AUGUST 2026

FEDERAL PRIORITIES

FAR NORTH QUEENSLAND, NORTHERN AUSTRALIA'S LARGEST AND FASTEST GROWING REGION.

FOREWORD

United Councils, Connected Communities, Stronger Region.

OUR ORGANISATION

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 296,389 and gross regional product is $20.14 billion[1].

Far North Queensland is a region of extraordinary opportunity and significance. It is home to world-class agriculture, critical minerals, tourism, defence assets, Indigenous cultures, renewable energy opportunities and some of Australia's most strategically important transport and supply chain corridors.

The priorities contained within this brief reflect the collective views of the twelve member councils of FNQROC. They are practical, achievable and aligned with national priorities including productivity, housing, supply chain resilience, the Future Made in Australia agenda and national security.

A common theme runs throughout this brief: Australia's future prosperity will increasingly depend on the success of regional Australia.

We acknowledge and appreciate the significant investment the Australian Government has already made across Far North Queensland. These have provided meaningful benefits to our communities.

Our intention is not simply to advocate for additional investment, but to share the realities faced by regional and remote communities and identify opportunities where targeting investment and policy reform can deliver benefits well beyond our region.

We look forward to working collaboratively with the Australian Government to ensure FNQ continues to contribute to a stronger, more resilient and more prosperous Australia.

1 https://economy.id.com.au/fnqroc

FNQ at a glance

$20.14B
GRP
(JUNE 2024)

INCREASE OF
1%
ON PREVIOUS YEAR

27,068
LOCAL BUSINESSES - AN INCREASE OF 1% IN THE LAST YEAR

EXPORTS:

$2.3B
AGRICULTURE
(2024/25)

$6.55B
TOURISM SALES
(2024/25)

$876M
MINING

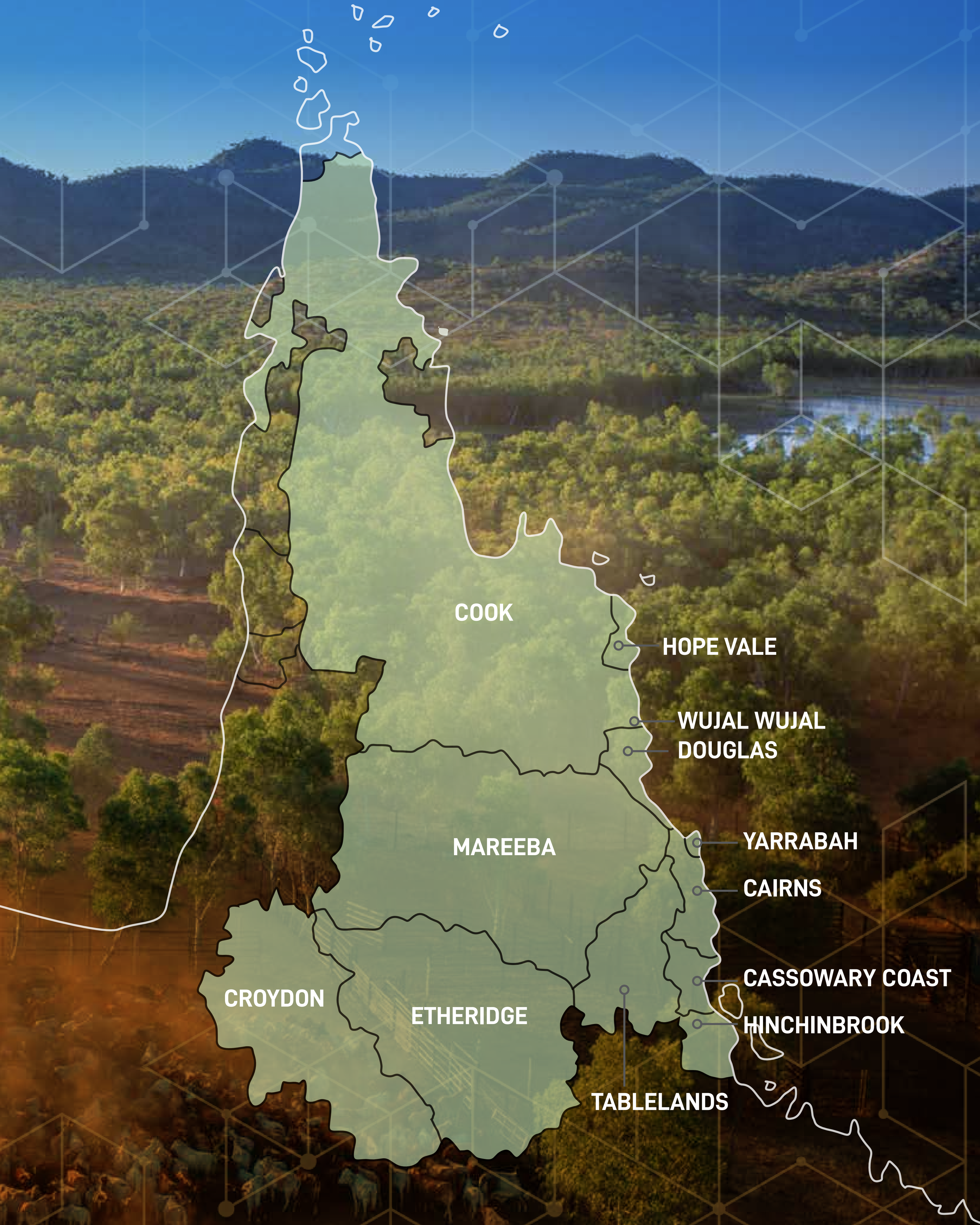
$1.92B
MANUFACTURING

POPULATION
296,389

SEIFA INDEX OF
DISADVANTAGE
510 to 981
(2021)

41
MEDIAN AGE

11.2%
FIRST NATIONS
POPULATION

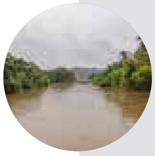


We acknowledge the traditional custodians of where we live and work and throughout Far North Queensland.
We pay respects to elders past, present and emerging, and the enduring connections to Country and culture.

REGIONAL PRIORITIES AND STORIES AT A GLANCE

REGIONAL AND REMOTE SPECIAL ECONOMIC ZONE (R&R SEZ)

It is requested that the Federal Government establish a Treasury-led working group, in partnership with regional local government and industry representatives, to design and assess the implementation of a Regional and Remote Special Economic Zone which could be piloted in Far North Queensland.

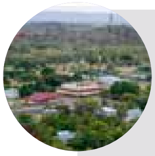


DRAFT DISASTER RECOVERY FUNDING FRAMEWORK

If the Commonwealth's intention is not to reduce the capacity of local communities to recover from disasters, what assurance can you provide that the proposed framework will not result in additional costs or reduced levels of service being transferred to local governments and their communities.

Questions for the Commonwealth Government

1. What resilience funding program will replace the outcomes previously achieved through the efficiencies framework?
2. Will councils need to compete nationally for resilience funding programs and how will the investment priorities be determined?
3. What co-contributions will apply under the new resilience programs?
4. How will local government administrative burden be reduced in practice?



FINANCIAL ASSISTANCE GRANTS

Pending the restoration of Financial Assistance Grants and the establishment of a successor to the Local Roads and Community Infrastructure Program, it is requested that the Federal Government:

a. adopt a scalable co-contribution model for infrastructure programs, enabling small and medium outer regional, remote and very remote councils to access funding of up to 80 percent reflecting their limited revenue capacity and the higher cost to deliver infrastructure; and

b. establish a non-competitive funding program that provides smaller, less resourced councils with direct funding to deliver essential community infrastructure that would otherwise be beyond their financial capacity.

CRITICAL INFRASTRUCTURE - WATER

DRFA AND WATER ASSETS

Amend the definition of an eligible undertaking under the Disaster Recovery Funding Arrangements (DRFA) from:

- "operates the asset provides services free of charge or at a rate that is 50 per cent or less of the cost to provide those services" [2]

to

- "operates the asset provides services free of charge or not operating as a commercial business unit"

BULKWATER(AGRICULTURAL

- Etheridge Agriculture Precinct – Progress Update
- Lakeland Irrigation Area Scheme – Progress Update

2 https://www.qra.qld.gov.au/funding/drfa/drfa-tool-box/eligible-essential-public-assets-drfa

ROADS

LOCAL ROADS AND COMMUNITY INFRASTRUCTURE PROGRAM

Reinstatement of the Local Roads and Community Infrastructure Program

SAFE AND RESILIENT SUPPLY CHAINS

In September 2022, CSIRO completed a Road and Rail Supply Chain Resilience Review of key freight roads and railways. Given the critical role which freight networks and supply chains play in supporting communities, industry and national economic productivity, FNQROC requests:

a. a review of the National Key Freight Routes, and

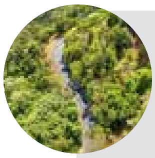
b. an updated supply Chain Resilience Review which incorporates the significant flooding and disaster events experienced across Far North Queensland during 2023, 2024 and 2025.

NATIONAL LAND TRANSPORT NETWORK EXTENSION

Extend the National highway designation from the intersection of Captain Cook Highway and Kennedy Highway at Smithfield to the RAAF Base Scherger, via the Peninsula Developmental Road (PDR).

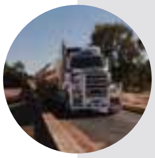
PENINSULA DEVELOPMENTAL ROAD

It is requested the Federal Government continues to commit 80% funding to the next stage of improvements on the Peninsula Developmental Road.



KURANDA RANGE ROAD

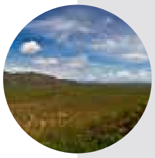
How do we solve the corridor's long-term capacity, resilience and productivity challenges ... or do we simply spend the next decade rebuilding what we had before?



BRIDGES

GILBERT RIVER BRIDGE

Commit 80% Australian Government funding towards the construction of a higher-level, two-lane Gilbert River Bridge on the Gulf Developmental Road (part of the Savannah Way).



MCLEOD RIVER CROSSING

With the Queensland Government currently finalising the detailed design for the McLeod River Crossing, we are seeking a commitment from the Australian Government to partner in funding the project once the design is complete.

LAURA RIVER CROSSING

That Laura River Crossing is part of the next stage of upgrades to the Peninsula Developmental Road.

INDIGENOUS HOUSING AND COMMUNITIES

SOCIAL HOUSING REPAIRS AND MAINTENANCE

We welcome the Commonwealth's $200 million Housing Australia Future Fund allocation for repairs, maintenance and improvements in remote indigenous communities. How much of this is being invested in Queensland's discrete Indigenous communities, and what mechanism exists to ensure local councils and communities can influence maintenance priorities?

INDIGENOUS COMMUNITIES SUPPORTING VETERANS CLOSE TO HOME – CAPE YORK

Pilot a Cape York Indigenous Veterans Support Program that delivers culturally appropriate veterans' services through local community organisations and outreach models, reducing the need for Indigenous veterans to travel to metropolitan centres to access support.

