

## NOVEMBER 2022

### CHAIR'S ANNUAL REPORT FOR CY 2022

This was the year we emerged from Covid19 - a one in 100-year pandemic. The economic stimulus injected by governments globally to reduce economic shock and keep people employed was always going to have an impact down the track. We are now down the track, and all major economies are experiencing high inflation, higher interest rates, increasing debt and budget deficits and pressures on supply chains, cost of living, energy costs etc.

We are advised by politicians and political commentators that Australia is likely to fare better than many countries primarily due to the strength of the national economy going into the pandemic: a 20-year record of positive economic growth, little debt, close to a balance budget, low interest rates and record low unemployment.

The Federal budget handed down on 25 October provided little joy for business or householders, confirming interest rates and inflation will continue an upward trend in 2023. Forty percent hike in gas and 50% increase in electricity prices over the next 2 years will bite and the Federal Government's 5-point, cost-of-living relief plan will have little immediately effect as most of the initiatives don't come into effect until mid-2023 or later. On top of that, the proposed changes to the Industrial Relations system - supposedly designed to boost wages through an expanded (multi-employer) enterprise bargaining process – has several key industry groups calling on the Government to seek more feedback before pushing this legislation through parliament.

One thing Australia doesn't need right now is an industrial relations system that imposes further unnecessary costs on business. Nor one that increases the risks of widespread industrial actions. Surely this is a time when all governments, particularly this Federal Government, need to be focused on keeping the country from sliding into recession and its citizens in work and safe.

There were some bright spots in the budget though for small business and households including an increase to the childcare subsidy rates, new fee-free TAFE places and university places for disadvantaged Australians, and further funding in NBN through the Better Connectivity for Regional and Rural Australia plan. It was a relief the \$1.6 B approved by the former LNP government remains in this budget as part funding for the heavy rail line between Beerwah and Maroochydore along the CAMCOS corridor. We wait for the State's position to be clarified.

In 2023 – *slated to be a period of continued geopolitical and economic uncertainty* – the 3 tiers of government and regional business must work together to secure funding and investment to activate more of the potential major project pipeline.

### PATRON SPONSOR



### CONTACT US

[www.scbusinesscouncil.com.au](http://www.scbusinesscouncil.com.au)

[info@scbusinesscouncil.com.au](mailto:info@scbusinesscouncil.com.au)

### BOARD MEMBERS 2022

**Sandy Zubrinich, Chair**  
Zubek Pty Ltd

**Bridget Murphy, Treasurer**

**Tony Sowden - Secretary**  
Tony Sowden Lawyer

**Andrew Brodie, Director**  
Chief Executive Officer  
Sunshine Coast Airport

**Matt Byrne, Director**  
Stockland Communities

**Ana Rodger, Director**  
TAFE Qld East Coast

**Kelli Thomas,**  
Senior Development Manager,  
Strategy and Projects

**Prof Tim Wess, Director**  
Deputy Vice Chancellor (Academic)

**Brad Williams, Chair PCA**  
Regional Sunshine Coast Chapter

Government and business alike regularly call on the other to - *Speak with One Voice/Hunt as a Pack* – to secure essential government funding for major infrastructure projects. Other regions appear to be more successful in securing government funding and Sunshine Coast political and business leaders must do better when working together to compete with other regions for what seems to be a shrinking pot of available government funds.

## The year in review for SCBC

We were able to get back to holding events this year and had some very successful events:

### Forums

**SCBC Annual Strategy Workshop** – we commenced the year as usual with our annual strategic directions workshop held Thursday 25 February, when over 40 members and stakeholders came together to hear from expert speakers and members.

Ted O'Brien, LNP Federal Member for Fairfax and then the Prime Minister's special envoy for Brisbane 2032 Olympic & Paralympic Games, and Rob Sobyra from Construction Skills Queensland and a postgraduate researcher at the University of Queensland, both offered their perspectives on what may be ahead for the national and regional economies. Members provided their thoughts through short, targeted workshops covering:

- What is working well in the regional economy and what isn't, and why.
- Drivers of regional growth, what the current blockers are, and potential solutions to address blockers to growth.
- The next major regional projects requiring focus and commitment by governments and business.

