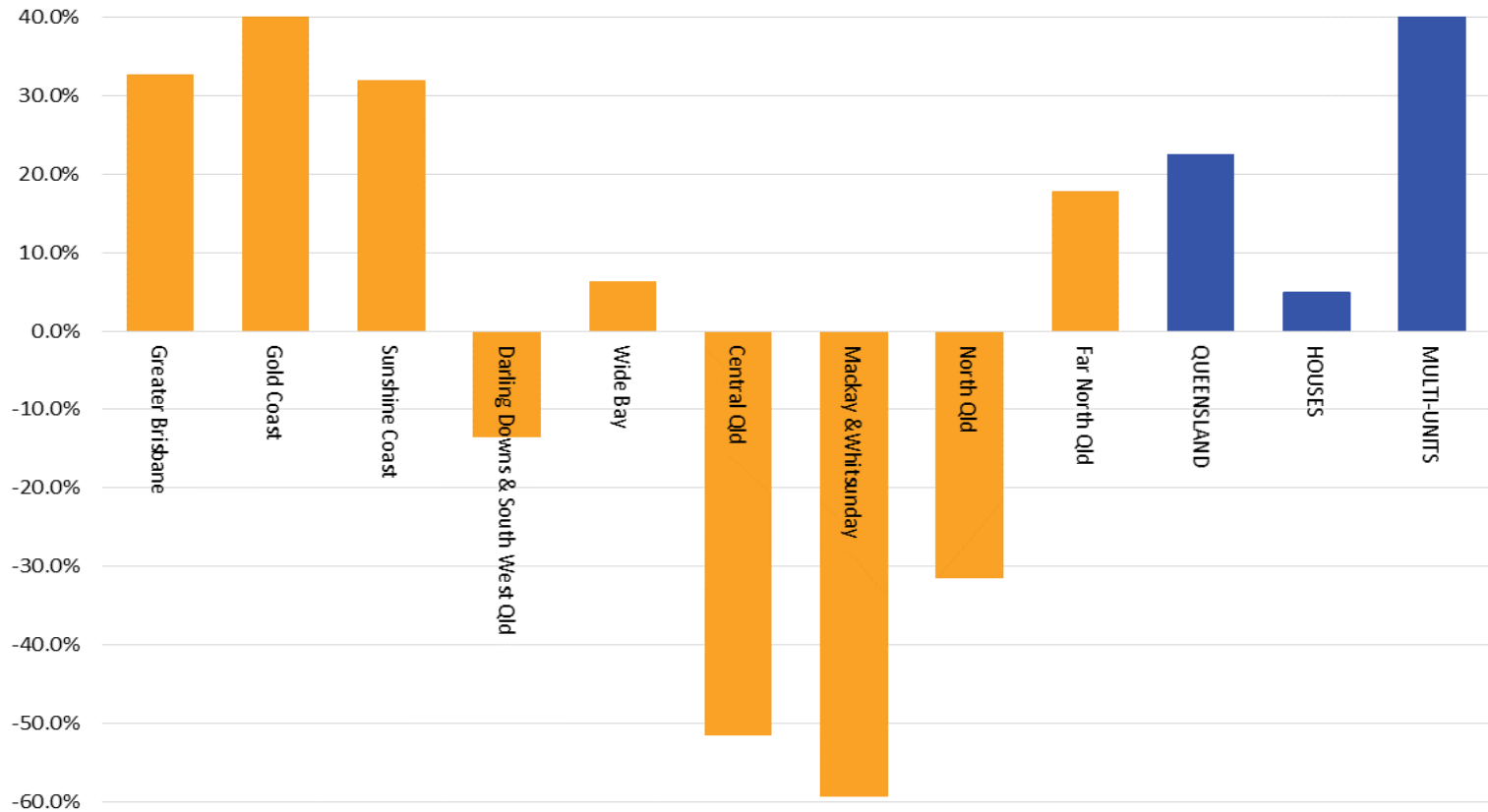
Master Builders



Will Wilson
Master Builders

Continued year on year growth

Regional building approvals
% year on year change, number of residential dwellings



Source ABS & Master Builders

Drivers

- Continued population growth
- Hospital and surrounds
- Councils plans coming to fruition

Results

- Project builders leading the way
- Architectural builders are feeling good
- More Cranes on the horizon

Future

- Continued positive growth in Sunshine Coast Economy
- Uncertainty outweighed by optimism
- Sun Central, Plaza expansion, Airport Expansion

HEARING FROM OUR INDUSTRY MEMBERS

Mr Simon Ambrose

Sunshine Coast Destinations Limited

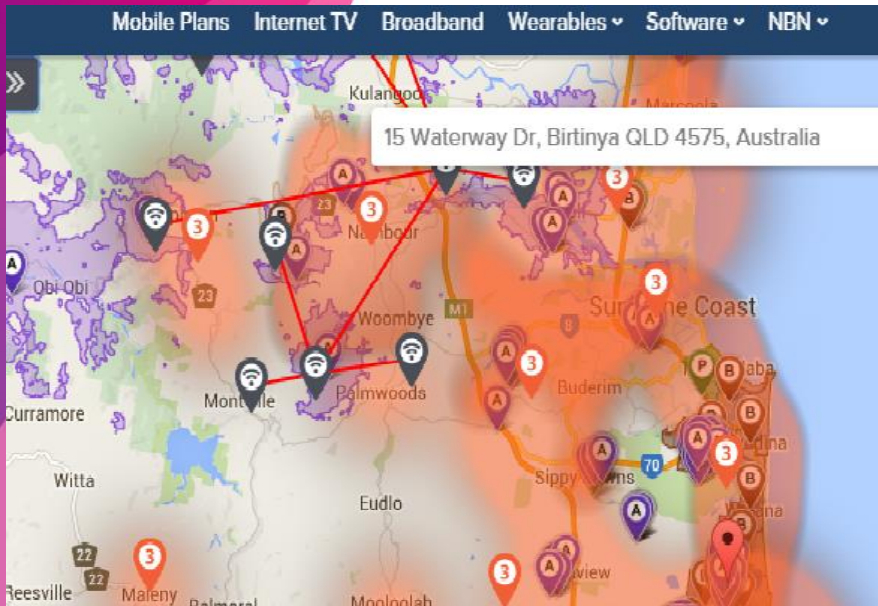
HEARING FROM OUR INDUSTRY MEMBERS

Mr Kris Carver

Telstra – Telecommunications

TELSTRA SUNSHINE COAST BUSINESS COUNCIL UPDATE

NBN update:



<http://www.finder.com.au/nbn-tracker/nbn-app/map?address=15%20Waterway%20Drive,%20Birtinya,%20Queensland,%20Australia>

Industry Highlights:

- ✓ Mobile Blackspot Program Rd1 & Rd2
- ✓ IoT
- ✓ 5G
- ✓ Smart Cities
- ✓ Telstra Health
- ✓ Muru-D
- ✓ Mayor's Telstra Technology Awards
- ✓ Telstra Venture's
- ✓ Sunshine Coast biggest change from we need → we are

IT'S HOW
WE CONNECT



HEARING FROM OUR INDUSTRY MEMBERS

Mr Don Maconachie

Mr Peter Wilson

Education & Training

Education Sunshine Coast Inc. Draft Regional Education Plan



EDUCATION AND RESEARCH

Sunshine Coast Regional Economic Development Strategy 2013 → 2018

The Education and Research industry is one of the seven high-value industries that will play a pivotal role in building and shaping the new Sunshine Coast economy into the future. It comprises a range of education providers and supporting businesses.



LEADERSHIP, COLLABORATION AND IDENTITY

ACTIONS INCLUDE»
Connecting all quality education and industry stakeholders and aligning with investment plans.



CAPITAL INVESTMENT

ACTIONS INCLUDE»
Working with research and educational agencies to attract external funding for infrastructure projects



HIGH-VALUE INDUSTRIES

ACTIONS INCLUDE»
Ensuring the education and research industry permeates and underpins all other high value industries



LOCAL-TO-GLOBAL CONNECTIONS

ACTIONS INCLUDE»
Seeking high-level advocacy and productive partnerships across all levels of government



INVESTMENT IN TALENT AND SKILLS

ACTIONS INCLUDE»
Establishing an education and training road map for the business community

THE FIVE PATHWAYS



GOALS FOR THE EDUCATION AND RESEARCH INDUSTRY

JOBS 2018
11,792

JOBS 2014
10,585



EMERGING OPPORTUNITIES



EDUCATION INDUSTRY EXPANSION

Further development of training and education infrastructure and providers coupled with new research and learning centres to stimulate investment



THE SILK HIGHWAY GLOBAL TREND

Access to new markets in Asia due to rapidly growing economies and income levels and an opportunity to look at niche markets to meet Asian demand for products and services



FEDERAL AND STATE GOVERNMENT POLICIES

Will allow regional areas such as the Sunshine Coast to differentiate, based on local key strengths. Key stakeholders will have the flexibility to respond to a changing environment



RESEARCH CENTRES OF EXCELLENCE

Including the development of a skills, academic and research centre at the Sunshine Coast Public University Hospital

For more information visit business.sunshinecoast.qld.gov.au

Mission



To work together to influence, improve and advocate for the best possible educational outcomes for the Sunshine Coast

Vision



To become an education destination recognised for the excellence of its educational institutions, the experience provided for students and the contribution to regional prosperity

Values



- Social responsibility
- Educational excellence
- Collaboration
- Common good
- Positive impact

Goals



Goal 1: To encourage the region to view education and intrinsically valuable

Strategy 1.1: Publicise stories of the impact of education on the quality of the lives of individuals

Strategy 1.2: Publicise stories of the impact of education on the quality of community life

Goals

Goal 2: To encourage the region to embrace education as an economic driver

Strategy 2.1: Maintain the database of regional education performance

Strategy 2.2: Use the data to identify actions likely to improve regional education performance

Strategy 2.3: Garner community support for the coordinated implementation of these actions

Goals

Goal 3: To encourage the region to be a student-friendly place

Strategy 3.1: Define and describe the key characteristics of a student-friendly place

Strategy 3.2: Identify key actions to improve the student-friendliness of the region

Strategy 3.3: Garner community support for the coordinated implementation of these actions

Goals



Goal 4: Use Study Sunshine Coast to promote local participation in local educational institutions

Strategy 4.1: Use Study Sunshine Coast to promote local participation in local educational institutions

Strategy 4.2: Use Study Sunshine Coast to promote participation in local educational institutions by Australian students from outside the region

Strategy 4.3: Use Study Sunshine Coast to promote participation in local educational institutions by international students

HEARING FROM OUR INDUSTRY MEMBERS

Mr Ben Simpson

Mr Dustin Welch

Health – ‘Ripple Effect’ SCUH & Kawana Health Precinct

(see separate presentation)