EDUCATION – HOPE VALE

Discussion

CHILD WELLBEING, SCHOOL ATTENDANCE AND ACCOUNTABILITY

EMPLOYMENT AND INDIGENOUS AUSTRALIANS

We would welcome a review of current service delivery arrangements to ensure they are aligned with local workforce opportunities, community aspirations and Closing the Gap objectives.

AGED CARE

AGED CARE ASSESSMENTS

1. We are interested in learning more about the Pooled funding trial arrangements being implemented in selected communities to improve access to in-home aged care services and address local workforce and service delivery challenges.
2. We're interested to understand where 5,000 of the 10,000 beds needed per year will be located and how will the remaining 5,000 per year be managed, and
3. With the introduction of the Integrated Assessment Tool (AI Assessment) to improve consistency and streamline assessment processes, how will the Government ensure that a standardised approach does not come at the expense of recognising individual needs and circumstances, particularly where a more tailored assessment may lead to better care outcomes?

REGIONAL AND REMOTE SPECIAL ECONOMIC ZONE (R&R SEZ)

REQUEST

That the Federal Government establish a Treasury-led working group, in partnership with regional local government and industry representatives, to assign and assess the implementation of a Regional and Remote Special Economic Zone which could be piloted in Far North Queensland.

The Regional and Remote Special Economic Zone (R&R SEZ) presents an opportunity for the Australian Government to address multiple national challenges through a single integrated policy framework. By incentivising population growth, workforce attraction, business investment and service sustainability across regional, remote and very remote Australia, the R&R SEZ directly supports national priorities including productivity, housing affordability, workforce participation, economic diversification, Indigenous economic development, supply chain resilience and national security.

The R&R SEZ provides targeted incentives linked to remoteness and local needs, helping to build stronger regional economies while relieving population and infrastructure pressures in Australia's major metropolitan areas.

Australia cannot achieve its productivity ambitions if economic growth remains concentrated in a handful of metropolitan centres. Rather than trying to fit another million Australians into Sydney, Melbourne and Brisbane, we can create meaningful incentives for individuals, families and businesses to build their futures in regions where housing remains attainable, communities are seeking growth, and economic opportunities are abundant.

With the Governments economic agenda focused on domestic manufacturing, critical minerals, renewable and sovereign capability and the Future Made in Australia initiative, much of Australia's next wave of economic growth will be delivered from regional Australia. The challenge is not simply creating more jobs; it is ensuring workers, families and businesses are located where Australia needs them most. Through targeted incentives, the R&R SEZ can help address workforce shortages while supporting Australians to get ahead, purchase a home, raise a family and realise their aspirations.

The Regional and Remote Special Economic Zone is not a regional assistance package. It is a national productivity, workforce and resilience strategy. Australia cannot effectively address housing affordability, workforce shortages, supply chain resilience, Indigenous economic participation, Northern Australia development and national security through siloed programs alone.

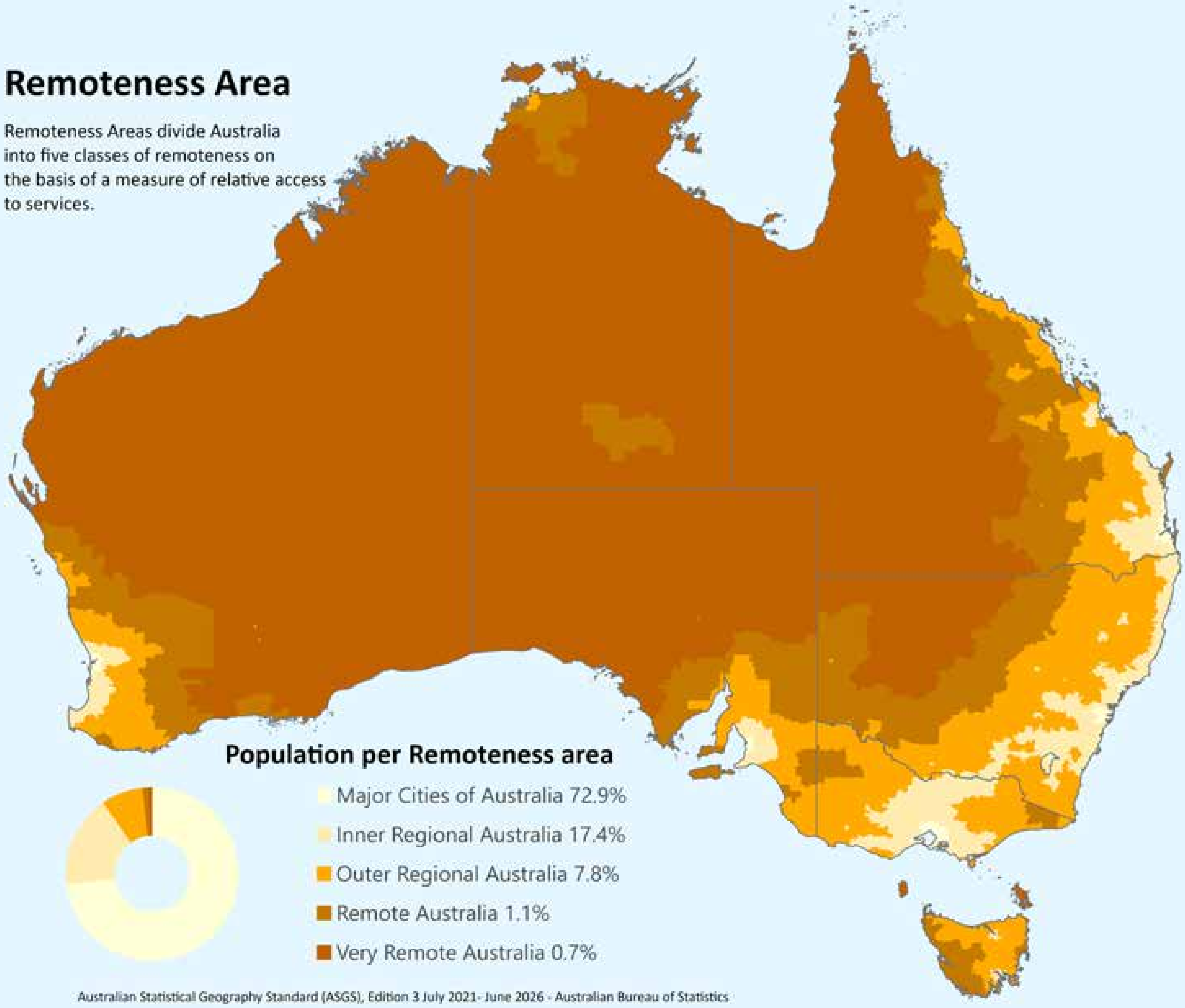
The R&R SEZ provides a coordinated framework that encourages people, businesses and investment to move to the places that produce Australia's food, energy, minerals and exports. In doing so, it strengthens regional communities, reduces pressure on metropolitan Australia, strengthens national productivity, supports the Future Made in Australia agenda and builds a stronger, more resilient nation.

This is not about helping regional Australia, it is about unlocking regional Australia's capacity to help Australia.

The question is not whether Australia can afford to invest in regional and remote Australia.

The question is whether Australia can afford not to.

(The full concept can be found at the end of this document)



LOCAL GOVERNMENT SUSTAINABILITY

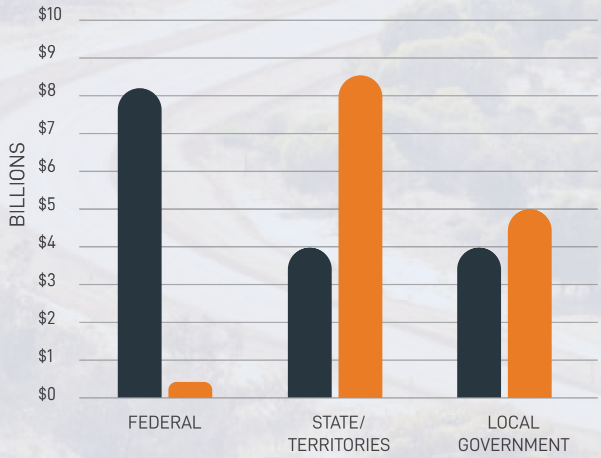
Align responsibility with capacity to pay.

Local government is the level of government closest to communities and is increasingly relied upon to deliver outcomes that support national priorities, including housing, productivity, workforce attraction, resilience, economic development, community wellbeing and climate adaptation. At the same time, councils are facing growth financial pressures. Financial Assistance Grants have declined to approximately 0.49% of commonwealth taxation revenue, the local Roads and Community Infrastructure Program has concluded, there is no future funding for the National Water Grid and significant reforms to disaster recovery funding are being proposed. While each change may be manageable in isolation, their cumulative impact is placing increasing pressure on the long-term sustainability of local government.

This challenge is particularly acute in regional, remote and very remote Australia, where councils often have small rating bases, large geographic areas, extensive infrastructure networks and frequent exposure to natural disasters. These councils cannot simply increase rates to absorb additional costs without creating significant impacts on residents, businesses and local economies. For many communities, the issue is not a willingness to contribute, but a capacity to contribute.

A uniform co-contribution requirement does not account for the significant differences in population, revenue capacity and asset responsibilities between metropolitan and remote local governments. Sustainable policy outcomes require funding frameworks that recognise these differences and align responsibility with capacity to pay. A scalable funding approach would improve equity, accelerate project delivery and ensure communities are not disadvantaged by their geography, while allowing councils to continue delivering the local services and broad economic and social outcomes that underpin Australia's national prosperity.

FIGURE 1:
Revenue vs Infrastructure Value by level of Government EoFY25



Source: Australian Bureau of Statistics, Government Finance Statistics, Annual 2024/25 (ABS Website, Released 21 April 2026)

DRAFT DISASTER RECOVERY FUNDING FRAMEWORK

If the Commonwealth's intention is not to reduce the capacity of local communities to recover from disasters, what assurance can you provide that the proposed framework will not result in additional costs or reduced levels of service being transferred to local governments and their communities.

The reaction from local government to the announcement of the proposed Disaster Recovery Funding Framework highlights an important lesson for all levels of government. For councils, disaster recovery funding is not an abstract policy discussion. It directly affects the roads communities travel on, access to healthcare and education, the restoration of essential services, and ultimately the wellbeing of residents. Local governments are often the first point of contact for communities during and after disasters and are therefore acutely aware of the consequences of any perceived reduction in recovery support.

From a local government perspective, the initial announcement created uncertainty. While the Commonwealth outlined the intent of the reforms, limited information was available regarding funding allocations, cost-sharing arrangements, implementation details, transitional arrangement, and the practical implications for councils. In the absence of this information, many councils understandably focused on the potential risks to their communities.

At the same time, it is equally important to acknowledge that the Commonwealth appears to be attempting to address many of the concerns councils themselves have raised over many years. The Colvin Review recognised that the existing system is complex, reactive, administratively burdensome and heavily reliant on local governments to deliver recovery outcomes. Many of the proposed reforms seek to address these issues. We also note none of the recommendations called for a cut in federal funding.

