



**CCIQ SUBMISSION**

**Strong Choices Investment Program**

**CHAMBER OF COMMERCE AND INDUSTRY QUEENSLAND**

**15 September 2014**

## 1.0 Introduction and Summary

- 1.1 The Chamber of Commerce and Industry Queensland (CCIQ) welcomes the opportunity to make a submission to the State Government on the Strong Choices Investment Program with respect to preferred infrastructure investment in Queensland. CCIQ is the State's peak business and employer organisation. We represent the views and issues of over 25,000 businesses across all industry sectors and regions of Queensland.
- 1.2 CCIQ believes that the State Government will ultimately need to satisfy the Queensland community of the benefit of asset sales and long-term leases across five key areas namely: price, service, budget, balance sheet, and infrastructure. Should benefit be proven across the first four areas, then CCIQ believes the benefit to infrastructure is enormous.
- 1.3 Infrastructure plays a crucial role in driving business investment, growth and productivity. For businesses to thrive and remain competitive in a global marketplace, it is essential that infrastructure development and addressing current and future bottlenecks is of top priority. An investment in infrastructure represents an investment in the future prosperity of our state and the economy.
- 1.4 CCIQ often receives feedback from Queensland businesses that existing infrastructure networks are deficient and are not meeting the needs of a growing population and economy. In particular, Queensland's transport infrastructure requires significant attention and investment in order to achieve the desired outcomes of improved capacity, reliability, efficiency and safety. Other infrastructure networks identified by businesses that require attention include energy and communications.
- 1.5 This submission focuses on the infrastructure priorities of the Queensland small business community and to provide the State Government with a clear view of how their businesses will benefit from targeted and strategic infrastructure investment.
- 1.6 Small business is the lifeblood of Queensland's economy. They comprise around 96 per cent of all businesses and provide over half of employment opportunities to Queenslanders. The health of the small business sector is critical to the health of the economy, and in this light, CCIQ urges the State Government to integrate the recommendations contained in this submission into future infrastructure planning priorities.
- 1.7 Across the past two years CCIQ members have been given an opportunity to contribute to the CCIQ policy and advocacy agenda through a series of regional business workshops, consultation activities and direct one-on-one business case studies held across the entire State. That engagement has enabled the development of this submission which outlines state-wide infrastructure priorities, in addition to making recommendations with respect to the infrastructure upgrades required at a regional level in Queensland.

