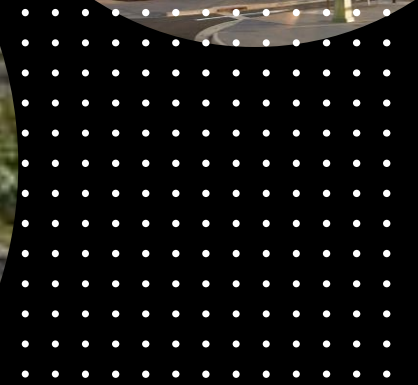
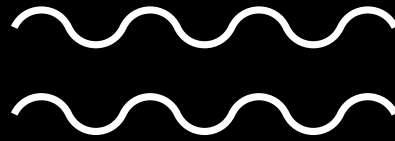


Sunshine Coast Regional Comparison

Sunshine Coast Business Council
Outlook for Business Investment
3rd May 2024





Contents

- Economic Performance - GRP; Population; Employment
- Sunshine Coast Regional Competitiveness
- Business Growth & Investment Attraction
- Strategic Insights & Final Thoughts



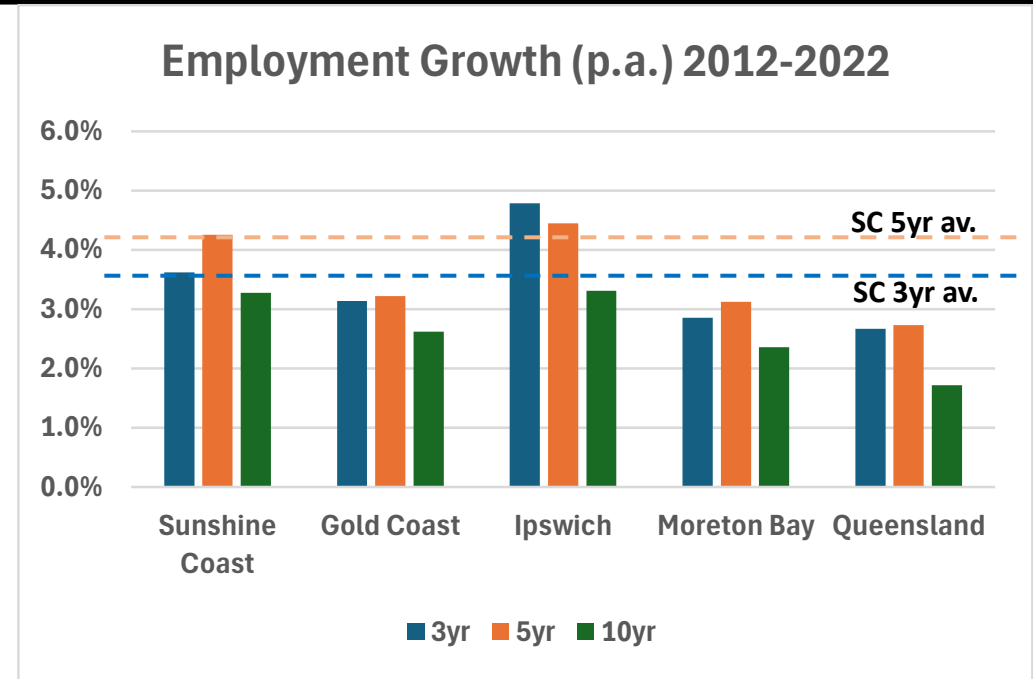
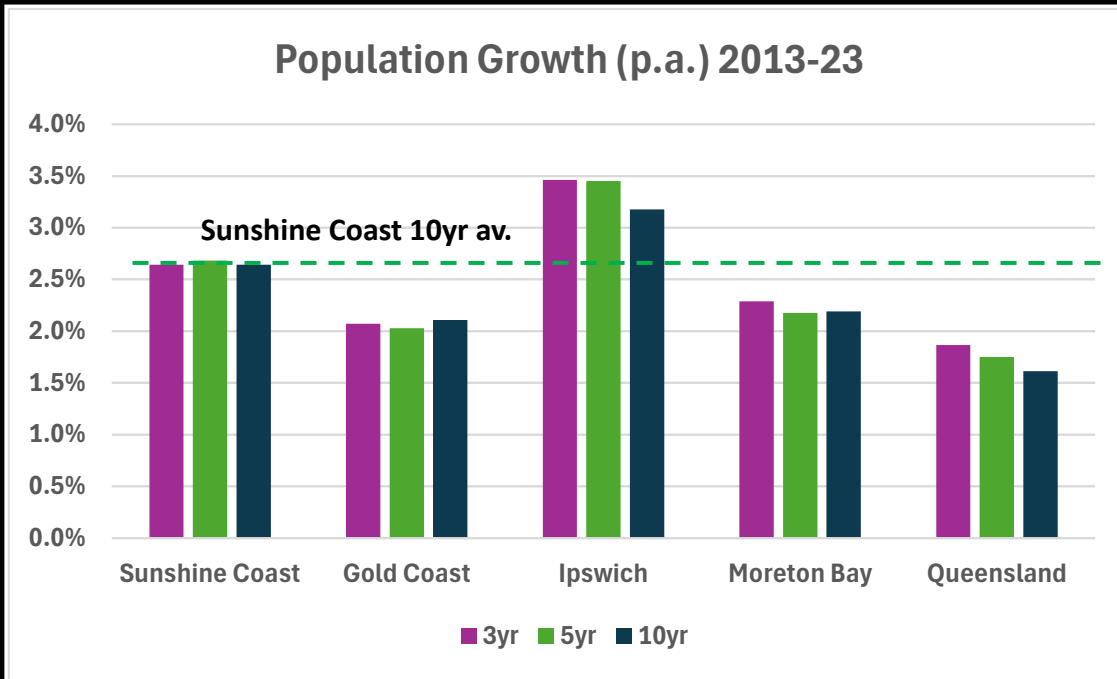
Economic Performance – Gross Regional Product



