

Sunshine Coast – The Natural Advantage: Regional Economic Development Strategy 2013 – 2033



Annual Report 2016

Implementing the Sunshine Coast's
Blueprint for a New Economy

FOREWORD

The Sunshine Coast Economic Futures Board is pleased to present its third annual report on the implementation of Sunshine Coast – The Natural Advantage: Regional Economic Development Strategy 2013-2033.

The Strategy was launched on 24 September 2013 following a successful collaboration between business, industry and education sector leaders, Queensland Government agencies and the Sunshine Coast Council to develop a clear plan to drive economic growth and community prosperity for the region. The Strategy provides the region with a set of aspirational goals to 2033 and a five-year Implementation Plan to drive progress towards achieving these goals.

The Sunshine Coast Economic Futures Board was established as a key action to help guide the progress and implementation of the Strategy. This third annual report provides the Board's overview of progress made from 1 July 2015 to 30 June 2016.

The 2016 Annual Report is presented at an important milestone, as the region is just past the half-way point in the delivery of the first five-year implementation plan. It is clearly apparent that there has been a substantial focus on delivery and in maintaining the integrity of the implementation plan as committed to by the strategy partners in 2013.

What we are also seeing is evidence of shifts in the performance of the region's economy. This is no doubt due to a number of variables, but having a clear plan in place to shape the direction of the economy and maintaining an emphasis on its implementation will inevitably help to instil confidence in the market place, business and the community. This confidence will at the end of the day, encourage investment, generate interest in the region and help to stimulate employment creation. What we are seeing is positive change in all three of these outcomes.

In this context, the Board is pleased to note that:

- Over 70% of the actions in the five year implementation plan are either completed or have been implemented and are continuing on an ongoing basis.
- Gross Regional Product for the broader Sunshine Coast region has increased to over \$16 billion in 2015. (Source: AEC Group May 2016)
- The region has been independently ranked for two consecutive years as being the second highest performing regional (ie. non capital city) economy in Queensland and fifth highest performing regional economy nationally. (Source: Australian Local Government Association: State of the Regions Reports 2014-2015 and 2015-2016)
- Business confidence in the region has been highly ranked in the last three successive Westpac CCIQ Business Confidence Surveys – with the Sunshine Coast having the highest level of business profitability, sales and revenue of any region in Queensland. (Source: Westpac CCIQ Queensland Business Confidence Survey, December 2015)
- The Sunshine Coast region's unemployment rate is lower than the Queensland unemployment rate, dropping to 4.9% in the June 2016 quarter, compared with 6.3% for Queensland. (Source: Australian Bureau of Statistics, Labour force survey catalogue number 6202.0, and Department of Employment, Small Area Labour Markets, June 2016)
- The region's youth unemployment rate now stands at 9.4% - some 3.5% lower than the State youth unemployment rate. (Source: Queensland Government Statistician's Office: Regional Youth Unemployment June 2016)
- The Sunshine Coast has been recognized by Infrastructure Australia as one of five cities (in addition to the State capitals) that will be the focus for the future productivity of the Australian economy and an area where governments should

encourage economic development (Source: Australian Infrastructure Plan, February 2016)

In the last financial year, the region has seen significant shifts in the progression of its 'game changer' projects:

- The Sunshine Coast University Hospital is nearing completion, with the opening now scheduled for April 2017.
- The expansion of the Sunshine Coast Airport and the development of the new Maroochydore city centre both moved from the planning stages and into the delivery phase.
- The \$81 million expansion of the University of the Sunshine Coast was completed and the USC is expanding into new horizons.
- The expansion of the Bruce Highway between Caloundra Road and the Sunshine Motorway has also moved from the planning phases, with construction due to commence in 2017.

In 2016, the region took a significant step towards facilitating the delivery of the infrastructure and architecture that will underpin its participation (and that of Queensland) in the digital economy. Council has made an application to the Australian Communications and Media Authority (ACMA) for the declaration of a submarine cable protection zone off-shore from the Sunshine Coast. The delivery of an international broadband submarine cable would potentially enable the region (and south east Queensland) to attract a new calibre of investment, as well as provide improved redundancy and an alternative international access point for the eastern seaboard of Australia to international markets. At this time of this report, this remains a work in progress but Council should be commended for its vision and foresight in pursuing this important initiative.

Each of these major regional projects are contributing to the reshaping of the regional economy and collectively, should deliver a wider mix of employment options, facilities and services for the current and future residents of the Sunshine Coast.

SUNSHINE COAST ECONOMIC FUTURES BOARD

Moving into Year Four, the Board will participate in a review to be commissioned by the Sunshine Coast Council of the implementation of the Strategy. In this context, the Board will for the first time, make recommendations to Council on refinements to the Strategy itself and Implementation Plan to ensure it remains a contemporaneous blueprint for the Sunshine Coast economy. With new policy emphases by the Federal and State governments in relation to city infrastructure financing arrangements and a renewed emphasis on innovation and entrepreneurialism, the Board considers it important that the region position itself to leverage its own commitments to extract value from the policy platforms of the other tiers of government.

The Board will also continue to encourage and guide the pursuit of new investment opportunities in the region associated with the seven high-value industries. The Board will work closely with each of the industry taskforces to ensure strategies continue to be in place to generate new employment and investment opportunities on the back of the major regional projects.