## Infrastructure Priorities – Regional Breakdown

Region	Infrastructure
<b>State Wide</b>	<ul style="list-style-type: none"> <li>• Toowoomba Second Range Crossing</li> <li>• Bruce Highway Upgrades</li> <li>• Improved reliability and accessibility of Information and Communications Technology (ICT Infrastructure)</li> </ul>
<b>Sunshine Coast</b>	<ul style="list-style-type: none"> <li>• Sunshine Coast University Hospital</li> <li>• Expansion of the University of the Sunshine Coast</li> <li>• Sunshine Motorway upgrades to provide linkages between Noosa, Maroochydore, Mooloolaba, Marcoola, and surrounds.</li> <li>• Bruce Highway Upgrade Caloundra Road to Sunshine Motorway</li> <li>• Increase frequency of commuter services from Brisbane to Nambour</li> <li>• Extend rail line from Beerwah to Maroochydore</li> <li>• Improved intra-regional connectivity via light rail</li> <li>• Delivery of the Sunshine Coast Airport Master Plan</li> <li>• Alternative Bruce Highway Link to Caloundra</li> </ul>
<b>South West</b>	<ul style="list-style-type: none"> <li>• Successful delivery of Toowoomba Second Range Crossing</li> <li>• Wellcamp Airport interlinking infrastructure</li> <li>• Fast passenger rail service between Brisbane and Toowoomba</li> <li>• Further development of regional aerodromes</li> <li>• Upgrades to the Warrego, Cunningham and New England Highways</li> </ul>
<b>Gold Coast</b>	<ul style="list-style-type: none"> <li>• Continued upgrades to the Pacific Motorway connecting Brisbane and the Gold Coast</li> <li>• Successful delivery of Gold Coast University Hospital</li> <li>• Direct connectivity between heavy and light rail</li> <li>• Redevelopment of old Gold Coast Hospital site</li> </ul>
<b>Central Coast</b>	<ul style="list-style-type: none"> <li>• Upgrades and weather proofing of the Bruce Highway</li> <li>• Sub-regional road infrastructure projects such as Peak Downs Highway upgrade and Mackay Ring Road</li> <li>• Expand seaports for non-resource purposes</li> <li>• Upgrades to Mackay and Whitsunday Airports</li> </ul>
<b>Central Queensland</b>	<ul style="list-style-type: none"> <li>• Construction of Yeppen South Project</li> <li>• Execution of Gracemere Industry Area, Rockhampton</li> <li>• Increase export capacity for non-commodity exports at Port of Gladstone</li> <li>• Expansion of sub-regional airports</li> </ul>
<b>Far North Queensland</b>	<ul style="list-style-type: none"> <li>• Upgrades and weatherproofing of the Bruce Highway</li> <li>• Complete sealing of Kennedy and Hahn Highway</li> <li>• Complete Innisfail Bypass, Mulgrave River Bridge</li> <li>• Kuranda Range Road, suitable for B Doubles</li> <li>• Mareeba Tableland Airport development</li> </ul>
<b>North Queensland</b>	<ul style="list-style-type: none"> <li>• Flood-proofing of the Bruce Highway, including the Sandy Creek and Haughton River Bridge</li> <li>• Yellow Gin Creek Bridge</li> <li>• Townsville Southern Access Corridor, Burdekin Deviation, and Ingham to Cardwell deviation</li> <li>• Townsville Northern Access Corridor</li> <li>• Townsville Ring Road</li> <li>• Further development of Townsville Port, Sea and Air capacity</li> </ul>

## 2.0 Key State Infrastructure Priorities

2.1 There are three key infrastructure priorities that have been identified by businesses that, if delivered in the short to medium term, would significantly enhance the capacity of Queensland's infrastructure networks. These are the Toowoomba Second Range Crossing (TSRC), upgrades to the Bruce Highway, and delivery of Information and Communications Technology (ICT) Infrastructure.

### 2.2 Toowoomba Second Range Crossing

2.2.1 CCIQ has been a vocal proponent of the the Toowoomba Second Range Crossing and welcomes the announcements from the Commonwealth and State Government with respect to their commitment to funding. The Commonwealth Government has committed \$1.285 billion to the project alongside a \$321.25 million commitment from the Queensland Government. The Commonwealth and State Governments have committed to fund the actual project costs on an 80:20 basis subject to the bids demonstrating value for money.

2.2.2 Projects Queensland has estimated that the TSRC will increase productivity of the Toowoomba region by \$2.4 billion (NPV) and Australia wide by \$3.1 billion (NPV) over 30 years. The TSRC would create over 1,800 FTE positions in construction (3 years) and 701 FTE positions in operations (25 years).

2.2.3 CCIQ reiterates its support of Toowoomba Range Crossing and looks forward to the announcement of the successful bidder expected later this year.

### 2.3 Bruce Highway Upgrade

2.3.1 Substantial investment is required to undertake numerous projects to upgrade and enhance the capacity of the Bruce Highway. It is estimated that the Highway contributes \$11.5 billion each year to the Queensland economy and supports 60,000 jobs.

2.3.2 The key challenges that require addressing in order to improve the existing network are:

- Flooding, which regularly closes the highway causing delays to freight and passenger travel: the Bruce Highway is subject to significant annual flooding, with on average, nine locations closing for greater than 48 hours and six locations closing for greater than five days.
- Capacity constraints, with expected traffic volume growth of more than 3% per year to 2025, driven by population growth, a booming resource sector and strong agricultural and tourism sectors.
- Safety and reliability concerns associated with increased traffic using two lane carriageways, mixing of heavy and local traffic, and interchangeable speed limits.

2.3.3 The Queensland Government has released the Bruce Highway Action Plan, which if delivered, would reduce the current road toll by about 35%, deliver estimated savings of \$3 billion over 30 years, and achieve time savings of up to \$30 billion to the economy. Upgrades must increase flood resilience, reliability and safety and deliver ring roads, bypasses, duplications and overtaking lanes.