- **Fastest economic growth – well ahead of other regions over 10 years**
- **Improved GRP/capita – 2nd best performer. Closing gap on GC**



Economic Performance – Population & Employment



Sources: Economy id, 2024; ABS various, 2024

- **Equal strongest employment growth over last 10 years (3.3% p.a.). Stronger during Covid than 10yr av.**
- **Consistently Strong population (2.6%-2.7% p.a.) and employment growth – 2nd best behind Ipswich over last 3-5**



Economic Performance – High Value Employment

Region - Local Workers	Individual High Income Quartile	
	2021 (\$78.5K+)	2016 (\$70.4K+)
Sunshine Coast	19.5%	19.0%
Gold Coast	20.2%	20.0%
Ipswich	21.8%	21.4%
Moreton Bay	17.5%	17.5%
Queensland	25.0%	25.0%

Local Workers = All SC based jobs

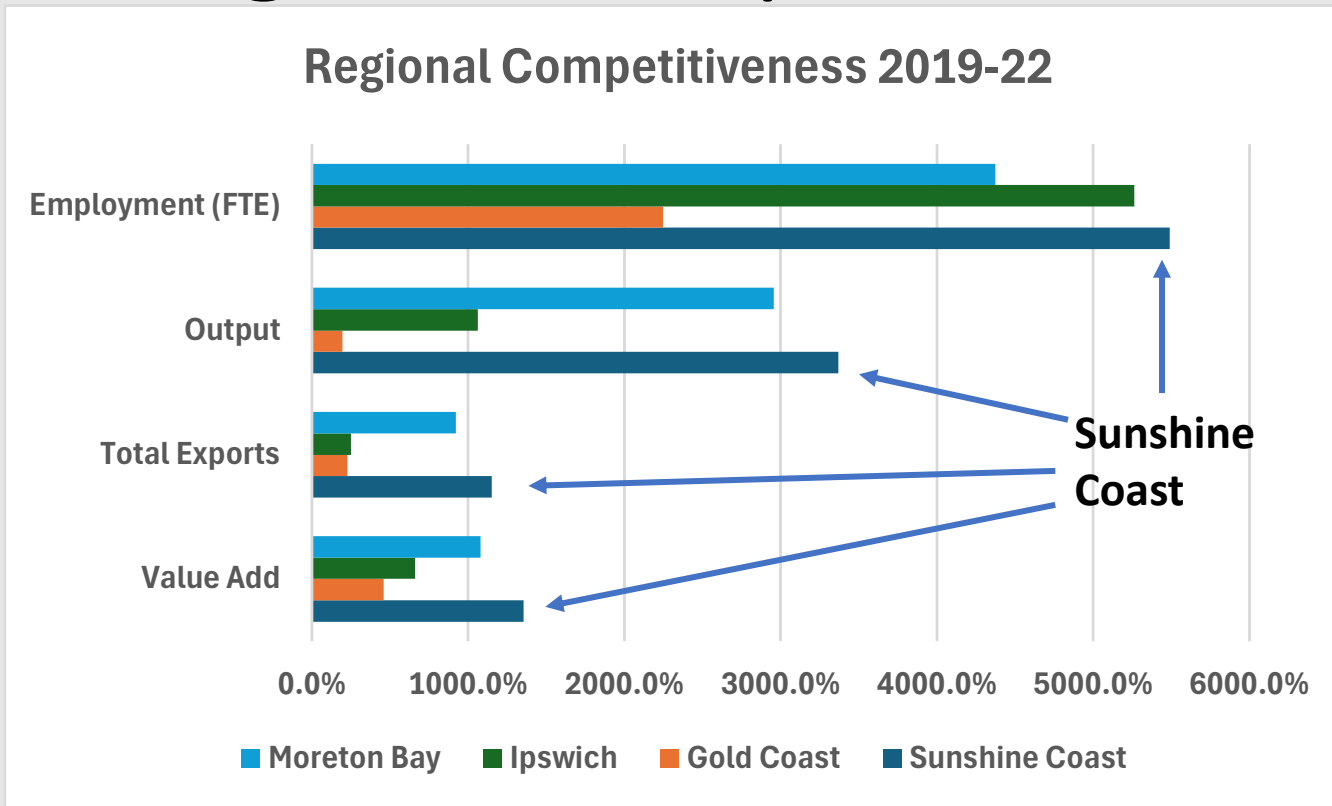
Residents Workers = All SC residents with jobs

Note: Income is not the only determinant of High Value Employment

Sources: Economy id, 2024; ABS various, 2024

- Ranks 3rd for proportion of Medium and High Income workers
- Less Medium and High Income Local workers (19.5%) than Sunshine Coast Resident workers (27.3%) – earn higher incomes elsewhere (Brisbane)

Regional Competitiveness 2019-22



Regional competitive effect - the amount of growth or decline in a specific industry that could be attributed to a local advantage or disadvantage (benchmarked against the State average). An industry with a positive regional competitive effect suggests local characteristics supported above trend growth in that period.

Economy id. Shift Share Analysis, 2024

- **Sunshine Coast Region has out performed competing regions** on key economic performance measures over Covid Period – better on Value Add, Output, Exports, and Employment
- Strongest performing industries for Sunshine Coast have been **Manufacturing; Health Care and Social Services; Professional, Scientific & Technical Services; Accommodation & Food Services; Construction.**



Business Growth & Investment Attraction

Region	Business Growth 2019-22 (No.)	Business Growth 2019-22 (% p.a.)
Sunshine Coast	4,906	5.1%
Gold Coast	9,623	4.6%
Ipswich	2,181	7.0%
Moreton Bay	3,369	3.9%

Sources: Economy id, 2024; ABS various, 2024

Region	Ease of Doing Business (% resp.)	Investment Attraction (% resp.)
Sunshine Coast	4.0%	18.2%
Gold Coast	8.0%	27.3%
Ipswich	8.0%	18.2%
Moreton Bay	29.0%	27.3%