Throughout the year, the Board has also experienced change itself, with two new members – Teresa Handicott and Howard Aron – joining its ranks and David Foster assuming the role of Chairperson. In March 2016, Ms Katie Bickford resigned her membership of the Board. The Board would like to acknowledge and thank Ms Bickford for her contribution over the last two years and wish her well for the future. Council is currently seeking to fill the vacancy created by Ms Bickford's departure.

Finally, the Board would like to commend the key regional partners who have worked collaboratively to implement the Strategy actions and continue to strive towards achieving the Strategy's goals for 2033. This is an important time in the history of the Sunshine Coast economy and the Board welcomes the opportunity to continue to contribute to the work with the region's stakeholders over the course of the next year.



David Foster (Chair)



Teresa Handicott



Andrew Pitcher



Katie Bickford

Ms Katie Bickford tendered her resignation from the Board in March 2016.



Robert Jones



Howard Aron



Mayor Mark Jamieson

Regional Performance Highlights

The Sunshine Coast is building a new economy based on a clear 20-year economic plan and pushing forward with significant infrastructure investments and growing seven high-value industries – all of which are contributing to higher levels of business confidence and improvements in the region's economic performance. Some of the key highlights for the 2015-2016 year include:

MAROOCHYDORE CITY CENTRE DEVELOPMENT

- The Maroochydore Priority Development Area is the only green field central business district in Australia at this time.
- The 53 hectare, former golf course site, is owned by the Sunshine Coast Council with the development being managed by a separate, Council-owned company, SunCentral Maroochydore Pty Ltd.
- Construction of the new Maroochydore city centre commenced in early 2016, with the first sod for the development turned by the Queensland Premier Anastacia Palaszczuk and Mayor Mark Jamieson.
- Expressions of Interest for the first commercial, retail and residential precincts were released to market in June 2016.

SUNSHINE COAST AIRPORT EXPANSION

- The expansion of the Sunshine Coast Airport will provide the region with the infrastructure necessary to enable more direct flights to more locations in Australia, Asia and the Western Pacific, helping to boost tourism and support export businesses to get their products and services to markets faster and more efficiently.
- The expansion project will contribute \$4.1 billion to the Sunshine Coast economy between 2020-2040 and generate more than 2,230 jobs over the same period.
- The Queensland Coordinator General finalised the assessment of the Environmental Impact Statement (EIS) and the requisite approvals have been provided to enable the project to proceed.
- Council is now progressing the engagement of a commercial partner in the operation of the Airport and is negotiating potential funding arrangements with the Federal and State governments to enable the construction program to proceed.





SMART CITY FRAMEWORK

- The Smart City Framework (SCF) has been created by Sunshine Coast Council in partnership with Telstra and Cisco as a platform to deploy innovative solutions in a staged manner within key urban settings on the Sunshine Coast.
- Priority locations include the Maroochydore city centre, the Kawana Health Precinct and Caloundra Central Business District.
 - The SCF relies on information and communication technology to enhance the livability, workability and sustainability of the Sunshine Coast region.
 - Council has identified 13 smart technologies ranging from Smart Power and Water to Smart Signage, WiFi and health services that could be deployed under the SCF.



SUNSHINE COAST UNIVERSITY HOSPITAL

- The Sunshine Coast is the locations for one of the most significant health sector investments currently occurring in Australia, with the development of a new \$1.8 billion Sunshine Coast University Hospital (SCUH).
- The SCUH will open in April 2017 with 450 beds and 3500 staff, expanding to 738 beds and 4600 staff by 2021.
- The main building structure has been completed, with the 164,000m² main hospital building to form the centre of the new hospital, which will be split over six functional levels, with a roof top, plant rooms and helipad.
- The completed building will house emergency, medical, cancer, renal, intensive care, obstetric, pediatric and clinical support services.



SUNSHINE COAST SOLAR FARM

- Council is constructing a utility scale 15MW single axis tracking solar farm at Valdora.
- Once completed and operational, Council will offset 100% of its electricity usage with electricity generated from a renewable source.
- Construction of the Solar Farm commenced in April 2016 and is due for completion in mid-2017.
- The solar farm will deliver an estimated \$10 million in economic benefit for the region and \$22 million in savings (after all project costs are met) in the operating costs for council over the life of the asset.

High-Value Industries

HIGH-VALUE INDUSTRY GROWTH AND SUPPORT

Seven Industry Taskforces have the responsibility to implement the High-Value Industry and Investment Plans. The industry taskforces for 2015-2016 were led by:

- Health and Wellbeing
Terence Seymour, UnitingCare Health
- Education and Research
Brian Anker, Anker Consulting Pty Ltd
- Knowledge Industries and Professional Services
Byron Cannon, Ferguson Cannon Lawyers
- Tourism, Sport and Leisure
Aaron Flanagan, Aussie World
- Agribusiness
Andrew Eves-Brown, Gourmet Garden
- Clean Technologies
Mark Leckenby, Enopte Pty Ltd
- Aviation and Aerospace
Terry O'Brien, Aeromarine

All Taskforce members are commended for their efforts in delivering each of the seven High Value Industry and Investment Plans over the past 12 months.

HEALTH AND WELLBEING

- The Work Shop at the SCUH was completed with 807 placements at the hospital site contributing \$183.5 million to Gross Regional Product.
- A Health Investment Mission was undertaken to Melbourne to engage with some of the largest health and medical research organisations in Australia and to showcase potential partnership and investment opportunities on the Sunshine Coast.
- Supported Kawana Waters State College with its annual Health Heroes program, where around 500 pre-identified senior school students from across the region with an interest in health enjoyed an interactive expo and presentations highlighting and informing them on health career pathways (linked to the SCUH).
- Mayor Mark Jamieson accompanied Premier Annastacia Palaszczuk and the Queensland delegation to BIO 2016 in San Francisco in June 2016 to showcase research and development and associated investment opportunities in the life sciences.

