

ROCKHAMPTON REGION

Economic Development Strategy

Technical Report

PREPARED FOR ROCKHAMPTON REGIONAL COUNCIL



Prepared by:

RPS AUSTRALIA EAST PTY LTD

743 Ann Street
Fortitude Valley, QLD, 4006

T: +61 7 3237 8899
F: +61 7 3237 8833
E: Mark.Wallace@rpsgroup.com.au

Report Version: FINAL

Prepared for:

ROCKHAMPTON REGIONAL COUNCIL

PO Box 1860
Rockhampton, QLD, 4700

T: 07 4931 5408
E: Russell.Claus@rrc.qld.gov.au
W: www.rockhamptonregion.qld.gov.au

Document Status

Version	Purpose of Document	Orig	Review	Review Date
WIP Draft	WIP Draft Content for RRC Review	HJ	MW	24/04/2015
Draft v1.0	Full Draft content for RRC Review	MW	HJ	18/05/2015
Draft v2.0	Revised Draft for RRC Review	MW	HJ	14/07/2015
Draft v3.0	Revised Draft for RRC Review	MW	HJ	23/07/2015
FINAL	Final draft for public release and submission	HJ	MW	13/10/2015

Foreword

We need a map to achieve our vision for growth and economic prosperity. The Rockhampton Region Economic Development Strategy plays an essential part in this mapping process.

We must take a proactive role in positioning and preparing the Region to benefit from future opportunities and to create our own. Shifting our dependency from opportunistic economic development and creating a reinvigorated approach is an important first step toward long-term success.

Big projects are exciting, and we should continue to strive for them, but we also need to be more deliberate and structured in our long-term approach, building on what we have, building what we should already have, and building what we want to have. This Strategy will enable us to do this.

Through its implementation, Council intends to provide the best possible environment in which industry thrives, opportunity abounds and businesses are able to prosper, creating wealth and employment opportunities for our region.

We know we have a great community, but we want it to be even better, and the envy of our competitors. We want to seize opportunities and strengthen our economic diversity so upcoming generations choose to settle in our Region.

In 2014 I convened an Economic Development team who have worked in conjunction with the RPS Group to design an Economic Development Strategy that will create the Rockhampton Region of the future.

Developed through a process of industry engagement and community consultation, matching what we already know against our aspirations and contemporary thinking about economic opportunities, we now have a tool that enables us to approach the future with greater confidence.

I pledge that Council will work energetically with the State and Federal Governments, businesses, the wider community and other lead agencies to complete the actions set out in our Economic Development Strategy.



Margaret Strelow

Mayor



Summary

The Rockhampton Region has a resilient and stable economy, generating quality employment and business opportunities. It is recognised nationally as the beef capital of Australia, supporting wider agricultural production in Central Queensland. It is also home to a critical mass of residents attracted to the Region by high quality secondary and tertiary education, public and private tertiary hospitals, and allied health.

The Rockhampton Region is blessed with an incomparable range of economic opportunities. The central location of Rockhampton on major intra and interstate freight and transport infrastructure, its proximity to major mining and resource development activity and its large customer base and labour force all have the potential to drive the growth and prosperity of Rockhampton's business and residential community.

However, the Rockhampton Region's economic potential is currently not being realised. The Region is characterised by:

- a high unemployment rate;
- a workforce with a below average skills profile; and an economy dominated by public sectors (like health, education and public administration);
- below average and slowing economic activity per resident; and
- a deficit of leadership capacity in the wider community despite high levels of social engagement and volunteering.

Most importantly, Rockhampton lacks a large, dynamic and entrepreneurial business community, with below average numbers of local businesses and slow business formation and growth rates. Rockhampton's current role as the capital of Central Queensland is premised on its economic strength and to maintain this role, the Region must facilitate and drive robust growth in private investment, business establishment and jobs creation.

This Economic Development Strategy for the Rockhampton Region provides the framework for the growth and prosperity of the local business and residential community. The Strategy is the product of extensive engagement and analytical understanding of the region. It is structured and formulated by the Rockhampton Regional Council but incorporates the effort, skills and knowledge of local government, key State and Commonwealth Government agencies and business, community and not-for-profit sectors.

Central to the Strategy is recognition that the Region needs more than "business as usual" planning and instead needs to chart a more aspirational future characterised by a dynamic and entrepreneurial business community, highly skilled workforce, a diverse range of quality facilities and services and a prosperous community with a high quality of life.

The Strategy establishes the following Vision for the Rockhampton Region in 2050:

"Rockhampton is recognised globally as the economic heart of Central Queensland. It is home to a critical mass of residents, high quality services and facilities and a dynamic and prosperous economy driven by entrepreneurial and innovative businesses, strategic investment and international exports."

Shifting Rockhampton’s population and economy growth trajectory from “business as usual” towards the aspirational trajectory outlined in the Strategy requires a comprehensive, consolidated and integrated approach to the growth and development of the Region. Economic Development Programs and Actions must seek to address the key challenges facing the Rockhampton economy while leveraging critical comparative advantages and opportunities to drive growth.

There are a range of ways to foster and promote the growth of a regional economy and community. Different initiatives generally fall into three broad approaches to growth and development:

- **Enabling Initiatives** – investment in activities, infrastructure, facilities and services that catalyse and enable the private sector and the community to grow and prosper in a region;
- **Value Adding** – building upon and adding value to the strengths of the foundational industry to deepen regional economic activity. This can include physical value adding to raw materials, increased capture of upstream supply chains expenditure in the region or innovative use of existing infrastructure and economic capacity.
- **Diversification** – broadening of the economic base of a region through the promotion, fostering and growth of new industries and businesses. These businesses are generally separate from the value adding activities associated with the foundational industries, drawing upon the region’s competitive advantages, innovation, research and entrepreneurship to drive new business and industry growth.

By pursuing enabling, value adding and diversifying activities and investments, the Rockhampton Region in the future will be characterised by levels of population, employment, business activity and investment greater than the “business as usual” profile of the Region would achieve.

The outcome of analysis and consultation in the development of this Strategy is the identification of six core Economic Development Programs that form the central part of the Economic Development Framework. These include:

Program	Description
Agriculture and Food Industry Growth and Diversification	This Program covers actions designed to grow, diversify and develop food production in the Rockhampton Region. It seeks to enhance Rockhampton’s profile as a good producing region of national and global significance and the source of quality food products and supporting services and industries.
Branding and Marketing	This Program seeks to enhance the profile of the Rockhampton Region as a location of choice for people to “live, work and play” and for business to establish and grow. It promotes and encourages the growth of Rockhampton profile and greater awareness of its comparative advantages and investment and economic development opportunities.
Education and Skills	This Program seeks to improve the skills base of the Rockhampton population to improve the attractiveness of the regional workforce to new and emerging sectors while providing socio-economic, prosperity and quality of life benefits to residents from improved educational outcomes.
Small Business Development	This Program will drive the establishment, growth and development of small businesses in the Rockhampton Region. It recognises the importance of a dynamic and entrepreneurial small business sector in driving income growth and job creation in the Region. The Small Business Development Program seeks to promote collaboration, innovation, technology adoption, growth acceleration and major project supply chain integration.
Urban Rejuvenation	This Program will seek to increase the amenity, accessibility and competitiveness of the Rockhampton Urban Area. The program focuses on the redevelopment and modernisation of the City, making the central business district a more attractive urban environment for both residents and businesses.
Transport, Logistics and Manufacturing Promotion	This Program seeks to establish Rockhampton as the principal transport and logistics hub in regional Queensland; leveraging its strategic location relative to major Queensland centres as well as agricultural, tourism and mining regions. It

Program	Description
	seeks to optimise the performance and accelerate the growth of key industrial precincts, integrate businesses into mining and major project supply chains and be a location of choice for growing defence activity.

Within each of the broad Economic Development Programs identified in the Strategy, there are a range Potential Opportunities which enable, add value and diversify the regional economy and community.

The Rockhampton Region Economic Development Strategy is not simply a strategy for Government; it is a holistic economic development strategy that requires buy-in and investment by all aspects of the Rockhampton community. All members of the Rockhampton Region community have an important role to play in implementing this Strategy. This will be achieved through collective and coordinated effort across a broad range of projects that will stimulate, incentivise and facilitate the growth and development of the Rockhampton economy, for the benefit of local residents and businesses.