HEARING FROM OUR INDUSTRY MEMBERS

Mr Michael Shadforth

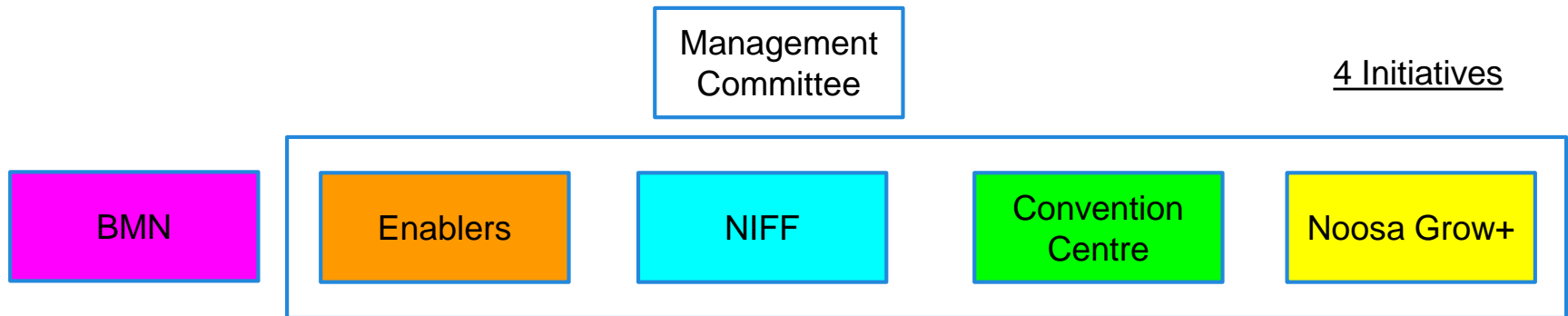
CCIQ – Sunshine Coast

HEARING FROM OUR INDUSTRY MEMBERS

Mr Peter Chenweth

CCIQ Noosa

CCIQ Noosa: 4 Initiatives



#1 Enablers: Sub-Initiatives

Best Practice

- Forum 28 July
- Forum 10 Feb

Broadband

- Elysium Aerial 14 December, 2015
- Noosa Hill Aerial, 12 Feb

Collaboration

- Local: MC
- Regional: SCBC, SCC
- CCIQ SC

Noosa Made

- 3rd Branding Workshop, February 5

Achievements: #2 NIFF



A screenshot of a Facebook event page for the Noosa International Film Festival. The background is a dark blue and green abstract graphic with white geometric lines. In the top left corner, there is a camera icon. The main text in the center reads "NOOSA INTERNATIONAL FILM FESTIVAL 4-6 NOVEMBER • 2016". Below this, the event name "Noosa International Film Festival" and the category "Movie Theater" are displayed. On the left side, there is a white box containing the NIFF logo, which consists of a blue hexagon with the letters "NIFF" inside, and the text "NOOSA INTERNATIONAL FILM FESTIVAL" below it. On the right side, there are three buttons: "Create Call to Action", "Share" (with a right-pointing arrow icon), and a three-dot menu icon. At the bottom, there is a navigation bar with the following options: "Timeline" (underlined), "About", "Photos", "Likes", and "More" (with a downward-pointing triangle icon).



**NOOSA INTERNATIONAL
FILM FESTIVAL**
4-6 NOVEMBER • 2016

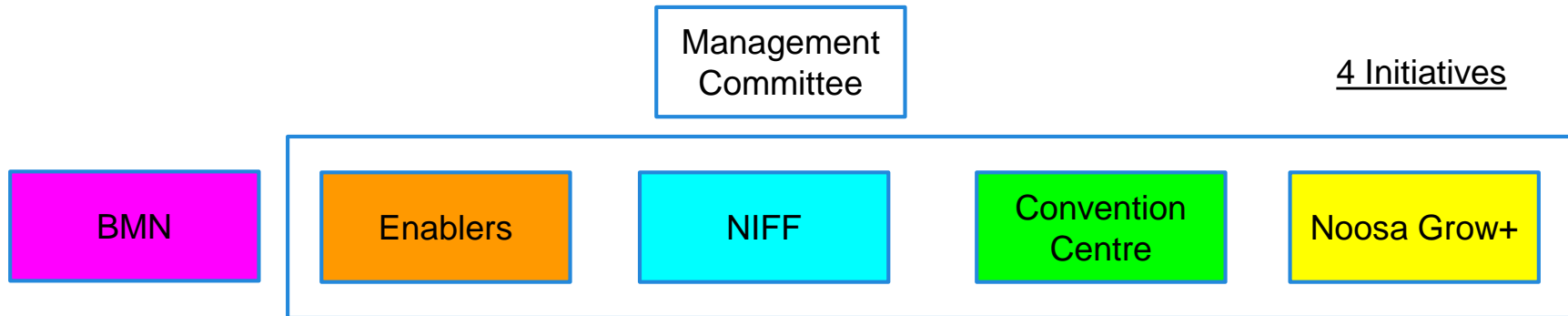
**Noosa International Film
Festival**
Movie Theater


NOOSA INTERNATIONAL
FILM FESTIVAL

Create Call to Action Share ...

Timeline About Photos Likes More ▾

CCIQ Noosa: 4 Initiatives



- New Branding
- Opening: Premier
- Submissions open
3 Mar

- Draft 6
- Submit 29
April

- June start

HEARING FROM OUR INDUSTRY MEMBERS

Mr Bill Darby

Caloundra Chamber Commerce

2015 Achievements

- ✓ Chamber rebrand & office relocation
- ✓ 482 members
- ✓ 35 business events - attendance growth of 45%
- ✓ Caloundra CBD project underway
 1. Taskforce
 2. CBD Curator
 3. Caloundra Central Masterplan
- ✓ Caloundra Tourism reinvigorated
- ✓ Chamber turnover increased



caloundra
chamber of commerce



What's coming in 2016

- ✓ Bulcock street-scaping project
- ✓ CCTV application announcement
- ✓ 500 members by Jun
- ✓ Caloundra CBD Project continuation
- ✓ Delivery of 32 Chamber business events
- ✓ Appointment of a Caloundra Tourism Officer
- ✓ New Chamber Website



caloundra
chamber of commerce

HEARING FROM OUR INDUSTRY MEMBERS

Maroochydore Chamber Commerce

LATEST SCBC EMPLOYMENT REPORT

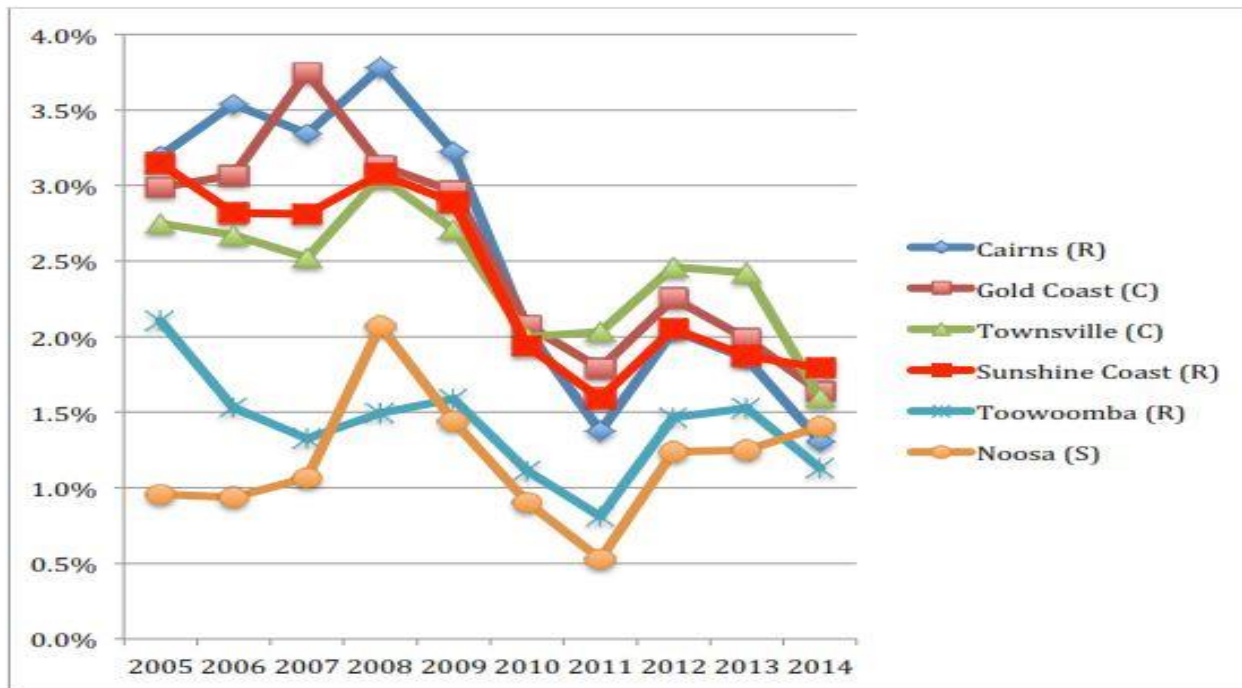
MR Hayden Rudd **REGIONAL EMPLOYMENT PERFORMANCE**