Source: Urbis, 2023

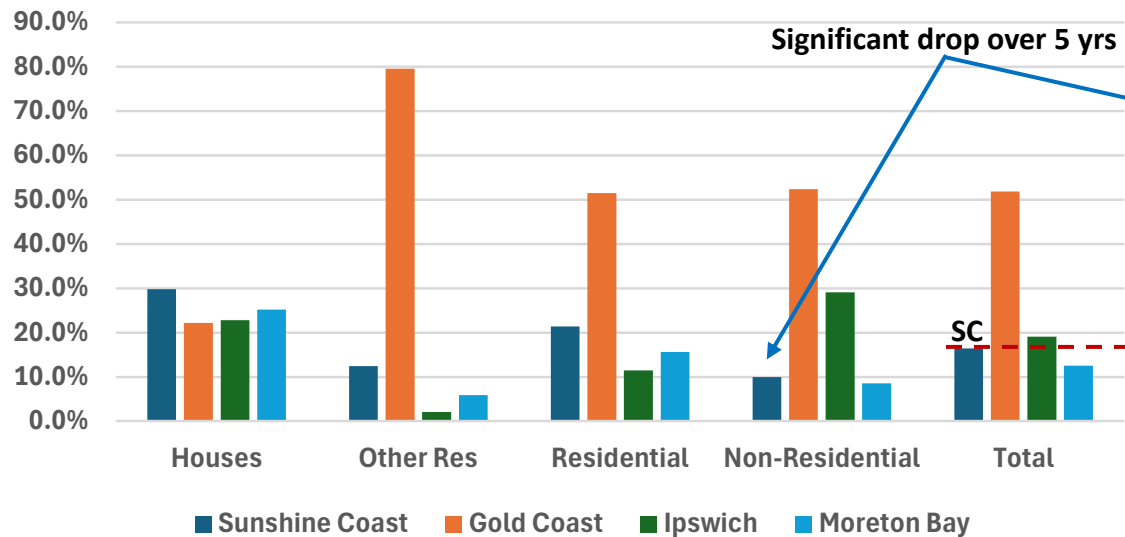
- Strong growth in businesses over last 3 years – second to Ipswich

Urbis Investment Attraction Survey Results

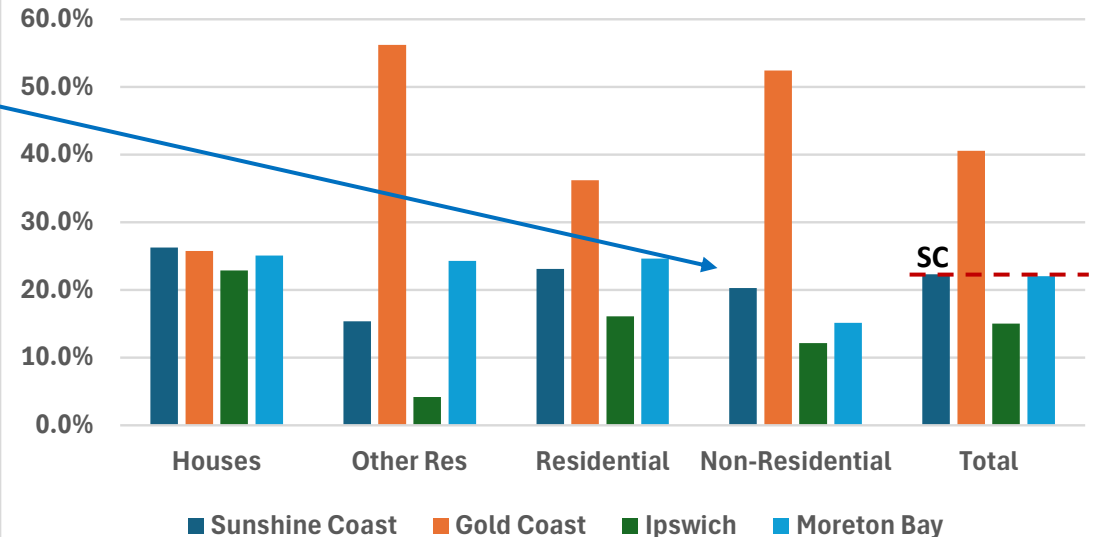
- Lowest response for “Ease of doing business” – Ease of getting approvals; meeting regulated timeframes; policies and incentives that improve project viability
- Middle of the pack for Investment Attraction – Promotion; Incentives; targeted sectors (e.g. Moreton Bay – tourist accommodation)