EDUCATION AND RESEARCH

- Developed the Job Show which listed 540 jobs in one day, attracted 2000 attendees and 64 exhibitors, with the employment of 238 people directly attributable to the event.
- Delivered the region's first integrated online study solutions portal, Study Sunshine Coast.
- Assisted in the formulation and delivery of 'Coder Dojo' - a global program to teach seven to 17 year olds how to code.

KNOWLEDGE AND PROFESSIONAL SERVICES

- Hosted the inaugural Smart Communities Summit (March 2016) with over 150 delegates in attendance from around Australia.
- Supported and helped showcase the entrepreneurship and startup community through a range of initiatives including GovHack, SCC Hackfest, Startup Weekend Sunshine Coast, Startup Weekend Youth, Generation Innovation, Pitch competitions, El Grande Digital events and the inaugural Mayor's Telstra Technology Awards.
- Coordinated an entrepreneurs delegation to the Advance Queensland Innovation and Investment Summit (April 2016). The Sunshine Coast exhibition included an interactive data and light installation that highlighted the region's ingenuity.
- Provided investment support to Stellar Asia Pacific and Auto & General which combined will see the creation of over 500 jobs and over \$10 million in capital expenditure in the region.

TOURISM, SPORT AND LEISURE

- Increased cruise ship visitation to the Sunshine Coast with four cruise lines (P&O, Carnival, Seaborne and Azamara) scheduling visits. 17 ships with average passenger numbers of 1,800 are currently scheduled for 2016-2017.
- Secured the Isle of Man and the Welsh Athletics/Swimming teams to base themselves on the Sunshine Coast in the lead up to the 2018 Gold Coast Commonwealth Games.
- Worked with industry partners to secure national morning television broadcasts from the Sunshine Coast.
- The World is Coming events campaign was launched in 2016 and reached an audience of 4.1 million people worldwide.
- Provided investment support to Rivershore Resort (glamping) which will see the creation of over 30 jobs and over \$6 million in capital expenditure in the region.

AGRIBUSINESS

- Progressed the investigation of a 'Food Hub' catalyst project to further support and enhance the \$535 million in Gross Regional Product that agribusiness contributes to the Sunshine Coast.
- The Food and Agribusiness Network (FAN) industry group was launched to support food and agribusiness operators in the greater Sunshine Coast region – from Moreton Bay to Gympie. In six months, FAN grew to 110 members.
- Provided investment support to Country Chef which will see 104 jobs and \$8.45 million in capital expenditure delivered in the region.

CLEAN TECHNOLOGIES

- Developed the region's largest Cleantech Tradeshow and Conference - the Cleantech Effect 2016.
- Progressed Queensland's first community solar project. The 100 kilowatt (KW) system will be owned by social enterprises, structured as trading cooperatives and used as exemplars for other regions.
- The Sunshine Coast Cleantech industries were represented at the Surat Basin Expo promoting investment opportunities and regional capabilities to over 3000 delegates.

AVIATION AND AEROSPACE

- Contributed to a range of industry forums including Defence Industry Procurement and Opportunities workshops; Defence Industries White Paper; and State Aerospace Workshops.
- Provided support for and promoted the region at the Australian Helicopter Industry Associations (AHIA) Rotortech 2016 Conference held at Twin Waters which was attended by over 400 domestic and international delegates.
- Development of a business plan for the Caloundra Aerodrome precinct commenced to facilitate the implementation of the master plan and the creation of an appropriate business environment to facilitate longer term success.



EXPORT OUTCOMES

- 277 people attended export networking events throughout the year.
- 10 companies participated in the first intake of the 2016 Export and Global Capability Program. Attendees reported a 96% overall satisfaction with the Program.
- 20 training and education companies and 12 food and agribusiness companies attended industry-specific Export Workshops.
- Five Sunshine Coast exporters were applicants in the Premier of Queensland Export Award 2015 with RADAQUA being nominated as a finalist in the Small Business Category.
- Membership of the Sunshine Coast Export Network LinkedIn Group grew to 393 members.