We support investment in betterment and resilience; it is a critical role in reducing the impacts of future disasters. Our concern is ensuring that any reform does not inadvertently weaken the ability of communities to recover when disasters occur.

The challenge was not necessarily the intent of the reforms, but the communication surrounding them. Disaster recovery funding is particularly sensitive in Queensland due to the scale and frequency of disaster events and the critical role the funding plays in maintaining community resilience. Any proposal that may alter funding arrangements is likely to attract strong attention and scrutiny, particularly when details are limited.

This consultation period presents an opportunity for all levels of government to strengthen communication and collaboration moving forward. FNQROC encourages all parties to work collaboratively through the transition process by:

- providing early and transparent information regarding the proposed changes
- sharing modelling and practical examples of how reforms will affect communities and councils
- clearly identifying any changes to funding responsibilities between the Commonwealth, State and local government
- engaging with local government early in the design and implementation of new arrangements
- establishing regular forums for councils to seek clarification and provide feedback as reforms progress
- ensuring regional and remote communities are specifically considered during implementation

Our objective is not to defend the existing system or oppose reform. Rather, we aim to ensure that reforms achieve their intended outcomes while maintaining the confidence of the communities they are designed to support.

Our goal, and we believe it is also the goal of State and Commonwealth Governments, is for stronger, more resilient communities, faster recovery following disasters, and funding arrangements that are transparent, sustainable and fit for purpose.

Investment in resilience and betterment should complement recovery funding, not replace it.

For regional and remote communities, resilience and recovery are not competing priorities – both are essential.

Declared events requiring reconstruction of Essential Public Assets 2023/24/25

2023/24 our region required support to reconstruct Essential Public Assets:

Event	Date	Member Councils Activated
Low Pressure Trough	Nov/Dec 2023	Etheridge
Cyclone Jasper	Dec 2023	Cairns, Douglas, Cook, Wujal Wujal, Hope Vale, Yarrabah, Cassowary Coast, Mareeba, Tablelands, Hinchinbrook.
North Queensland Monsoon Trough	Jan 2024	Etheridge
Cyclone Kirrily	Jan/Feb 2024	Croydon, Etheridge, Hinchinbrook

Douglas Shire Council Case Study – Cyclone Jasper

Douglas Shire Council has just 9,936 rateable assessments, yet following Cyclone Jasper has secured approval for approximately $204.8 million in disaster recovery across REPA, CDO and WEK. In addition, a further $47.6 million has been approved for the restoration of critical water and wastewater infrastructure.

The significance of this support becomes clear when considered at the local level.

If disaster recovery funding for water and wastewater assets was no longer available and Council was required to fund these repairs itself, the cost would equate to approximately $477 per ratepayer per year for the next ten years. For the average ratepayer, this would represent a 35% increase in rates.

Under the proposed disaster funding reforms, if the Queensland Government were to pass on a 15% local government contribution, Douglas Shire Council rate payers would face an additional burden of approximately $308 per ratepayer per year for the next ten years. This equates to a further 22% increase in rates.

Combined, these changes would require Douglas Shire Council ratepayers to absorb the equivalent of a 56% increase in rates over the next decade simply to restore essential public infrastructure damaged by natural disasters.

For a small regional council with a limited rating base and exposure to frequent natural disasters, such costs are beyond the financial capacity of the community to absorb. This case study highlights why disaster recovery funding is not simply a financial assistance program – it is a mechanism that ensures regional and remote communities can recover from natural disasters without transferring unsustainable costs onto local residents.

If this was the case, the following initiatives would be compromised as a consequence:

- **Housing Supply and Affordability** – housing enabling infrastructure projects will be delayed constraining the delivery of new homes
- **Productivity and Economic Growth** – infrastructure supporting tourism, agriculture and small business will be delayed. Hirer rates will also suppress regional economic growth and private investment
- **Council will have less capacity to co-invest** in infrastructure which supports critical minerals, renewable energy, manufacturing and supply chain resilience
- **Cost of Living** – Higher council rates will have a significant impact on cost of living
- Community Infrastructure – reduced investment ability will make the region less attractive
- **Resilience** – Council will be unable to fund mitigation and resilience projects which will result in a cycle of increasing vulnerability and future recovery costs
- **FNQ's Gross Regional Product** is approximately $20.14 billion[3], driven by industries that depend on resilient infrastructure to operate:

Tourism - $6.5 billion (2024/25)

Construction - $3.8 billion (2024/25)

Agriculture - $2 billion (2020/21)

Manufacturing - $1.4 billion (2024/25)

These industries rely on the timely restoration of essential infrastructure following disasters. If local government cannot afford to restore critical assets such as roads, bridges and water infrastructure, the consequences extend well beyond damaged communities. Freight movements are disrupted, businesses cannot operate, tourism declines, agriculture production is constrained, and manufacturing is impacted. The result is not simply delayed recovery; it is the erosion of the economic activity that underpins our regional economy and Australia's productivity and economic resilience.

The question is not whether councils can contribute more to disaster recovery. The question is what national priorities governments are prepared to sacrifice if local government is required to redirect limited resources from housing, productivity, resilience, workforce attraction and economic development into rebuilding infrastructure damaged by natural disasters. For many regional councils, the cost is not simply higher rates – it is the loss of capacity to help deliver Australia's broader economic and social agenda. For small regional, remote and very remote councils with limited rating bases and exposure to frequent natural disasters, the challenge is even greater. Disaster recovery reform risks undermining the viability, resilience and long-term prosperity of the very communities it seeks to support.

Questions for the Commonwealth Government

1. *What resilience funding program will replace the outcomes previously achieved through the efficiencies framework?*
2. *Will councils need to compete nationally for resilience funding programs and how will the investment priorities be determined?*
3. *What co-contributions will apply under the new resilience programs?*
4. *How will local government administrative burden be reduced in practice?*

3 https://economy.id.com.au/fnqroc

FINANCIAL ASSISTANCE GRANTS

REQUEST

Pending the restoration of Financial Assistance Grants and the establishment of a successor to the Local Roads and Community Infrastructure Program, it is requested that the Federal Government:

a **Adopt a scalable co-contribution model for infrastructure programs, enabling small and medium outer regional, remote and very remote councils to access funding of up to 80 percent, reflecting their limited revenue capacity and the higher cost of deliver infrastructure; and**

b **Establish a non-competitive funding program that provides smaller, less resourced councils with direct funding to deliver essential community infrastructure that would otherwise be beyond their financial capacity.**

Restoring Financial Assistance Grants (FA Grants) to 1 percent of Commonwealth taxation revenue is essential to maintaining the sustainability of local government and the communities we serve. As untied funding, FA Grants provide councils with the flexibility to allocate resources where they are needed most, responding to local priorities and delivering services that directly support community wellbeing, economic productivity and resilience.

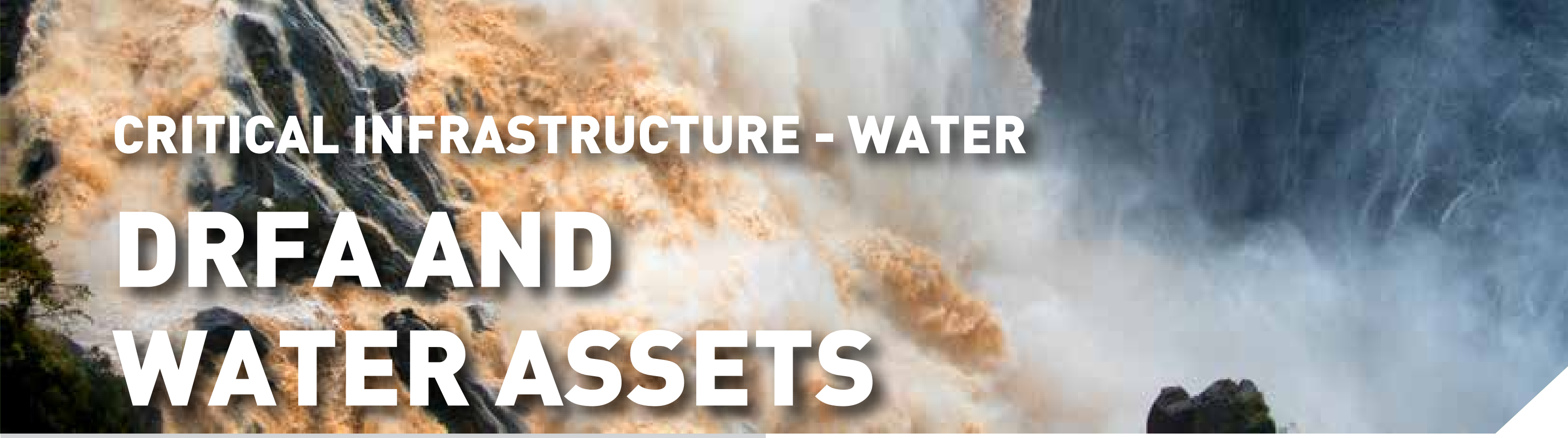
Over time, local government responsibilities have continued to expand, while Financial Assistance Grants have declined as a proportion of Commonwealth revenue. Councils are increasingly expected to respond quickly, effectively and equitably to community needs, yet the funding available to support these responsibilities has not kept pace. This places growing pressure on local government finances and, ultimately, on ratepayers (where councils can charge rates).

In Far North Queensland alone, councils manage an extensive and costly portfolio of community assets and services that underpin both liveability and economic growth.

These include:

- more than $5.4billion of road assets including comprising 13,934 kilometres of roads and 545 bridges
- approximately 7,445 hectares of parks, open spaces and recreational areas that support health and wellbeing
- more than $2.5billion in water assets, critical to ensuring safe and reliable water services for residents and businesses, with regional and remote councils facing disproportionately high costs to maintain and renew these essential assets

A restoration of FA Grants to 1 percent would provide councils with the capacity to maintain critical infrastructure, respond to emerging challenges and continue delivering the services Australians rely upon every day. It is a practical investment in the long-term productivity, resilience and prosperity of communities across Australia.



CRITICAL INFRASTRUCTURE - WATER

DRFA AND WATER ASSETS

REQUEST

Amend the definition of an eligible undertaking under the Disaster Recovery Funding Arrangements (DRFA) from:

- **"operates the asset provides services free of charge or at a rate that is 50 per cent or less of the cost to provide those services"[4]**

to

- **"operates the asset provides services free of charge or not operating as a commercial business unit"**

Local government-owned water and wastewater infrastructure should be recognised as an essential service under the DRFA framework and be eligible for disaster recovery funding as a right, not a fight.

Water supply and wastewater treatment are fundamental public services. They protect public health, prevent the spread of disease, support economic activity, safeguard the environment and underpin the resilience and liveability of communities.

In metropolitan areas with high population densities, such services can operate on a commercial basis. In regional and remote communities however, dispersed populations and limited customer bases make commercial operation unviable. In these communities, local governments are responsible for delivering and maintaining these critical services to ensure their communities remain safe, healthy and functional.