2.3.4 CCIQ is pleased to see the Federal Government commitment of \$6.7 billion to upgrade the Bruce Highway under the Infrastructure Investment Programme.

## **2.4 ICT Infrastructure Priorities**

2.4.1 Many Queensland regions are experiencing internet/broadband coverage concerns which are reducing business' capacity to utilise online and digital technology, subsequently impacting on their ability to compete in an increasingly global marketplace. The difficulties associated with a lagging communications network are exacerbated by the confusing roll-out of the National Broadband Network (NBN). The Australian Government's NBN policy calls for completion of the network upgrade by 2019, at a total cost of \$29.5 billion.

2.4.2 Business favours an NBN upgrade that is undertaken in the most cost effective manner with minimal disruption to services. Affordable communications network is vital for all businesses to compete domestically and internationally, especially given Queensland's population is geographically dispersed. State assistance may be needed to facilitate extended coverage of the NBN to key regional areas.

## **REGIONAL INFRASTRUCTURE PRIORITIES**

### **3.0 Sunshine Coast Infrastructure Priorities**

3.1 Regional businesses are set to benefit from recent infrastructure investments. The first stage of the Sunshine Coast University Hospital, forming part of the new Kawana Health Campus, is due to be completed by the end of 2016, providing over 700 hospital beds and 8,000 jobs by 2025.

3.2 Regional businesses also point to the University of the Sunshine Coast as a treasure trove of untapped social and economic potential, directly contributing \$269 million to the region's economy annually and indirectly contributing \$530 million. CCIQ supports the University of the Sunshine Coast expanding its business networks and building relationships with the local business community. This will encourage students to remain in the region as they seek to enter the workforce, while educating businesses about the benefits of recruiting local talent.

3.3 Feedback from Sunshine Coast businesses highlights the need for planning and review of the region's transport infrastructure to keep pace with the region's population growth.

#### **3.4 Road**

3.4.1 Upgrade to the Bruce Highway is a critical element in any economic strategy for the region. Current bottlenecks and safety issues are affecting the region's supply and logistics capacity, limiting the drive tourism market, and deterring would-be commuters from the daily journey between the Sunshine Coast and Brisbane CBD.

3.4.2 Connectivity within the region requires significant improvement. The Sunshine Motorway can be difficult to navigate for tourists and does not provide any welcoming linkage between Noosa and the southern towns of Maroochydore, Mooloolaba, Marcoola, etc. Businesses are concerned at the lack of encouragement to use the route as an arterial access, which exemplifies the divide between Noosa and the rest of the Sunshine Coast region.

3.4.3 Critically important to the region is the realisation of the Bruce Highway Upgrade Planning Study (Caloundra Road to Sunshine Motorway). Businesses on the Sunshine Coast have

made ongoing representations to CCIQ that the upgrades are urgently required to deliver safety benefits to motorists, reduce congestion, and cater for the growth of the region.

- 3.4.4 CCIQ supports bringing forward an alternative Bruce Highway link to Caloundra, with predicted time savings of around 45 minutes for commuters travelling between Caloundra and Brisbane. CCIQ favours joint-funding between Stocklands Caloundra South and the State Government, as it eases the burden on the taxpayer to fund the road in its entirety and will inevitably progress the project in a more timely fashion.

### 3.5 *Rail and Bus*

- 3.5.1 As the Sunshine Coast is eager to promote itself as a lifestyle destination within commuting distance of the Brisbane CBD, it is necessary to increase the frequency of commuter services and extend services on existing lines (e.g. extend more than two peak services daily beyond Nambour) and to new centres of population growth. CCIQ believes the State Government, in conjunction with the Sunshine Coast Regional Council, should prioritise their plan to extend the rail line from Beerwah on the main Sunshine Coast line to Maroochydore.
- 3.5.2 The Sunshine Coast Regional Council's aspirations to improve intra-regional connectivity via a light rail to service the main coastal towns is ambitious and unlikely to receive the required funding of over \$2.5 billion in the short or medium term.<sup>1</sup> CCIQ believes increased and more efficient scheduling of bus services to be an easily accessible solution in the short-term.