Disclaimer

- Data gathered from available sources including:
 - Australian Bureau of Statistics (ABS)
 - QLD Government Statisticians Office
 - Economy ID (SCC Website)
- Continuing concern over reliability of survey data, even at a National level.
- For example, the ABS states in relation to monthly unemployment rates for the Sunshine Coast region that: “they are subject to sampling variability that is too high for most practical purposes”
- This report uses smoothed rolling averages where possible to attempt to remove some of the sampling variables
- Details the “what”, but not the “why” or “what if”

Population Growth

Annual Population Growth Rate-Major Regional LGAs 2005-2014



Source: ABS Regional Population Growth. 3218.0

- Population growth decline driven by significant reduction in net migration from southern states over past 10 years

Net Migration

Annual Internal Migration Sunshine Coast SA3 2007-2014

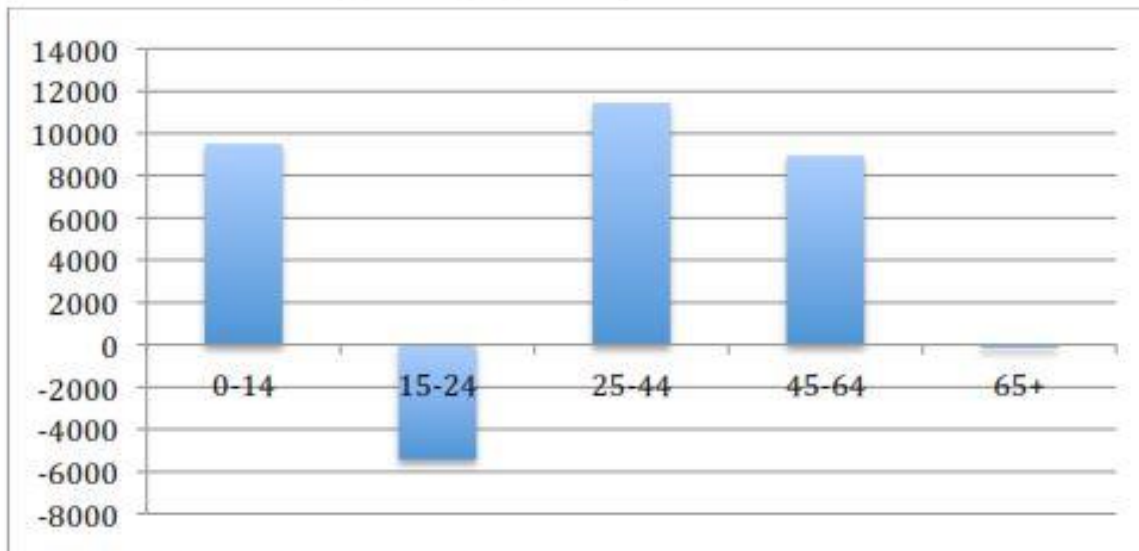
| | Arrivals | Departures | Net |
|---------|----------|------------|-------|
| 2006/07 | 22,944 | 19,073 | 3,871 |
| 2007/08 | 22,901 | 18,987 | 3,914 |
| 2008/09 | 21,704 | 19,432 | 2,272 |
| 2009/10 | 20,598 | 17,982 | 2,616 |
| 2010/11 | 19,473 | 17,789 | 1,684 |
| 2011/12 | 20,768 | 18,248 | 2,520 |
| 2012/13 | 20,743 | 17,775 | 2,968 |
| 2013/14 | 22,345 | 17,871 | 4,474 |

Source: ABS Migration Australia. 3412.

- SC region heavily reliant on internal migration for population growth (circa 50%)
- But, net migration is responsive to economic conditions
 - Issue – we need population growth to drive the economy, but we need jobs to drive the population growth
- In 2014, net internal migration for SC region second only to Melbourne west

Net Migration (cont.)

Internal Net Migration by Age Group Sunshine Coast SA3 2007-2014

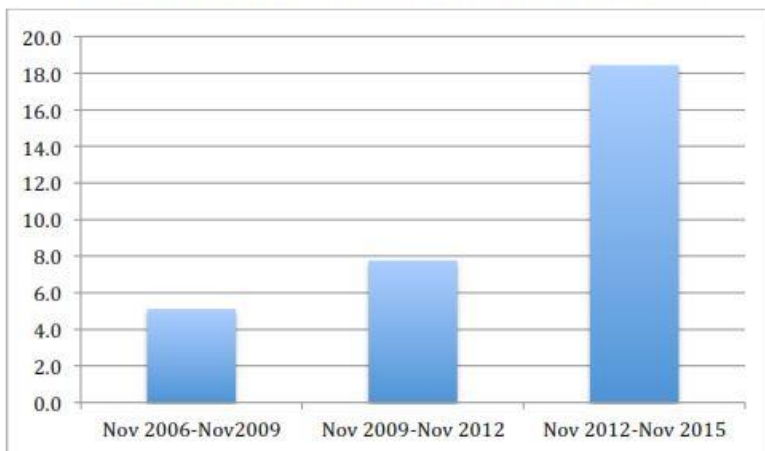


Source: ABS Migration Australia, 3412.

