

**November 2016**

## **CHAIR'S ANNUAL REPORT – The year in review**

2016 has been a much better year for the Sunshine Coast. Recent reported figures suggest the Sunshine Coast is enjoying stand out economic prosperity (as measured against other Queensland regions) and in several cases, performing better than the State average. Notably:

- unemployment continued to fall (a national trend) and, based on the reported ABS data, Sunshine Coast outperformed most other Queensland regions and during 2016 fell below and has remained below the state average for the first time in several years;
- business confidence also appeared to be stronger on the Coast than in many other Queensland regions;
- tourism reported a strong increase in international and national numbers – thanks to good weather, a lower \$A and a competitive tourism offering – again stronger than most other tourism regions;
- health employment continues to strengthen in the lead up to the opening of the Sunshine Coast Public Hospital, with close to 1,000 additional jobs remaining to be filled; and
- the education sector has also continued to prosper with the Sunshine Coast University continuing to grow at a rate higher than any other Australian university (currently 14,000 students) and TAFE enrolments and new course offerings also growing over the period.

It hasn't been all good news though, as many small businesses are continuing to struggle to survive and cope with inadequate internet services, and most workers have seen their wages/salaries and household income remain flat or decline against the cost of living.

Nevertheless, Sunshine Coast has held up well in a State that is currently rated 6<sup>th</sup> in the July 2016 *State of State Report*. This is a real drag on all Queensland regions and we look forward to the State Government 'unshackling' economic development, investing more in key regional transport and road infrastructure projects, particularly on the Sunshine Coast, and starting to move this State forward.

Given the murmurs of a possible State election in the first half of next year, this State Government needs to demonstrate clearly what they are doing for the Sunshine Coast and commit a significant share of available funds to the Sunshine Coast region and demonstrate to our 300,000+ residents that we are key to Queensland's future.

## **What SCBC achieved in 2016**

SCBC continues to advocate on the key issues aligned to the Business Council's strategic focus areas: *Employment, Investment and Infrastructure*.

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### **CONTACT US**

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### **BOARD MEMBERS**

**Sandy Zubrinich, Chair**  
Managing Director ZubeK Pty Ltd

**Hayden Rudd - Treasurer**  
Commercial Manager, NCP Group

**Tony Sowden - Secretary**  
Principal, Tony Sowden Lawyer

**Simon Ambrose**  
CEO Sunshine Coast Destinations  
(vacant from mid-year)

**Peter Bolton-Hall**  
Director, Emerge Capital Partners

**Don Maconachie**  
Director, University of Sunshine Coast

**Tony Vickers**  
Director, Midson Construction

**Ben Simpson**  
Regional Manager, Stockland Sunshine Coast

**Dustin Welch**  
Executive Member, Property Council Sunshine Coast

**Kerrie Bryant-Adams**  
Executive Officer

## **Business Council's economic advocacy messages were consistent:**

### **On the Sunshine Coast's regional economy, SCBC:**

- maintained a regional focus;
- acknowledged the positive indicators, the infrastructure projects, the momentum and 'vibe' happening in some parts of the regional economy;
- worked to understand the drivers of the improved economic performance and conditions;
- continued to be concerned about under employment, lower than state average wages/salaries and household income;
- acknowledged the signs of improving government collaboration and cooperation but believe this needs to further improve; and
- called for stronger narrative and leadership in engaging with the many regional communities, and a stronger level of community buy-in around the direction and vision of the region and how it will benefit them and those to come.

### **Sunshine Coast Regional Integrated Transport Plan**

- This subject was one of five (5) topics SCBC put forward at a forum, in late August, when we heard from a leading national transport authority, Prof. Peter Newman.
- SCBC continued calling for a regional integrated transport strategy, agreed by all 3-tiers of government and both councils (Noosa and Sunshine Coast).
- SCBC worked closely with RDA, who sought expert opinions, and stakeholder and decision makers input to agree an integrated regional transport strategy including regional priorities. During 2017 SCBC will continue its strong support to agree a regional approach.

### **Sunshine Coast Airport expansion**

- This is an important economic driver for an emerging region not just for tourism but for the health precinct and other parts of the economy.
- SCBC is a strong supporter of the upgrade to the Airport and would like to see a future ownership structure that sees SCC's as a minority owner.
- We will work cooperatively with Council and continue to support the delivery of this key infrastructure project.

### **Sunshine Coast Maroochydore City Centre**

- SCBC holds the view that the Maroochydore City Centre is the appropriate location for an integrated 5-star resort and believe it would provide a clear anchor for a 5-star resort in the city centre.
- We will support any application for a casino license in that location by the SCC.
- We look forward to seeing strong investor support for this development during 2017.

### **Sunshine Coast Health Precinct**

- SCBC primary interest is the expected ripple effect from the hospital and health development in the precinct and targeted its main annual conference on the subject. The Precinct will remain a focus for SCBC in 2017.

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## South East Queensland Regional Plan (SEQRP)

- For the past 3 years SCBC have adopted the position that the two Identified Growth Areas currently identified in the SEQRP (Halls Creek and Beerwah East) should be retained to ensure sufficient land supply to accommodate growth over the next 25 + years.
- SCBC also called on any decision taken on both IGAs to be based on an independent comparative analysis, including research that covered socio-economic, land tenure, environment and indigenous and non-indigenous heritage. SCBC is unaware of any such research being released by SCC or State Government and we will again call for this action in our formal response to the SEQRP.
- SCBC made two (2) submissions to the draft plan. One on IGAs and the second was the way in which the SEQRP currently relates to tourism in South East Queensland.