### 3.6 *Airport*

- 3.6.1 The Sunshine Coast Airport Master Plan was developed in 2007 to make way for the expansion of the Sunshine Coast airport and aerospace precinct. The Staged Development Plan is predicted to be implemented over 15 years and includes:
- A new 2,430 metre runway;
  - New terminal for passengers and baggage;
  - Expansion of the current apron;
  - Expansion of the aviation business precinct; and
  - Supply of fill for the new runway.
- 3.6.2 Expansion of the Sunshine Coast airport will provide additional passenger capacity, inject an additional \$1.6 billion to the regional economy between 2015 and 2050, and encourage investment and business migration to the Sunshine Coast, opening up trade routes in domestic and overseas markets. It will also benefit the region's growing aviation industry, which comprises training and education, manufacturing, aircraft sales, charters, emergency services and licenced maintenance and overhauling. The industry is primarily based at the Sunshine Coast airport at Marcoola, but is also serviced by the Caloundra Aerodrome.
- 3.6.3 CCIQ strongly encourages the Queensland and Federal Governments to consider the Sunshine Coast Airport in the roll out of any aviation strategy.

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<sup>1</sup> Sunshine Coast Regional Council Light Rail Taskforce Full Report: Prefeasibility and Rapid Economic Appraisal Report (August 2012).

## 4.0 South West Queensland Infrastructure Priorities

4.1 Businesses from Ipswich to Roma and Goodiwindi to Kingaroy and from across the wider region have reported to CCIQ for a number of years that existing infrastructure is impeding business confidence and investment. In particular, road, rail and air infrastructure require significant attention to facilitate future population and economic growth.

### 4.2 Road

4.2.1 The growth experienced in SWQ over recent years, primarily linked to the resources industry has placed additional pressure on the region's infrastructure. SWQ needs long-lasting, safe, and efficient road infrastructure networks to cater for the needs of the business community. In a decentralised region such as SWQ, the most critical piece of road infrastructure is the Toowoomba Second Range Crossing (see section 2.2).

### 4.3 Rail

4.3.1 Given the high cost involved with transporting goods to and from the SWQ region, local businesses increasingly depend on an efficient and reliable integrated rail system. Employers have reported that inadequate regional rail services are preventing them from competing, taking on new business opportunities, and getting quality products and produce to market.

4.3.2 Queensland rail currently provides services between the Port of Brisbane and SWQ which transport products such as beef, grain, sugar, lead and copper. The West Moreton Coal System links the Port of Brisbane to Toowoomba, Chinchilla and Dalby transports coal.

4.3.3 SWQ businesses believe the region would attract additional opportunities if a fast rail passenger service between Brisbane and Toowoomba was developed. Employers are aware that this would be an expensive undertaking, but also believe that a long term goal should be to connect the region to Brisbane in a more efficient manner. CCIQ believes that expressions of interest should be sought from the private sector to fund and provide these projects and services, particularly rail connection from Wellcamp to Brisbane.

### 4.4 Air

4.4.1 CCIQ welcomes Wellcamp Airport's announcement as on track to be operational in the third quarter of 2014. A privately owned and operated airport in the South West region is particularly positive for small business, as the airport is projecting passenger numbers to the region to grow to around one million passengers a year.

4.4.2 Regional businesses have welcomed the \$14 million Roma airport upgrade. This included construction of a new terminal building, car park and runway to accommodate larger aircraft. Local businesses believe that other key strategic locations such as Warwick and Stanthorpe Aerodromes should be considered for further development to build on the Southern Downs's location at the junction of the New England and Cunningham Highway's.

## 5.0 Gold Coast Infrastructure Priorities

5.1 CCIQ advocates strongly for the allocation of funds to infrastructure that recognises the speed of economic and population growth on the Gold Coast. With the Gold Coast 2018 Commonwealth Games (GC2018) fast approaching, CCIQ is encouraged by the State Government's future-focused infrastructure investment plan, and believes that

development in the region as a result of hosting the Games will go a long way in meeting the needs of the business community. In partnership with the Gold Coast City Council, the Queensland Government has developed the 'Embracing our Games legacy: Queensland's legacy for the Gold Coast 2018 Commonwealth Games', which CCIQ believes demonstrates a commitment on part of the Government to ensure the longevity of investment in the region.

