



**SCBC ANNUAL COMBINED GOVERNMENT & BUSINESS FORUM 2020**

Thursday 26 November 2020

**Playing to Our Strengths**

**Playing to Regional Strengths – addressing potential impacts**

**Ted O'Brien MP, Federal Member for Fairfax**

# While the future is uncertain ...

- June 2020 Scenario Planning Exercise -

## Four Scenarios

*Recovered  
Local Economy*

### *Scenario #1*

Both the Australian and Sunshine Coast economies have recovered well from COVID-19. Jobs are growing and business confidence is high. As the nation enjoys a renaissance in advanced manufacturing, the Sunshine Coast's manufacturing sector is pumping as tourism and construction drive strong growth figures, delivering positive flow-on benefits for retail and hospitality.

### *Scenario #2*

While the Australian economy is still battling recession, the Sunshine Coast is defying the odds. Tourism has recovered with flow-on benefits for retail and hospitality, and we've become a safe place for investment which is not just driving the construction sector but creating new opportunities for the Coast's entrepreneurial companies to export beyond the region.

*Recovered  
Australian  
Economy*

*Worsened  
Australian  
Economy*

### *Scenario #3*

The Australian economy has recovered, but not so on the Sunshine Coast. The very industries that are struggling the most nationally are the ones we're most exposed to, especially construction and tourism. The stall in investment is yet to pick up since pre- COVID and our tradies are going elsewhere to find work.