Contents

FOREWORD	III
SUMMARY	IV
INTRODUCTION	1
What is Economic Development?	1
Need for an Economic Development Strategy	1
Drawing the “Golden Thread”	2
Strategy Structure	2
ROCKHAMPTON PROFILE	4
Rockhampton - In Place and Time	4
The Central Queensland Region	5
The Rockhampton Community	6
Rockhampton Workforce	8
Jobs and Industry in Rockhampton	9
Rockhampton Economy	11
Rockhampton Businesses	13
REGIONAL AND GLOBAL INFLUENCES	17
Major Global Trends	17
Summary of Mega Trends	19
REGIONAL CAPACITY FOR GROWTH	21
Human Capital	21
Sustainable Communities	24
Connectivity	27
Competitiveness	31
Regional Benchmarks	33
Summary of Challenges and Advantages	35
A VISION FOR THE ROCKHAMPTON ECONOMY	39
Vision Statement	39
Aspirational Population Target	40
ECONOMIC DEVELOPMENT FRAMEWORK	42
Delivering Economic Development	42
Economic Development – A Whole-of-Community Responsibility	43
A Framework for Economic Development	43
Economic Development Programs	44
Need for an Economic Development Organisation	50
Process for Reviewing and Updating the Strategy	51
Tracking and Measuring Success	52
Need for an Implementation Plan	53

Tables

Table 1 Mega Trends Summary	19
Table 2 Human Capacity Indicators, Rockhampton	22
Table 3 Human Capacity Indicators, Rockhampton	24
Table 4 Connectivity Indicators, Rockhampton	28
Table 5 Business and Industry Competitiveness Summary, Rockhampton	32
Table 6 Rockhampton LGA Benchmarked Against Other Regional Areas.....	35

Figures

Figure 1 “Golden Thread” in Economic Development Strategies.....	2
Figure 2 Rockhampton Regional Local Government Area	4
Figure 3 Central Queensland Population Distribution by Local Government Area, 2014.....	5
Figure 4 Historic and Projected Population, Rockhampton.....	6
Figure 5 Labour Force and Unemployment Rate, Rockhampton LGA, 2010 to 2014.....	8
Figure 6 Employment by Occupation by Place of Work, Rockhampton LGA, 2011.....	9
Figure 7 Employment by Industry by Place of Work, Rockhampton LGA, 2011.....	10
Figure 8 Employment Self Sufficiency (Place of Work vs. Place of Residence)	11
Figure 9 Gross Regional Product, Rockhampton Region, 2001 to 2014.....	12
Figure 10 Gross Product per capital, Rockhampton Region and Australia, 2001 to 2014	13
Figure 11 Business Counts by Employment Size.....	14
Figure 12 Businesses by Industry Classification, Rockhampton, 2013	15
Figure 13 Businesses per 1,000 residents, Rockhampton, Queensland and Australia, 2013.....	16
Figure 14 Queensland’s Road Freight Network	30
Figure 15 Adjusted Porter’s Diamond Model.....	31
Figure 16 Rockhampton Comparative Advantages.....	36
Figure 17 Population Projections and Targets for Rockhampton.....	40
Figure 18 What Does 175,000 Residents Mean for Rockhampton?	41
Figure 19 Spectrum of Approaches to Regional Growth and Development	42
Figure 20 Ongoing Monitoring and Review Process	51
Figure 23 Liquefied Natural Gas Projections, Queensland, 2014 to 2018.....	58

Appendices

- Appendix 1 Global Megatrends
- Appendix 2 Key Regional Indicators
- Appendix 3 Recommended Actions
- Appendix 4 References

Introduction

What is Economic Development?

The economic development of a region is critical for maintaining and enhancing prosperity and quality of life of residents. Rising costs of living and increased competition and economic, social and environment pressures drive the need for regional economies to grow, expand and diversify.

The traditional goals and objectives of economic development include:

- attracting new residents;
- creating new jobs;
- increasing worker and household incomes;
- helping new business to establish and grow;
- encouraging new investment; and
- increasing the capacity and quality of regional services and facilities.

Economic development is not about encouraging economic growth for its own sake. Poorly managed economic growth can result in a range of perverse outcomes, including income inequality, a lack of social cohesion, environmental impacts and industry imbalances.

Instead, successful economic development must be characterised by the following attributes:

- **Sustainable** – providing long-term, recurring benefits to the community;
- **Equitable** – providing benefits to a wide range of groups and cohorts within the community;
- **Practical** – achieving real tangible incomes;
- **Local** – generating benefits for local businesses, residents and the community; and
- **Attainable** – with goals and objectives that are supported by evidence.

Any initiative, action, project or investment, which helps to grow the economy in a manner that enhances the quality of life and prosperity of residents in the long-term, is a form of economic development.

Need for an Economic Development Strategy

Rockhampton is recognised nationally as the capital of Central Queensland. Characterised by a large residential and service population and proximity to major mining and agricultural activity, Rockhampton plays a critical service role for Central Queensland and the State more broadly. However, continued population growth, structurally high unemployment, economic uncertainty in core foundation industries and strong competition from other regions in Australia and around the world threaten to impact the dynamism of the Rockhampton economy into the future.

Therefore the continued prosperity and quality life of residents in Rockhampton is contingent on the implementation of effective tools to help guide and manage the development of the regional economy in the long-term. This requires the establishment of a practical and evidence-based framework to inform and guide investment activities by public, private and community sectors . This framework is traditionally enshrined in an Economic Development Strategy.

Rockhampton Regional Council identified the need to establish an Economic Development Strategy for the region. The primary purpose of this Strategy is to help guide Council's actions, regulations, policies and investment over the next 5 years. However, this Economic Development Strategy looks beyond Council and is designed to help inform other critical public and private sector stakeholders, as well as potential new residents, business and investments, on the future potential and direction of the Rockhampton region.

Drawing the "Golden Thread"

The growth and development of the Rockhampton economy does not occur in isolation. Global and national mega trends are increasingly driving the development of regional economies within Australia, presenting both major opportunities as well as serious challenges to future growth and prosperity.

Effective economic development strategies therefore must look beyond the region and try to make connections between these current and emerging megatrends, the characteristics and attributes of the regional economy and the vision, opportunities and actions for the future. This connection or "golden thread" is critical to developing the story of the Rockhampton economy as well as providing the evidence needed to justify the investment needed from public and private sectors to help Rockhampton realise its full potential.



Figure 1 "Golden Thread" in Economic Development Strategies

Strategy Structure

The Rockhampton Regional Economic Development Strategy is comprised of the following key sections:

- **Introduction** – outline of the rationale and purpose of the Economic Development Strategy
- **Rockhampton Profile** – profile of the population, demographic and socio-economic characteristics of the Rockhampton region;
- **Global Influences and Trends** – summary of current and emerging global and national trends and their relevance to the Rockhampton economy;

- **Regional Capacity for Growth** – assessment of the capacity, connectivity, competitiveness and comparative advantages of the Rockhampton region;
- **A Vision for the Rockhampton Economy** – establishment of a long-term vision for the Rockhampton economy including identification of aspirational population targets and imperatives for regional growth and development;
- **Economic Development Strategy Framework** – outline of the framework to guide the implementation of the Economic Development Strategy over the next 5 years and identify the potential Economic Development Programs and Recommended Actions needed to drive growth and prosperity.

Rockhampton Profile

Rockhampton - In Place and Time

The Rockhampton Region – defined as the Rockhampton Local Government Area - is located on the Tropic of Capricorn in Central Queensland, approximately 600 kilometres north of Brisbane. Covering an area of 6,560 square kilometres, the Rockhampton Region is characterised by a subtropical climate with warm, wet summer months and moderate winters.

The Rockhampton Regional Local Government Area was established through the amalgamation the City of Rockhampton, Shire of Fitzroy and Shire of Mount Morgan in 2008. The Shire of Livingstone was also amalgamated into the Rockhampton Local Government Area, however residents opted for de-amalgamation in 2013 and it was restored as a separate council in 2014.