- 5.2 Existing infrastructure will also be leveraged to the best possible advantage for the Games, including upgrades to Carrara and Robina Stadiums and the already completed Gold Coast Aquatic Centre. This investment will also serve to attract big-ticket sporting and entertainment events in the future long after the Commonwealth Games is over, providing economic stimulus for the region and increased visitation to the Gold Coast.
- 5.3 Planned infrastructure for the Commonwealth Games in 2018 will have a role in the post-Games Gold Coast too. The Government and GCCC intend for big projects such as the Games Athlete's Village be designed with versatility in mind. For example, the State Government and GCCC envisage the Athlete's Village to become a key residential, commercial and retail hub after the Games.

#### **5.4 Transport**

- 5.4.1 Supplementing the M1 is the Brisbane to Gold Coast rail link or "Airtrain". The rail link runs from Varsity Lakes at the Southern end of the Gold Coast to Brisbane Airport via the Brisbane CBD. The Airtrain provides an important connector to the Brisbane CBD for commuters (and an alternative to the M1) as well as a vital link for tourism between Brisbane domestic and international airports and the Gold Coast.
- 5.4.2 The Gold Coast Rapid Transit Project (GoldLinQ) is aimed at addressing some of the deficiencies with the intra-regional transport system. The light rail stretches 13 kilometres from Griffith University in Southport to Broadbeach, connecting key infrastructure like the new Gold Coast University Hospital with commercial, residential and tourism hot spots. CCIQ strongly supports the Council's objective of the Light Rail being linked to the heavy rail that connects the region.
- 5.4.3 The main arterial between the Gold Coast, Brisbane and New South Wales, the M1 has been undergoing upgrades since 2007, at a cost of \$910 million to the Queensland and Federal Governments. CCIQ supports these upgrades but believes more needs to be done. A long-term strategy that focuses on reducing congestion and providing a smoother passage between New South Wales and Queensland and connects arguably the two most important SEQ regions is required.

#### **5.5 Health**

- 5.5.1 Construction of the new Gold Coast University Hospital (GCUH) in Southport heralds a new era in health services in the region. The \$1.76 billion facility will be one of the State's biggest clinical and research facilities once completed, offering a 750 bed hospital facility (complemented by the collocation of a private hospital in the precinct). The new GCUH will add to the existing Robina Hospital and will replace the old Gold Coast Hospital in the Southport CBD.

## 6.0 Central Coast Infrastructure Priorities

6.1 The Central Coast region has a number of characteristics that underpin its infrastructure needs: it is a hub for FIFO and DIDO workers; vast amounts of resources and agricultural goods are transported by road to ports in the region and surrounding regions; it is often affected by floods, which isolates and disrupts businesses across the region.

### 6.2 Road networks

6.2.1 There are a number of critical sub-regional road infrastructure projects which are also high priority:

- The Peak Downs Highway upgrade is essential – originally intended to be a road to service local traffic only, it is now a B double route that services over sized mining vehicles, residents and agricultural workers, and has been the scene of numerous fatalities and serious accidents.
- The Mackay Ring Road has also become another priority project, which will allow for heavy vehicles to pass more safely and easily through Mackay as they seek to access industrial areas, harbour and airport facilities.
- The importance of these upgrades being actioned cannot be understated: it provides supply chain access to mining, construction and agriculture, and when natural disasters such as flooding occur, the region becomes isolated (at a considerable cost to local businesses).

### 6.3 Seaport Infrastructure

6.3.1 The Central Coast region has three of Australia’s busiest ports within its boundaries:

- Abbot Point and Hay Point are both coal export only ports (accounting for three quarters of Queensland’s coal exports) that ship directly to destinations in Asia, the Americas, Europe and the Middle East. This may be set to increase, with a venture now underway to build a rail line to transport coal between the Galilee Basin and Abbot Point.
- The Port of Mackay primarily services the agriculture industry, with the largest sugar terminal in the southern hemisphere. It has also become an import hub, with the growth of the mining industry resulting in huge increases in the importation of petroleum products.