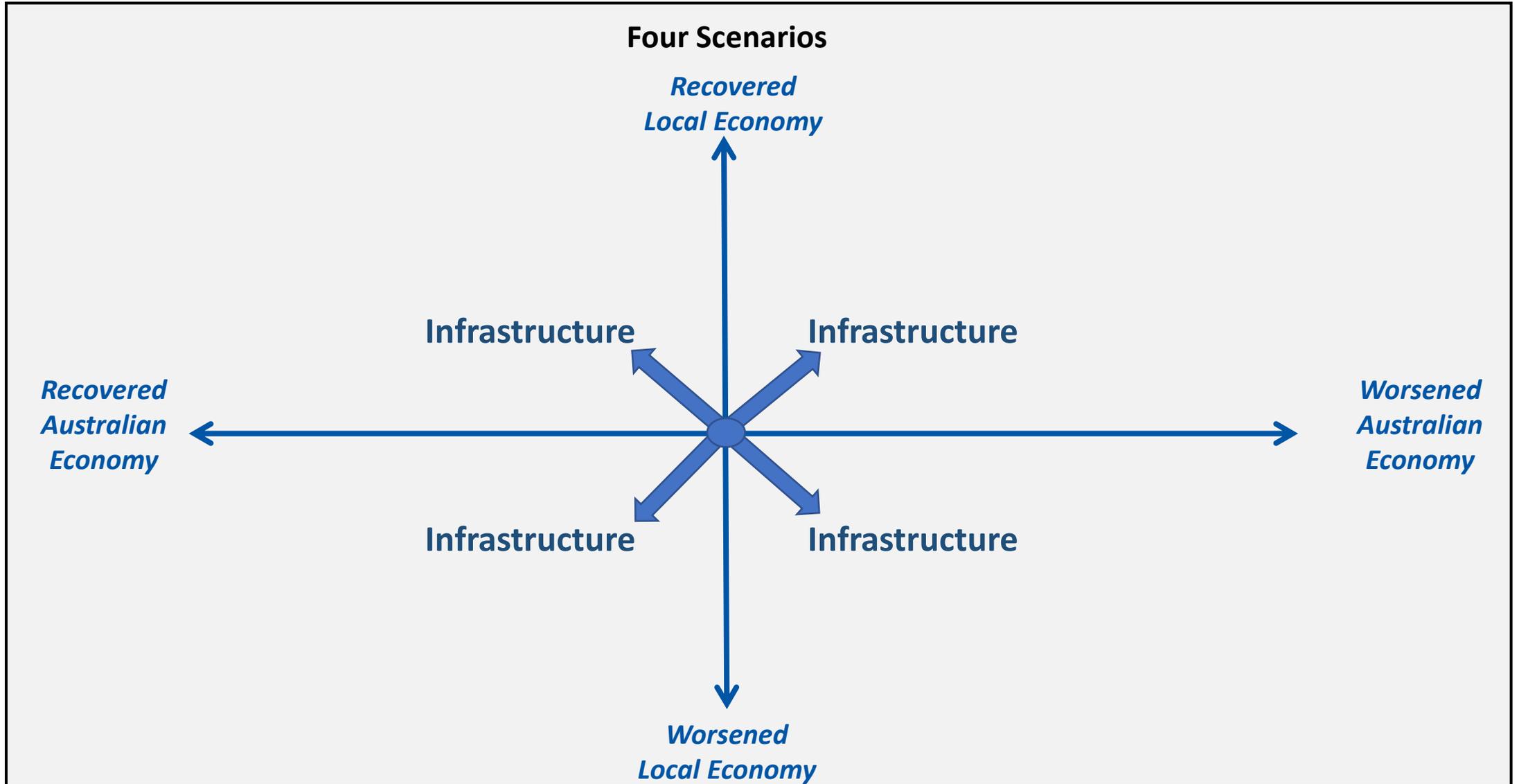
### *Scenario #4*

This recession has proven persistent and the Sunshine Coast is as exposed as anywhere across the nation. Confidence remains low and the poor unemployment figures aren't helping, with the younger generation most impacted. Since tourism and construction are yet to recover, retail and hospitality are also in the doldrums.

*Worsened  
Local Economy*

... one strategy makes sense no matter what the future holds.

