

NOVEMBER 2021



FEDERAL PRIORITIES
Northern Australia's largest
and fastest growing region
**FAR NORTH
QUEENSLAND**

FOREWORD

Sustainable Economic Growth and Development for Far North Queensland

The FNQROC region is the largest and fastest growing region in Northern Australia. It extends over 252,000 square kilometres with a population of approximately 280,330 and gross regional product is \$16.75 billion. Unemployment for the 2020 December quarter was 6.5%.

The communities within the twelve councils of Far North Queensland welcome the opportunity to contribute further to the National and State domestic productivity through the utilisation of existing assets, identifying our gaps and working collaboratively to support sustainable economic growth and development for Far North Queensland.

TRANSPORT

Resilient transport infrastructure to ensure connectivity across the region is essential if FNQ is to have sustainable economic growth and development. To realise the vast known and untapped economic potential, we need to enhance the existing road and port infrastructure within the region.

WATER

Reliable and affordable water is essential for the FNQ region it is to have sustainable economic growth and development. COAG policies including Northern Australia White Paper, Regionalisation, International Market Access and Indigenous Advancement have identified the strategic importance of FNQ to economic and social development.

ENERGY

Energy reliability is being enhanced by installation of renewable utility scale green energy production and battery storage at remote and fringe off grid locations. Consideration needs to be given to policy settings that support the sustainability/upgrading of existing energy networks to cater for reverse power flow into the grid.

ENVIRONMENT

Our region's world renowned natural assets, natural resources and environment are key factors in the economic success of the region. The region includes two World Heritage listed areas, the rainforests of the Wet Tropics and the reefs and waters of the Great Barrier Reef (GBR). To the west we have the Gulf Rivers Strategic areas and to the north Cape York Peninsula.

The economic success of our natural assets is evidenced by the growth in our largest industry, tourism, which was valued at over \$3.1 billion dollars. This is in addition to the contributions from the region's growing global reputation in primary industries, education, health, marine and aviation.

SOCIAL INFRASTRUCTURE

There is universal agreement that strong, resilient and healthy individuals, families and communities play a vital role in building the ongoing prosperity, wellbeing and economic development of a region. It has been demonstrated that long term economic growth in the region occurs through investment in human capital development.

COMMUNICATION

An equitable communication network for the region is essential if FNQ is to have sustainable growth and development. The size of FNQ means there is a reliance on communication networks whether mobile, broadband, fixed Wi-Fi or satellite. To be competitive in current marketplaces (national and international) and drive increased productivity and access to greater economic opportunities through a global marketplace our communication network is essential.

FNQ has vast untapped potential for the development of an array of 'Agri Business', tropical expertise and tourism products which can be exported from the region. An equitable communication network will also support efficient and effective employment, government service delivery, education, health, workplace health and safety and social wellbeing.

COVID-19 has exacerbated the digital divide which accelerated the move towards online service provision for health, education and other government support services. Residents in areas with poor, or no connectivity, or limited access to computers are even more disadvantaged due to expectations they can access services remotely/digitally.

FNQ REGIONAL PRIORITIES AT A GLANCE

ROAD INVESTMENT



REQUEST

Confirm federal commitment to \$21.5 million for a Strategic Assessment of Service Requirements (SASR), and Preliminary Evaluation and Business Case put on the table in November 2019 under the major Project Business Case Fund.

REQUEST

Dedicated funding program aimed at increasing high productivity vehicles (HPV) access to and from gazetted transport routes.

REQUEST

That the Roads of Strategic Importance (ROSI) program continues, and additional funds are added to enable the full efficiency outcomes for HPVs.

WATER



REQUEST

Within the National Water Initiative, pricing policy:

- Recognised the economic life of a dam as 100 years, and
- Recognise irrigators are not the sole economic beneficiaries of bulk water supplies and make changes to the pricing policies that reflect/acknowledge indirect economic beneficiaries

REQUEST

Federal and Queensland government to invest in the future of our region by committing \$215 million to the Cairns Water Security Stage 1 project, just as they have for other regional cities.

HOUSING



REQUEST

Development of a National housing strategy.

DIGITAL CONNECTIVITY



REQUEST

More strategic governance of federal and state funding to programs (such as Mobile Black spot Program and Regional Connectivity Program) to meet actual needs of remote people.