Investment – Development Activity

Investment (value) Share of 4 LGAs 2022-23



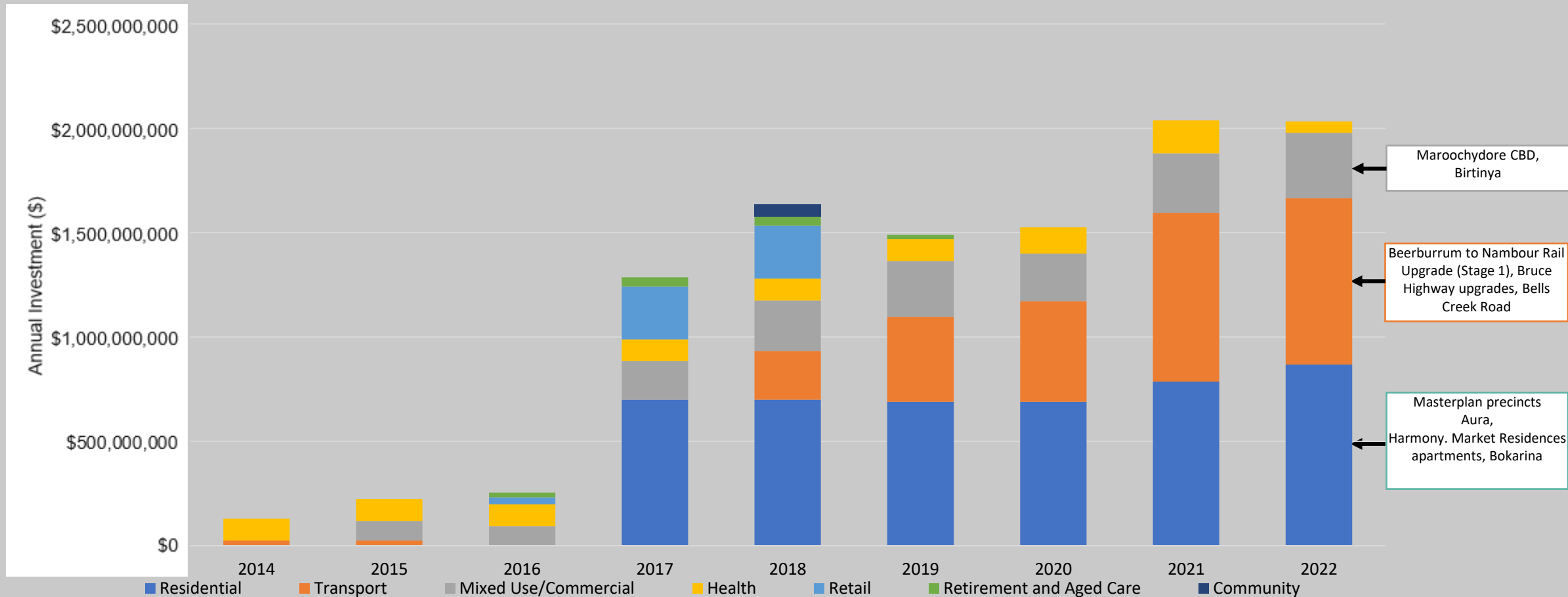
Investment (value) Share of 4 LGAs 2017-18



- Consistently highest share of house development approvals
- Low proportion of Medium and Higher density approvals
- Low share of Non-Residential approvals – regional share halved over last five years
- Overall share of development activity has dropped over last five years – passed by Ipswich