The financial impact of natural disasters on water and wastewater infrastructure can be significant and far exceed the financial capacity of many regional councils.

Following Cyclone Jasper, councils across Far North Queensland experienced substantial damage, including:

- a major sewer main collapse in Mareeba requiring repairs estimated at $12 million
- damage to inlet systems in Kuranda estimated at approximately $15 million
- extensive impacts to water and wastewater infrastructure in Douglas Shire estimated at $45 million
- inundation post cyclone to the Intake Tower at Cooktown. The estimated repair is $32 million

Despite the essential nature of these services, councils were required to advocate extensively for DRFA Category D assistance because the infrastructure was deemed ineligible under current definitions.

Amending the definition to explicitly include local government owned water and wastewater infrastructure where councils are not operating as a commercial business unit would:

- recognise water and wastewater services as essential community infrastructure
- remove unnecessary barriers to disaster recovery funding
- improve the speed and certainty of recovery following natural disasters
- strengthen community resilience and public health outcomes, and
- deliver a fairer and more equitable outcome for regional and remote communities

This reform would ensure that when disasters strike, councils can focus on restoring essential services to their communities.

4 https://www.qra.qld.gov.au/funding/drfa/drfa-tool-box/eligible-essential-public-assets-drfa

BULK WATER (AGRICULTURAL)

ETHERIDGE AGRICULTURE PRECINCT – PROGRESS UPDATE

Etheridge Shire Council is progressing the development of a regional agricultural precinct designed to support high value cropping, beef production and the expansion of both dryland and irrigated agriculture.

The initiative aims to establish a coordinated framework that streamlines key development considerations including:

- water allocation and access
- vegetation management requirements
- native title processes
- land tenure arrangements; and
- environmental approvals under the Environment Protection and Biodiversity Conservation (EPBC) Act

By addressing these issues through an integrated planning approach, the precinct seeks to provide greater certainty for investment, accelerate project development, and unlock the region's significant agricultural potential.

LAKELAND IRRIGATION AREA SCHEME – PROGRESS UPDATE

The detailed Business Case for the Lakeland Irrigation Areas Scheme has been completed, confirming the project's potential to deliver substantial economic and regional development benefits.

Key benefits identified include:

- access to reliable, secure and affordable water supply capable of supporting both horticulture and broadacre agricultural production
- servicing up to 17,115 hectares of arable, irrigable land, enabling the expansion of higher value and more diverse cropping opportunities
- increased agricultural productivity and output, strengthening Far North Queensland's contribution to national Growth in regional prosperity through increased private investment, job creation and business activity, and
- National Food security and broader economic benefits through:
  - population growth
  - employment opportunities
  - Indigenous businesses
  - enhanced freight and transport activity, and
  - opportunities for value-added processing, expansion and agribusiness development

The scheme represents a transformational opportunity to unlock agricultural growth in Cape York while delivering long-term economic and social benefits for the broader region.

ROADS

LOCAL ROADS AND COMMUNITY INFRASTRUCTURE PROGRAM

REQUEST

Reinstatement of the Local Roads and Community Infrastructure Program

We recognise that the Local Roads and Community Infrastructure (LRCI) Program was established as a temporary COVID-era stimulus measure however it has proven to be one of the most effective and accessible infrastructure funding programs available to local government.

The program has enabled councils to invest in local roads, footpaths, parks, libraries, community facilities and other essential community infrastructure that directly improves liveability and supports local economic activity.

Importantly, it has provided a practical funding pathway for smaller and capacity-constrained councils that often lack the resources required to successfully compete for highly competitive grant programs.

The flexibility and certainty provided through the LRCI program has allowed councils to deliver projects that matter most to their communities, while ensuring funding reaches areas that may otherwise miss out on critical infrastructure investment.

SAFE AND RESILIENT SUPPLY CHAINS

DISCUSSION AND REQUEST

In September 2022, CSIRO completed a Road and Rail Supply Chain Resilience Review of key freight roads and railways. Given the critical role which freight networks and supply chains play in supporting communities, industry and national economic productivity, FNQROC requests:

a **A review of the National Key Freight Routes, and**

b **An updated supply Chain Resilience Review which incorporates the significant flooding and disaster events experienced across Far North Queensland during 2023, 2024 and 2025.**

The impacts of Cyclone Jasper (2023), Cyclone Kirrily (2024) and the North and Far North Tropical low (2025), and Cyclone Albert highlighted the vulnerability of northern supply chains. These events caused major road closures, disrupted freight movements and, in some cases, left communities without reliable access to food, fuel and essential supplies for weeks into months (recently). Some of these vulnerabilities could be addressed through relatively targeted investments, including:

a Upgrades to flood prone crossings and critical freight links, including the Gilbert River and McLeod River crossings, and

b Increased cold storage and supply resilience infrastructure, particularly within Indigenous Council areas and remote communities.

Currently there are no identified National Key Freight routes north of Cairns or West of Conjuboy (See Figure 1 – National Key Freight Routes Map). This creates a significant gap in Australia's freight resilience network and leaves large parts of Far North Queensland vulnerable to isolation during extreme weather events.

The consequences of this vulnerability were clearly demonstrated during the 2025 disaster event, when prolonged transport disruptions resulted in food supplies being flown into Cairns after weeks of interrupted road access.

As climate-related disasters become more frequent and severe, there is a growing need to ensure national freight planning reflects the realities of Northern Australia. Reviewing the National Key Freight Routes network and updating the reliability of supply chains that support communities, industry and national economic security.

Figure 2: 4 February 2025 in Cairns

Figure 3: National Key Freight Routes Map[5]

5 https://spatial.infrastructure.gov.au/portal/apps/mapviewer/index.html?webmap=abcfc3f33b6346728f7e0b7f0e2605eb

NATIONAL LAND TRANSPORT NETWORK EXTENSION

REQUEST

Extend the National highway designation from the intersection of Captain Cook Highway and Kennedy Highway at Smithfield to the RAAF Base Scherger, via the Peninsula Developmental Road (PDR).

The National Land Transport Network (NLTN) identifies significant corridors connecting nationally significant ports. Extending the network from Smithfield to Mareeba and onward to the RAAF Base Scherger would formally recognise the corridor's growing importance to national freight movements, Defence capability, supply chain resilience and Northern Australia development.

An expanded NLTN designation would:

- reinforce the corridors strategic importance to Defence, freight and supply chains
- recognise its critical role in supporting Indigenous and remote communities across Cape York
- strengthen connectivity between nationally significant economic assets, including the RAAF Base Scherger, and
- enhance national resilience by recognising a corridor that is increasingly important to Australia's security and sovereign capability

Whilst formal inclusion of this route in the NLTN would not in itself deliver upgrades, it does secure federal recognition of its national significance. This recognition would strengthen the case for future investment by demonstrating the route's importance to regional connectivity, freight efficiency, Defence logistics, trade access and long-term strategic planning.

Extending the NLTN designation to the RAAF Base Scherger acknowledges the critical role Far North Queensland plays in supporting Australia's economic prosperity, supply chain resilience, Defence capability and broader national interests.

PENINSULA DEVELOPMENTAL ROAD

REQUEST

The Federal Government continues to commit 80% funding to the next stage of improvements on the Peninsula Developmental Road.

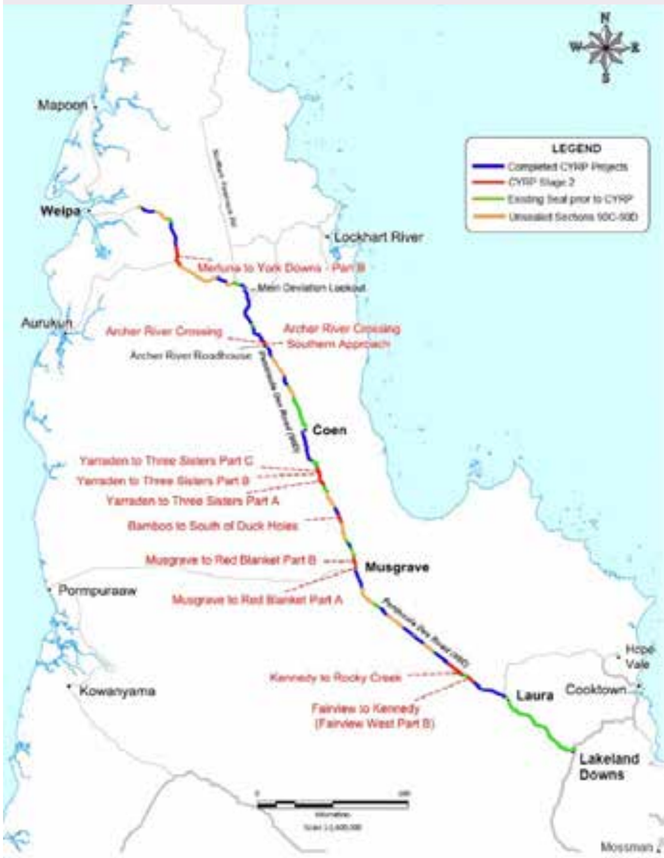
The Peninsula Developmental Road is the primary transport corridor connecting Cairns to Lakeland to RAAF Base Scherger, and remote Cape York communities. Spanning approximately 536km, the corridor is critical to community connectivity, economic development, freight movements, Defence capability and access to essential services.