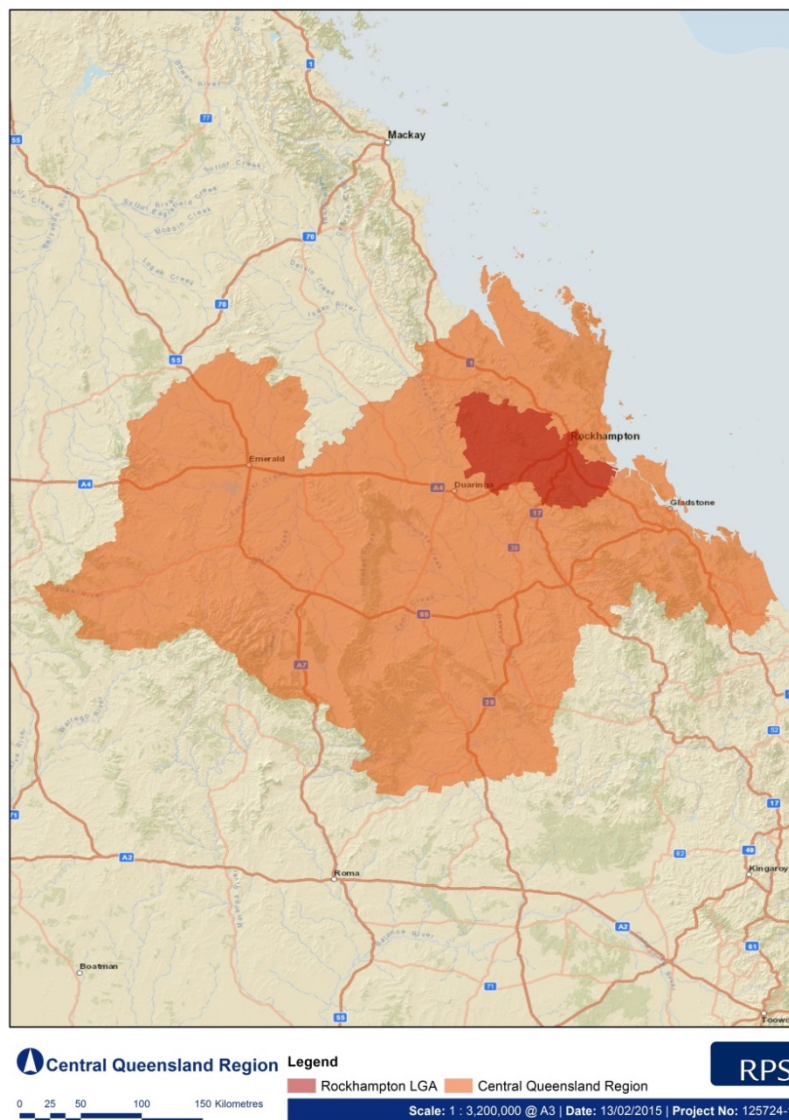


Figure 2 Rockhampton Regional Local Government Area

The broader Capricorn District, which includes the Rockhampton Local Government Area, is the traditional home of the Darambal Aboriginal people, who were the only inhabitants of the region until the arrival of European explorers and settlers in 1853.

The combination of abundant grazing land and good water accessibility through the Fitzroy River and its tributaries and lagoons, helped to establish Rockhampton as a premier cattle producing region. This helped to drive Rockhampton’s early growth. The discovery of gold at Mount Morgan in the 1880s saw the population of the region explode, with gold exported through ports at the mouth of the Fitzroy River.

In 1902 the City of Rockhampton was proclaimed by the State Government, which invested heavily in rail connections from Brisbane and to Longreach – establishing Rockhampton’s role as the principal service centre of the region and a major contributor to the growth of the State over the past century.

The Central Queensland Region

Rockhampton is the capital of Central Queensland. As such, the economic success and prosperity of Rockhampton is invariably linked to the growth and development of the wider region. Central Queensland covers over 117,500 square kilometres in area, or almost 7.0% of Queensland’s total land area. Centrally located between Brisbane (500km south) and Townsville (600 km north), Central Queensland is comprised of six Local Government Areas including:

- Rockhampton Regional Council Area;
- Gladstone Regional Council Area;
- Livingstone Shire Council Area;
- Banana Shire Council Area;
- Central Highlands Regional Council Area; and
- Woorabinda Aboriginal Shire Council Area.

The Central Queensland Region was home to 233,747 people as of June 2014. The Rockhampton LGA contained the largest proportion of residents within the Central Queensland Region, with 35.7% of the total population. This was followed by the Gladstone LGA with 28.3% of the population and the Central Highlands LGA with 15.6%.

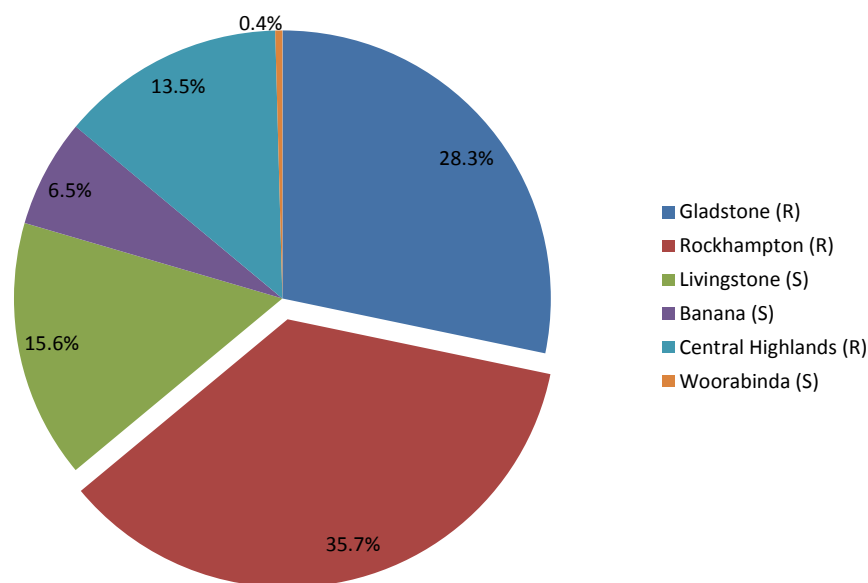


Figure 3 Central Queensland Population Distribution by Local Government Area, 2014ⁱ

The Central Queensland Region generates employment for approximately 100,000 people, with the top three employing industries within Central Queensland being retail trade, healthcare and social assistance, and manufacturingⁱⁱ. However employment drivers within the region vary considerably. Within the Rockhampton LGA the top employing industries were healthcare and social assistance, retail trade and education and training, where as the top three employing industries within the Central Highlands LGA are mining, construction and agriculture, forestry and fishing.

The regional economic diversity of Central Queensland presents considerable opportunities for Rockhampton as the primary service centre. It not only provides residents with a wide range of employment opportunities across a variety of industries and sectors, but also presents opportunities for local businesses to value add to Central Queensland’s primary economic drivers – agricultural and mining and energy production. This includes capturing greater share of mining and agricultural sector supply chain expenditure in the region as well as driving practical, commercial, regionally-tailored industry research and innovation

The Rockhampton Community

Rockhampton was home to 83,439 residents in 2014, an increase of 11,019 residents over 10 years. Population growth rates have generally been moderate during this period, ranging between 1.0% and 1.5%, which is in line with national averages. However, in 2012, growth accelerated to 2.5%, showing that the Region is capable of supporting accelerated population growth.

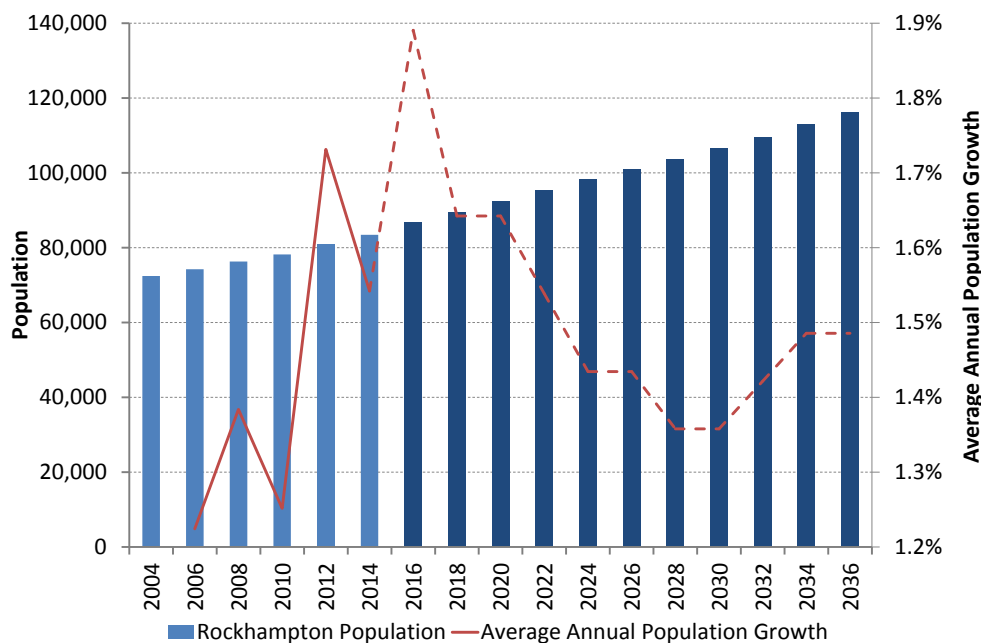


Figure 4 Historic and Projected Population, Rockhamptonⁱⁱⁱ

Based on the Queensland Government Statistician’s Office, Rockhampton is projected to be home to 86,624 residents in 2016, growing to over 100,000 residents by 2026 and 118,000 residents in 2036. This will represent an additional 33,000 residents calling Rockhampton home by 2036.

In 2011, 6.8% of Rockhampton’s residents identified as being of Aboriginal or Torres Strait Islander descent. The proportion of indigenous residents within Rockhampton is higher than the Queensland average at 3.8%. This above average share reflects the fact Rockhampton is the traditional home of the Darambal peoples

who have a long and proud heritage in the region. They knew the wide river on which Rockhampton is located as “Toonooba”, which offered significant resources and sustenance for the community and environmental characteristics which subsequently attracted European settlers (initially cattle grazers) to the region^{iv}.

Rockhampton has a relatively strong working age population (population aged between 15 and 64 years). The share of residents aged 24-35^v is slightly below the State average though this is not uncommon for regional parts of Australia. In fact, Rockhampton’s youth retention rate is actually very high, likely due to the presence of strong tertiary education services and facilities in the region.