Progress Report - Year 3 Completed Actions

Action	Performance Measures	Progress
<p>✓ Support business excellence through highly competitive award and recognition programs. <i>(Years 2-5)</i></p>	<ul style="list-style-type: none"> Implement region-wide CCI-Sunshine Coast Business Excellence Awards and Recognition Program. 	<ul style="list-style-type: none"> Council will once again be platinum sponsor for the 2016 Sunshine Coast Business Awards to be held in November. Council is also the Environment Category sponsor for the 2016 Premier of Queensland Export Awards in October 2016.
<p>✓ Adopt a targeted program and approach to promoting the region's new identity and competitive advantages to potential investors and priority markets. <i>(Years 1-2)</i></p>	<ul style="list-style-type: none"> Targeted marketing and promotional activities that reinforce the new identity and showcase the region are developed, focus tested and implemented. 	<ul style="list-style-type: none"> The 'INVEST Sunshine Coast' branding and Investment Prospectus is being promoted to national and international markets through a multifaceted communication plan which includes marketing and online strategies. Investment collateral is promoted on Council's 'Invest Sunshine Coast' web site. Business Investment Mission conducted to Sydney on 9 February 2016 and presentation to 45+ Sydney Chamber members.
<p>✓ Develop and aggressively implement industry and investment plans for each of the high-value industries - focusing on addressing impediments to growth, supply chains, market opportunities and the identification of key investment targets. <i>(Years 1-2)</i></p>	<ul style="list-style-type: none"> Health and Wellbeing; Tourism, Sport and Leisure; and Education and Research Industry and Investment Plans developed by May 2014. Remaining four high-value Industry and Investment Plans developed by November 2014. 	<ul style="list-style-type: none"> New Taskforces were recruited and appointed from 1 July 2015 to 30 June 2017. Taskforce Chairs meet quarterly (in coordination with the meetings of the Futures Board). A review of each Industry and Investment Plan is underway with an update planned to be published at end of 2016.
<p>✓ Identify alternative funding models for the expansion of the Sunshine Coast Airport and the development of the Maroochydore city centre and address impediments to securing investment in these projects. <i>(Years 1-2)</i></p>	<ul style="list-style-type: none"> Alternative investment models identified, regulatory approvals obtained and financial commitments sourced. 	<ul style="list-style-type: none"> The Queensland Coordinator-General released a report accepting the Environmental Impact Statement for the expansion of the Sunshine Coast Airport on 19 May 2016. Council endorsed the next stage of the commercial strategy for the Sunshine Coast Airport on 13 June 2016. Expressions of Interest have been sought for a commercial partner in the operation of the Airport. SunCentral Maroochydore Pty Ltd has commenced marketing of the initial commercial, retail and residential precincts in the Maroochydore city centre.

Action	Performance Measures	Progress
<p>✓ Implement the Regional Education and Training Project to ensure collaboration between the region's education and training sectors to improve educational access, relevancy and outcomes in support of a future skilled workforce.</p> <p>(Years 1 -3)</p>	<ul style="list-style-type: none"> • Education industry group and milestones established. • Project development completed by July 2015. 	<ul style="list-style-type: none"> • Four key projects are being managed to advance sector coordination, promotion, and infrastructure initiatives. • Education Sunshine Coast was incorporated in February 2016. • Study Sunshine Coast was launched on 20 April 2016 and has quickly amassed 20,000 Facebook followers and strong engagement within Australia and internationally. • The Futures Careers program initially focusing on Health and information technology has been well received with over 1,500 students participating in various initiatives. • Council also re-commenced the Coder Dojo program with some 30+ students participating in weekly coding tutorials.
<p>✓ Raise awareness in the middle phase of schooling (Years 8-10) of local career options and associated skills requirements</p> <p>(Years 2-3)</p>	<ul style="list-style-type: none"> • Careers information program developed and implemented for Years 8-10 on future regional jobs opportunities from mid-2014. • Aligned with progress in other areas of strategy and reviewed in mid-2015. 	<ul style="list-style-type: none"> • Health Pathways pilot program continues (since end 2014) with 21 positions. • Mayor's Telstra Technology Awards for Years 10-12 students was launched February 2016. • Jobs+ program under way to develop 'Future Careers'. • Jobs Show II is being developed for delivery on 19 October 2016.
<p>✓ Develop innovation, best practice and business skills in existing and new regional business, including rural and hinterland businesses, to increase their sustainability.</p> <p>(Years 1-5)</p>	<ul style="list-style-type: none"> • Business innovation, best practice and support services and programs are enhanced and delivered to existing and new business, including hinterland businesses. 	<ul style="list-style-type: none"> • Sunshine Coast Council launched the online Business Gateway and its market intelligence economy.id service in September 2014. • Entrepreneurship and business mentoring solutions promoted on Council web site and grants provided to various Chambers/Industry Associations to deliver mentoring and business skills services. • Ongoing support for 'Start-Up', 'Pitch Weekend' and other programs such as 'Generation Innovation' which support innovation and entrepreneurship. • The inaugural Mayor's Telstra Technology Awards for Years 10-12 students was launched in February 2016.
<p>✓ Create a regional network and inventory of existing international expertise and relationships to help forge stronger commercial linkages outside the region and leverage new business, trade, clients and public and private investment.</p> <p>(Years 1-5)</p>	<ul style="list-style-type: none"> • Existing regional high-value international relationships are articulated and renewed. • Increased trade and investment leveraged through existing international relationships and networks of value. 	<ul style="list-style-type: none"> • Sunshine Coast Export Network (Linked In) has achieved over 390 active members. • Council hosted all of the Queensland Government Trade and Investment Commissioners to the Sunshine Coast in October 2015. • Council hosted a visit to the region by the Australian Ambassadors to the United Arab Emirates and Kuwait and Austrade officials and facilitated their engagement with local business representatives. • Export Council of Australia is now running Council's Export and Global Capability Program with 10 companies completing the March to June 2016 round.