- Net migration loss in 15-24 age group is significant
- Age group loss very conspicuous amongst top 10 net internal migration areas / regions

Employment

Total Employment Increase Sunshine Coast Region 2006-2015 (000)



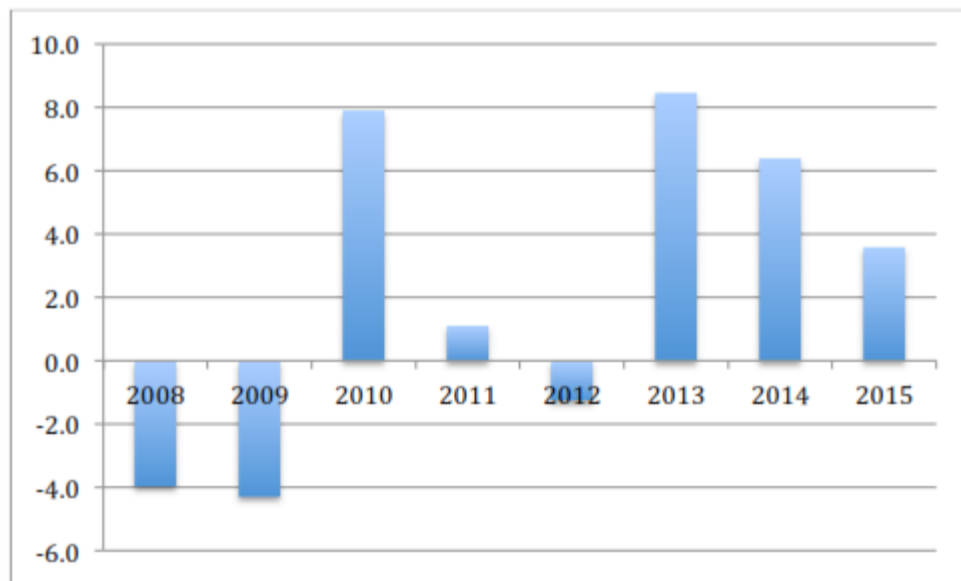
Source: ABS Labourforce Survey

Total Employment Increase Sunshine Coast Region 2006-2015

| Sunshine Coast SA4 | Nov 2006- Nov 2009 | Nov 2009- Nov 2012 | Nov 2012- Nov 2015 |
|---------------------------|-----------------------|-----------------------|-----------------------|
| Employment increase (000) | 5.1 | 7.8 | 18.4 |
| Percent increase | 3.8% | 5.5% | 12.5% |

Source: ABS Labourforce Survey

Total Annual Employment Change Sunshine Coast Region 2008-2015

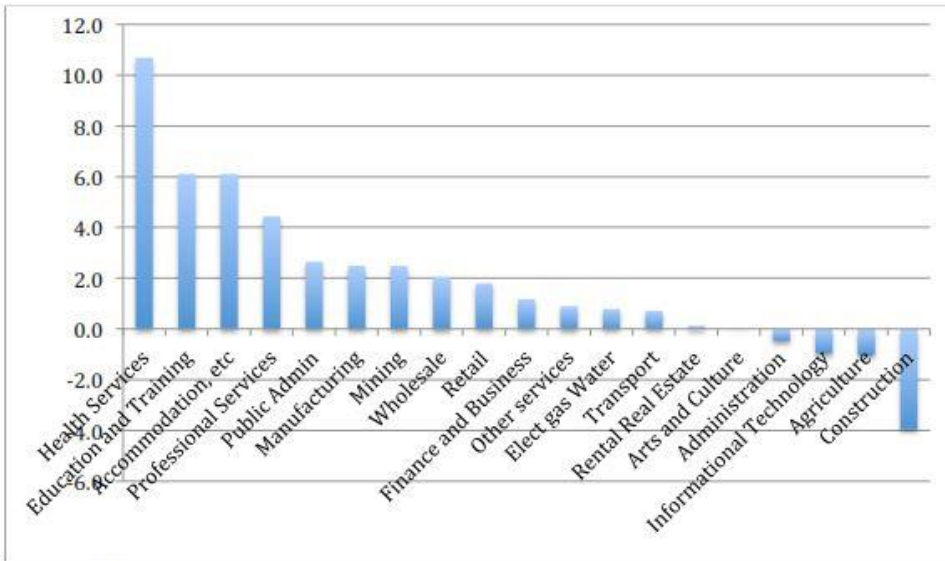


Source: ABS Labourforce Survey

- Significant increase in total employment (jobs) during the past three years comparative to prior Council terms

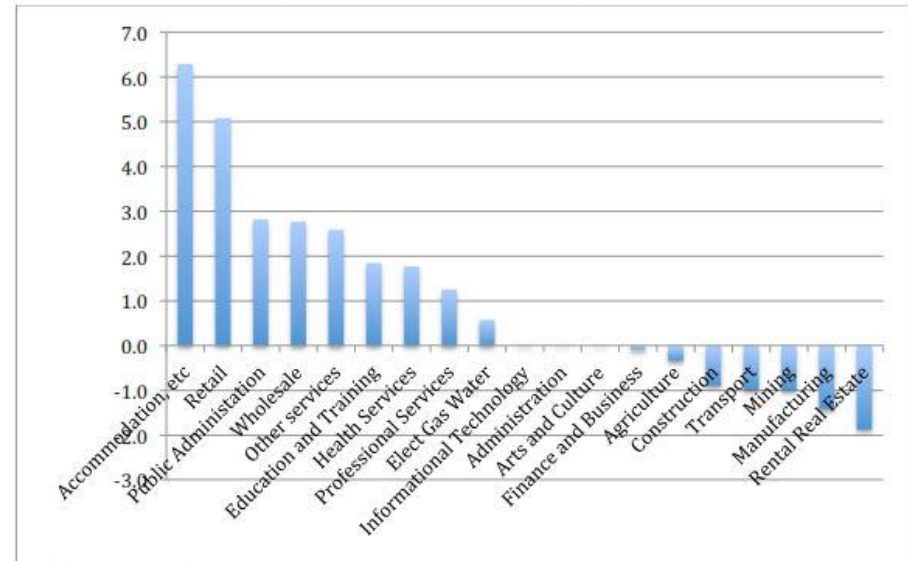
Employment by Industry

Employment Change by Industry Sunshine Coast Region 2005-2015 (000)



Source: ABS Labourforce Survey

Employment Change by Industry Sunshine Coast Region 2012-2015 (000)



Source: ABS Labourforce Survey

- Difficult to align the ABS categories directly with the SCC High Value Industries (HVI's)
- Significant employment increases seen in industries including Accommodation, Retail, Public Administration & Wholesale (90% of growth) – how many HVI jobs in past 3 years?
- Are the employment increases in traditionally lower paid and / or “part-time” industries?