6.3.2 While these ports are well used for the purposes of shipping coal, iron ore and aluminium, there is capacity to expand the ports to encourage greater exports of products yielded through primary production in the region, including seafood, beef cattle, sugar and fruit. This would also drive demand for value-added products in these food sectors, and stimulate investment in food processing plants, diversifying the regional economy and encouraging less reliance on the resources sector.

6.3.3 CCIQ supports the expansion of the seaports for non-resource purposes as it would allow more industries to export their products, and drive investment in the region.

## **6.4 Airport Infrastructure**

- 6.4.1 There are four airports on the Central Coast, located in Mackay, Moranbah, Proserpine and Hamilton Island.
- Moranbah and Proserpine have recently undergone expansions to accommodate increased air traffic resulting from the growing number of FIFO workers, as well as to ensure that broader arrays of aircraft are able to land.
  - Mackay Airport is the region's main airport, with more than a million people each year passing through it. It offers direct domestic flights to and from Brisbane, Sydney, Melbourne, Gladstone, Rockhampton, Townsville and Cairns. However, there is currently no international airport in the region, with international visitors coming via Cairns or Brisbane. Upgrades to allow international flights at the Mackay airport would facilitate easier access by foreign tourists into the region, especially from Asia.
  - The Whitsunday Airport has the capacity to extend its runway, allowing larger planes to land, and to become an international airport, which would go some way toward lifting international visitor numbers, which have fallen in recent years.
- 6.4.2 CCIQ supports opportunities to upgrade a number of sub-regional airports to increase visitor numbers and market exposure and to reduce pressures put on airport traffic by FIFO workers.
- 6.4.3 CCIQ seeks commitment from the Queensland Government to better planning and investment in necessary infrastructure in the Central Coast region that is designed to promote growth and improve liveability in the region.

## **7.0 Central Queensland Infrastructure Priorities**

### **7.1 Road networks**

- 7.1.1 CCIQ welcomes the \$296 million commitment to construct the high-level flood access between the Burnett Highway and Yeppen Roundabout, also known as the Yeppen South Project. Additionally, CCIQ commends the Department of Transport and Main Roads on completing the Yeppen North Project to improve safety and traffic flow for road users between Yeppen Roundabout and Port Curtis Road, south of Rockhampton.
- 7.1.2 Additionally, the planned Gracemere Industry Area in Rockhampton has been developed at the entrance to the recently completed Gracemere overpass, and will be the only industrial park in Rockhampton where road trains may be used. The park will cater for small, medium and large businesses and provides direct access to the regional road system connecting the area to all of the major mining and business communities in Central Queensland. CCIQ considers that this is an excellent initiative that demonstrates how government and business can work together to reach practical and useful outcomes.

### **7.2 Seaport Infrastructure**

- 7.2.1 The Port of Gladstone is Queensland's biggest multi-capacity port. It has been an important part of infrastructure for the region's mining boom as coal makes up 70 per cent of total exports from the Port of Gladstone, and it also has good rail links via the Blackwater and

Moura lines, which together form the Capricornia Coal Chain. The Port is also currently undergoing expansion in liaison with Santos to facilitate increased exports of LNG. There is room for greater diversification of exports, with agricultural products, including meat and fresh produce, still representing a relatively low component of total exports.

- 7.2.2 CCIQ will work with Central Queensland businesses to determine whether an increased export capacity for non-commodity products at the Port of Gladstone would facilitate or encourage greater innovation or diversification of industries.

### **7.3 Airport Infrastructure**

- 7.3.1 Central Queensland has airports located in Rockhampton, Gladstone and Emerald. The Rockhampton Airport in particular is noted for its good commercial and heavy-lift capabilities. However, while recent improvements in some of Central Queensland's airports is a positive development for the region, feedback from regional businesses suggests that the region's airports do not have the capacity to accommodate a diverse market that includes FIFO workers, tourists and other business travellers. CCIQ considers that there is opportunity to expand a number of sub-regional airports to increase visitor numbers and market exposure and to reduce pressures put on airport traffic by FIFO workers. As such, we consider that a holistic review and strategy should be undertaken in this respect.