Members raised projects that would be infrastructure required to support the 2032 Brisbane Games, such as:

- Improved intra and inter transport road and rail transport, specifically North Coast Rail and Mass Transit strategies and road upgrades. Believed essential for Sunshine Coast to fully maximise benefits of the Games – in the leadup and post 'Games'.
- Congestion on internal regional roads and the Bruce Highway, to and from Brisbane, were raised in all discussions.
- Need for improved tourism infrastructure with specific mention of hotels and new resorts, again with the requirement of the 'Games' in mind.
- Continued support for the Maroochydore City Centre development with emphasis on the need for an Entertainment, Convention and Events Centre that would be of a size and quality to attract audiences from Brisbane to events and stay overnight – so the benefits would continue long after the 'Games'.
- Continued developments to maximise the multiplier effect within the SC Health Precinct was mentioned. Thoughts there were that we should be keeping it in focus and not assuming 'the job had been done'.

The SCBC Focus Areas for 2022 were confirmed:

- *Growing and diversifying the economy* through initiatives such as hubs, importing access and retention of talent and uplifting skills, and continuing to drive digital transformation across industries.
- *Maximising investment in regional infrastructure* through prioritisation of major projects, now including 2032 considerations, faster heavy rail between

## LIFE MEMBERS

David Oliver, Inaugural Life Member  
2015

Tony Sowden, 2016

Sandy Zubrinich, 2022

Brisbane and Maroochydore, Mass Transit within the Region, Entertainment, Convention, Events Centre, tourism infrastructure such as resorts, hotels and accommodation.

- *The Next Generation Planning Scheme*
- *'Really' effective advocacy*

**Meet the Federal Candidates** – this member only forum was held in early May before the Federal Election. Members heard from Fisher and Fairfax candidates from the three major Parties being LNP, ALP and Greens. Members had the opportunity to hear from each candidate and then to question each about their Party's policies.

**Think Tank Series 6** - this year's Think Tank (TT) was one session only, held in early September, for the purpose of bringing together the 18 industry participants and the Sunshine Coast Council representatives from the Planning and Economic Development teams who attended the 2021 series. The focus of the session was to:

- Provide an update on the advocacy activities undertaken since the conclusion of Series 5 in 2021, which included the lodgement in November 2021 of an industry submission as input into the drafting of a new Sunshine Coast Council Planning Scheme, and
- Seek further input into the next round of activities.

Members were reminded of the content and context of the November 2021 industry submission and the outcome of the subsequent presentation to Sunshine Coast Councillors in late March 2022. That presentation had resulted in the November submission being updated and relodged. Members who had participated in the 2021 TT had received a copy of the original and updated submissions.

This 2022 TT session sought further member feedback to inform the second presentation to Sunshine Coast Councillors scheduled for 15 September. SCBC (still working in partnership with PCA and UDIA) had been asked to present further ideas around housing affordability. The proposed approach and key points to be made in the discussion with councillors was discussed.

The September 2022 presentation covered both consolidation and expansion strategies and was based around the proposition that housing affordability was strongly influenced by land availability leading to housing availability. The lack of both was putting strong upward pressure on housing affordability. The presentation included an analysis of publicly available as well as original content.

This 2-hour discussion identified areas of common ground as well as differences around several key issues. The positive outcome was that members of the SCBC presentation team from PCA and UDIA were invited to meet with SCC Planning Executives to further explore issues and test ideas. Those meetings are already underway and SCBC will update members at the 2023 Strategy Directions Workshop in the first quarter of the New Year.