The Rockhampton Region is home to a number of major settlements and townships, with the city of Rockhampton the largest and most prominent. It is not only the principal service centre in the local area but also in Central Queensland, possessing the highest concentration and most diverse range of retail, health, education and Government services.

Gracemere is a residential and industrial satellite community to the south east of Rockhampton City. Located on the Capricorn Highway, Gracemere has been the focus of considerable new residential development in recent years, with supporting retail and commercial floor space. The location also offers strong road infrastructure access and is home to a growing transport and logistics cluster.

Mount Morgan is another notable settlement in the Rockhampton Region. The historic township is currently home to about 2,500 residents. Mount Morgan’s economy has undergone a transition and now leverages its extensive heritage and historical assets to offer a unique tourism experience to visitors to Central Queensland.

Mount Morgan Mine

Established in 1882, the Mount Morgan Mine was developed by a syndicate of notable individuals in Queensland and world history, who drew upon the wealth of the mine to help establish British Petroleum through Middle East oil discoveries and establish the Walter and Eliza Hall Institute of Medical Research (Walter Hall was a syndicate member).

The syndicate became the Mount Morgan Gold Mining Company in 1886 and operated as an underground mine. The Company established extensive infrastructure and facilities to accompany the mine, including laboratories, brickworks (and supporting clay excavations), foundry, power house, and workshops. The Company operated until 1927 when fire forced the Company into liquidation. By this time, however, Mount Morgan Mine had become one of the most productive gold mines in the world.

In the following year, Mount Morgan Limited was formed and shifted production to open cut methods. This was accompanied by significant modernisation of facilities and infrastructure. The mine continued to operate until 1981, when its ore body was exhausted, though it continued to process tailings from previous mining activity as well as output from other mines until 1990. Over the course of its life, Mount Morgan Mine produced approximately 262 tonnes of gold, 37 tonnes of silver and 387,000 tonnes of copper.

Now, the Mount Morgan Mine is the principal tourist attraction of the town. Structures such as the Main Stack, Gold Stores and General Office remain. Additionally, the excavation of clay to support the brickworks of the Mine revealed fossilised dinosaur footprints inside the cavern. The Fireclay Cavern contains over 300 footprints of the plesiosaur and is incorporated as part of the tours of the mine site.

Rockhampton Workforce

Rockhampton had a labour force of 43,992 people as of September 2014, an increase of 5.3%, or 2,200 workers over the year. This growth is considerably higher than the population growth highlighting the fact that Rockhampton's population age profile is strong in working age groups.

In September 2014, the unemployment rate in Rockhampton was 6.7%, an improvement of 0.7% compared to June 2014, and a 2.6% over the year. Considering the strong labour force growth recorded during this time, the fall in unemployment suggests robust employment generation has occurred in the past 18-24 months.

Despite this, Rockhampton's unemployment rate remains above that of Queensland, as it has for some time. This primarily reflects Rockhampton's role as a major service centre in Central Queensland, with the availability of a range of Government social services, as well as supporting public tertiary health services, attracting a higher proportion of people who are unemployed. Nevertheless, employment generation is regarded as the critical objective of this Economic Development Strategy for the Rockhampton Region, supporting and reinforcing its role as the principal economic node in Central Queensland.

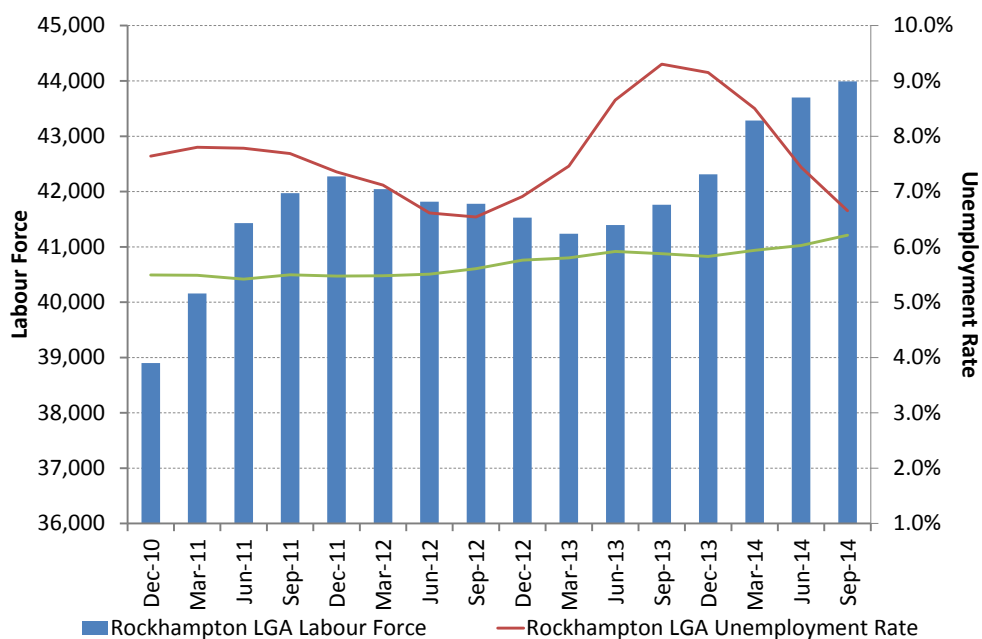


Figure 5 Labour Force and Unemployment Rate, Rockhampton LGA, 2010 to 2014^{vi}

Professionals accounted for the largest share of Rockhampton's workforce, with almost 1 in 5 workers in that occupation. Clerical and administrative workers accounted for a further 16.8% of occupations followed by technicians and trade workers with 16.0% of employment. The smallest employing occupation within Rockhampton is machinery operators and drivers, with only 6.9% of people employed. This fact is surprising given the potential strengths of Rockhampton as a major regional transport and logistics hub as well as the Region's proximity to mining and energy resource operations in Bowen and Galilee Basins.

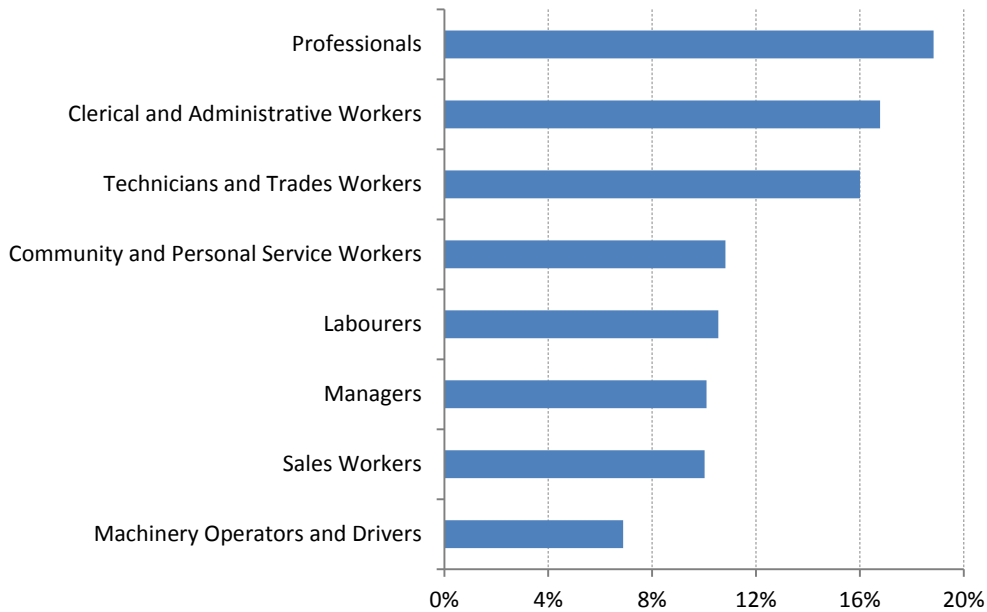


Figure 6 Employment by Occupation by Place of Work, Rockhampton LGA, 2011^{vii}

Jobs and Industry in Rockhampton

According to the 2011 Census, there were almost 33,400 jobs in Rockhampton. Comparing this to current labour force estimates in the previous section, this employment indicates that there are approximately 10,000 workers living in Rockhampton who leave the Local Government Area for work. This mostly reflects the employment opportunities in mining, construction, transport and agricultural sectors in the broader Central Queensland region and the relative attractiveness of Rockhampton as a place to live and raise families.

The largest employing industry is Healthcare and Social Assistance with 16.0% of total jobs. This was followed by Retail Trade (12.1%) and Education and Training (10.5%). These three industries are population-serving sectors, highlighting Rockhampton's role servicing not only local and regional residents but communities across Central Queensland.

Furthermore, the Public Administration and Safety, Manufacturing and Transport, Postal and Warehousing industries each support more than 7% of Rockhampton. This indicates a moderate degree of economic diversification. In contrast, the Mining, Information, Media and Telecommunications, and Arts and Recreation Service industries were among the lowest employing sectors within Rockhampton, each generating less than 1.0% of total jobs. This suggests that opportunities exist to enhance and expand Rockhampton's exposure to mining activity in the wider region. It also indicates Rockhampton's current lack of technology and creative-oriented sectors, which represent important sectors of focus for Rockhampton's future economic development and growth.