Labourforce Participation

Labourforce Participation Rate Queensland Regions December 2015

| Comparable Regions (SA4) | Participation Rate (15+) Percent |
|--------------------------|----------------------------------|
| Gold Coast | 71.4 |
| Mackay | 69.9 |
| Fitzroy | 67.3 |
| Darling Downs - Maranoa | 63.7 |
| Sunshine Coast | 63.7 |
| Toowoomba | 62.4 |
| Townsville | 62.4 |
| Cairns | 60.1 |

Source: ABS Labourforce Survey

Employment Participation Rate Queensland Regions December 2015

| Comparable Regions (SA4) | Employment Rate (15-64) Percent |
|--------------------------|---------------------------------|
| Gold Coast | 79.0 |
| Darling Downs - Maranoa | 76.5 |
| Sunshine Coast | 75.2 |
| Mackay | 73.6 |
| Toowoomba | 73.3 |
| Cairns | 70.5 |
| Fitzroy | 70.2 |
| Townsville | 69.8 |

Source: ABS Labourforce Survey

- SC Region Labourforce participation lags behind QLD (65.1%) and Aus (65.7%) averages
- Employment participation rate includes only 15 – 64 years of age which excludes our older population – SC Region performance now improves (above QLD and Aus averages)
- Highlights the issue of the reducing labour force base for our region

Unemployment (cont.)

Unemployment Rate Queensland Regions December 2015

| Comparable Regions (SA4) | Unemployment Rate (15+) Percent |
|--------------------------|---------------------------------|
| Mackay | 7.6 |
| Cairns | 7.4 |
| Townsville | 5.9 |
| Fitzroy | 5.3 |
| Sunshine Coast | 4.8 |
| Gold Coast | 4.5 |
| Toowoomba | 3.7 |
| Darling Downs - Maranoa | 2.5 |

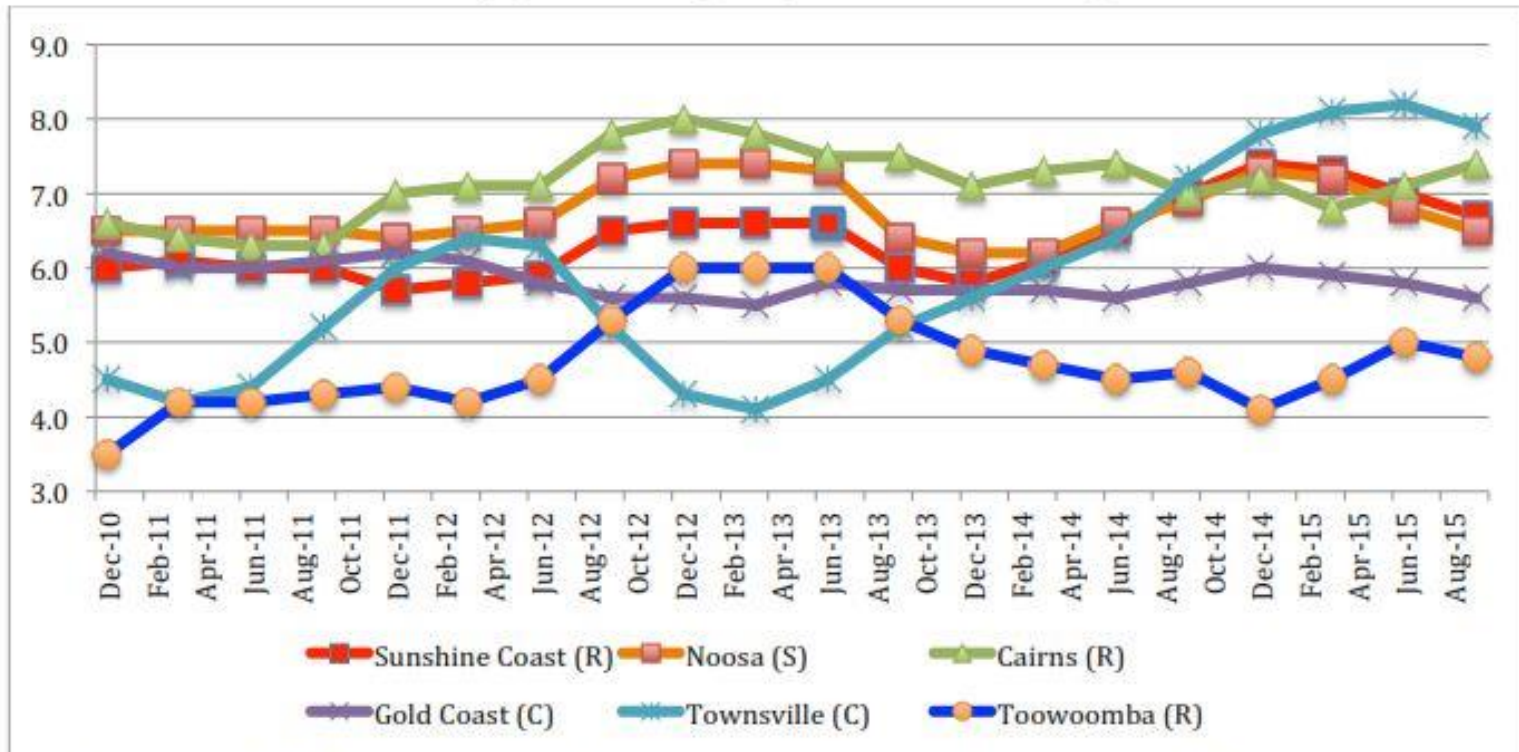
Source: ABS Labourforce Survey

- Other comparisons for same period:
 - Australia 5.8%
 - QLD 5.8%
 - SC Region 4.8%
- Regional centres tended to have unemployment 1% greater than capital cities – still correct?
- Do other indicators in the region support these figures?

- Unemployment rate defined as those over 15 years seeking work
- An unemployment rate of 5% is often considered to be “full employment”
- On a comparative regional basis, SC Region appears to be performing well
- SCC and Noosa following a similar path

Unemployment (cont.)

Unemployment Rate Major Regional LGAs 2010-2015 (%)



Source: Smoothed Unemployment Rate to September 2015 Employment Portal. Department of Employment

Youth Unemployment

Youth Unemployment Rate Queensland Regions December 2015

| Region | Youth Unemployment Rate (15-24) |
|-------------------------|---------------------------------|
| Cairns | 20.3 |
| Townsville | 18.4 |
| Mackay | 16.2 |
| Fitzroy | 13.0 |
| Gold Coast | 12.7 |
| Sunshine Coast | 9.6 |
| Toowoomba | 9.4 |
| Darling Downs - Maranoa | 7.7 |

Source: ABS Labourforce Survey

- Need to consider previous slide detailing a significant net migration loss in this age bracket – possible downward pressure on the current youth unemployment rate

- Youth unemployment generally defined by the 15-24 age bracket
- High youth unemployment is generally associated with significant social issues
- SC region youth unemployment at Dec 2015 one of the lowest in the state
- Other comparisons:
 - Australia 12.1%
 - QLD 13.2%
 - SC Region 9.6%
- Again, can these figures be relied upon?