**Combined Government & Business Forum (CGBF)** – this annual event is being held today, Friday 4 November after the AGM. The focus this year is on - *'Connecting the Dots'* - bringing together regional political and business leaders to focus on the strength of regional investment now and what will be required in the preparation for the *Brisbane 2032 Olympic and Paralympic Games* and beyond.

Ted O'Brien, Federal Member for Fairfax and now Shadow Minister for Climate Change and Energy will open the conference. He will provide his thoughts on the Federal Government Budget which was handed down on 25 November and what it may mean for the Sunshine Coast Region. In addition to his understanding of the local economic and investment landscape, Ted holds a Master of Economics from the London School of Economics so is well credentialed to provide this overview.

Other speakers include

- Ms Jess Caire, Deputy Executive Director Qld PCA who will talk to a recently released PCA Report – *A Home for Every Queenslanders*. Many of the issues identified in this report relate to our own current experience.
- Mr Andrew Stevens, CEO of Project Urban and who represents UDIA on the continuing SCBC work on the new planning scheme.
- Matt Byrne will bring members up to date on the SCBC pipeline of major projects and some of the key highlights from that pipeline.
- Paul Riga from URBIS will present the outcome of the 2022 SCBC Investor Market Survey. This survey was last undertaken in 2014 as part of our submission to the then drafting of the new planning scheme. We thought it prudent to test the investor market again given the work being undertaken in drafting the new planning scheme and because of the investment required to fund future major projects – both public and private sector projects.

Seventy members and stakeholders have accepted to attend the by-invitation forum and we are grateful for their continued support to hold this important regional event.

We believe this forum is an important annual event as we all strive to speak with one voice on our key regional issues and investment needs and opportunities.

## Events

**Covid-19, Federal Budget, Budget & Economic Recovery Lunch** – held in March, this lunch topic and speaker - Mr Tom Seymour, CEO PwC Australia - attracted over 130 people and received exceptional feedback. His professional observations and fact-based data provided an informed platform for the invigorated question time that followed. We hope Tom will be a repeat speaker for SCBC at a future SCBC event.

**Sunshine Coast Regional Tourism: Preparing for 2032** – around 150 people attended this conference which focused on recently released research undertaken by Sunshine Coast Council to identify the investment in hotels that is required to support tourism growth and in the lead up to the '2032 Games'.

The strong line up of speakers included the author of the research, Mr. Rodger Powell, Ms Margy Osmond, CEO of the Australian Tourism & Transport Forum (TTF), Ms Kate Meyrick, Director of Urbis who again inspired the audience with her visionary presentation, Mr David Ryan AO, Chair, Visit Sunshine Coast and well-respected business leader who provided a provocative presentation outlining his views of the state of existing Sunshine Coast tourism infrastructure and what is required to support the 'Games', only a decade out.

Completing the speaker line-up was Ms Karen Wales, National Director, Transaction Services Hotels, Colliers who outlined the complexities of financing hotels and resort developments.

She provided a strong message that attracting investors to this class of investment was extremely competitive and challenging.

**Regional Council CEOs lunch** – held in August, around 80 people representing both Noosa and the Sunshine Coast LGAs heard from Mr Scott Waters and Ms Emma Thomas on their strategies to balance regional economic and population growth with liveability expectations. Our members appreciated hearing from both CEOs and in response to their feedback, SCBC committed to holding an annual CEO Lunch. We expect the next lunch will be in the 1<sup>st</sup> Quarter of the new financial year.

**Brochures and select speaker presentations** are available on the website for events and forums. <https://scbusinesscouncil.com.au/forums-events/>

## **Delivering on SCBC advocacy and research agenda**

### **Sunshine Coast Council - New Planning Scheme (NPS)**

SCBC provided a documented submission to SCC outlining the recommendations drawn from the Think Tank Series 5 discussions (covered previously). The submission offered recommendations around a strategy for future engagement between Council and the SCBC (including key industry groups) by identifying three (3) key topics that can provide input into the direction and detail of the proposed new planning scheme for the Sunshine Coast. These 3 topics are:

- Identification of new commercial opportunities for the Region and future economic growth potential.
- Rezone and unlock a new supply of land for housing to assist with affordability.
- Planning Scheme structure and useability.