Investment in the Peninsula Developmental Road has demonstrated the significant return on investment that can be achieved through strategic infrastructure investment in remote Australia. Outcomes delivered to date include:

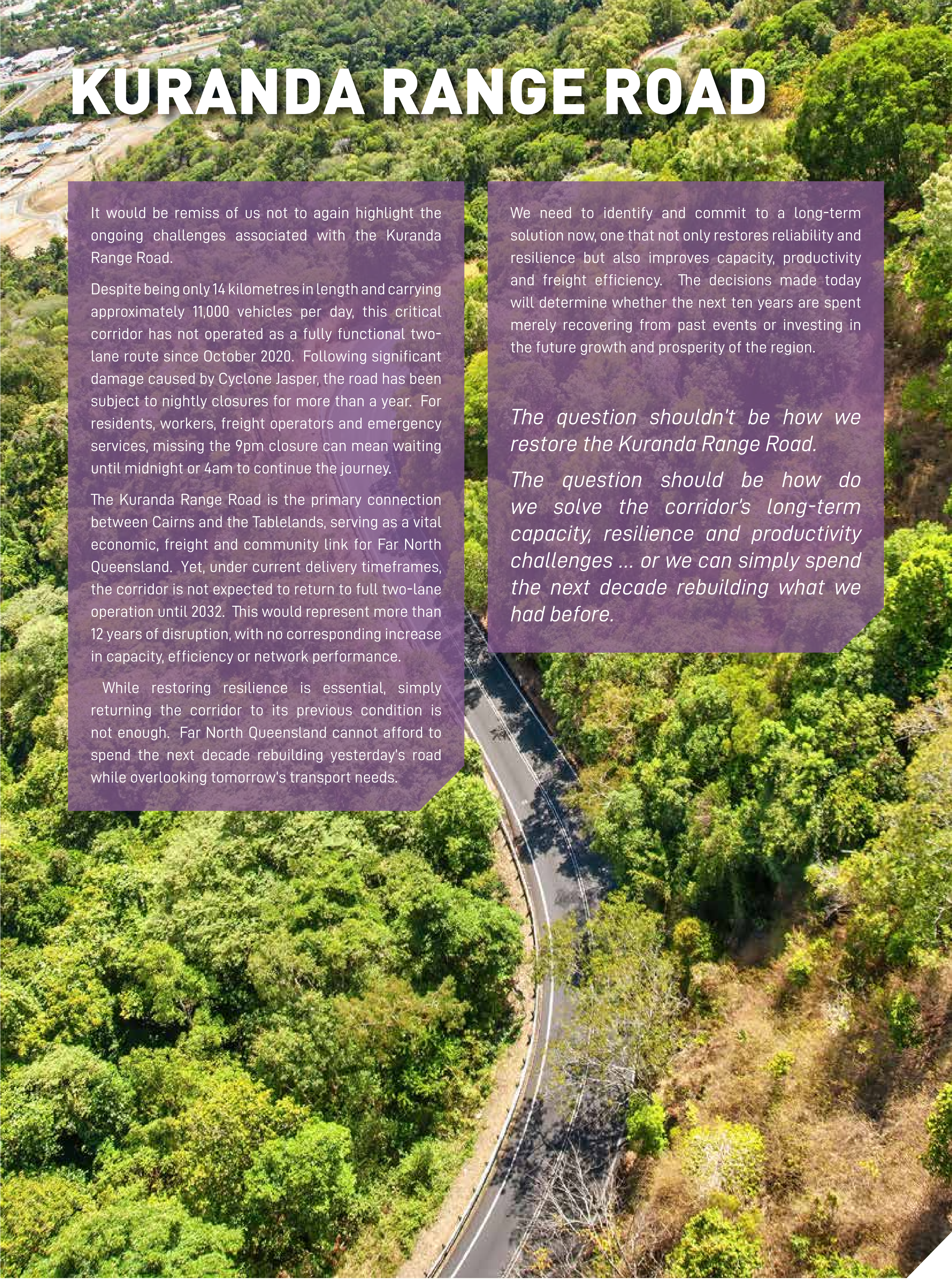
- measurable social and community benefits
- increased Indigenous economic participation and employment opportunities, including through local Indigenous businesses such as Bama Services
- significant growth in tourism visitation and expenditure, with Stage 1 contributing a near doubling of tourism value in Cook Shire
- reduced transport costs, lowering the cost of living for residents and the cost of doing business for industry, and
- improved network resilience, reliability and access during the wet season

The Peninsula Developmental Road shows that strategic investment in remote transport infrastructure delivers far more than improved roads. It creates employment, improves access to health, education and essential services, reduces the cost of living and builds more resilient and connected communities.

A Federal commitment to continue improvements on the Peninsula Developmental Road would build on the success of earlier investments, improved year-round access, strengthen supply chain resilience, support Defence operations through improved access to RAAF Base Scherger, and unlock further economic opportunities across Cape York and Northern Australia.



Source: https://www.tmr.qld.gov.au/projects/cape-york-region-package-stage-2



KURANDA RANGE ROAD

It would be remiss of us not to again highlight the ongoing challenges associated with the Kuranda Range Road.

Despite being only 14 kilometres in length and carrying approximately 11,000 vehicles per day, this critical corridor has not operated as a fully functional two-lane route since October 2020. Following significant damage caused by Cyclone Jasper, the road has been subject to nightly closures for more than a year. For residents, workers, freight operators and emergency services, missing the 9pm closure can mean waiting until midnight or 4am to continue the journey.

The Kuranda Range Road is the primary connection between Cairns and the Tablelands, serving as a vital economic, freight and community link for Far North Queensland. Yet, under current delivery timeframes, the corridor is not expected to return to full two-lane operation until 2032. This would represent more than 12 years of disruption, with no corresponding increase in capacity, efficiency or network performance.

While restoring resilience is essential, simply returning the corridor to its previous condition is not enough. Far North Queensland cannot afford to spend the next decade rebuilding yesterday's road while overlooking tomorrow's transport needs.

We need to identify and commit to a long-term solution now, one that not only restores reliability and resilience but also improves capacity, productivity and freight efficiency. The decisions made today will determine whether the next ten years are spent merely recovering from past events or investing in the future growth and prosperity of the region.

The question shouldn't be how we restore the Kuranda Range Road.

The question should be how do we solve the corridor's long-term capacity, resilience and productivity challenges ... or we can simply spend the next decade rebuilding what we had before.

BRIDGES - The estimated cost to provide reliable access is modest compared to many metropolitan congestion projects.

GILBERT RIVER BRIDGE

REQUEST

Commit 80% Australian Government funding towards the construction of a higher-level, two-lane Gilbert River Bridge on the Gulf Developmental Road (part of the Savannah Way).

The Gulf Development Road is the primary transport corridor connecting the Gulf of Carpentaria to the regional cities of Cairns and Townsville. Each year, access along this critical route is disrupted when floodwaters overtop the existing low level Gilbert River Bridge, severing one of Northern Australia's most important freight and community connections.

The strategic importance of this corridor has long been recognised by the Australian Government through investment under programs such as the Roads of Strategic Importance (ROSI) initiative and the Northern Australia Beef Roads Program. Despite these investments, the Gilbert River Bridge remains a significant vulnerability, restricting connectivity, productivity and resilience across the region.

When this bridge is closed, the impacts extend well beyond freight. Communities are isolated, students are unable to travel to and from boarding schools, access to healthcare and essential services is disrupted, and economic activity across the Gulf region is constrained. These disruptions compound the challenges already faced by remote communities and contribute to poorer social and health outcomes.

The economic consequences are equally significant. Between June and December alone, Jubilee Metals expect to transport approximately 1,020 road trains between Croydon and Georgetown for mineral processing. Closure of the Gilbert River Bridge would force freight operators to utilise an alternative route, adding approximately 1,201 kilometres to each journey, including 400 kilometres on the A6 National Land Transport Network in each direction. This results in substantial increases in freight costs, travel times, fuel consumption and supply chain inefficiencies.

A new higher-level, two-lane bridge would deliver significant benefits by:

- improving flood resilience and year round connectivity
- enhancing safety for freight operators, residents and visitors
- reducing freight costs and improving supply chain efficiency
- supporting the growth of key industries including mining, agriculture and tourism, and
- strengthening access to essential services for remote communities

The Queensland government has committed 20% of the project costs. We are seeking an Australian Government commitment to fund the remaining 80 per cent, recognising the bridge's importance as a nationally significant freight corridor that supports productivity, regional development and northern Australia's economic growth.

The Gilbert River Bridge is more than a transport project, it is nation building infrastructure that will strengthen Northern Australia's economic potential, improve community resilience, and ensure regional Australians have reliable access to education, healthcare and opportunity.

MCLEOD RIVER CROSSING

REQUEST

With the Queensland Government currently finalising the detailed design for the McLeod River Crossing, we are seeking a commitment from the Australian Government to partner in funding the project once the design is complete.

The McLeod River Crossing is located in Mareeba Shire, north of Mt Carbine, on the Mulligan Highway. It is the primary road access into and out of Cape York and Cooktown, serving a region of almost 25,000 residents.

When the crossing is inundated during the wet season, communities are effectively cut off from the rest of the state. While the economic impacts are significant, the social consequences are equally profound.

Approximately 6% of Cape York's population is of high school age. With only 2 secondary schools servicing a region spanning more than 105,000 km2 many students are required to board away from home to access education. During the wet season, which typically extends from November to April, flooding at the McLeod River Crossing can prevent students from returning home for Christmas and Easter holidays, or delay their ability to commence the school year alongside their peers.

The impacts extend well beyond education. The crossing is a critical freight route that supports the delivery of essential goods to 15 Aboriginal communities and enables agricultural producers in Lakeland to access domestic and export markets. Every closure disrupts supply chains, increases freight costs, affects business confidence, and places additional pressure on remote communities already facing higher costs of living.

Improving the resilience of the McLeod River Crossing is not simply a transport investment. It is an investment in education, community connectivity, economic development, and equitable access to essential services for some of Australia's most remote communities.

The Queensland Government is currently finalising the detailed design, and we're seeking a commitment from the Australian Government to partner in funding the project once the design is complete, ensuring construction can proceed without unnecessary delay.

LAURA RIVER CROSSING

ASK

That this is part of the next stage of upgrades to the Peninsula Developmental Road.

We thank the Federal Government for its investment to date on the Peninsula Developmental Road. Within Cook Shire, the Laura River crossing remains one of the most critical access constraints on the Cape York Peninsula. Given the strategic and social importance of Cape Yorks transport network, it is essential that investment prioritises the Laura River crossing upgrade.

As at 20 January 2026, the Laura River crossing was under more than 5 metres of water, cutting off all road access to Cape York. These prolonged and recurrent flood events isolate nearly 20,000[6] people across the nine Indigenous local government areas, Weipa Town Authority and Cook Shire. For these communities, the Peninsula Developmental Road is not just a transport corridor, it is their primary and often only supply route.

Laura is critical access route for essential services and produce to the entire Cape York Peninsula, servicing nine Indigenous councils, Weipa and the iconic tourism destination of Pajinka (the Tip). Demand on this route continues to grow.

Between 2019 and 2024, Annual Average Daily Traffic to and from Laura[7] increased by 61%. Within this growth, heavy vehicle movements rose by 83%, reflecting growing freight, construction and service industries. The route has also seen a 148% increase in short vehicles with a trailer; presumably caravans or camping trailers or boats and ATVs etc; which is unsurprising given the ongoing investment in the Peninsula Developmental Road and the expanding drive tourism economy.

Source: Google Maps, Lucas Engelhardt Sept 2025

6 https://statistics.qgso.qld.gov.au/profiles/qrp/resident/pdf/0083GGO8GEATB8K626D7WL5SSCG46C02DSZ9EPMB6NG3OI6RL2117CGSDO7MSOAU7A3QY7I8UUBL4CJDEI5DOGVQH7W7EW5DXKUMPP0FWCMBO06R7C0G55KPIZYC4NMR/qld-regional-profiles-resident#view=fit&pagemode=bookmarks

https://www.abs.gov.au/census/find-census-data/quickstats/2021/UCL315024

https://profile.id.com.au/fnqroc/population-estimate?WebID=130

https://abs.gov.au/census/find-census-data/quickstats/2021/315011403

7 https://www.data.qld.gov.au/dataset/road-location-and-traffic-data

INDIGENOUS HOUSING AND COMMUNITIES

COVID health restrictions starkly exposed pre-existing social issues across Indigenous communities including the number of people living homeless and levels of over-crowding. While the housing needs of discrete Indigenous communities such as Yarrabah, Wujal Wujal, Hope Vale, Coen, Laura and Cooktown differ from those of Indigenous populations in urban centres, the consequences of inadequate housing are universal. Lack of safe, secure, and appropriate housing undermines:

- **Health outcomes** (Indigenous peoples are living on average 20 years less than non-Indigenous peoples). This is unsurprising when you consider a standard issued hot water system cannot support 6 or more people, leaving families with cold showers and cold water for basic hygiene
- **Education** (space to learn, space to sleep, ability to get to school)
- **Employment** (ability to sleep well at night and then go to work)

The absence of stable housing is especially damaging for children and youth, contributing to frustration, disengagement and anger.