REQUEST

Universal Service Guarantee to be further strengthened and enforced in remote areas, including relieving the onus on individuals to acquire high levels of expertise to enact their rights to voice and internet services.

REQUEST

Digital literacy interventions

- Active promotion of the Regional Tech Hub and other resources that are already available to consumers, but which are not promoted widely in FNQ, such as IoT coverage maps and solutions, and telcos' dedicated regional and enterprise services support (e.g., Telstra Enterprise, NBN Local).

REQUEST

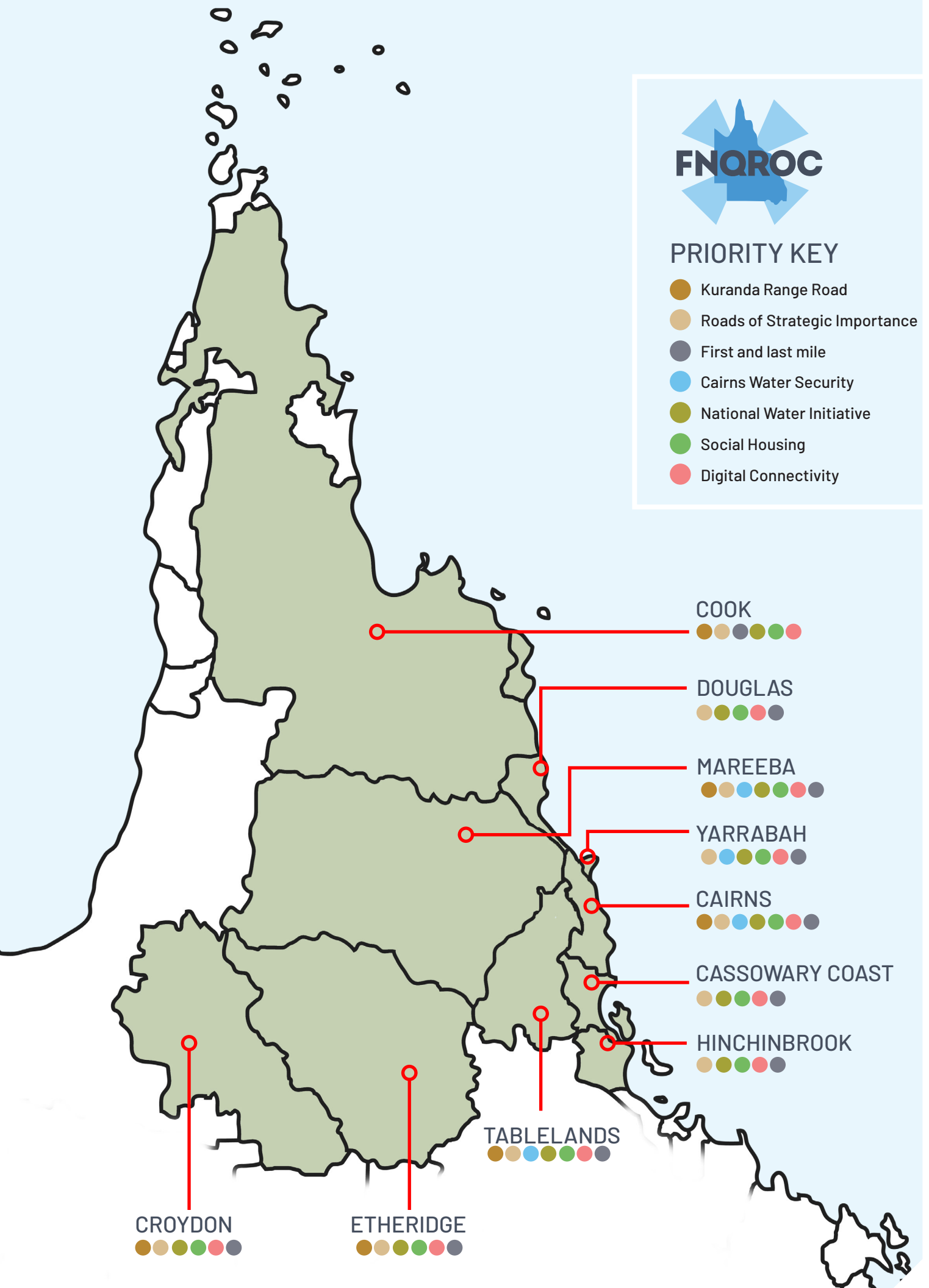
Private Network Extension

- More extensively utilise microwave radio networks to extend fixed broadband service to smaller regional communities or properties. The options may provide point-to-point or point-to-multipoint solutions potentially servicing multiple endpoints.