In addition to the submission, SCBC and other industry groups will seek to participate in the industry engagement processes conducted by SCC.

### **Pipeline of Regional Projects**

In 2020 SCBC worked with both councils, State and Federal representatives and private sector developers to establish a substantive pipeline of regional investment projects. The purpose of the pipeline then was to monitor risks to investment and jobs during the Covid19 pandemic.

SCBC maintained the pipeline during 2021. With a pipeline now of \$26B in current and mooted projects (50% private sector funded) this pipeline provides a single, integrated and documented line of sight across construction and infrastructure projects being assessed or under consideration within the region. Importantly, it provides an insight on potential regional job growth by project and offers another data point for decision makers. An overview of the SCBC pipeline forms part of the Combined Government & Business Forum (CGBF) to follow.

As we head in to 2023 there is a stated intent for SCBC to work collaboratively with Infrastructure Association of Queensland (IAQ) and Sunshine Coast Council to, through a series of industry and community workshops, identify the next round of Sunshine Coast major projects - specifically projects likely to be important to the pre and post 2032 Olympic and Paralympic Games legacy. We will keep members advised as we proceed with this initiative.

## Digital transformation across industries

SCBC started this journey in June 2019 when we held a conference to support SCC explain to business how the Sunshine Coast International Broadband Cable would spearhead new industries and new jobs. Two rounds of discovery workshops to identify potential growth areas driven by digital transformation, and a market sounding study to establish the strength of the Region's cyber security and ICT capabilities, followed in late 2020 and throughout 2021. From that work SCBC invited SCC, RDA, TAFE, USC, Noosa Council to jointly fund the establishment of a new tech industry group – SCTechIA which was established 1 September 2021 as a SCBC project primarily for financial management purposes for up to 12 months - but with its own Inaugural Management Committee. The budget and management control was transferred to the new entity on 21 June 2022. SCBC encourages the SCTechIA's Management Committee that as they move forward, they keep their focus on building a respected advocacy group capable of helping shape the future of the industry.

SCBC will maintain interest in how digital transformation progresses across industries, working where appropriate with the industry group and stakeholders.

## Investor Market Survey

The last Investor Market Survey (IMS) was conducted eight years ago as part of SCBC feedback into the drafting of the Sunshine Coast Council 2014 planning scheme – the current planning scheme. We have just undertaken a 2022 IMS for the same purpose. SCBC appointed URBIS to undertake this independent study which provide a current investors' sentiments in terms of the Sunshine Coast region as a place to invest. It is a sample of 30 large and medium size investors across a range of industries and will allow us to work with both councils to address issues raised as potential blocks to investment or areas where we can continue to improve our competitiveness and attract more investment. Capital raising is a competitive space and any insights are useful.

## Media

This was another successful year working with Fresh PR & Marketing in securing media attention to promote our messages to the broader community, resulting in:

- 114 relevant mentions in media (up 30% on last year)
- Generated \$157.00 in Advertising Space Rate (ASR) (up 58% on '21)
- Total audience reached of 1,639,461 (up 100% on last year)
- 5 on-site TV interviews (down 45% on last year)
- 17 radio interviews (down 38% on last year)
- Number of posts: 21 posts (including shared content from news outlets)
- Total people reached: 18,906
- Total engagement: 1,690
- Likes: 638 as of 18 Oct 2022, + 78 likes (14% increase)
- Followers: 1,016 as of 18 Oct 2022, + 437 followers (75% increase)

SCBC media coverage included subject and event areas such as:

- Sekisui House decision
- Business advocacy group sets strategic direction
- PwC CEO Tom Seymour shares insights with Coast's leaders
- Sunshine Coast leaders call for change with vaccine mandate crippling tourism
- Planning Scheme Engagement
- Digital transformation across industries