## **8.0 Far North Queensland Infrastructure Priorities**

- 8.1 Far North Queensland business leaders have consistently provided feedback to CCIQ that the State and Federal Governments, as well as local councils, must invest heavily in the region in anticipation of major growth. Businesses are concerned that current infrastructure investment is not keeping pace with the improving outlook in FNQ and, in particular, the anticipation of the \$8 billion Aquis Casino development at Cairns.

### **8.2 Road networks**

- 8.2.1 Upgrades and weatherproofing of the Bruce Highway is the top transport infrastructure priority for business in FNQ. There are a number of other critical sub-regional road infrastructure projects which are also considered high priority including the Kuranda Range Road, which is not currently suitable for B-double transport vehicles which significantly increase freight costs for primary producers and other businesses across the Tablelands.
- 8.2.2 The lack of all-weather access into and across the region is cited as an impediment to economic development. For example flood and weather proofing the inland routes via the Kennedy Highway and Hahn Highway (Greenvale to Charters Towers) and sealing many of the major unsealed access roads to the north and west of Cairns are seen as critical priorities to ensure year round weather access across the region.
- 8.2.3 CCIQ strongly supports priority funding for projects such as the Innisfail bypass, Mulgrave Riverbridge upgrade and upgrades to flood prone sections to the south between Ingham, Cardwell, Innisfail and Cairns.

### **8.3 Airport Infrastructure**

- 8.3.1 The FNQ business community welcomed the recent upgrade of the Cairns International Airport. Furthermore the State Government and Cairns Airport's success in attracting a

number of new direct international flight routes for the region is a positive boost to the tourism sector. It is important that this airport continues to balance the needs of the region for international and domestic tourism, shipping, freight, general aviation and other air industry services.

- 8.3.2 CCIQ additionally believes there is opportunity to develop a number of sub-regional airports, in particular Mareeba/Tablelands airport to increase visitor numbers and market exposure for businesses across the region and to relieve the capacity constraints on the Cairns International Airport.

#### **8.4 Seaport Infrastructure**

- 8.4.1 In order for Cairns and surrounds to capitalise on the booming global cruise industry, its Port must be able to accommodate mega class cruise ships. CCIQ encourages moves by Ports North and the Queensland Government to ensure dredging and the expansion of shipping channels are carried out to capture the benefits of increased economic activity brought by cruise ship tourism.

### **9.0 North Queensland Infrastructure Priorities**

- 9.1 NQ businesses repeatedly identify transport and connectivity as one of the major barriers to business growth and investment in the region. Businesses remain concerned that infrastructure investment in the region is not keeping pace with predicted growth forecasts and to this end, have provided CCIQ with feedback as to their immediate infrastructure needs.

#### **9.2 Road Infrastructure**

- 9.2.1 As NQ is subject to the recurrent weather and flood events associated with its tropical location, the road transport network is frequently closed at various points. In particular, CCIQ highlights flood related closures at the Sandy Creek and Haughton River Bridge crossings on the Bruce highway to the south of Townsville.
- 9.2.2 Businesses in Townsville expressed frustration with the fact that traffic congestion was rapidly increasing to levels associated with major capital cities such as Brisbane or Sydney. Congestion is occurring due to rapidly expanding outlying residential estates, development of new industrial parks in outer suburbs and traffic associated with major industrial development such as the Townsville Port. Recent upgrades have sought to address current congestion and travel volumes, rather than considering business and population growth forecasts.
- 9.2.3 There are 13 priority projects that are situated within NQ. Over the short term (1-4 years) these include:
- Burdekin road safety audit outcome;
  - Sandy corner to Collinsons Lagoon upgrade;
  - Stage 1 of Townsville Southern Access Corridor;
  - Townsville Douglas Arterial duplication; and
  - the Townsville Ring Road and the Cardwell Range realignment.