Social Security

- Social security payments are important for Sunshine Coast LGA, and slightly above other major regions, with major payment types in 2015 as follows:
 - Pensioner Concession Card (60,124)
 - Age Pension (39,282)
 - Family Tax Benefit A (20,753)
 - Health Care Card (19,860)
 - Family Tax Benefit B (16,656)
 - Disability Support Pension (10,033)
- Aged Pension recipients per head in SC Region well above other regional LGA's
- Over 70% of the SC Region population were in receipt of some form of benefit, slightly above other regions
- 2011 Census data show SC Region median family incomes were 16.0% below the QLD average

Overview

- On nearly every indicator, the Sunshine Coast economy is performing much better now than it was three years ago
- SC region is performing much better than a number of other major non-metropolitan regions in Queensland
- There are however major structural issues to address including:
 - The consistent net internal migration loss of those in the 15-24 year age group
 - The effect of a relatively old population on the labour force
 - An overdependence on a few industries to provide most of the recent employment increases, and
 - Low median family and personal incomes
- How do we now continue to measure the effectiveness of current strategies in overcoming these issues over the long term?

SCBC DIRECTION FOR 2016

Sandy Zubrinich **Focus areas for SCBC in 2016**

Five (5) focus areas in 2015

1. Job target of 250,000 jobs by 2033 requiring 100,000 new jobs
2. Communicating the need for public and private investment
3. Keeping a focus on the need for delivery of critical infrastructure
4. Capitalising on Sunshine Coast key economic drivers/investment strengths
5. Strengthening advocacy across key industries

... Generated strong media profile

Over 20 topics covered by media 2015

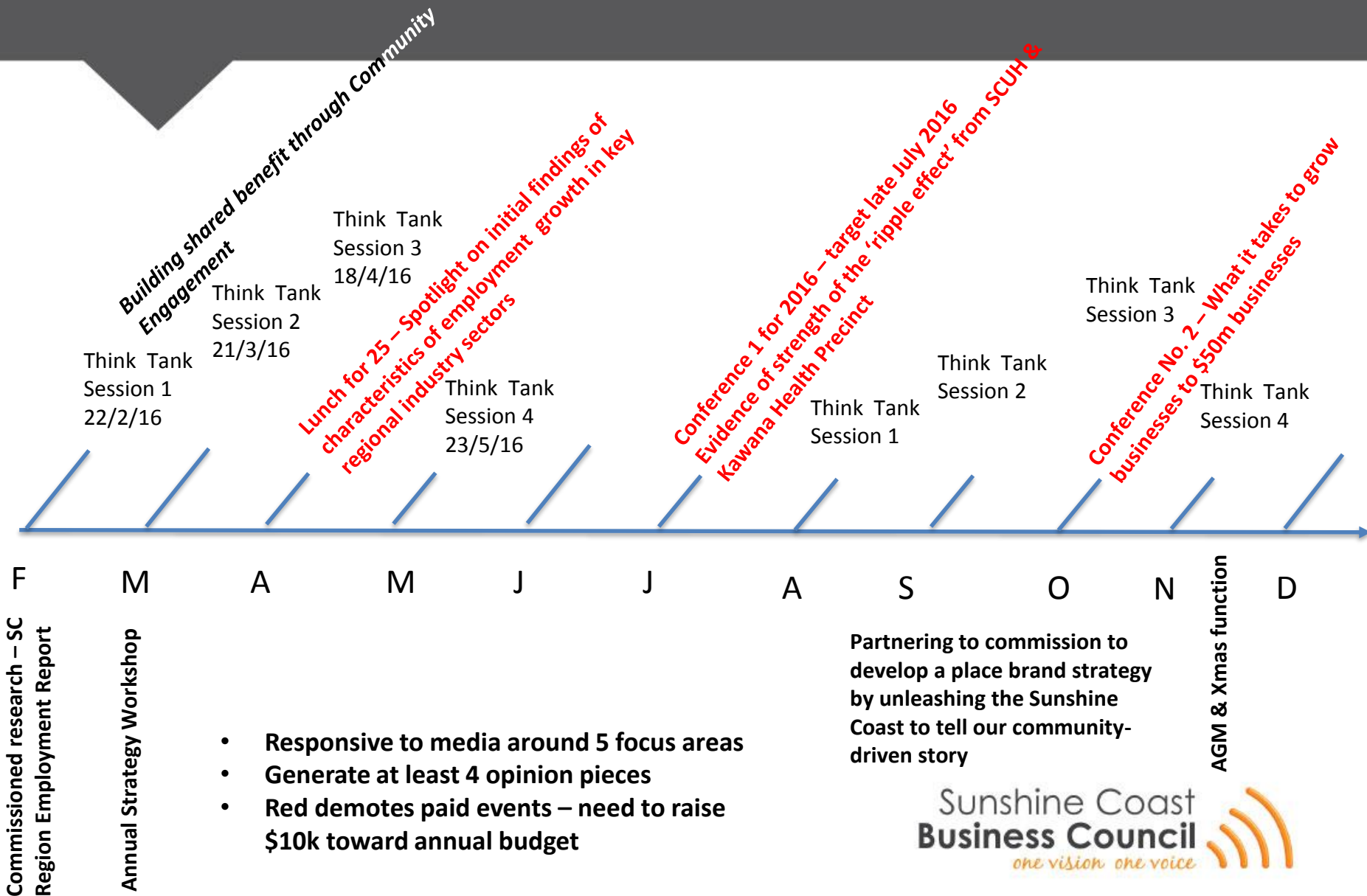
- Queensland elections
- Sekisui Development
- SEQ Olympic bid
- Rail duplication
- Daylight saving
- Youth unemployment
- Business confidence
- Mooloolah River interchange
- SCBC Think Tanks
- SunCentral CEO appointment
- Penalty Rates
- Sunshine Coast economy
- Regional investment challenges
- Federal Budget
- Regional unemployment
- St Vinnies Sleepout
- Growth in the health sector
- Human Rights
- Sunshine Coast airport expansion
- SCBC events
- Regional infrastructure needs
- Transport

- **106 media clippings**
- **Averaged over 9 clippings per month**
- **20 articles submitted to media**
- **6 TV interviews**