PRIORITY KEY

- Kuranda Range Road
- Roads of Strategic Importance
- First and last mile
- Cairns Water Security
- National Water Initiative
- Social Housing
- Digital Connectivity



ROADS

FNQROC would like to thank and acknowledge the level of Federal Government investment in our road network. Particularly, Cape York Package, Roads of Strategic Importance, Cairns Ring Road, Bruce Highway upgrades and Regional Economic Enabling Fund.

● KURANDA RANGE ROAD

REQUEST: Confirm federal commitment to \$21.5 million for a Strategic Assessment of Service Requirements (SASR), and Preliminary Evaluation and Business Case put on the table in November 2019 under the major Project Business Case Fund.

Kuranda Range Road (Kennedy Highway, Cairns/Mareeba section) links Smithfield with Kuranda and is the coastal gateway to Mareeba, Atherton Tablelands, Cape York and Gulf. The road is technically described as low geometric standard, now exceeding capacity with unplanned closures on average 1.3 times per week.

In February 2020 TMR imposed a load limit of 50 tonnes on the Barron River Bridge (top of Kuranda Range Road), since November 2020 the bridge has been single lane and at this stage will remain so until at least October 2021.

This road is now demonstrably stifling economic development and urban growth in the Cairns, Mareeba, Cape York Peninsula, Atherton Tablelands and Gulf Savannah regions.

Australian Transport Assessment and Planning (ATAP) assessment advises the possible reform opportunities/considerations are to:

- Reduce growth in land use on the Tablelands to reduce corridor demand
 - Reduce agricultural, tourism and other industry sector activity/change processes to reduce corridor demand
 - Change the B-Double limitations to allow B-Doubles the use of the Kuranda Range subject to conditions alternative solutions for this road are to limit development
- This does not enable economic growth for Northern Australia.

● ROADS OF STRATEGIC IMPORTANCE

REQUEST: That the Roads of Strategic Importance (ROSI) program continues, and additional funds are added to enable the full efficiency outcomes for HPVs.

FNQROC would like to thank the Federal Government for investment in this program to date. It has started to close the transport gap within the region and oblige the State Government to focus attention on the region with funding that otherwise would not have come. We would like to see the continuation of this program until the ROSI corridors and their spines provide the full efficiency outcomes for HPVs.

● FIRST AND LAST MILE – HEAVY VEHICLE PRODUCTIVITY ROUTES

REQUEST: Dedicated funding program aimed at increasing high productivity vehicles (HPV) access to and from gazetted transport routes.

Greater access for High Productivity Vehicles (HPVs) has been a high priority for government, industry, freight operators and end users of freight services because of the productivity gains and cost savings they generate. However, many freight journeys commence and or end on local roads, and an inability to operate HPVs for the entire journey from origin to destination can substantially reduce the gains which would otherwise be achieved. The program should specifically look at deficiencies which restrict access to the existing heavy vehicle network in the following situations:

- Primary Production – Deficiencies in roads which connect from the heavy vehicle network to primary production locations to processing centres i.e. farms to feedlots, sugarcane to mills, mine sites to refinement facilities
- Improved Connectivity – Deficiencies in roads which provide a connection between two existing heavy vehicle routes and would benefit freight if access is improved.
- Community Access – Deficiencies in roads that provide a singular road freight lifeline to vulnerable communities

In Far North Queensland there are 18 strategic roads (predominately local government owned) identified in the FNQ Regional Road investment Strategy which could enable HPVs to operate for the entire journey.

Two routes have been identified as critical to future road freight movements; these are:

- Ootann (Almaden-Gingerella) Road which connects the Kennedy Highway and Burke Developmental Road, and
- Richmond-Croydon Road which connects the Gulf Developmental Road to the Flinders Highway

Regional investment analysis identifies a total of \$473mil is needed for HPVs to operate for the entire journey within our region. (note: this assessment excludes the range crossings from Cairns to the Tablelands)

WATER

● CAIRNS WATER SECURITY – STAGE 1 PROJECT

REQUEST: Federal and Queensland government to invest in the future of our region by committing \$215 million to the Cairns Water Security Stage 1 project, just as they have for other regional cities.