Sources: Economy id, 2024; ABS various, 2024

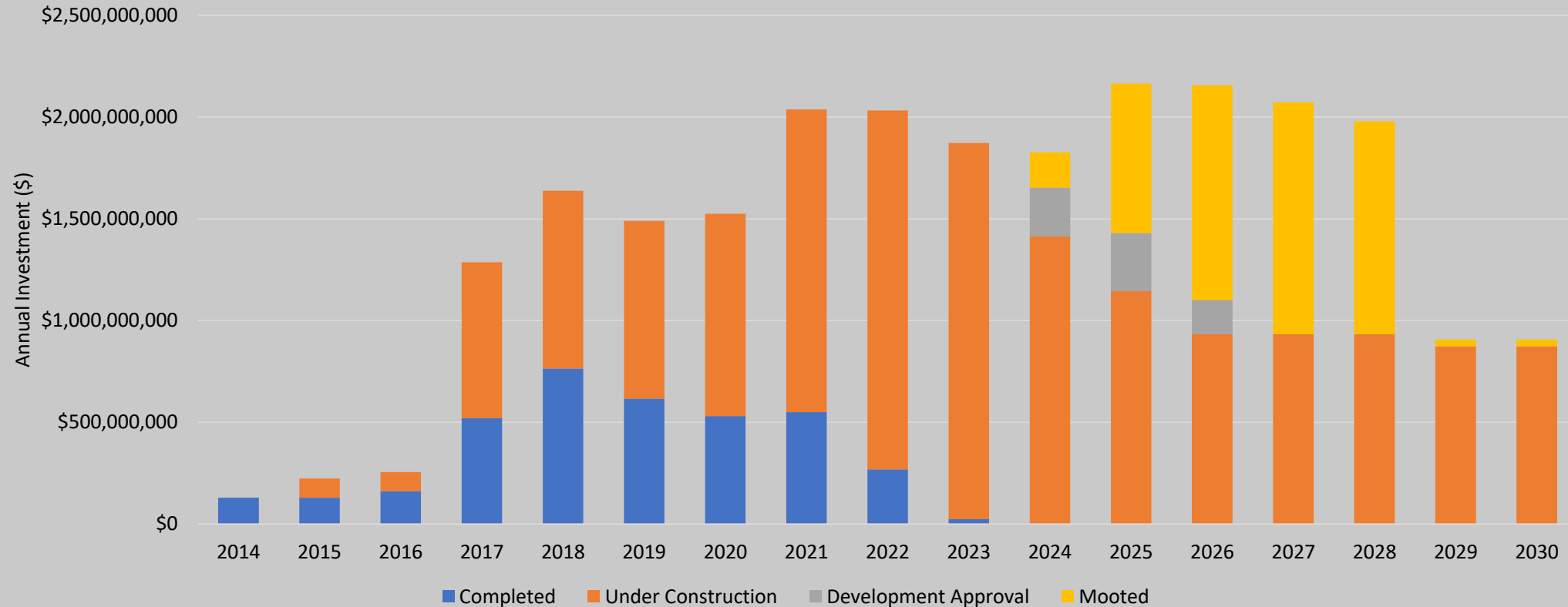
Infrastructure spend - 2014-2022



Source: Cordell Construction, Urbis Database; Prepared by Urbis

- Strong reliance on Master Planned Community Developments and Road and Rail projects

Major Pipeline Analysis



Source: Cordell Construction, Urbis Database; Prepared by Urbis

- Increasing pressure on mooted projects to maintain investment levels
- Nothing significant mooted beyond 2028



Sunshine Coast Competitive Position Summary

Advantages	Risks
Consistent, strong population and employment growth	<ul style="list-style-type: none">• Population growth rate forecast to slow from 2.6% to 1.9% p.a.• Increasing labour and skills shortages. High value workers being attracted to work outside region
Regionally competitive on Value Add, Employment, Output, and Exports	Difficult to maintain as economy slows and Covid advantage dissipates
Strong business growth (5.1% p.a. last 3 years)	SC ranks low on “Ease of doing business”, and “Investment attraction”.
Strong housing development activity (investment)	Low levels of Non-Residential building approvals (excluding Infrastructure). Infrastructure investment not driving commercial development activity
Major project (“ Game Changers ”) strategy has been successful	Declining number and scale of Game Changer projects in planning phase (more mooted). Are you receiving the return from these?

Airport Infrastructure Investment Impact – Flow on Benefits?

SC Tourism Measures	Year to June		
	2019	2023	Growth (p.a.)
Sunshine Coast Airport Passengers	1,338,900	1,620,000	4.9%
Sunshine Coast Domestic Visitor Night	14,540,000	15,054,000	0.9%

Source: Sunshine Coast Airport, 2024; Tourism Research Australia, 2024 NVS, IVS

- **Holiday visitor nights up**
- **Business and Visiting Friends and Relative Trips down significantly – Covid impact?**
- **Commercial Accommodation spend per night dropped over year to June 2023 – less money being spent on higher end accommodation**
 - **More quality accommodation required – KPAT/Avani (Mooloolaba), Holiday Inn/IHG (Caloundra), Aria (Mooloolaba)?**
 - **More attractors – Aura Hotel & Entertainment venue, Water Park?**



Strategic Insights & Final Thoughts

- **Don't ignore the valuable base industries** – Construction; Property; Manufacturing; Transport Services; Finance and Insurance
- **Need to maintain momentum of Game Changers strategy** – which big projects can you bring to construction? What do you need to lobby harder for?
- **Make investment dollars work harder** – more flow on benefits and commercial projects required from infrastructure investment e.g. Critical Infrastructure Information Sharing and Analysis Centre (CI-ISAC); Next stage of SC Investment Assistance Program (SCIAP)?
- **Increase role of Investment Attraction in SC Council** – Numerous programs facilitating investment and economic growth. Increase scale; Ensure continuation; Incentivise business attraction



Thank You &
Questions