2015-2016 IMPLEMENTATION REPORT

Progress Report - Year 3 Completed Actions Continued

Action	Performance Measures	Progress
<p>✓ Establish an annual program of business and export missions – led by Council – to grow awareness of the region's products and services and investment opportunities.</p> <p><i>(Years 2-5)</i></p>	<ul style="list-style-type: none"> Annual program of outbound and inbound missions developed and implemented. 	<ul style="list-style-type: none"> Three missions were conducted in 2015 -2016 – two of these were trade missions to China and New Zealand. The Mayor's annual investment mission was conducted in May-June 2016, focusing on potential investment in the Sunshine Coast Airport and the Maroochydore city centre.
<p>✓ Ensure Queensland Government Trade Commissioners have access to up-to-date information on the strengths and competitiveness of the Sunshine Coast.</p> <p><i>(Years 1-5)</i></p>	<ul style="list-style-type: none"> Annual briefing program on the Sunshine Coast for Queensland Government Trade Commissioners implemented. 	<ul style="list-style-type: none"> Trade and Investment Queensland conducted their annual conference with all of their Trade and Investment Commissioners on the Sunshine Coast in October 2015. Trade and Investment Queensland increased its staff compliment in the region. Austrade visits to the region included two Ambassadors (UAE/Qatar and Kuwait) and three Trade Commissioners from the Middle East.
<p>✓ Support specific regional market development and export programs, and access to trade and investment networks, advice and opportunities.</p> <p><i>(Years 2-5)</i></p>	<ul style="list-style-type: none"> Programs accessed regionally through government and business networks to develop local businesses' trade and export capabilities. 	<ul style="list-style-type: none"> Export Council of Australia is now managing Council's 2016 Export and Global Capability Program with 10 companies having participated in round one from March to June 2016. Council also formed The Sunshine Coast Export Network (via Linked In) and has organised regular networking events. Council continues to be the Environment Category Sponsor at the 2016 Premier of Queensland Export Awards
<p>✓ Increase links and collaboration between research institutions, business and industry in the region.</p> <p><i>(Year 2)</i></p>	<ul style="list-style-type: none"> Program established to develop ongoing collaborations between research institutions and business and industry to support business and industry initiatives, innovation and growth. 	<ul style="list-style-type: none"> Strong collaboration on innovation programs including: <ul style="list-style-type: none"> Second 'Generation Innovation' challenge Inaugural Mayor's Telstra Technology Awards Start-Up Weekend Start-Up Weekend Youth GovHack Advance Queensland Investment and Innovation Summit in April 2016.

Year 3 and Out-year Actions Underway

Action	Performance Measures	Progress
<p>Establish a Sunshine Coast ambassadorial program – utilising local identities, business leaders and international students to promote the region.</p> <p><i>(Year 2)</i></p>	<ul style="list-style-type: none"> Ambassadorial program - representative of key focus areas of strategy – established by July 2014. Ambassadors equipped with necessary tools and information. 	<ul style="list-style-type: none"> Research completed and findings presented to Futures Board on 19 August 2015. 'Pilot' program commenced on 25 November 2015 through to 30 June 2015. An 'app' is being developed to assist in enhanced delivery of Invest Sunshine Coast messaging and collateral.
<p>Develop a clear investment proposition and compelling marketing materials for each high-value industry to attract and generate new investment.</p> <p><i>(Year 2)</i></p>	<ul style="list-style-type: none"> Investment proposal and marketing materials for Top 3 high-value industries completed by July 2014 Investment proposal and marketing materials for remaining high-value industries completed by December 2014. 	<ul style="list-style-type: none"> New collateral is being developed and alternative platforms are being investigated to showcase the investment proposition in the region associated with each of the high-value industries.
<p>Develop and implement a Digital Economy Participation Plan for business and industry.</p> <p><i>(Year 2)</i></p>	<ul style="list-style-type: none"> Digital Participation Plan, to develop digital literacy and innovation in business and industry, is developed and implemented from July 2014. Online information portal established to ensure widespread access to key information on broadband infrastructure and services. 	<ul style="list-style-type: none"> Work is underway to implement a range of actions following the launch of the Smart City Framework in September 2015. A new digital engagement program will be delivered to support this initiative in 2016-17.
<p>Seek a commitment from the Federal Government to regularly monitor skills and labour shortages, and ensure workforce gaps and early solutions are identified, for high-value industries and 'game changer' projects.</p> <p><i>(Year 2)</i></p>	<ul style="list-style-type: none"> Program advocacy and regional process established to monitor and identify skills and labour shortages for high-value industries and 'game changer' projects. 	<ul style="list-style-type: none"> Regional Development Australia Sunshine Coast continues to roll out its advocacy program with both the federal and state governments regarding regional skills analysis and development projects.

2015-2016 IMPLEMENTATION REPORT

Year 3 and Out-year Actions Underway Continued

Action	Performance Measures	Progress
<p>Seek a firm financial and delivery commitment from the federal and state governments to the expansion of the Bruce Highway from Caboolture to the Sunshine Coast and future transport solutions.</p> <p><i>(Years 1-5)</i></p>	<ul style="list-style-type: none"> • Advocacy program, targets and communication strategy established for Bruce Highway upgrade. • Future transport solutions reviewed and developed. 	<ul style="list-style-type: none"> • Ongoing advocacy program continuing to be delivered to the Federal Government. • This infrastructure need was a core element of the Sunshine Coast Council's advocacy program during the Federal election campaign. • Commitments have been received (and are being progressed) in relation to upgrades of the Bruce Highway between Caloundra Road and the Sunshine Motorway and the upgrade of the Nambour-Maroochydore interchange. • The Federal Government committed \$8 million to planning studies for the upgrade of the Bruce Highway between the Pine River and Caloundra.
<p>Identify alternative funding sources, both institutional and offshore, to stimulate capital investment in the region.</p> <p><i>(Years 2-5)</i></p>	<ul style="list-style-type: none"> • Alternative funding sources identified and targeted through business missions and regional industry investment activities and networks. • Tactical advice and specialist expertise in investment markets sourced, as required, to address capital investment needs and priorities. 	<ul style="list-style-type: none"> • A number of leads have been identified through the Mayor's domestic and international investment missions and market visits which are being pursued for interest in the 'game changer' and other projects. The most recent investment mission took place in from 23 May to 8 June 2016. • Delivery of 'investment attraction' workshop with local financial institutions/commercial real estate agents and advisory firms with a focus on equity investment took place on 5 November 2015. • New Investment Attraction Unit formed in Council at the end of 2015 with additional resources provided in 2016. • Health Investment Mission to Melbourne took place in July 2015 and Business Investment Mission to Sydney took place on 9 February 2016. • Sunshine Coast Airport and Maroochydore commercial precincts have received strong institutional and offshore interest.
<p>Aggressively market the investment opportunities in the 'game changer' projects.</p> <p><i>(Years 2-5)</i></p>	<ul style="list-style-type: none"> • Targeted marketing plan for each 'game changer' project developed and implemented. 	<ul style="list-style-type: none"> • The 'game changer' projects have been marketed on international and domestic investment missions conducted by the Mayor and through targeted media and communication channels. • Marketing strategy has been finalised to support the roll-out of the regional investment brand and Prospectus.