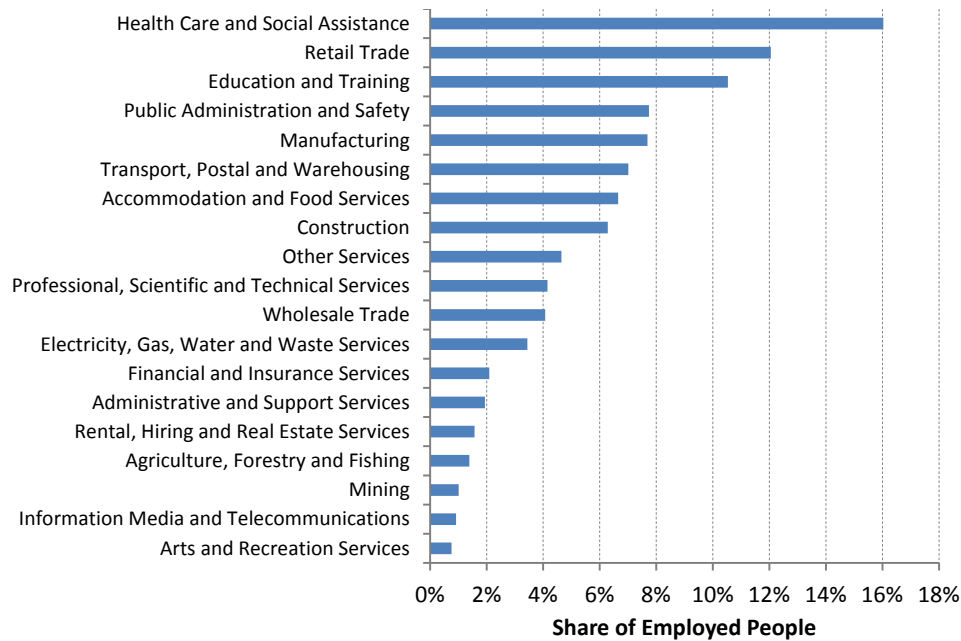


Figure 7 Employment by Industry by Place of Work, Rockhampton LGA, 2011^{viii}

Coal and LNG in Central Queensland

Queensland’s position as the largest seaborne exporter of black coal in the world, and an emerging LNG exporter, is primarily due to extensive mineral and energy resources in Central Queensland. Coal was discovered in the region as early as 1845 and the region has since gone on to produce 40% of the State’s coal production. The Bowen Basin is the region’s and State’s primary coal mining region, with production transported by rail to the Port of Gladstone, Hay Point and Abbot Point Ports for export. Japan, China and other East Asian markets represent the primary destination for the region’s coal exports.

More recently, energy production has shifted in the region to include Liquid Natural Gas (LNG) extracted from coal seams across the region. This LNG (also commonly referred to as Coal Seam Gas or CSG) has been the focus of considerable investment in recent years, with major production and export facilities under construction in Gladstone (primarily on Curtis Island). This includes plant and terminals for Australia Pacific LNG, Gladstone LNG and Queensland Curtis LNG projects as well as many thousand kilometres of pipelines across the region, connecting gas wells with liquefaction and export facilities.

Late 2014 and early 2015 saw global market conditions for both coal and LNG change. Reduced demand from China for both thermal and metallurgical coal, a sharp decline in oil prices (to which LNG spot prices are closely linked) and the growth of US shale oil and gas production has resulted in spot prices for these commodities fall in recent quarters. However, the size and scale of energy reserves in Central Queensland and the existing critical mass of coal and LNG production suggests that these sectors are expected to continue to generate supply chain opportunities for regional communities in the medium term.

Employment self-sufficiency ratios are an easy way to identify the inflows and outflows of labour from a region. These ratios are measured by comparing employment by place of work with employment by place of usual residents. When the result is greater than one, there is a net inflow of labour into the region to support that industry. In contrast, when the value is lower than one, labour leaves the region.

As can be seen in the figure below, there are a large number of industries with employment self-sufficiency ratios above one. These include sectors associated with public utilities, professional services, and major population serving sectors like education, health, retail and public administration. This profile illustrates Rockhampton’s role as a job generator in Central Queensland, providing employment opportunities for residents and non-residents alike.

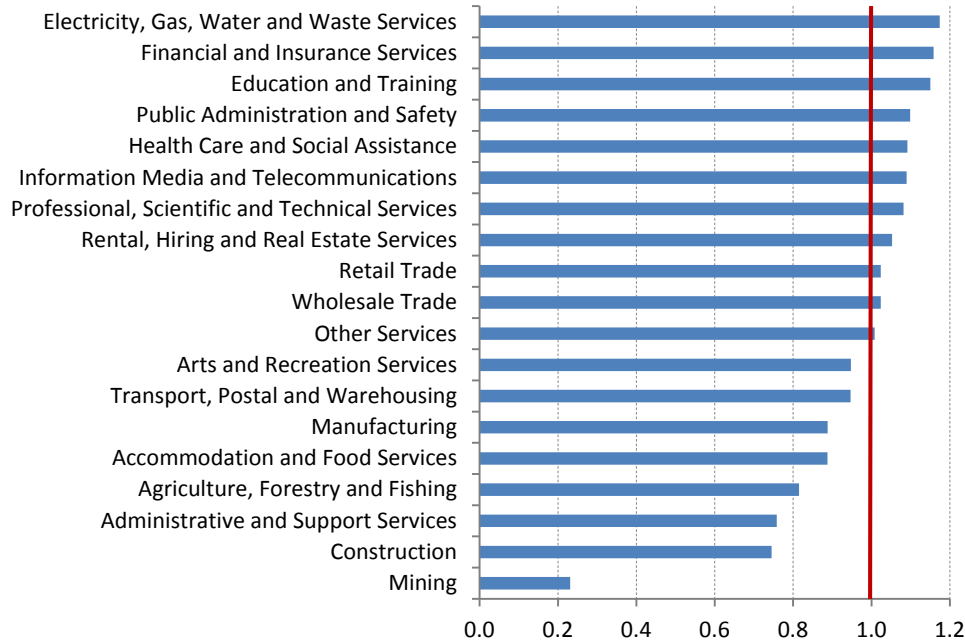


Figure 8 Employment Self Sufficiency (Place of Work vs. Place of Residence) ^{ix}

In contrast, notable sectors with employment self-sufficiency ratios below 1.0 include:

- Transport, Postal and Warehousing;
- Manufacturing;
- Construction; and
- Mining.

While the outflow of workers in Mining and Construction sectors are expected (particularly given the activity in the mining sector in Central Queensland in 2011), low ratios for transport and manufacturing sectors are concerning and potentially represent a lost opportunity in the Rockhampton economy.

Rockhampton Economy

As at 30 June 2014, the Rockhampton economy had a Gross Regional Product of \$4.85 billion^x. This represents the total wealth generated by businesses, organisations and individuals working in the Rockhampton Region and is a common measure of the size and strength of regional and national economies.

The Rockhampton Region economy experienced strong and steady growth in the order of 5-7% per annum between 2003 and 2009. However, the onset of the Global Financial Crisis saw GRP decline marginally in

2010 and 2011 (by approximately 0.5% per year), before recovering strongly in 2012. More recently, Rockhampton's economic growth has been broadly flat, with growth in 2013 offset by a decline in 2014.

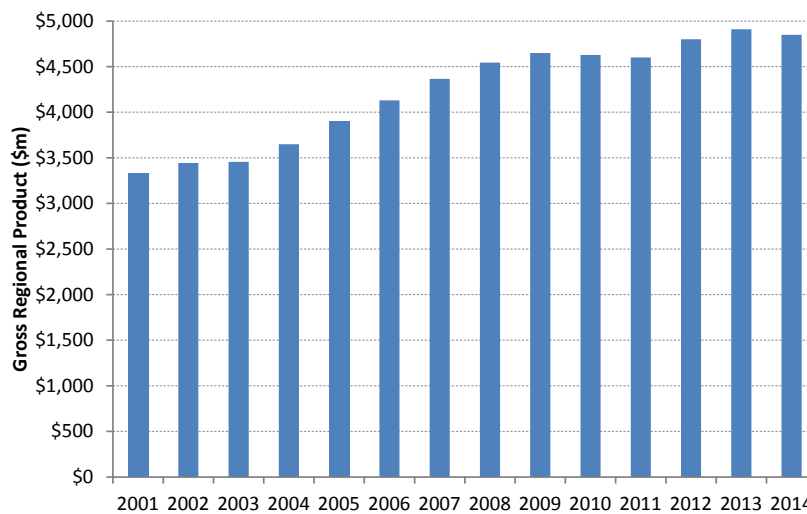


Figure 9 Gross Regional Product, Rockhampton Region, 2001 to 2014

It is important to note that Gross Regional Product can be highly volatile, particularly in regions with strong exposure to agricultural production. The seasonality of agriculture, coupled with the impacts of weather events (such as droughts and floods) can result in the Gross Regional Product of the region varying from year to year. Similarly, movement in the prices of agricultural commodities on global markets can also impact the value of production, and therefore the size of the Region's economy.

