



CHAMBER OF COMMERCE AND INDUSTRY QUEENSLAND SUBMISSION

- ▶ *Shaping SEQ: Draft South East Queensland Regional Plan*
Department of Infrastructure, Local Government and Planning

March 2017

Introduction

1. The Chamber of Commerce and Industry Queensland (CCIQ) welcomes the opportunity to provide feedback to the Department of Infrastructure, Local Government and Planning on *ShapingSEQ: Draft South East Queensland Regional Plan* (ShapingSEQ).
2. ShapingSEQ aims to “accommodate future growth sustainably and in a way that responds to change positively, and enhances the social, economic and environmental systems that support the region’s liveability”.
3. Businesses within the South East Queensland (SEQ) region, as well as those located throughout the State, understand the importance of managing and capitalising on growth in SEQ to encourage job creation and take advantage of all opportunities it presents in strengthening the Queensland economy.
4. Many of the changes from the previous South East Queensland Regional Plan are supported by CCIQ in principle, including focusing development in existing urban areas, giving more flexibility to local governments to plan for rural development, as well as improving ways to monitor land supply and development activity, and the plan’s performance overtime.
5. Among ShapingSEQ’s headline initiatives and key new functions include one specifically pertinent to businesses: “building a globally competitive regional economy by identifying and facilitating areas of high value and export-oriented businesses”.
6. CCIQ supports this initiative and believes this will enable Queensland businesses to thrive in an increasingly competitive environment. However, it is to be recognised that it is equally as important to support all businesses, regardless of their size, for a prosperous and diversified economy.
7. Of concern to CCIQ is the focus on “maximising the use of existing infrastructure before building new, and identifying new region-shaping infrastructure only where needed to increase accessibility and productivity to support the settlement pattern and economic policies”.
8. This will result in our roads, railway lines, airports and community infrastructure such as schools and hospitals reaching peak capacity before any action is taken. Particularly with large infrastructure projects requiring a lengthy planning and design phase, the delivery of new infrastructure will come much too late and the financial impacts of congestion and inefficient networks will already have hit businesses.
9. CCIQ recommends that the State Government prioritise new infrastructure delivery as a clear means to boost jobs and improve economic productivity. CCIQ has consistently called for State Government to boost infrastructure investment to at least 4.25 per cent of GSP which has been the average for the last ten years (spend currently stands at 2.6 per cent).

10. CCIQ aims to keep the government accountable on its claims regarding capital works spend. As indicated in the graph below, real spending on capital purchases as a percentage of Gross State Product has declined and then flat-lined over the last decade.



11. In the context of a transitioning economy, investment in infrastructure and regional job-creation projects is key to securing a diversified economic future for Queensland. We need a significant uptick in capital works spend as a percentage of GSP if we are to secure Queensland’s economic future.

Support for all businesses

12. Undoubtedly, small businesses will play a significant role in achieving a prosperous SEQ region over the next 50 years. Collectively, small businesses will employ thousands of Queenslanders and is an important contributor to the State’s GSP.
13. Under “Outcomes for Prosper” (Chapter 3), all 11 outcomes fail to mention growth strategies that would benefit existing and new small businesses, regardless of whether they are in an area of regional economic significance or otherwise.
14. Furthermore, while the clusters and corridors will have positive flow on effects for small businesses in the area, planning for these areas should address the beneficial integration of the proposed industries with existing ones.
15. CCIQ proposes that the first sub-heading under “Outcomes for Prosper” relate to supporting and growing existing and new small businesses, regardless of size or industry. The Queensland Government’s own “State Infrastructure Plan” details some strategies which could be included, such as:
- Infrastructure supports business efficiency and is a critical factor in improving the competitiveness of the Queensland economy. Infrastructure is particularly

critical in linking the dispersed populations and remote businesses in regional areas of Queensland.

- b) Connectivity between regional communities and secure and reliable supply chains will be important to underpin economic growth and competitiveness.
- c) Advance capital works projects to boost business confidence, increase labour force productivity and skills development, foster emerging and innovative industries and support investment in productive infrastructure.
- d) Along the coastal zone, infrastructure and services that support access to markets and regional connectivity to facilitate economic growth. Infrastructure facilitates both population and economic growth by increasing the attractiveness of regional centres for business and industry and providing the right conditions to help business flourish.
- e) Encourage technologies in homes, farms, businesses and communities to reduce energy and water costs and usage.
- f) Success of online service delivery will depend on adequate access to technology, particularly in regional Queensland.
- g) Appropriate disaster management and flood mitigation measures, either through infrastructure or other planning responses, which will generate opportunities for appropriate climate adaptation.

16. Supporting existing businesses through the ShapingSEQ Plan means successful businesses who already contribute to employment and the regional economy can continue to grow and circuitously support for new small businesses entering into the market.

Greater focus on infrastructure delivery

17. CCIQ opposes the change in direction with respect to infrastructure investment. The difference in infrastructure policy from previous plans means the focus has shifted from investing in new and improved infrastructure to maximising existing infrastructure:
- “Maximising the use of existing infrastructure before building new, and identifying new region-shaping infrastructure only where needed to increase accessibility and productivity to support the settlement pattern and economic policies”.*
18. The primary concern is around the potential for existing infrastructure to reach peak capacity before action is taken, meaning businesses and commuters will incur significant cost impacts for a lengthy period as new infrastructure garners support, is committed to, funded, planned, designed and constructed. Essentially, the change in direction means that infrastructure will be out of sight and mind until “something breaks”.
19. Furthermore, technology and changes in how people travel, work and live mean that existing infrastructure may not be able to meet modern-day needs. Investing in new infrastructure allows cities and towns to work more efficiently, and for infrastructure to adapt to the

lifestyles of Queenslanders rather than the other way around. This is particularly relevant for our utilities infrastructure.

20. However, it is critically important for governments to recognise that investing in infrastructure has substantial widespread benefits and opportunities for the economy and Queensland communities.
21. All phases of infrastructure delivery are expected to create new jobs, but perhaps the true legacy for job creation is around the positive impact on the income and welfare of the disadvantaged over and above its impact on average income.
22. Infrastructure developed under certain conditions helps people in areas of social disadvantage to connect to core economic activities, which leads to greater access to employment and other productive opportunities.
23. Infrastructure investment has also proven to generate wealth through increased returns on private assets, which leads to improved living standards. New infrastructure has long been a catalyst for further investment into the areas in which it affects, including the establishment of new businesses and increased living densities.
24. The flow on effects are not limited to the immediate areas either. Large-scaled infrastructure projects for our cities and towns builds confidence among investors to commit to further projects as positive momentum builds.
25. Finally, viewing infrastructure investment on such a project-by-project basis may do more to hinder economic growth than support it. For instance, a new road that connects an industrial development to a new port would be hard to justify measured simply by time saved in traffic. However, taking a wider view of increased productivity, exports and jobs, and it becomes clear that such a road actually provides exceptional value.
26. Therefore, new infrastructure should be considered a priority and not just a reaction to existing networks reaching capacity. The reasoning and benefits for continual investment in infrastructure, which includes new technology, jobs, connectivity and a catalyst for further investment, must be recognised by the State Government if we are to ensure continued economic growth for the region.

Further enquiries

27. We thank the Department for the opportunity to provide comment and look forward to the release of the final Plan. Please contact Catherine Pham, Senior Policy Advisor, at cpham@cciq.com.au for matters relating to this submission.