## Advocacy

SCBC media focus was on key issues aligned to the SCBC strategic focus areas around the economy including:

- Unified vision and collaboration amongst regional leaders
- Community engagement
- Local government election
- Regional employment
- Think tank on community engagement
- State budget
- Integrated transport strategy
- Infrastructure projects (including rail line duplication and airport expansion)
- Ripple effect conference
- Sunshine Plaza expansion
- LGAQ appointment
- New Zealand story event
- Tourism and destination marketing
- Sunshine Coast Health Precinct.

At a member level, advocacy included consistent commentary around private sector developments:

- Need for councils to demonstrate leadership and engage with the community in positioning and explaining contentious developments;
- Need for 5-star resort to attract international visitors;
- Importance of No. 1 The Esplanade Mooloolaba as an iconic site;
- Need for both councils to support existing long term regional investors; and
- Need for private investment to take majority ownership of the Airport.

SCBC was regularly involved with members advocating with Council and in the media supporting various developments that we believe had strategic value, by highlighting economic potential and loss if the developments didn't garner strong support, particularly from local councillors.

## Events

SCBC was busy during 2016 hosting the following events:

- **Series 2 Think Tank Sessions** x 4 – *Protecting the Diversity and Richness of the Sunshine Coast Region Beyond Its Economic Value – Increasing the effectiveness of community engagement.* Held between February 2016 – June 2016;
- **Council Election – Meet the Mayoral candidates** held on 3 March;

- **Federal Election – Meet the candidates** held 22 June;
- **Ripple Effect Conference** held 11 August;
- **Combined Government and Business Forum** held 24 August; and
- **NZ Story Lunch** held 29 September.

*Background on each event is available on the business council website - [scbusinesscouncil.com.au/forums-research](http://scbusinesscouncil.com.au/forums-research)*

## What to expect in 2017

**The Sunshine Coast Council** is driving several projects poised to stimulate jobs and economic growth, the most significant being the Airport expansion and the Maroochydore City Centre projects.

Other initiatives such as the Solar Farm, Digital Economy, Smart Cities and the International Submarine Cable go to supporting the region projection as a future international modern city.

**State Government (and PPPs)** - the opening of the Sunshine Coast Public Hospital in 2017 will create the biggest 'bang' to the economy for the next several years. However, it will be the launch of the Sunshine Coast Health Precinct (if strongly supported by State government and investors), that will signal to the international markets that the Sunshine Coast is a happening place and one capable of attracting major international brands and academics to work in this fast growing and progressive region.

We hopefully look forward to the State Government funding critical infrastructure on this Coast in 2017 such as the Mooloolaba River Interchange.

**The Federal Government** will continue working with the State to upgrade the Bruce Highway and, through the RDA, work with the other government stakeholders to bring a "funded" integrated transport strategy closer to reality.

With a new line-up of Federal members, members who are committed, interested and determined to work with the business community, we are looking forward to the Sunshine Coast being more enthusiastically represented at the federal level.

### Private sector developments

- Redevelopment of Sunshine Coast Plaza (Lend Lease)
- Aura (Stockland)
- Oceanside, including the Sunshine Coast Health Precinct (Stockland)
- Harmony at Palmview (Avid Property Group)

Other private sector developments on the horizon

- Yaroomba resort and mixed use development (Sekisui House)
- No1 The Esplanade Mooloolaba – resort development (Aria)
- Twin Waters West development (Stockland)

A lot is happening and more to come. However, we need to unleash the private sector to allow investors to do more of the heavy lifting. History demonstrates that it is the private sector that is best at creating jobs, building infrastructure and getting economies going. Governments need to create the policy environment and show the leadership and bring the community along. We still have a way to go in that area.

## What we plan to focus on in 2017

SCBC's role remains as a business and economic advocate with our focus remaining on the economy, investment, infrastructure and employment. That gives us a scope to make a difference as we are the only apolitical regional business and industry group that works across all industries and is not beholden to a state or national based management group.

We will continue to build strength in:

- getting the runs on the board – being action orientated but evidenced based;
- strong advocacy work;
- membership involvement in events and think tank sessions; and
- tackling the tough issues.

SCBC look forward to working with SCC and other stakeholders in reviewing and updating the Sunshine Coast Regional Economic Development Strategy.

## Summary

I would like to take this opportunity to thank retiring board members:

- Mr Simon Ambrose, former CEO of Sunshine Coast Destinations Ltd for his work during 2015 and 2016. Simon retired from the board mid-way through the year.
- Mr Dustin Welch who has represented Property Council of Australia, Sunshine Coast region, for the past two years.

A big welcome to our new Board members:

- Mr Gary McCulloch, representing Telstra Business.
- Mr David Horne, representing ANZ Sunshine Coast.

I would like to thank TAFE East Coast Queensland for their continued sponsorship as our Patron Sponsor.

I also thank those members and businesses who step in as event sponsors when asked. We have in-kind sponsors who we also want to thank: BDO for our audit work, Mach Technology who provide our web hosting, Telstra who provide our telecommunication and venue support and Fresh PR which has done an outstanding job on our media work this year.

A big thank you to Kerrie Bryant-Adams and Barrie Adams who work tirelessly in supporting the business council and have done so now for several years.

Finally, I would like to thank our members for your commitment to the Sunshine Coast and the Sunshine Coast Business Council and to the Board for their time, efforts and good advice over the past 12 months.

Merry Christmas and all the best for the New Year.