Don't profit from our history and culture while our people struggle to survive.

We need the Federal and State Governments to work together to ensure the basics of dignity, secure housing, running water, sanitation, and a bed of our own. As Queensland looks toward the 2032 Olympic Games, what legacy will be left for First Nations peoples? Housing cannot remain Queensland's hidden Olympic secret.

Census statistics and population forecasts often understate the true scale of need:

- there is a high number of people disengaged with the process and importance. They don't trust the government
- rents are linked to household income, so households under-report residents to avoid higher rent
- forecasts rely on land supply, and areas where indigenous communities have little or no available land
- statewide assumptions on birth rates (2.1 per woman) do not reflect reality; in 2021 the fertility rate for Aboriginal and Torres Strait Islander women was higher at 2.34 births per woman

These limitations mean that reported demand consistently falls short of actual need.

HOPE VALE

In addition to commentary from Hope Vale regarding social services, employment, and support for ex-service men and women, it is Council's view that a reduction in the overcrowding of housing is the fundamental investment in closing the gap. This investment in housing services results in better housing, economic, health and educational outcomes.

65.2% of multi-family households have 6 or more residents.

22% of households in Hope Vale are overcrowded (Department of Housing, May 2023)

	Current Social Housing Stock	Hope Vale Housing Applications* 83 Approved Housing Applications
1 Bedroom	10	40
2 Bedroom	53	21
3 Bedroom	135	15
4 Bedroom	69	6
5 Bedroom	3	1
TOTAL	270	83
TOTAL BEDROOMS NEEDED		146

YARRABAH

Yarrabah is currently facing a catastrophic housing crisis with over half the population homeless. Anecdotal evidence suggests around 5,000 people live in the community with around 500 families currently on Council's social housing waitlist. Currently there are approximately 376 social houses. In response, Yarrabah has methodically and strategically identified critical infrastructure needed to begin addressing the crisis. This includes:

Balamba Subdivision Project

Council is developing a new residential neighbourhood which will include up to 250 social houses and associated community infrastructure. Planning and feasibility works are currently in progress, additional investment will be required to deliver the necessary trunk infrastructure and subdivision works.

Butta Plains Land Feasibility and Development

Yarrabah is investigating the delivery of up to 610 additional social housing lots within the Butta Plains area. Stage One planning, feasibility and development works are estimated at approximately $11 million, with a further estimated $50 million required to fully develop the subdivision and associated infrastructure. The project is anticipated to be delivered progressively over a 5 to 7 year period.

SOCIAL HOUSING REPAIRS AND MAINTENANCE

REQUEST

We welcome the Commonwealth's $200 million Housing Australia Future Fund allocation for repairs, maintenance and improvements in remote indigenous communities. How much of this is being invested in Queensland's discrete Indigenous communities, and what mechanism exists to ensure local councils and communities can influence maintenance priorities?

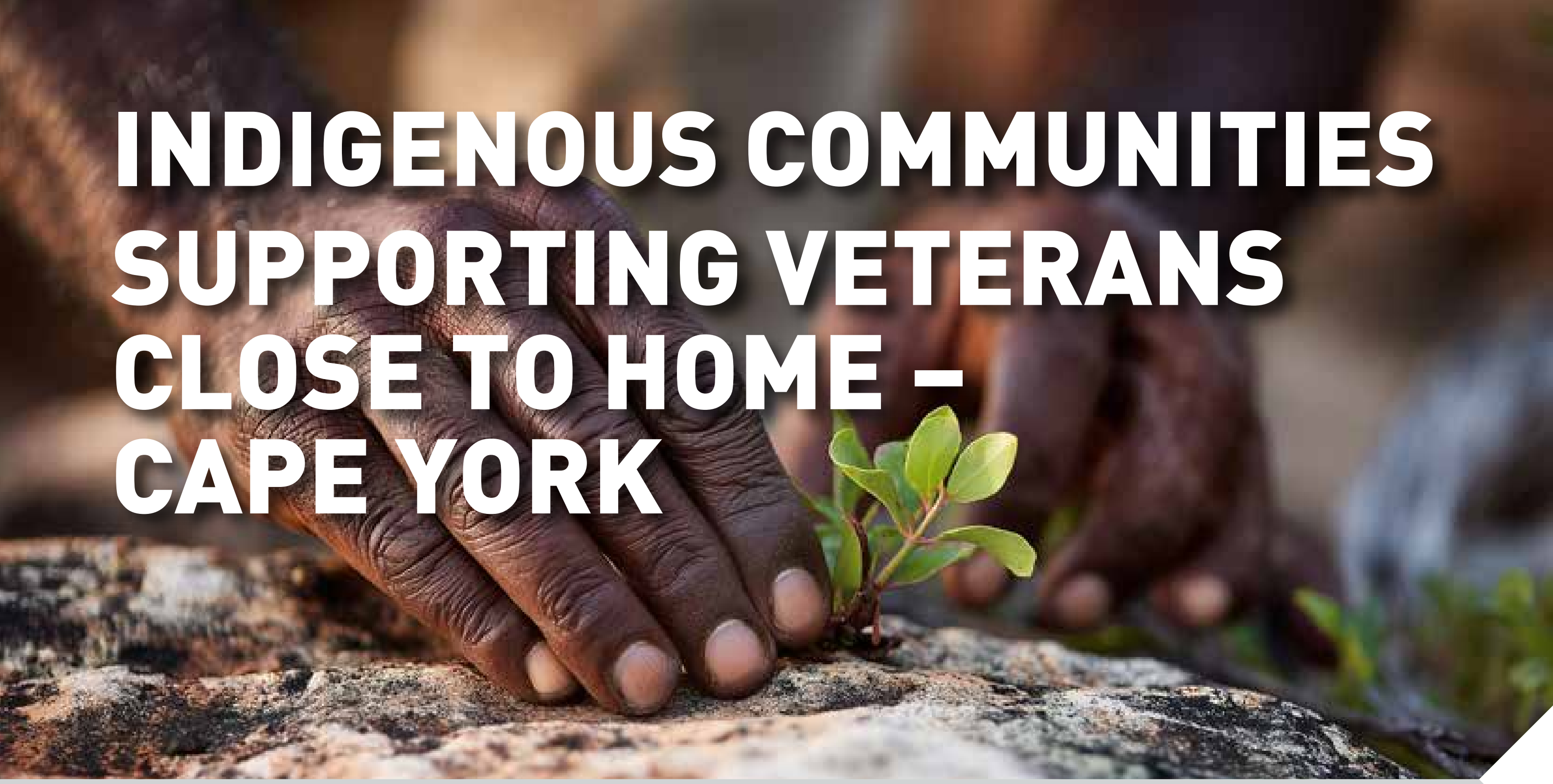
Yarrabah is not alone with their concern regarding the current condition of existing social housing stock and the limited release of maintenance work orders through State Housing and QBuild. Ongoing delays and the banking of maintenance requests are contributing to accelerated deterioration of housing stock, with a number of homes now falling below acceptable contemporary living standards. It remains a priority to improve the condition and standard of existing social housing to acceptable mainstream social housing standards while also progressing future housing growth opportunities.

WUJAL WUJAL

The draft local housing action plan highlights:

- Unpublished Electoral Commission (AEC) data maybe undercounted by as much as 20.9%
- Census data from 2021 indicates that 24.2% of houses are overcrowded, requiring additional bedrooms
- Social housing demand far exceeds supply:

	Current Social Housing Stock	Wujal Wujal Housing Applications*
1 Bedroom	8	14
2 Bedroom	20	6
3 Bedroom	44	8
4 Bedroom	18	5
5 Bedroom	1	
TOTAL	91	33



INDIGENOUS COMMUNITIES SUPPORTING VETERANS CLOSE TO HOME – CAPE YORK

REQUEST

Pilot a Cape York Indigenous Veterans Support Program that delivers culturally appropriate veterans' services through local community organisations and outreach models, reducing the need for Indigenous veterans to travel to metropolitan centres to access support.

Cape York Peninsula is home to Indigenous Australians who have proudly served their nation through the Australian Defence Force and continue to contribute to their communities after service.

While considerable investment has been made in veteran support services nationally, many Indigenous veterans living in remote and very remote communities face significant barriers in accessing these services. Too often, support is concentrated in metropolitan and major regional centres, requiring veterans to leave their communities, families and cultural connections to access assistance.

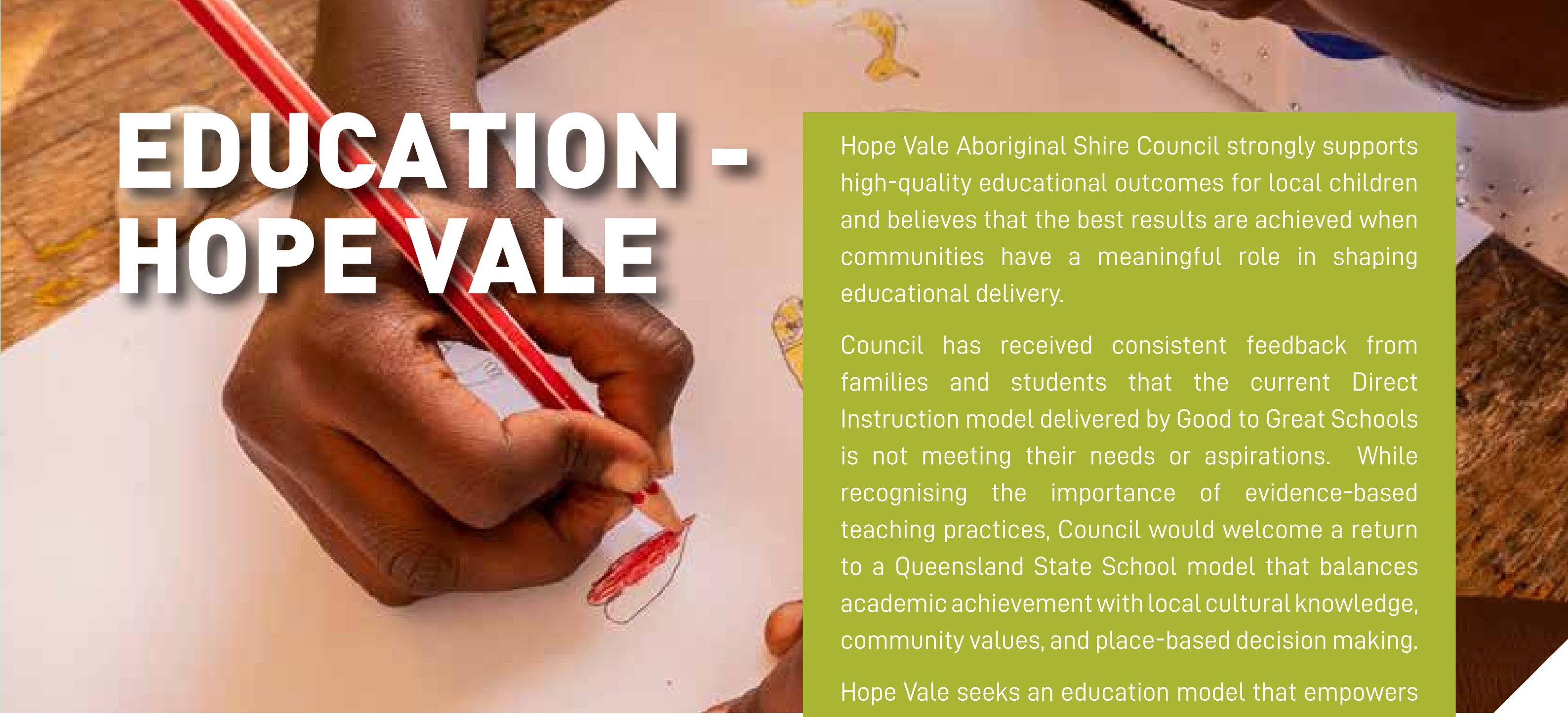
There is an opportunity to develop a place-based model of veteran support that recognises the unique needs and circumstances of Indigenous ex-service men and women living across Cape York Peninsula.