Constructed in 1976, Cairns' primary water source, Copperlode Dam (38,400ML), has served the city well. However, it can no longer meet the water needs of a growing population. The current capacity per person is 0.19ML. Without this stage 1 project, Cairns will need to access their allocation from the Barron River which in turn will have an impact on the Mareeba Dimbulah Water Supply Scheme, which in turn will have an impact on our growing agricultural sector.



Mareeba Dimbulah Water Supply Network

The Cairns Water Security project avoids conflict with agricultural water needs on the Atherton Tablelands by not sourcing water from the Barron River/Mareeba Dimbulah Water Supply Scheme.

Regional Benefits

- Essential additional water for Cairns and FNQ to grow and prosper
- Significantly cheaper than a new dam and with a lighter environmental footprint.
- Protects our visitor reputation by preventing water restrictions
- Strategically located adjacent to the city's primary urban development front (Mt Peter) and in close proximity to the Cairns South State Development Area

● NATIONAL WATER INITIATIVE – PRICING POLICY

REQUEST:

Within the National Water Initiative, pricing policy:

- a. Recognised the economic life of a dam as 100 years, and**
- b. Recognise irrigators are not the sole economic beneficiaries of bulk water supplies and make changes to the pricing policies that reflect/ acknowledge indirect economic beneficiaries.**

While there appears to be a change in attitude within the National Water Grid and state agency personnel on the assessment procedures for investment in dams, the National Water Initiative pricing policy does not reflect this. Our study into the long term economic benefits of dams (over 30 years old) shows that:

- a.** Population grows 2-3 times the rate of an area without a Dam
- b.** Agricultural production growth has been 60%-80% compared to 0%-10%
- c.** The security of water has been fundamental in providing resilience to communities (changes of markets, policy and economic conditions)
- d.** The security of water has provided other public and private sector investment in subsequent infrastructure (i.e. transport and manufacturing industry)

In perusing a 'user pays' approach to capital and operational cost recovery, it is potentially understating the broader group of beneficiaries and trying to burden those (irrigators) directly using the water. There should be a cost component of the infrastructure that the State and Federal Government accept as the mechanism for broadly dispersing the costs to beneficiaries.

HOUSING

● HOUSING

REQUEST: Development of a National housing strategy.

Currently the Federal Government is primarily a funder with the National Affordable Housing Agreement (NAHA) the primary integrating mechanism for investment. The details of delivery are largely at the discretion of the states and territories.

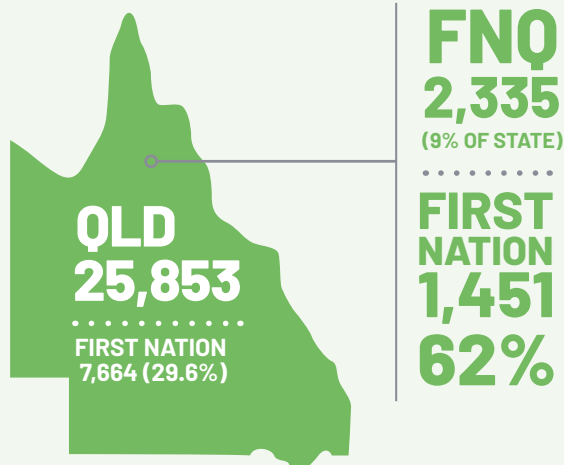
A National Housing strategy would address inconsistencies to provide a federal mandate to influence delivery requirements within state housing plans. This includes delivery targets, implementation levers, and performance measures across the continuum of housing needs.

QShelter and Australian Housing and Urban Research Institute (AHURI) research (based on international benchmarks) highlights that as a key policy instrument a national plan would:

- help to stabilise and integrate the financial and policy settings of different states and territories
- ensure that provision is made to supply across the housing continuum – social through to assisted home ownership
- encourage the replication of successful models.
- promote an integrated whole-of-system approach – across government, investors and the sector

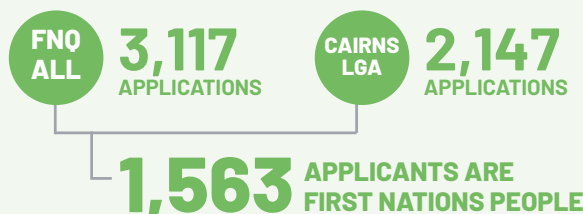
SOCIAL HOUSING REGISTER

AS AT 30 JUNE 2020³



HOUSING REGISTER OF NEED

AS AT 30 JUNE 2021⁴



In the next 12 months, 25 additional units are scheduled to be constructed. Recent budget announcement to target 234 new properties for the Cairns region over the next 4 years.