- Efficient and productivity-enhancing infrastructure -



# The Federal Government has been delivering, but COVID-19 makes it harder.

✓ Roads

✓ Rail

✓ Air

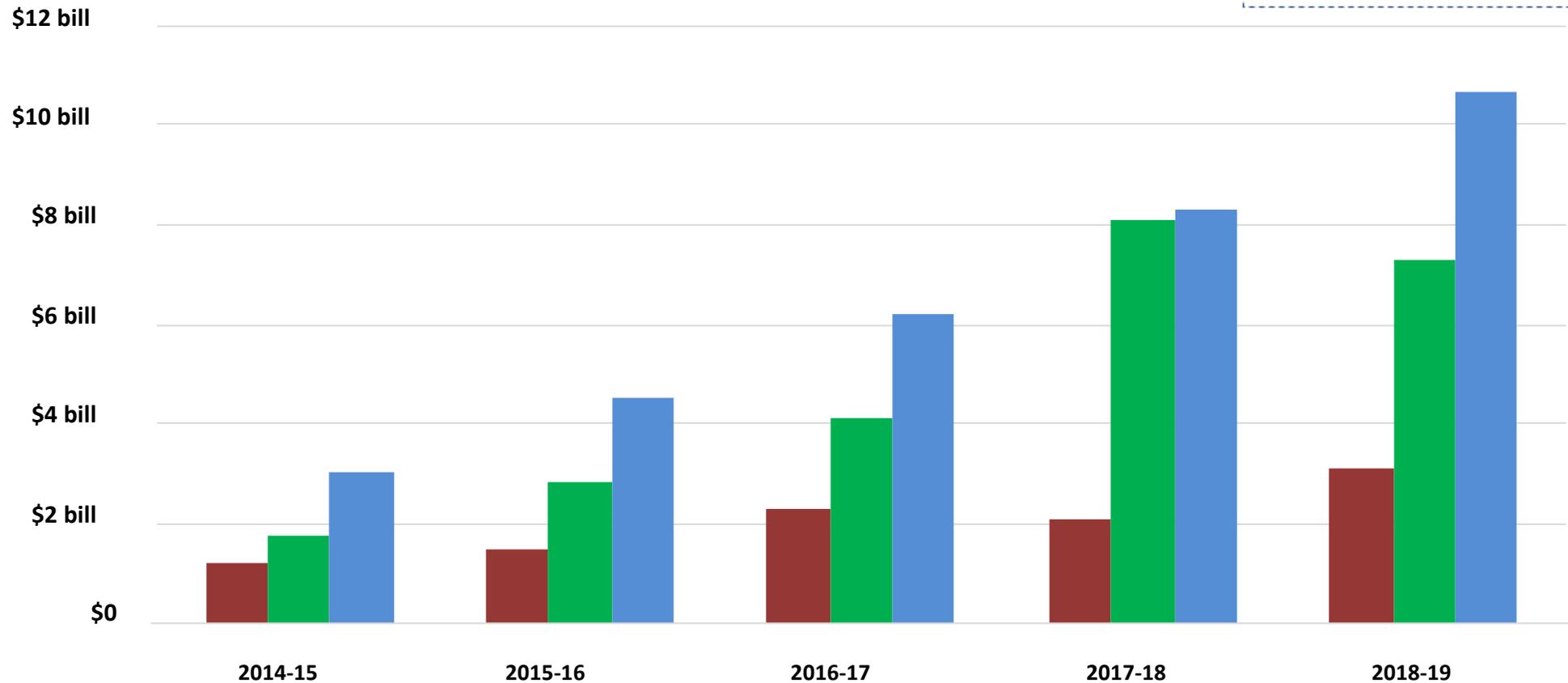
× Spend

× Budget

× Debt

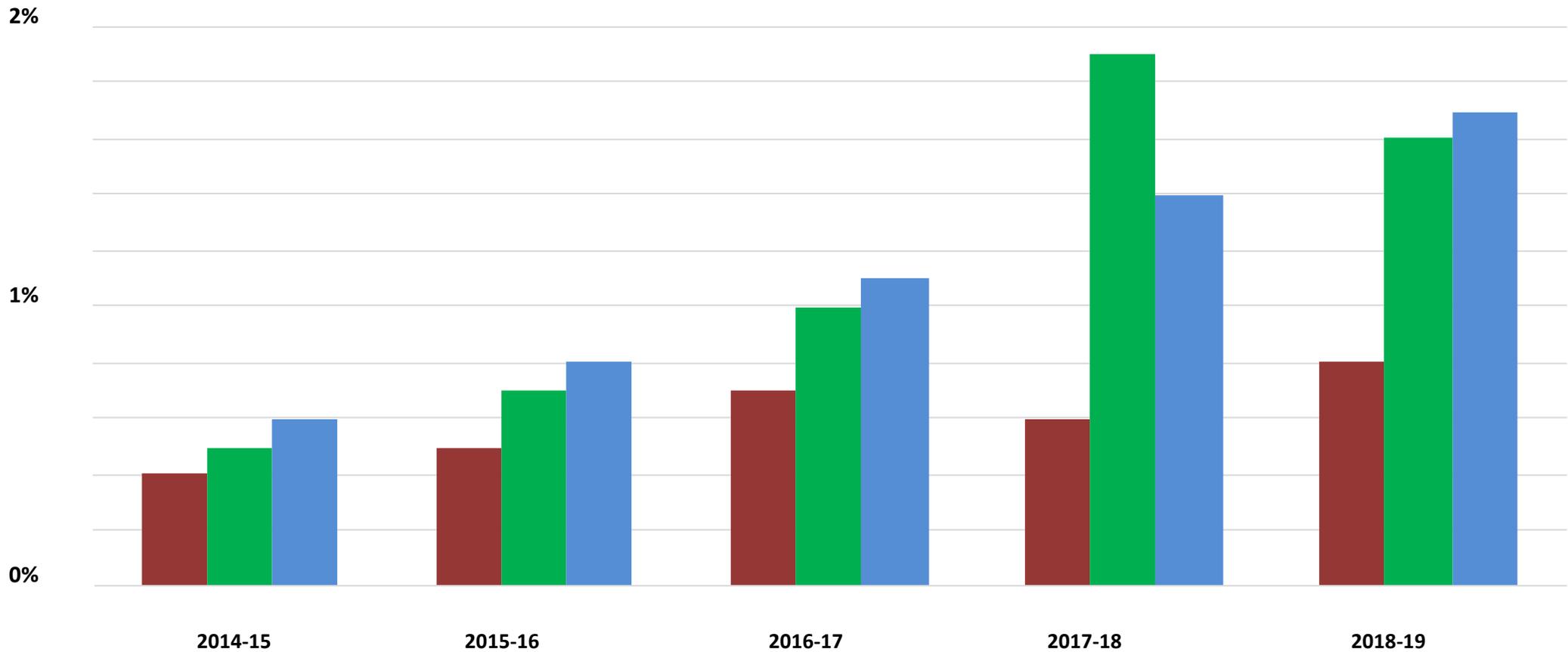
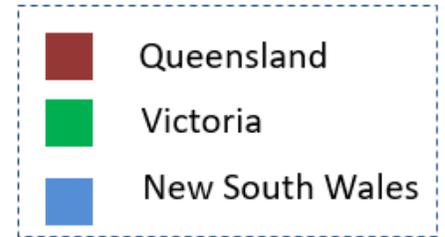
# Meanwhile, the Qld state government wasn't delivering even before COVID-19 ...