It is proposed to work with Indigenous communities, veterans' organisations and all levels of government to establish a culturally appropriate support framework for Indigenous veterans that delivers services closer to home.

The initiative could include:

- local and outreach-based veterans' support services across Cape York communities
- improved access to health, mental health and wellbeing services without the need for extended travel
- Veteran peer-support and mentoring networks
- employment, training and business development opportunities tailored to local communities
- assistance navigating Department of Veterans' Affairs programs and entitlements
- recognition and celebration of Indigenous military service and contribution
- partnerships with local Indigenous organisations to deliver culturally safe and community led support

Indigenous Australians have a proud history of military service, often serving despite significant social and historical barriers. As a nation, we have a responsibility to ensure that those who have served are able to access support in ways that reflect their cultural, geographic and community circumstances.



EDUCATION - HOPE VALE

Hope Vale Aboriginal Shire Council strongly supports high-quality educational outcomes for local children and believes that the best results are achieved when communities have a meaningful role in shaping educational delivery.

Council has received consistent feedback from families and students that the current Direct Instruction model delivered by Good to Great Schools is not meeting their needs or aspirations. While recognising the importance of evidence-based teaching practices, Council would welcome a return to a Queensland State School model that balances academic achievement with local cultural knowledge, community values, and place-based decision making.

Hope Vale seeks an education model that empowers local voices, reflects the unique identity of the community, and enables genuine partnership between government, educators, parents and community leaders. Such an approach would support stronger student engagement, improve educational outcomes, and ensure that learning is both academically rigorous and culturally relevant.

CHILD WELLBEING, SCHOOL ATTENDANCE AND ACCOUNTABILITY

Indigenous Councils remain concerned about the wellbeing of some children and young people within communities, particularly in relation to school attendance, supervision, and youth behaviour.

Councils continue to observe instances where children are not regularly attending school and, in some cases, are unsupervised late at night. These issues raise concerns about child safety, educational outcomes, and future opportunities for young people.

Communities are seeking greater accountability and oversight of government support payments intended to assist with the care, wellbeing and development of children. While these payments play an important role in supporting families, there is concern that insufficient attention is being given to whether they are contributing to improved outcomes for children.

It is believed there should be a stronger focus on ensuring that public investment in family and child support is linked to outcomes such as:

- regular school attendance
- child safety and wellbeing
- access to health and developmental services
- positive youth participation and community engagement
- family support and early intervention where concerns are identified

The objective is not to reduce support for families, but to ensure that government investment is effectively contributing to the wellbeing, development and future success of children and young people.

Hope Vale would welcome discussions with the Australian Government regarding mechanisms that strengthen accountability, support families experiencing challenges, and place the welfare and future opportunities of children at the centre of policy and program design.

EMPLOYMENT AND INDIGENOUS AUSTRALIANS

REQUEST

We would welcome a review of current service delivery arrangements to ensure they are aligned with local workforce opportunities, community aspirations and Closing the Gap objectives.

Communities in Cape York Peninsula are concerned that current employment service arrangements are not delivering meaningful employment outcomes for local residents.

While participants are meeting programme requirements, there is a perception within the community that the current model is focused on compliance rather than employment outcomes. In a community with limited local job opportunities, many participants remain engaged in the programme for extended periods without transitioning into sustainable employment, training, or career pathways.

They are seeking greater accountability and transparency around employment outcomes, including measures such as:

- progression into employment, apprenticeships, traineeships or further education
- skills development and work-readiness outcomes
- employer engagement and job placement success rates
- long-term workforce participation and retention

The community's aspiration is not simply programme participation, but genuine pathways into employment, economic independence and improved social outcomes.

We would welcome a review of current service delivery arrangements to ensure they are aligned with local workforce opportunities, community aspirations and Closing the Gap objectives. Employment services should be measured not by attendance and compliance alone, but by their ability to support individuals into meaningful and sustained employment.

A more place-based approach, developed in partnership with the community, local employers and government, would help ensure that employment programmes create real opportunities for residents and contribute to the long-term economic development of the region.

AGED CARE ASSESSMENTS

REQUEST

1. **We are interested in learning more about the Pooled funding trial arrangements being implemented in selected communities to improve access to in-home aged care services and address local workforce and service delivery challenges.**
2. **We're interested to understand where 5,000 of the 10,000 beds needed per year will be located and how will the remaining 5,000 per year be managed, and**
3. **With the introduction of the Integrated Assessment Tool (AI Assessment) to improve consistency and streamline assessment processes, how will the Government ensure that a standardised approach does not come at the expense of recognising individual needs and circumstances, particularly where a more tailored assessment may lead to better care outcomes?**

Anecdotally, many older Australians living in regional and remote communities prefer to remain in their own homes for as long as possible and often do not commence planning their care until their circumstances change significantly. As a result, their request for assessment is usually urgent rather than planned.

As identified in Aged Care decisions[8] which is not dissimilar to other aged care sites "After applying, they should be contacted by an assessor within 2-6 weeks to arrange an assessment visit. However, depending on demand in your local area, you may have to wait several months for an assessment visit".

In rural and remote areas, it is regularly six months before this assessment occurs and nearly a year before first day of care. During this period, individuals remain living at home with increasing health and safety risks, while others occupy hospital beds despite being clinically fit for discharge because appropriate aged care support is not yet available.

8 https://agedcaredecisions.com.au/support-at-home-wait-times/ (Feb 2026)

While aged care is primarily a Commonwealth responsibility, the consequences of delayed access are often borne by local hospitals and health services. Every hospital bed occupied by a patient awaiting aged care support reduces capacity for acute care and places additional pressure on already stretched regional health systems.

As identified in Aged Care Insite[9] each bed occupied by individuals fit for discharge in Queensland is roughly $2,300 per patient per day.

We acknowledge and welcome the Federal governments efforts to address these challenges, including:

1. The introduction of the Support at Home Program from 1 November 2025, replacing the Home Care Package system, aiming to simplify access to in-home support.
2. The commitment of an additional $3.7billion in aged care funding over four years to expand capacity by 5,000 beds per year. We're interested to understand where 5,000 of the 10,000 beds needed per year will be located and how will the remaining 5,000 per year be managed.
3. The introducing of the Integrated Assessment Tool to improve consistency and streamline assessment processes – we do note that automated assessments have their risks, particularly as each individual is different and a blanket assessment could cause more harm than the time it saves.

We are also interested in learning more about the Pooled funding trial arrangements being implemented in selected communities to improve access to in-home aged care services and address local workforce and service delivery challenges.

Finally, we welcome the publication of the Government's first report on wait times for Residential Aged care and Support at Home services[10]. While the findings highlight significant challenges, the transparency provided through this reporting is an important step towards understanding the scale of the issues and measuring future progress.

We would welcome further discussion on how assessment and service delivery timeframes can be reduced, particularly in regional and remote communities, to ensure older Australians can access the care they need, when they need it, and in the setting they prefer.

9 https://www.agedcareinsite.com.au/2025/11/qld-bears-brunt-of-nationwide-aged-care-shortage/

10 https://www.health.gov.au/sites/default/files/2026-05/aged-care-act-2024-wait-times-report.pdf

Regional and Remote - Special Economic Zone

(R&R SEZ) VERSION 3

Objective

Establish a Regional and Remote Special Economic Zone (R&R SEZ) to revitalise regional, remote and very remote Australia by addressing structural disadvantages in services, infrastructure, and employment. The R&R SEZ would attract and retain population though a comprehensive package of incentives i.e. financial, professional, lifestyle and infrastructure, encouraging individuals, families and businesses to relocate, invest and grow in the region.

With the upcoming Olympic Games 2032 and continual improvements in liveability in the metropolitan areas, the regions are at real risk of losing skilled individuals to these areas.

Tailored incentives can:

- reduce growth pressures on metropolitan areas
- strengthen local communities
- improve council sustainability
- enhance liveability
- deliver much needed skills to rural and remote Australia, and
- boost both State and National productivity

As a minimum, tax rebates/offsets as a base for these regions needs a significant review. The value of current offsets no longer achieves their initial intention of offsetting the costs of living in the region and encouraging populations to move or remain in the region.

Beyond taxation measures, this broad suite of incentives could support the establishment of new enterprises, the expansion of existing businesses, and the creation of vibrant, resilient regional economies.

Policy Imperatives

Demographic Renewal

- Reducing workforce, loss of services and reduced community liveability
- Young people leaving for education/employment and not returning
- Reliance on fly/drive in/fly/drive out workforce/services

Service Equity and Community Wellbeing

- Limited services such as policing, healthcare, education, childcare and aged care
- High rates of suicide[1] and mental health issues
- Higher rates of chronic disease and reduced life expectancy in remote areas

Infrastructure Foundations

- Limited road, rail and air connectivity raises costs and reduces accessibility
- Unreliable and expensive connectivity limiting education, health and business opportunities
- Lack of affordable, quality housing constrains population growth and workforce attraction
- Inadequate health, education and community facilities

Economic and Structural Barriers

- Low return on investment (ROI) deterring private sector participation
- High logistics costs, freight and supply chain inefficiencies undermine competitiveness
- Environmental and planning approvals create delays and uncertainty
- Over reliance on a narrow set of industries and resource extraction
- Most raw products leave regions unprocessed, missing higher value opportunities

Strategic and National Imperatives

- Food, energy and medical supply chain risk
- Underutilisation of inland/northern regions
- Increasing need for resilient infrastructure and adaptive economies in the face of climate and disaster vulnerability
- Significant opportunity to support Traditional Owners in leading economic development

1 Compared with major cities and inner regional areas. In Queensland in 2023. 18.5% of persons died by suicide in outer regional areas, remote areas and very remote areas, however a much smaller percentage of Queensland's population lives in those regions compared with major cities and inner regional areas.