Of greater concern than this volatility is the fact that the Rockhampton economy has diverged from Australia's broader growth profile over the past 15 years. ***A review of gross product per person reveals that while Australia has almost doubled the size of the economy per resident since 2001; Rockhampton has experience only a 15% growth.*** This slower economic growth profile in Rockhampton during this period partly reflects the lack of exposure in the Rockhampton economy to mining-related economic growth in Australia over the past decade, coupled with comparatively strong population growth.

It also reflects a historical lack of coordinated effort and investment in developing the Rockhampton economy. Strong regional economic growth requires a continuous integrated focus on the importance of economic development and how a region can leverage its comparative advantages and competitiveness to drive prosperity.

The sub-par GDP per person growth in the Rockhampton region raises serious concerns on the sustainability of the quality of living for Rockhampton residents and future generations. If the region continues to fall behind the rest of Australia in terms of its economic dynamism, the prosperity of households, the availability of employment opportunities and the quality of infrastructure, services and facilities will stagnate and deteriorate.

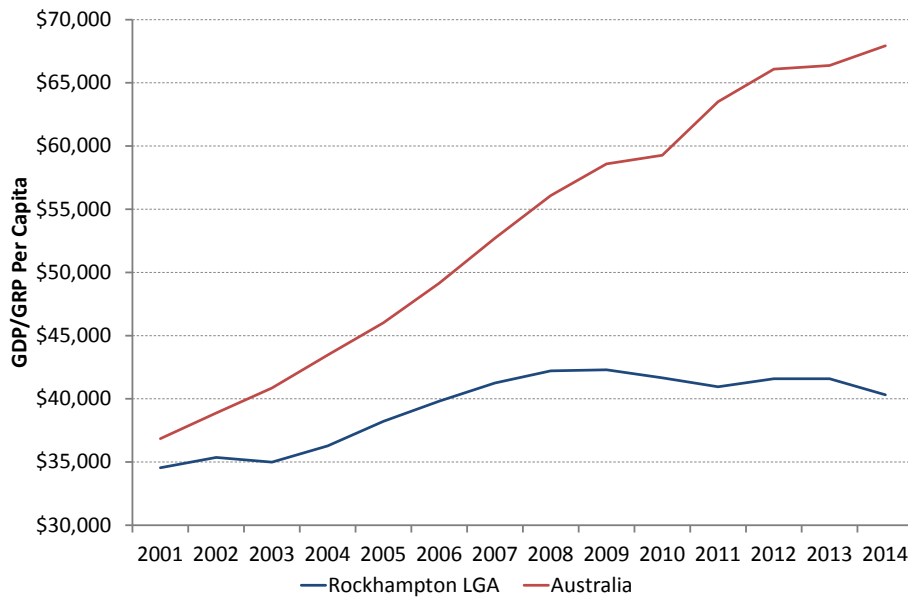


Figure 10 Gross Product per capita, Rockhampton Region and Australia, 2001 to 2014

The recent growth profile of the Rockhampton Region economy suggests that more targeted and coordinated effort is required to drive growth in Gross Regional Product through strategic investment, business expansion and jobs generation.

Rockhampton Businesses

While the public sector (State and Local Governments) play a particularly important role in employment generation in Rockhampton, the majority of jobs growth is created by private sector businesses. There were 4,994 businesses registered within Rockhampton in 2013. Business growth and development has been flat in recent years, growing by only 140 businesses or 2.9% between 2009 and 2013. In 2013, approximately 58% of businesses were non-employing businesses – single person businesses commonly associated with construction and agricultural sectors.

Of employing businesses, approximately one quarter employed between one to four workers, while 13% of businesses employed between five to nineteen workers. Interestingly, 3.5% of businesses were medium or large employing businesses, employing more than twenty (20) workers. This suggests that there are a large number of local businesses that employ significant numbers of Rockhampton workers, which is a positive characteristic of the regional economy.

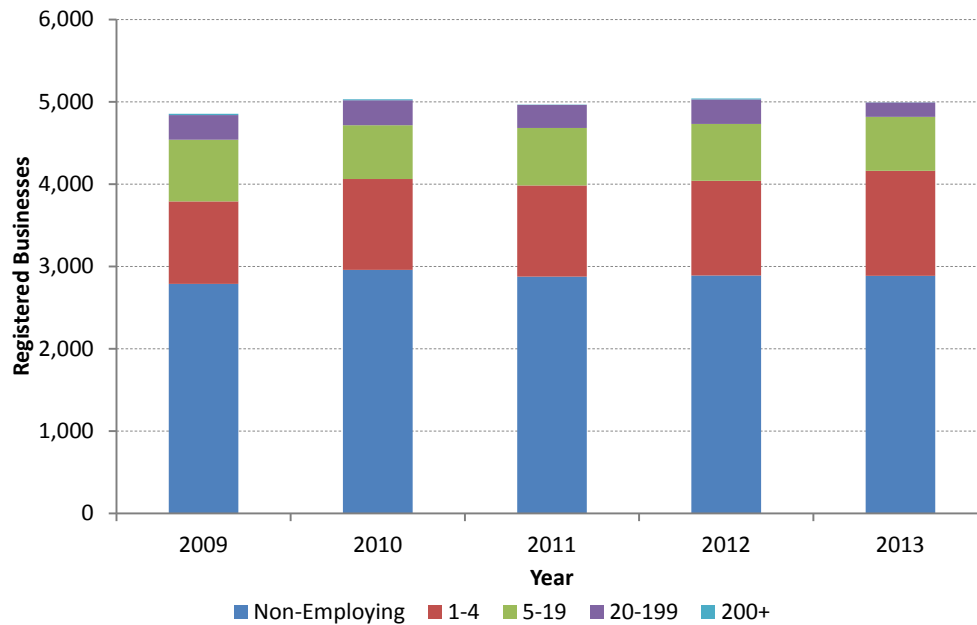


Figure 11 Business Counts by Employment Size^{xi}

Note this analysis does not include businesses that operate in Rockhampton but have their principal place of business registered at another location. The outcomes of consultation with stakeholders suggest that there are a number of non-locally registered businesses, including large employers, operating in Rockhampton. The central location of Rockhampton in Queensland, proximity to major mining regions and access to a large labour force and customer base are all drivers identified by non-local businesses for selecting Rockhampton as the location of their Central Queensland operations. However, a range of concerns regarding the ease with which such operations can be established were raised, with planning, approval, infrastructure costs and local business community-acceptance constraints specifically identified.

Agricultural Production in the Rockhampton Region

Rockhampton is the beef capital in Australia. It is the major service and processing centre within the Fitzroy National Resource Management (NRM) region, which is home to one of the largest concentrations of beef capital in the country. In 2012/13, there were almost 3 million head of cattle in the NRM region, or some 23.4% of the State herd. Rockhampton's role is in processing and supply chain support to regional beef producers, and includes significant local abattoir capacity run by JBS Australia and Teys Australia. Beef products produced in Rockhampton are exported across the world.

Outside of livestock production and processing, the Rockhampton Region has a number of significant emerging agricultural opportunities. The potential to increase local coarse grain production for use in regional feedlots is significant, with previous analysis identifying the potential need for over ten (10) 15,000 herd feedlots to accommodate Central Queensland growing livestock production capacity.

Similarly, the strategic location of the Fitzroy River, as well as other major water bodies and rivers in Central Queensland, underpins the potential for more intensive horticultural production. Horticulture is viewed as the fastest growing segment in food production globally, owing to rapidly growing populations in India and China and impacts on water security and availability in those countries.

Common horticultural crops include market vegetables, citrus fruits and tropical orchard fruits (such as lychees, guava, mangoes and avocados) and plantation fruits (such as bananas, kiwi fruit, passionfruit and pineapples).

The industries with the largest number of businesses within Rockhampton are Construction and Agriculture, with 865 and 581 businesses respectively in 2013. This is a common trend, reflecting the fact that more than half of businesses in these sectors are registered as sole traders. Interestingly, Transport, Postal and Warehouse sector features more prominently in terms of business registrations than employment, reflecting a higher proportion of non-emplying and micro-businesses. In contrast, Arts and Recreation Services and Information, Media and Telecommunications recorded significantly smaller numbers of business registrations within Rockhampton.