³ <https://www.data.qld.gov.au/dataset/social-housing-register/resource/991dd13a-4a37-4235-ba38-4f2165a50fbc>

⁴ As advised by the Cairns Housing Service Centre

COMMUNICATIONS

DIGITAL CONNECTIVITY

REQUEST:

- **More strategic governance of federal and state funding to programs (such as Mobile Black spot Program and Regional Connectivity Program) to meet actual needs of remote people**
- **Universal Service Guarantee to be further strengthened and enforced in remote areas, including relieving the onus on individuals to acquire high levels of expertise to enact their rights to voice and internet services**
- **Digital literacy interventions – Active promotion of the Regional Tech Hub and other resources that are already available to consumers, but which are not promoted widely in FNQ, such as IoT coverage maps and solutions, and telcos' dedicated regional and enterprise services support (e.g., Telstra Enterprise, NBN Local)**
- **Private Network Extension – More extensively utilise microwave radio networks to extend fixed broadband service to smaller regional communities or properties. The options may provide point-to-point or point-to-multipoint solutions potentially servicing multiple endpoints**

Mobile Blackspot Audit

FNQROC has undertaken a mobile blackspot audit on our heavy vehicle and tourism routes within the region. These routes totalled over 5,100km and it was found that 3,550km (~70%) was in a blackspot (3G and 4G). Within capital cities and the surrounds, this would be less than 1%, highlighting the continuing digital divide.

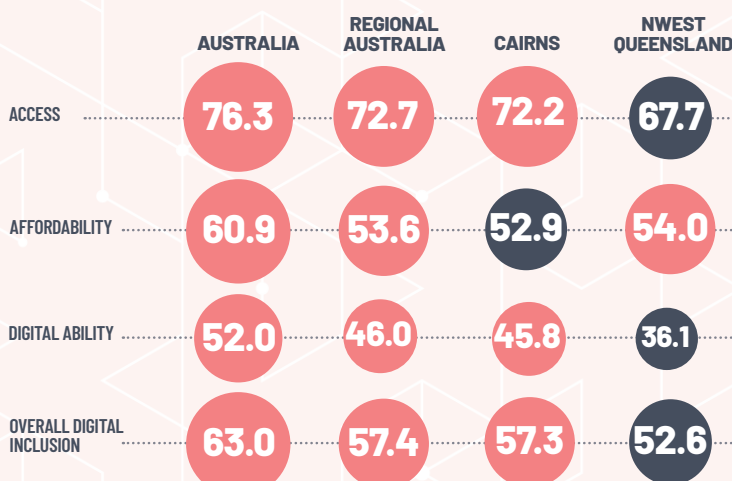
It is recognised that these blackspots will not be eliminated overnight, it is also recognised that a strategic prioritisation plan to reduce these blackspots is also required. To develop this strategic prioritisation plan it would require working with (but not limited to):

- Telco's to understand their future plans
- Dept. Emergency Services to identify their priority areas for coverage
- Transport/Agricultural/grazing/mining industries
- Dept. Transport to understand their future capital projects and incident cluster areas in blackspots
- Ergon/Powerlink to understand their future capital projects

It is also understood there are a significant number of microwave tower/transmitter locations across the region, which are at the end of their life. The taxpayer paid for these assets and we are seeking to understand if these could be used to improve mobile communications.

Subsequent to this audit, the Northern Gulf NRM group received funding through the FNQ & NQ Monsoon Trough (Category C) Grants program with the aim of the project to develop legitimate, practical, and affordable options for individuals, businesses, and organisations to get connected, and pathways to developing greater digital capability to respond to the challenges and to capitalise on the opportunities in the future. "Solutions for Improved Digital connectivity in FNQ: Building community and disaster resilience in the Northern Gulf" is currently in final draft.

DIGITAL INCLUSION INDEX SCORES 2020



AUSTRALIA'S LEAST DIGITALLY INCLUDED RURAL AREAS ARE NORTH WEST QLD (52.6) COASTAL QLD (55.4)