**- Net Spend (\$) on Infrastructure -  
- Actuals FY 2014/15 to FY 2018/19\* -**



# Meanwhile, the Qld state government wasn't delivering even before COVID-19 ...

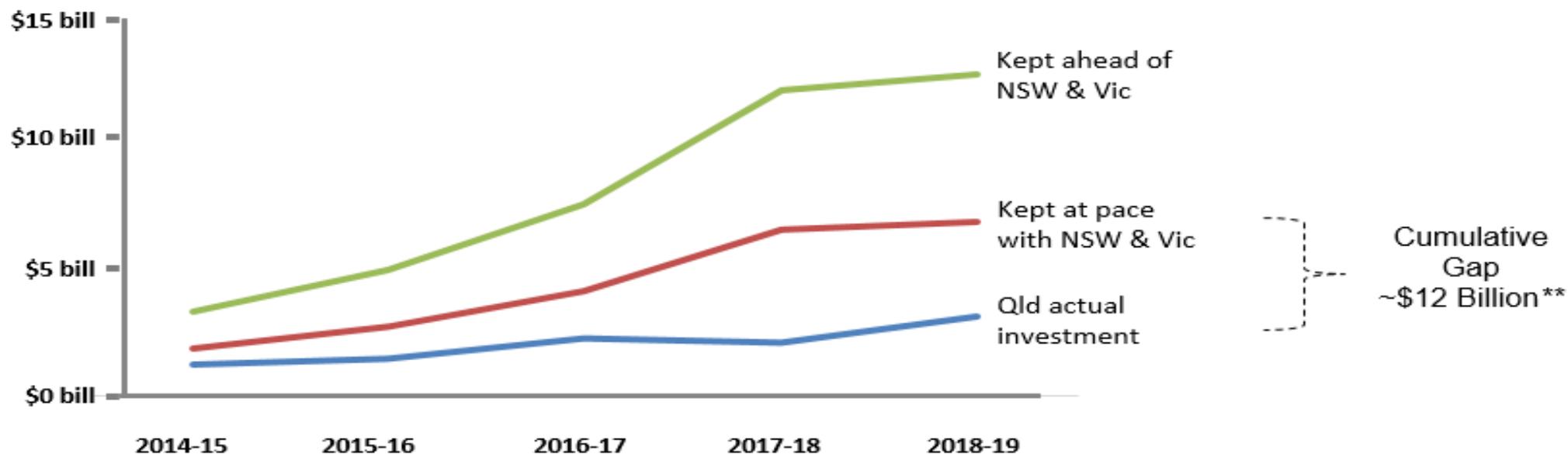
***- Spend on Infrastructure – a percent (%) of GSP -  
- Actuals FY 2014/15 to FY 2018/19\* -***



... which has led to a huge underspend over time ...

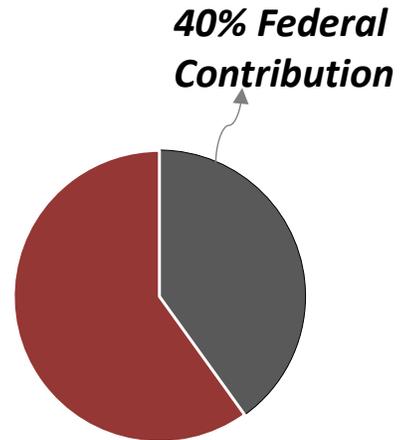
**- QLD Net Infrastructure Spend Scenarios -**