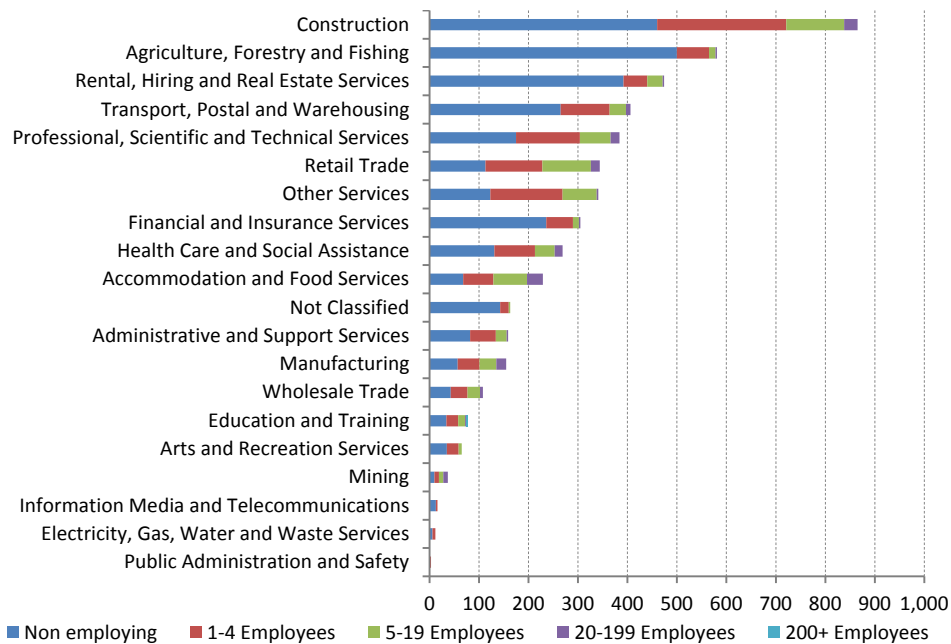


Figure 12 Businesses by Industry Classification, Rockhampton, 2013^{xii}

An area of concern however is the relative business intensity of the Rockhampton economy. This is measured as the ratio of the number of locally registered businesses per 1,000 residents. In 2013, Rockhampton had a business intensity ratio of 60. This is well below State (89) and national (90) averages. Given the importance of Rockhampton as an employment generator in Central Queensland and strong growth in the local labour force in recent years, increasing the size and diversity of the Rockhampton business community must be a priority.

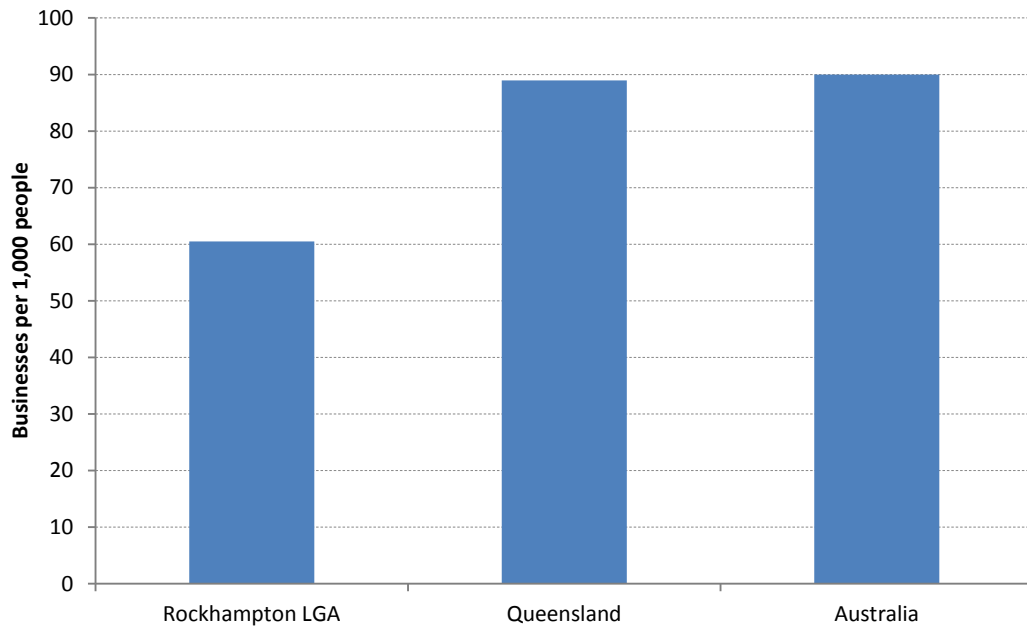


Figure 13 Businesses per 1,000 residents, Rockhampton, Queensland and Australia, 2013

Regional and Global Influences

Major Global Trends

The world is changing. Global shifts in demographics, resources, the environment, movement and communication are transforming the way we live, work and interact with one another. Established economic systems, governance models and business processes need to evolve and adapt to this changing global environment to ensure future growth and prosperity.

These global shifts or “megatrends” are relevant to all communities and regions in Australia, including Rockhampton. The Rockhampton Region is exposed to the global economy, through food and mineral exports, while the impacts of climate change will present challenges but also opportunities for the region.

Global megatrends that will influence the trajectory of the Rockhampton economy over the next thirty years have been analysed in this Economic Development Strategy, including:

- Asian Population Growth;
- Global Food Consumption;
- Mineral Resource and Energy Investment;
- Climate Change;
- Affordability and Cost Living;
- Population Ageing;
- Broadband and the Digital Age; and
- Defence and Security

The global population is projected to continue to grow rapidly for the first half of this century, with Asian countries of China and India contributing the most to this growth. The increase in the size of this population, coupled with the industrialisation of Developing Economies and associated rising incomes, is expected to accelerate demand for quality food and mineral and energy resources.

This growth in food and resource demand is expected to occur at a time when the effects of climate change may begin to emerge. The productivity of Australian and global food producing areas is projected to deteriorate (due to water security) and the greater focus on carbon emissions and energy security is expected to underpin a shift to renewable energy and low-carbon fuels.

Energy costs are regularly identified by Australians as one of a number of major pressures on household budgets. The comparatively high cost of living in Australia has been increasingly rapidly in recent decades. Regional Australia is particularly susceptible to increases in cost of living, with isolation and associated transport costs resulting in goods and services being 10-20% higher than capital city averages. Similarly, housing affordability, particularly in high amenity locations, can also be a critical issue, with local workers and households often lacking the income and purchasing power to enter the market.

This is further exacerbated by an ageing population in Australia and much of the Western World. The fixed incomes of older households make it difficult for rising costs of living to be absorbed and managed creating significant financial stress for older Australians. With Regional Australia ageing faster than metropolitan areas, this issue is particularly stark. However, this ageing demographic also presents significant opportunities with health care and social assistance services now the largest employing sector of the Australian economy and expected to grow rapidly over the coming decades with the retirement of the Baby Boomer generation.

A lack of population critical mass in many parts of Regional Australia can impact the delivery of quality health and social assistance services to this older demographic, as well as education, retail, community and public administration services to the broader population. The use of technology, tele-delivery and video conferencing facilities to break down these barriers in the short-term is essential to ensuring regional populations have access to the same quality and convenience of access to critical services as those in capital cities. This includes remote and disadvantaged towns, including Aboriginal communities, where a lack of services can mean the differences between life and death.

Communication technology also presents significant opportunities for individuals and businesses to connect and integrate with emerging Asia economies. E-commerce, telecommuting and freelancing trends are becoming fully imbedded in the way businesses operate and are allowing entrepreneurs to look beyond Australia to opportunities in the global economy. This includes the use of technology to enhance the tourism and visitation experience of individuals, using smart phones, QR codes and other access systems to imbed information on different attractions into the overall tourism experience of the Region.

These trends and their relevance to the Rockhampton economy are summarised in the matrix below. A more detailed examination of each of the trends is included in **Appendix 1**

Summary of Mega Trends

The following table summarises these megatrends and their relevance to the Rockhampton LGA economy and community