Action	Performance Measures	Progress
<p>Clarify and map the supply chains for each of the 'game changer' projects and identify gaps and opportunities for local business supply and priorities for new investment.</p> <p><i>(Years 2-5)</i></p>	<ul style="list-style-type: none"> Supply chain analysis, opportunity identification and business matching to local initiatives undertaken for 'game changer' projects – linked to project timelines. 	<ul style="list-style-type: none"> The project has shifted from a supply/demand mapping exercise around construction of the hospital to goods and services for the running of the hospital. Council has launched its own ICN Business Gateway. Local business registration has increased to over 1,300. Private projects are also now being listed on the portal. The Sunshine Coast Solar Farm at Valdora is a recent listing and work is underway to include the \$400 million Sunshine Plaza upgrade. Food Hub Feasibility Study has commenced with a report to be finalised for a presentation to Council in August 2016.
<p>Establish and develop the research capability and reputation of the Sunshine Coast Public University Hospital, and (once developed) profile this to targeted national and global markets.</p> <p><i>(Years 2-5)</i></p>	<ul style="list-style-type: none"> Tertiary medical partnership for Skills, Academic and Research Centre secured. <i>(Years 2-3 measure)</i> Sunshine Coast University Hospital research and capability prospectus promoted to target investors, tertiary professionals and concept champions. <i>(Years 3-5 measure)</i> 	<ul style="list-style-type: none"> Awaiting announcement of the Sunshine Coast Health Institute partners. Ongoing work and visits to Sydney/Melbourne with the University of the Sunshine Coast and Sunshine Coast Hospital and Health Service to discuss linkages with relevant research institutions. High level visits from a range of potential investors and a delegation from Finland in the last quarter of 2015-16 has seen a surge in interest.
<p>Work with telecommunications providers to ensure the delivery of world-class broadband infrastructure and services, with a specific focus on 'game changer' project locations.</p> <p><i>(Years 1-5)</i></p>	<ul style="list-style-type: none"> Tertiary medical partnership for Skills, Academic and Research Centre secured. <i>(Years 2-3 measure)</i> Delivery of high-speed broadband infrastructure commitments within project locations. 	<ul style="list-style-type: none"> Digital Sunshine Coast 'broadband demand aggregator' tool was launched on 29 August 2015. The Speed it Up campaign was launched early 2016. Negotiations and submissions are ongoing with both the QLD and Federal Governments for the region to benefit from the national Mobile Black-Spot program.
<p>In partnership with Queensland Government, investigate a south-east Queensland airports strategy to better enable tourism and business connectivity to the region.</p> <p><i>(Years 2-5)</i></p>	<ul style="list-style-type: none"> SEQ Airport Strategy explored and pursued including better domestic airports coordination and global airport connections. 	<ul style="list-style-type: none"> Discussions are continuing with the Queensland Government on an appropriate airports strategy. Council is advocating for the representation in the South East Queensland Regional Plan of the Sunshine Coast Airport and the Brisbane West Wellcamp Airport as key freight distribution hubs.

2015-2016 IMPLEMENTATION REPORT

Year 3 and Out-year Actions Underway Continued

Action	Performance Measures	Progress
<p>Identify and preserve future priority public transport corridors to connect major business, tourism, education and population centres within the Enterprise Corridor.</p> <p><i>(Years 2-5)</i></p>	<ul style="list-style-type: none"> Feasibility study and submission to Council completed by end of 2015. <i>(Years 2-3 measure)</i> Review and assessment of preservation corridor completed. <i>(Years 2-5 measure)</i> 	<ul style="list-style-type: none"> Sunshine Coast Light-Rail Study and Route Options have been finalised. Preservation and protection of key transport corridors remains a priority for the Queensland Government and Council.
<p>Ensure the regulatory settings outside the Enterprise Corridor do not unduly inhibit or constrain investment in agribusiness and niche tourism and leisure experiences.</p> <p><i>(Years 1-5)</i></p>	<ul style="list-style-type: none"> New Sunshine Coast Planning Scheme establishes principles and settings to encourage and support development and growth of agribusiness and niche tourism and leisure businesses outside the Enterprise Corridor. 	<ul style="list-style-type: none"> Planning Scheme Amendment Program is continuing. Round 3 Amendment Program commenced and business community feedback is being sought.
<p>Promote the capabilities, products and services of the region's export-ready businesses and suppliers to key markets.</p> <p><i>(Years 2-5)</i></p>	<ul style="list-style-type: none"> Programs accessed regionally through government and business networks to develop local businesses' trade and export capabilities. 	<ul style="list-style-type: none"> Sunshine Coast Council has confirmed its support and participation in 2016 Premier of Queensland Export Awards as the Environment Category sponsor.
<p>Pursue government support programs, and link with government agencies with an in-market presence in target markets, to assist Sunshine Coast businesses to enter new markets nationally and globally.</p> <p><i>(Years 1-5)</i></p>	<ul style="list-style-type: none"> Key government programs identified and access facilitated for Sunshine Coast businesses. 	<ul style="list-style-type: none"> Sunshine Coast Council is now a member of AUSTCHAM Shanghai and AUSTCHAM Hong Kong to facilitate access for local businesses to these markets. Council works closely with TradeStart, Austrade and Trade and Investment Queensland to facilitate market entry assistance for local companies.