**- FY2014/15 to FY 18/19\* -**

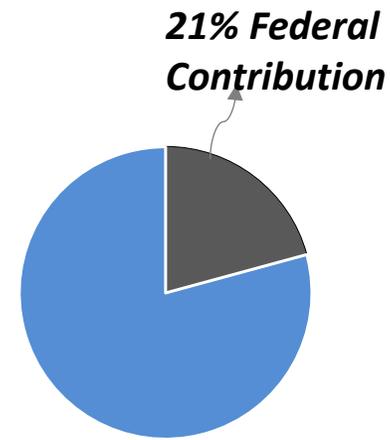


**... the Federal Government has been contributing more in Qld than elsewhere.**

**- Federal/State Infrastructure Funding Split –  
- Actuals FY 2014/15 to FY 2018/19 -**



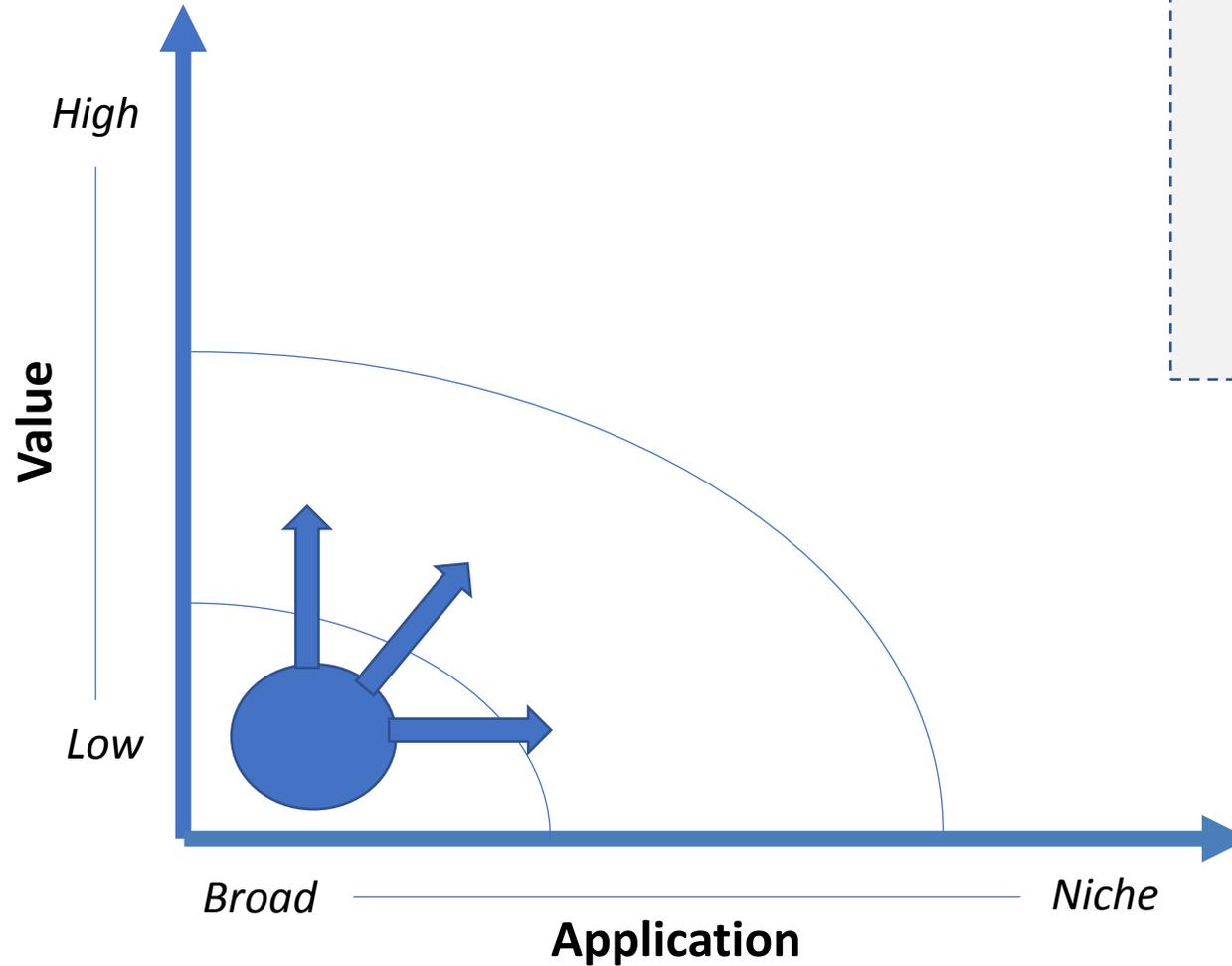
**Queensland**



**Other States  
& Territories**

**Where to from here?**

**We need to adopt a more sophisticated approach as a region.**



- Leverage existing assets
- Narrow the focus
- Look for deals not grants