Benefits

Economic Benefits

- Boost regional and remote economies by stimulating private sector investment and supporting local circular economies
- Attract and retain skilled migrants, professionals, and remote workers to grow the population and expand service delivery
- Encourage regional manufacturing and industry development
- Diversify regional economies by supporting new industries such as renewable energy, critical minerals advanced agriculture, defence supply chains and digital services
- Enhance export competitiveness and position regions for Asian and Indo-Pacific trade, export and manufacturing opportunities

Social and Community Benefits

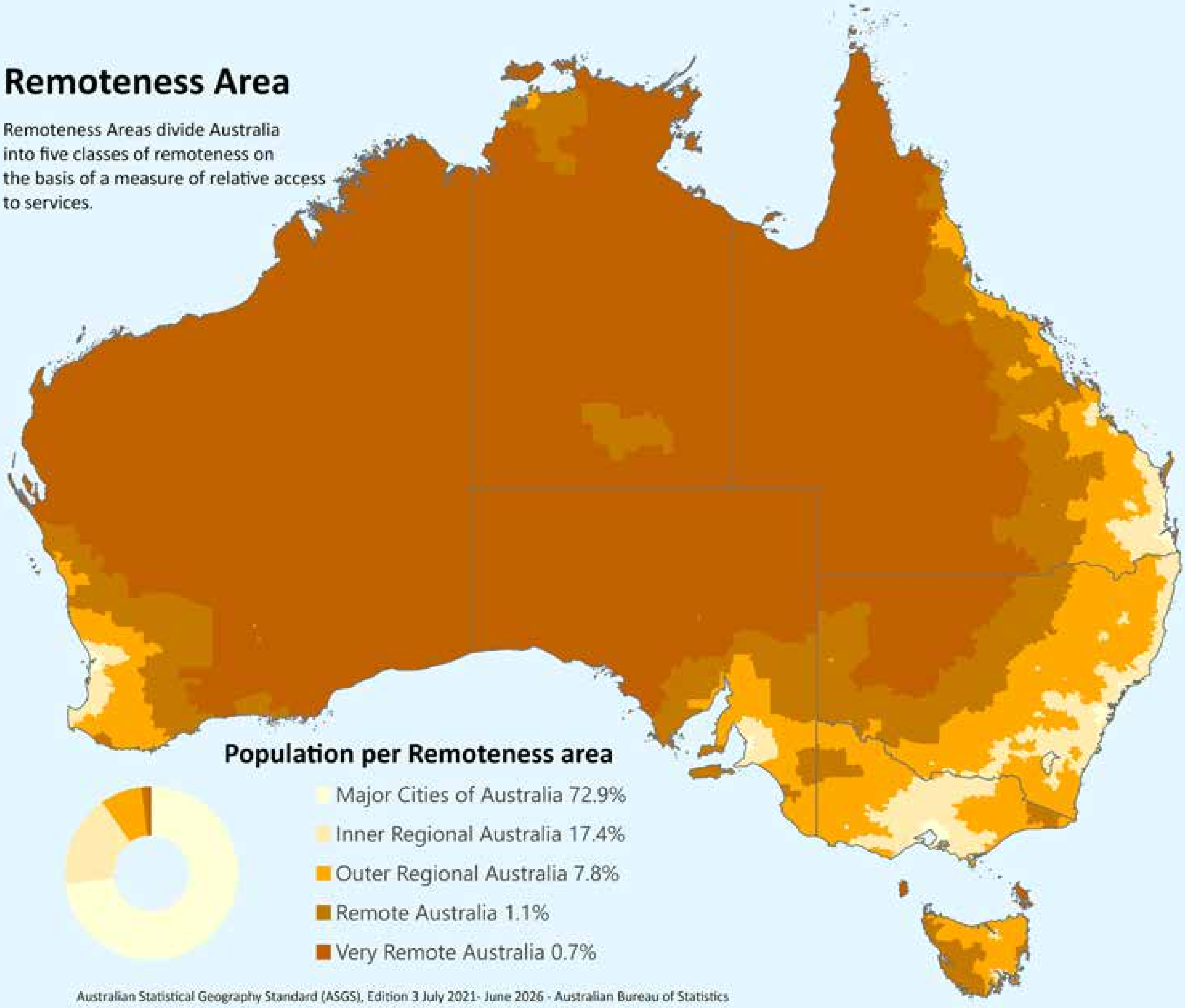
- Increase regional and remote populations, reducing growth pressures on metropolitan areas
- Improve liveability through investment in housing, infrastructure, digital connectivity and essential services
- Facilitate Indigenous economic participation and partnerships, creating new opportunities for cultural, social and financial prosperity
- Retain young people and families in the region by providing greater education, employment and lifestyle opportunities
- Strengthen local councils and community sustainability through a broader ratepayer base and expanded workforce

National Interests and Strategic Benefits

- Strengthen Australia's resilience by enhancing food security, energy security and supply chain reliability
- Support more efficient and sustainable government service delivery through stronger regional hubs
- Reduce economic and infrastructure pressure on high growth metropolitan areas
- Build resilience in the face of climate, disaster and geopolitical risks
- Position Northern and Inland Australia as a strategic contributor to national security and Indo-Pacific resilience

Remoteness Area

Remoteness Areas divide Australia into five classes of remoteness on the basis of a measure of relative access to services.



Australian Statistical Geography Standard (ASGS), Edition 3 July 2021- June 2026 - Australian Bureau of Statistics

Geography

The Regional and Remote geography is essentially those areas defined# as:

- Inner Regional
- Outer Regional
- Remote
- Very Remote Australia

Within the mapped Remoteness Area (RA)[2] under the Australian Statistical Geography Standard (ASGS) within the Australian Bureau of Statistics.

Industries in scope

- Government services
- Mining & resources
- Transport and logistics
- Agriculture
- Community services
- Agri-food
- Bio futures/fuels
- Indigenous economic development
- Healthcare
- Marine & aviation maintenance, repair and overhaul (MRO)
- Education & training
- Tourism & events
- Critical minerals
- Defence
- Advanced manufacturing
- Renewables & transmission

2 https://maps.abs.gov.au/index.html

Platter of Packages

The following suite of incentives could be tailored to the specific needs of each area based on postcode and applied on a sliding scale according to remoteness, as defined by the Australian Statistical Geography Standard (ASGS).

		State Responsibility	Federal Responsibility
FAMILY-CENTRED INCENTIVES			
Relocation	Relocation + retention bundle (for households), eg $8–12k relocation grant	✓	✓
Childcare subsidy	An extra 15–25% gap subsidy for approved services for first 24 months in R&R SEZ postcodes		✓
Childcare capacity	Capital grants to add places in undersupplied towns, and incentives for extended hours to match shift work	✓ (and local government)	
Isolated Children Allowance	Provision of Isolated child allowance regardless of low socio-economic classification		✓
Refundable tax offset	Capped at $1,500 per child per annum for approved educational costs		✓
Travel	Travel and accommodation support for remote boarding if it is required	✓	
Vehicle	Car registration discount	✓	
Personal tax	Personal tax incentive, e.g. increased remote area offset/allowance		✓
Professional Attraction and Retention			
HECS-HELP	Write-off of 10% of HECS-HELP debt per year of service in priority roles (health, teaching, engineering, planning etc)		✓
Salary loading	Regional salary loading guidance for state and federal funded roles	✓	✓
Zone Tax Rebate/offset	Zone Tax Rebate/offset Redesign could be replaced with a Zone Living Allowance Rebate. Could be $5,000+ per adult, $2,500+ per child, tailored specially for R&R SEZ areas		✓
Residential taxes/utilities	Offset/rebate for rent, mortgage interest or housing costs in approved R&R SEZ postcodes with an annual cap (e.g. $7,500)	✓	✓
Fringe Benefits Tax	Partial FBT exemption on employer-provided relocation assistance, housing allowances, flights, vehicles, childcare, and flights for R&R SEZ employees. Could be capped at $25,000 per employee per year		✓
Government Employee Home Ownership Support	Establish a dedicated Remote Home Ownership Assistance Scheme (RHOAS) for Government employees, modelled on the Defence Home Ownership Assistance Scheme but tailored to regional service delivery needs	✓	✓

		State Responsibility	Federal Responsibility
Cost-of-living Relief			
Air travel	Airfare fair-go: capped resident fares on designated regional air routes	✓	
Development charges relief	Targeted headworks rebates for workforce housing and childcare built by employers/consortia	✓	
Housing and Liveability			
Transfer duty	Transfer duty concession for home buyers and build-to-rent projects delivering key-worker housing in R&R SEZ postcodes. Given the high build and logistics costs in very remote regions, full exemption given on transfer duty up to $600K, with scaled concession beyond $600K up to $800K (based on incremental brackets)	✓	
Insurance	Reduction/elimination of Stamp Duty on insurance	✓	
Arts and Culture	Incentives for cultural, arts and live music/festivals to extend their tours into R&R SEZ postcodes	✓	✓
Workforce Pipelines (school → TAFE/university → job → upskill)			
Placement contracts	Guaranteed placement contracts with TAFE/university & employers: final-year placements convert to job offers (with appropriate requirements met), with a retention bonus after 12 months in the role	✓	
VET and apprenticeships	School tech & trades stream: expand VET in schools; paid pre-apprenticeship summer programs	✓	
Workforce			
DAMA	Expand the existing DAMA program to include incentives to move to R&R SEZ postcodes		✓
Qualifications	Harmonise international qualifications/skills across the nation and provide more streamlined transfer of accreditation across a range of fields, including engineering, medical and allied health	✓	✓
Industry Incentives			
Lending	Banks underwritten by Federal Government (i.e. NAIF) so banks may be more prepared to loan to local residents to build/buy a house/business (i.e. lower risk profile of banks so they don't require 70% deposit before approving a loan)		✓
Regulatory Approvals	Streamlined housing development approvals	✓ (and local government)	✓
Manufacturing		✓	✓
Payroll Tax		✓	
Transport and Logistics		✓	✓
Research and Development	R&D tax offset to stimulate rural innovation	✓	✓
Depreciation	Accelerated depreciation of capital	✓	✓
Exports	Subsidy for exports through remote ports/hubs	✓	✓
Health Incentives			
Medicare	Reduction/Elimination of Medicare Levy		✓

AI STATEMENT

AI was utilised only to improve the clarity and presentation of this document. No substantive content was generated by AI and it has been thoroughly checked to ensure factual accuracy of the draft document has been maintained.

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