Action	Performance Measures	Progress
<p>Leverage opportunities in Asia and other key markets to increase the intake of international students in tertiary, technical and secondary schools.</p> <p><i>(Years 2-5)</i></p>	<ul style="list-style-type: none"> Marketing of regional education opportunities with key stakeholders' increased international student placements in the region. 	<ul style="list-style-type: none"> Education Sunshine Coast has identified this action as one of its four priorities with Council taking a lead in the development of a brand and information portal for international students. Study Sunshine Coast was launched on 20 April 2016 and has quickly grown to achieve over 20,000 Facebook likes.
<p>Develop skills and training programs, through education providers and skills initiatives, designed to meet projected industry skills shortage needs.</p> <p><i>(Years 2-5)</i></p>	<ul style="list-style-type: none"> Targeted programs developed by providers and through enterprise skills initiatives, to meet the projected needs of 'game changer' projects and high-value industries – linked to project timeframes. 	<ul style="list-style-type: none"> Skills and training programs are being progressed with the Workforce Council and the Department of Education, Training and Employment in regards to health pathways and Health Heroes. Council is considering expanding the program to include Tourism/Hospitality in 2016. Supporting the new 'Foot in the Door' campaign and 'Students to Business' initiative to help provide training and internship opportunities for local TAFE/University students. 2016 Jobs Show (October) will also have a strong skills/training program element.

Tracking our Progress

The Sunshine Coast Economic Futures Board will continue to track the delivery of the Strategy's priorities and actions and monitor progress towards the long-term aspirational goals for 2033.

To assist in this ongoing monitoring, the Board has sought independent research by the University of the Sunshine Coast on the region's economic performance in the context of the Strategy's four aspirational goals.

From this data and other relevant research, the Board has assessed regional progress and, on an on-going basis, assesses whether any recommendations are warranted in terms of amendments to the Strategy's Implementation Plan.



LOOKING AHEAD - KEY PRIORITIES AND PERFORMANCE MEASURES

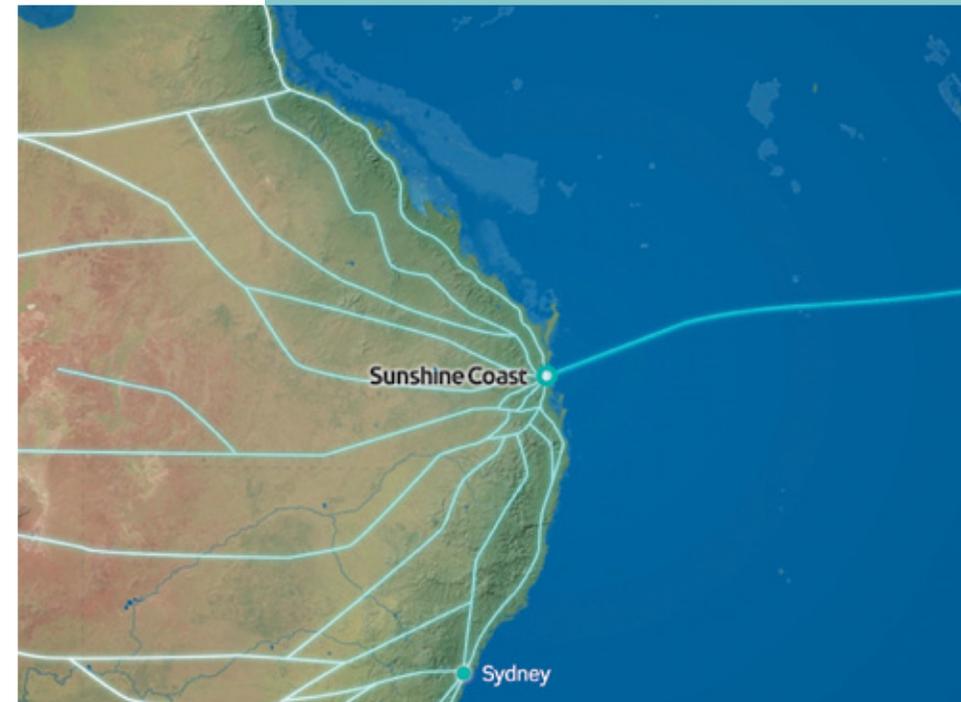
While implementation of the Strategy is progressing well and changes in the region's economic performance are evident, it is nearly three years since the Strategy was launched and implementation commenced.