9.2.4 Over the medium term (5-10 years) the priority projects include; Yellow Gin Creek bridge upgrade, Haughton River Bridge, stage 2 of Townsville Southern Access Corridor and the Cattle and Frances Creek upgrades. Longer term (11-20 years) projects include the Townsville Northern Access Corridor upgrade, Burdekin deviation and the Ingham to Cardwell Range Deviation.

### **9.3 Rail Infrastructure and Services**

9.3.1 The current rail system servicing NQ is not adequately meeting the needs of passengers and business operations. The Sunlander and Tilt Train's service the Townsville to Brisbane route on alternative days stopping in Giru, Ayr, Townsville and Ingham and the Inlander provides passenger services between Townsville and Mt Isa twice weekly. Aurizon transports coal to Abbot Point Coal Terminal and domestic coal to the Queensland Nickel Refinery and the Bowen Coke Works.

9.3.2 NQs regional rail system is not meeting the needs of local businesses. Projected population growth, increasing fuel and transport costs are key factors pointing to the need for a reliable and efficient rail network. Passengers are restricted by long transport times and a small number of departure options which will continue to prevent rail transport from replacing road and air as a leading mode of transport.

9.3.3 The development of a high speed rail network in NQ would play an important role in attracting greater numbers of regional tourism and business activity. With business costs increasing, the future development of an efficient rail network in NQ is of state and national importance.

### **9.4 Airport Infrastructure**

9.4.1 The two main airports in the region are Townsville and Mount Isa domestic airports. The critical issue for business is that neither regional airport offers direct flights to a number of interstate capital cities meaning that business and tourism passengers must get connecting flights via other airports.

9.4.2 Whilst the Townsville airport is considered to have capacity to service both domestic and international carriers, at present there are no international airlines operating services into or out of the Townsville airport. At present these two issues affect the attractiveness of the region to business investment, skilled workers and also limits the opportunity for the region to become a fly-in-fly-out hub to service the mining industry across the region.

9.4.3 Regional businesses believe that the state government should be investigating ways to increase the number of direct routes and service offerings to other major capital cities across Australia. Local businesses also believe more should be done to attract the presence of international airlines, to enhance inbound/outbound tourism and to create further international business opportunities.

9.4.4 CCIQ believes Townsville Airport should be upgraded across the terminals, ring roads and aircraft parking, as well as water and sewerage to increase its capacity. With this should come an increased effort to attract the presence of international airline.

## 9.5 Maximising Port Infrastructure

- 9.5.1 More than an eighth of Queensland's international trade and 75 per cent of metals from Queensland travel through the Port of Townsville. Given that the vast majority of trade transported to and from the Townsville port is via rail, it is essential that both Port and Rail infrastructure are planned and developed with the other in mind.
- 9.5.2 There are two key strategic projects that will bring significant benefit to the NQ business community and improve the attractiveness of the region for business investment:
- The Townsville Port Access Road (TPAR) corridor has the potential to expand into four lanes, catering for an easement for a conveyor to transport goods directly to the Port of Townsville; and
  - The Townsville Eastern Access Rail Corridor (TEARC) will be able to link the existing rail network directly to the port, bypassing the central Townsville area. The TEARC's purpose is to amongst other things; facilitate the use of 1400m long trains (as opposed to the current 1000m on the Mount Isa line or 650m on the North Coast line); reduce bottlenecks in the Port of Townsville and improve urban amenity for suburbs of Townsville. It will form part of the existing Mount Isa to Port of Townsville rail system, which stretches over 1000 kilometres.
- 9.5.3 Both these projects work to enhance the efficiency and capacity of the freight and transport services for the region, reduce traffic congestion within the CBD and increased capacity at the Port of Townsville to service the wider regional business community.

## 10. Conclusion

- 10.1 The availability of reliable, affordable and capable infrastructure plays a crucial role in determining the level of economic growth and standards of living. Population and economic growth in Queensland over previous decades have outpaced the capacity of core infrastructure to meet demand. Subsequently, a significant amount of investment is required in Queensland's infrastructure to support population and economic growth into the future. CCIQ notes that the Strong Choices Investment Program has strong merit in funding this infrastructure.