Maintain same focus for 2016 CY

| Focus Areas | 1. JOB TARGET OF 250,000 JOBS BY 2033 | 2. COMMUNICATE NEED FOR PUBLIC & PRIVATE INVESTMENT | 3. KEEP FOCUS ON DELIVERY OF CRITICAL INFRASTRUCTURE | 4. CAPITALISE ON OUR STRENGTHS | 5. BUILD ADVOCACY STRENGTH ACROSS KEY INDUSTRIES |
|---------------------|--|---|---|--|--|
| WHY | Employment is a key focus for SCBC. <i>We have an objective that to be a successful region we must outperform state average employment rates for both general and youth unemployment.</i> | Investment is a key focus for SCBC. <i>Broader community is not yet buying in to the need for growth which needs to be better communicated.</i> | Infrastructure is a key focus for SCBC. <i>Need to keep the political pressure on all tiers of government and deliver on its infrastructure promises.</i> | SC has one of the largest infrastructure projects currently under construction at Kawana. <i>We need to understand & leverage this key economic driver, and others.</i> | Continue to strengthen advocacy capability through targeted membership within and across key industries. |
| KEY MESSAGES | <ul style="list-style-type: none"> State Gov has population target of 500,000 by 2033 for SC. 250,000 jobs required to support population of 500,000. REDS targets 100,000 new jobs by 2032. SC is still performing below national and Qld average in terms of overall and youth unemployment TREND rates but employment growth is improving. We need to be aggressive, persistent and diligent if we are to lift the region's performance to be consistently above state average. As a region, we need to understand what sectors and projects will drive job creation, loss & retention out to 2033 and keep the focus on progress. | <ul style="list-style-type: none"> Shift in regional demographics creates investment opportunities. SC is under invested in key infrastructure necessary to deliver on REDS. REDS highlights major projects and investment opportunities. Private investors still perceive SC as not supportive of growth (several reasons) & we need to continue to address this perception. We need to market the region's strategy & potential aggressively to existing & potential investors. This is not a time to reduce funding of the region's RTO. | <ul style="list-style-type: none"> Infrastructure is critical to economic growth & SC must continue to press its needs. Regional political members must consistently hunt as a pack on behalf of the region, regardless of party. Air, road and rail transport links are key to economic growth and have been under invested on SC. SCC to ensure private investors receive transparent, expedient & commercial assessment of proposals. Need to continuously reinforce Sunshine Coast's; image & performance as a region, & one that welcomes & supports <u>good</u> investment. | <ul style="list-style-type: none"> Investment Survey 2014 -Kawana Health Precinct is top of mind with investors – putting SC on the investor map. Substantial ripple effect potential but need to drive to maximize the opportunities. Need to ensure any obstacles to this broader project as they arise are addressed quickly. Need to increase the profile and recognition of the region's investment opportunities / projects. | <ul style="list-style-type: none"> SCBC has a demonstrated record of influence as an economic and business advocate. Success is dependent on the strength of the membership base. We need influential businesses and industry groups to combine their power to effect change at the political level. |
| ACTIONS | <ul style="list-style-type: none"> Continue public dialogue around the number of new jobs required to support the region's future. Follow up employment growth needs through TTs or forums. Request SCC to provide projected job growth numbers by high value and other industry sectors, and by transformational projects, out to 2033 – jobs on and off. Engage Futures Board, USC and AES in discussions about the need to undertake the above action. | <ul style="list-style-type: none"> Focus on improving quality of community engagement on vision, economy and growth. As part of 1 above, seek business, community and council funding to fund a place brand strategy involving the SC community to tell our story. As part of 1 & 2 above, request both councils to show initiative and commitment to build on the place brand strategy by accessing the best marketing minds nationally, to position and market the region, uniquely. | <ul style="list-style-type: none"> SCBC Board to reassess infrastructure priorities and status of each major project. Maintain regular meetings with Premier, key ministers, regional representatives & both regional Mayors. Undertake media campaign explaining the need for growth, link between infrastructure and sustainable growth. Seek councils' agreement to fund the monitoring and measuring of sustainable growth at regional level. | <ul style="list-style-type: none"> Work with Stockland, USC and SCC to review whether the 'ripple effect' is achieving appropriate multipliers. Media article on the performance of the 'ripple effect' on the SC economy in the lead up to major conference. Hold conference on the 'ripple effect' around middle of the year. | <ul style="list-style-type: none"> Renew target list of influential companies/industry groups. Each board member to secure minimum of one new member by June 2015. Board members to strongly network within their industry groups. Board members to promote their involvement with SCBC whenever possible. Ask members to talk about SCBC successes and identify new members. |

Events calendar which may change



LOCAL COUNCIL ELECTIONS 19 MARCH 2016

WELCOME TO OUR MAYORAL CANDIDATES

Mr. Ron Green
Ms. Alison Barry-Jones

Cn. Sandy Bolton
Cn. Tony Wellington
Mr. Ray Kelly

Mr Tony Gibson
Cn. Mark Jamieson

LOCAL COUNCIL ELECTIONS 19 MARCH 2016

Election priorities for Sunshine Coast Business Council

1. SCC to provide evidence based comment on progress made over last four years toward achieving the job growth target of 100,000 new jobs – REDS – by industry and major projects
2. Both councils commit to working collaboratively:
 - on regional issues: Economic growth, transport and infrastructure.
 - with federal and state regional representatives particularly on regional vision, strategies, infrastructure projects and funding (HUNTING AS A PACK)
3. Both councils within the 4 year election term to perform in the top 20% of national councils, in terms of:
 - *HH income*
 - *Education attainment*
 - *General employment and participation rates*
 - *Youth employment*
 - *Operational efficiency*

SUNSHINE COAST COUNCIL MAYOR CANDIDATE

MR RON GREEN

Vision for the Sunshine Coast over the next 4 years

SUNSHINE COAST COUNCIL MAYOR CANDIDATE

MS ALISON BARRY-JONES

Vision for the Sunshine Coast over the next 4 years

NOOSA COUNCIL MAYOR CANDIDATE

CN SANDY BOLTON

Vision for the Noosa Shire over the next 4 years

NOOSA COUNCIL MAYOR CANDIDATE

CN TONY WELLINGTON

Vision for the Noosa Shire over the next 4 years

NOOSA COUNCIL MAYOR CANDIDATE

MR RAY KELLY

Vision for the Noosa Shire over the next 4 years

SUNSHINE COAST COUNCIL MAYOR CANDIDATE

MR TONY GIBSON

Vision for the Sunshine Coast over the next 4 years

SUNSHINE COAST COUNCIL MAYOR CANDIDATE

CN MARK JAMIESON

Vision for the Sunshine Coast over the next 4 years

THANK YOU

THANK YOU RUMBA EVENTS AND RUMBA BEACH RESORT FOR PROVIDING THE VENUE AND THE DRINKS FOR THIS EVENING EVENT. IT IS A LOVELY VENUE AND WE HAVE BEEN WELL LOOKED AFTER.