The current Implementation Plan for the Strategy concludes on 30 June 2018 and the Board recognises it is timely to commence consideration of the componentry of the next five year Implementation Plan (2018-2023).

With this in mind, Sunshine Coast Council plans to initiate an independent review of the implementation of the Strategy, including the models for implementation and delivery. The Board will be invited to contribute to this review that will assist in informing the development of the 2018-2023 Implementation Plan.

In recognition of the Board's role in providing advice and recommendations to Council on any amendments to the current Implementation Plan, there are three matters the Board recommends for consideration by the Strategy partners. In each case, these are matters that involve either amendments to, or additional, Strategy actions.

The Board considers these matters to be of some significance in advancing the region's economic policy objectives and as such, should be considered in the current Strategy actions, rather than deferring them for inclusion in the next five-year Implementation Plan.





The proposed inclusions to the 2013-18 Implementation Plan are:

CAPITAL INVESTMENT PATHWAY – NEW ‘GAME CHANGER’ PROJECT – INTERNATIONAL BROADBAND SUBMARINE CABLE

Since development of the first Implementation Plan, Council announced in July 2015 that it would be seeking from the Australian Communications and Media Authority (ACMA) the declaration of a cable protection zone to facilitate investment by the private sector in the delivery of an international broadband submarine cable to the Sunshine Coast.

This project has attracted strong bi-partisan support from both the Commonwealth and State and has been widely recognised as offering a potentially transformative impact on the Sunshine Coast and broader south east Queensland economies. AEC Group has independently estimated the delivery of an international submarine cable will result in a \$700 million contribution each year to the Sunshine Coast economy and \$1.1 billion each year to the Queensland economy.

The significance of this capital project to the future shape and prosperity of the Sunshine Coast economy is such that the project warrants identification as a ‘game changer’ project in its own right.

In June 2016, the region received a commitment of \$250,000 from the Federal Coalition Government to develop the business case and investment strategy for the proposed international submarine cable infrastructure.



Recommendations to the Strategy Partners –

- a. That the Capital Investment Chapter in the Strategy be amended to include specific reference to the International Broadband Submarine Cable project as a ‘game changer’ project for the region.
- b. That Action B4 in the Capital Investment Pathway be amended as follows:
Work with the Australian and Queensland Governments and telecommunications providers to ensure the delivery to the region of world-class broadband infrastructure, including direct connectivity with international fibre networks.
- c. That the partners for Action B4 in the Capital Investment Pathway be amended to include the Commonwealth Government and the Queensland Government.

Tracking our Progress Continued

CAPITAL INVESTMENT PATHWAY – AMENDED ACTION ON ALTERNATIVE FINANCING MODELS FOR CAPITAL INVESTMENT

Since the introduction of the Strategy, all levels of government have embarked on an examination of alternative financing structures and models which may serve to address major infrastructure deficits and needs – particularly in high growth areas.

This has also been motivated by the fiscal difficulties that both the Federal and State governments find themselves in and a continuing escalation in infrastructure demand in order to both meet community needs and improve the productivity and competitiveness of the Australian, Queensland and regional economies.

The opportunity that has been created from a “coming together” of all levels of government around some common financing options for city making and major infrastructure provision is one that Council is pursuing vigorously, given both City Deals and Value Capture represent very real opportunities for the region to potentially see major road, rail and public transport solutions delivered in a more timely and manner and with greater certainty than currently exists.

Recommendation to the Strategy Partners –

- a. That Action A4 in the Capital Investment Pathway be amended as follows:

Work with the Federal Government, the Queensland Government and the private sector (as appropriate) to identify alternative financing models and funding sources (both institutional and offshore), to secure capital investment in the region, and advocate for legislative and policy changes to facilitate their implementation on the Sunshine Coast.

HIGH-VALUE INDUSTRIES PATHWAY – ADDITIONAL ACTION ON AN INNOVATION POLICY FOR THE REGION

The Strategy places an emphasis on innovation, research and digital participation and nominates specific actions to advance this priority for the region.

There are very real opportunities available now and into the foreseeable future for the Sunshine Coast to leverage the National Innovation and Science Agenda and Advance Queensland to position the Sunshine Coast as a leading regional centre for innovation, entrepreneurialism and creativity.





The Sunshine Coast already hosts a flourishing ecosystem for start-ups and a range of incubation and co-working spaces to encourage new ideas conversion to commercial application. In addition, Council is also progressing a focus on attracting investment in the life sciences and forming important research linkages with other major life sciences destinations and research institutes as one opportunity to leverage the development of the Sunshine Coast University Hospital and Sunshine Coast Health Institute.

Recommendation to the Strategy Partners -

- a. That an additional Action C5 be included in the High-Value Industries Pathway as follows:

Establish a policy statement and programs that leverage the investment opportunities and policies of promulgated by the Commonwealth and Queensland governments to position the Sunshine Coast as a leading regional hub for innovation, entrepreneurialism and creativity.



Sunshine Coast – The Natural Advantage: Regional Economic Development Strategy 2013 – 2033

More Information

- For information on the Sunshine Coast – The Natural Advantage: Regional Economic Development Strategy 2013-2033, visit: www.invest.sunshinecoast.qld.gov.au
- For enquiries regarding the Sunshine Coast Economic Futures Board or the implementation of the Strategy, email Council at invest@sunshinecoast.qld.gov.au or write to the Sunshine Coast Council, Locked Bag 72, Sunshine Coast Mail Centre, Queensland, 4560.