- Federal budget commentary
- Federal election commentary
- Tourism conference explores Coast's readiness to host Games
- The decade ahead – balancing triumphs and struggles for the Sunshine Coast
- 2032 Olympic and Paralympic games

Two things to note in relation to the media exposure:

1. In early 2022 Win TV reduced staff to only 1 journalist and cameraman and at the same time expanded the news bulletin to cover all of Queensland (excl. Brisbane and Gold Coast). As a result, Win covered stories deemed to be relevant to a broader cross section of the population. This has resulted in a reduced coverage of business events and is reflected in the lower number of SCBC TV interviews.
2. SCBC does not allocate budget for Facebook as a media or information channel. Therefore, any increase in SCBC Facebook followers is due to Fresh PR posting photos and commentary for SCBC events free of charge. Thank you, Fresh PR.

### Focus Areas for 2023

As always, we will remain focused on our charter – assisting to deliver sustainable regional economic growth - and delivering what our members expect - relevant and impactful advocacy around:

- Next generation planning scheme –
  - ensuring its ability to support Sunshine Coast economic growth strategies and inspire investor confidence to invest in the region
  - addresses infill development including the 'missing middle'
  - addresses expansion areas within the urban footprint
  - addresses new growth areas, consistent with land supply requirements and the South-East Queensland Regional Plan, *Shaping SEQ*.
- Integrated regional Transport Plan and heavy faster rail between Brisbane and Maroochydore.
- Infrastructure required in the pre and post legacy phases of the 2032 Brisbane & Paralympic Games.
- Job creation across industries.
- Retention and attraction of talent across industries.
- Youth unemployment and creating awareness of the job and career opportunities digital transformation is creating for youths across industries.

### IN CONCLUSION

It is always a pleasure at the end of the year to wholeheartedly show our appreciation and thanks to the following:

- Our members for their continued and active support during the year.
- Patron Sponsor - TAFE Queensland East Coast for their continued sponsorship in 2022.
- Business partners – Aria, Lend Lease, Sekisui House, Stockland and Sunshine Coast Airport who again provide leadership and support throughout the year.

- Event and research sponsors throughout the year - RDA Sunshine Coast Inc., UniSC, Aria, Caloundra Chamber of Commerce, Covey Associates, McNab, RPS, Ray White Commercial, Stockland and Sunshine Coast Airport.
- In-kind members for their contributions, which lessen our operational financial costs: BDO and Fresh PR & Marketing.
- Kerrie Bryant-Adams and Barrie Adams who work tirelessly as a team for SCBC, always professional and always smiling. We appreciate their experience and commitment.

I also thank the Region's Federal and State members and Local Government councillors who have supported SCBC throughout the year.

I warmly acknowledge our Board Members who give their time, energy and experience to prosecute the SCBC's agenda and work to make the Sunshine Coast a stronger economy and a better place to live and invest.

On behalf of the Board, I thank Kelli Thomas for her contribution during the early part of 2022 and Bridget Murphy who has been a hard-working board member for 5 years. Bridget resigned mid 2022 due to family commitments in the UK and we hope to see her back on the Board sometime in the future.

Tony Sowden - a board member since 2007, Tony has decided not to nominate for 2022. Tony has played a significant role in shaping this board over the past 15 years and he will be missed. However, Tony will be available to support the Board when we require his unique form of wisdom. Thank you for everything Tony.

Lastly, I have the pleasure in welcoming back to the Board after one year's absence Ms Nicola Scott representing Master Builders. Master Builders have a long record of SCBC board representation, and we are pleased to have them represented again. Welcome also to Kevin Covey, MD of Covey Associates, a respected regional Civil Engineering firm and to Will Shrapnel, MD of HeliMods, a successful and growing regional aerospace and export company.

On behalf of the SCBC Board I extend our early best wishes for a Merry Christmas to you all and for a prosperous and successful 2023.