Table 1 Mega Trends Summary

Driver	Driver Description	Relevance to Rockhampton	Rationale
Asian Population Growth	<p>Estimates from the United Nations are for a rapid increase in the size of the middle class in Asia over the coming decades, with population in Asia expected to grow from around 4.3 billion people in 2013, to over 5.1 billion by 2050. Most of Asia's population, in fact the world's population, is shared amongst the world's two most populous countries, China and India. In 2013, both China and India account for 61.4% of Asia's population and this is projected to remain relatively stable until 2050 (58.2%).</p> <p>Queensland's population is also expected to experience rapid growth (by Australian standards) over the next 20 years, reaching 7.1 million people by 2036, an increase of over 50% compared to current population levels.</p> <p>Although a lot of this growth is expected to occur within south east Queensland, the current push to decentralise Queensland's population away from the south east corner of the State and into regional areas should see an increase in regional centres such as Townsville, Cairns, Mackay and Rockhampton.</p>	High	<p>The Rockhampton LGA has a relatively centralised population, mainly situated within the City of Rockhampton, with a small proportion of the population distributed throughout the remaining local council area. The Rockhampton LGA has also recorded a lower rate of population growth compared to the State. Growing the population is essential to underpin demand for a range of population services and facilities, and to provide a large and diverse labour force.</p> <p>Based on consultation feedback, the Rockhampton LGA already has in place the infrastructure to accommodate an extra 10,000 residents tomorrow, with no impact to the current services and facilities.</p>
Global Food Demand	<p>Global food production will need to increase by 60% by 2050 to meet projected demand levels. At the same time, global food production is projected to grow at only 1.7% per annum over the next 10 years, as a combination of increased resource competition from biofuel sectors and increased environmental protections constrain production. Demand is already outpacing supply in international markets, with food price volatility increasing dramatically since 2006 and prices trending upwards from 2000 lows, after decades of real food price declines resulting from increased productivity.</p> <p>This increase in food demand will also be characterised by an increasing shift to high protein foods. This includes both aquatic and terrestrial protein-based food commodities such as livestock production and export. Recent and near term Free Trade Agreements with countries such as South Korea and China are also expected to drive demand for livestock. This will build upon existing major markets for Australia, including Indonesia and Japan.</p>	High	<p>The Rockhampton Region is a significant agricultural and horticultural area within Central Queensland, with Rockhampton processing a large proportion of Australia's beef. Despite this, there is a very low proportion of processed beef product which is exported directly out of Rockhampton.</p> <p>Growing food demand from both increased global population and emerging middle classes in China, India and ASEAN countries will underpin demand for a diverse range of agricultural commodities from which may result in the international export market opening up for Rockhampton and the Central Queensland Region.</p>
Mineral Resource and Energy Investment	<p>The industrialisation of Developing Countries, particularly in Asia is expected to drive a structural increase in demand for a range of resources. This includes iron ore and other minerals as well as energy commodities such as coal and LNG. Queensland has a globally significant resource endowment, particularly in energy commodities. These resources have been the focus of consideration investment and development over the past two decades, with major coal deposits being developed in Bowen and Surat Basins and major coal seam gas-based LNG projects commencing export in 2015/16.</p> <p>Rockhampton is strategically located in close proximity to Queensland major mining and resource regions and operations. This provides the opportunity for local businesses to integrate into resource supply chains, both in construction and operational phases. However, current exposure by Rockhampton to the mining sector is limited. The most recent resource investment cycle has entered a decline, following the completion of construction of a large pipeline of major resource projects as well as low spot prices across a wide range of commodities (including coal, iron ore and oil). This decrease in resource construction opens up the longer term operational phase for many of these developments within Central Queensland.</p>	High	<p>The Rockhampton Region is strategically located to support the Central Queensland coal and LNG industries. Given the locations of the other major regional centres, including Mackay and Gladstone, Rockhampton is ideally geographically positioned to support the operational aspect of these activities, providing employment, supply chain, training and economic engagement opportunities</p>
Climate Change	<p>The average global surface temperature has risen around 0.8°C since 1850 and will rise further in the coming decades as a result of emissions that have already occurred. For Australia, this is likely to involve substantial environmental change, where both natural and agricultural production systems face significant change due to the combined effects of higher temperatures and a general reduction in rainfall across much of the nation. These environmental changes also increase the risks from bushfires and other extreme weather, particularly in coastal and rural regions. Since 1990 to 2011, Australia's net emissions (carbon dioxide equivalent) increased by 32.2%, growing annually at a rate of 1.3%.</p>	Moderate	<p>The Rockhampton Region has experienced a series of severe weather events in recent years, including floods and cyclones, and the frequency and severity of such events may be exacerbated by variability in the global climate. The Rockhampton Region is also at risk from decreased and unseasonably low rainfall, which impacts on the water supply for surrounding towns, as well as impacting on the agricultural industries within Rockhampton and the wider Central Queensland Region.</p>
Affordability and Cost of Living	<p>Asian and Australian cities continue to move up the cost of living scale over the last few years which have been offsetting traditionally more costly European locations. In particular, the cost of living in Australian cities have been rising very quickly up the rankings as economic growth has supported inflation and currency swings to make them more costly. Currently, two of Australia's cities (Sydney and Melbourne) are ranked in the top five most expensive cities to live, where ten years ago there were no Australian cities among the 50 most expensive cities. In June 2013, the Consumer Price Index for housing was one of the highest in Australia (106.0), higher than that for all groups (102.8).</p>	Moderate	<p>The cost of living in the Rockhampton Region is comparatively more affordable than within south east Queensland. This reflects a relatively similar cost structure of retail goods when compared to the south east. Housing within the City of Rockhampton is more affordable than the State average, with the price of housing getting cheaper in the surrounding towns.</p>
Ageing Population	<p>The population of Australia is ageing. Approximately 3 million people in Australia were aged 65 years and over in 2011 representing over one in eight Australians. This was an increase of 27.6% over the last decade with an annual average growth rate of 2.5%. Looking forward, the number of people aged 65 years and over is projected to increase by 83.6% over the next two decades with an annual average growth rate of 3.1%.</p>	High	<p>The proportion of residents aged over 65 years is lower than the State average, though only marginally. General ageing of the Rockhampton population over the next 20-30 years is expected to underpin growing demand for health, medical and welfare based services (including retirement accommodation and aged care).</p>

Driver	Driver Description	Relevance to Rockhampton	Rationale
Broadband and the Digital Age	<p>Technology has played a central role in enabling the globalisation of markets mainly by increasing the reach and speed of communication while also assisting to reduce costs, which have eased the flow of goods, capital, people and information across borders. These macro trends have profound life and business changing effects as they are able to transform businesses to better tailor their products and services to meet their customers' needs (i.e. increasing mass customisation). This has made Australian businesses become more responsive to change, have faster speeds of transactions (i.e. maturity of Australian financial markets), cheaper and more convenient as well as making better use of scarce resources in the process.</p>	High	<p>The distance of the Rockhampton LGA from south east Queensland and other regional centres should act as an incentive to adapt and take up new technologies. Given the location of Rockhampton to Central Queensland, and the current and future potential demand for technical services throughout the Region, Rockhampton is ideally positioned to leverage this demand.</p>
Defence and Security	<p>An increasingly globalised and interconnected world does raise issues regarding national security. Recent Defence White Papers have identified a number of interrelated factors that may influence Australia's strategic security outlook in the coming decades. These include:</p> <ul style="list-style-type: none"> ▪ the importance of the Indo-Pacific in global security ▪ enhanced regionalism and cooperation in South East ▪ The relationship between the United States of America and China ▪ potential conflict hotspots in North and South East Asia ▪ Regional military modernisation ▪ Terrorism ▪ Climate change impacts and resource security ▪ Cyber warfare <p>Of particular note in the Defence White Papers is the fact that the economic importance of northern Australia and offshore resources has increased and this must be considered in defence planning.</p>	High	<p>Central Queensland already plays an important role in Australia's military preparedness and cooperation. The location of Shoalwater Bay Military Training Area north of Rockhampton and Yeppoon sees up to 30,000 US and Australian forces visit Central Queensland as part of biennial joint training exercises (Exercise Talisman Sabre). The regular presence of US Forces in Central Queensland, coupled with the region's strategic location along the Queensland coast, is the basis for recent calls for Rockhampton to host a permanent US and/or Australian military presence. This reflects an increasing trend by the US to maximise the utilisation of strategic military assets, particularly in East Asia.</p>

Regional Capacity for Growth

The growth and development of the Rockhampton economy in the long-term will depend on its capacity to use its unique attributes and characteristics to leverage emerging global megatrends. It is therefore important to investigate the prospects for Rockhampton through the prism of its economic, social and physical attributes and performance within a regional and global context.

An assessment of Rockhampton's capacity for growth has been undertaken using the "Four Cs Assessment" approach for regional economic development. The four "Cs" approach provides the critical analysis required to identify and understand the strength and direction of each region's economy. The four "Cs" are:

- **Capital** – human capital, particularly skills and education;
- **Communities** – economically, environmentally and socially sustainable communities and population growth;
- **Connections** – access to international, national and regional markets; and
- **Competitiveness** – business competitiveness.

A benefit of this approach is that it enables the identification of comparative advantages to exploit, and impediments to regional development to be overcome. This is essential to ensuring the vision for the future of the Rockhampton economy and associated opportunities and actions, as both aspirational and evidence-based.

The analysis draws upon the analysis of key data sets and indicators in this Strategy, as well as consultation and engagement with a wide range of stakeholders both within and outside the region.

Human Capital

Human capital refers to the skill, knowledge and experience possessed by an individual or population and is viewed in terms of the value people contribute to the development and growth of communities and organisations. It is a fundamental input to economic activity and crucial to regional competitiveness and resilience.

The availability of a highly skilled and educated workforce enables businesses and organisations to respond to changing environments, address challenges and pursue commercial opportunities. Conversely, a lack of access to appropriate human capital can constrain the growth of local enterprises and discourage new business creation.

It is imperative that a region support the development of its human capital. This support not only provides for existing economic needs, but also allows the region to prepare for the future. Increasing a region's knowledge capacity and skill set can provide a stimulus for substantial economic and socio-economic shifts.

Table 2 Human Capacity Indicators, Rockhampton

Area of Focus	Indicator	Rockhampton	Nation
Workforce Participation	Adult Participation Rate	66.8%	65.6%
	Adult Female Participation Rate	60.5%	59.2%
	Aboriginal Adult Participation Rate	58.3%	53.3%
Skills	Year 12 Qualified	42.2%	46.1%
	University Qualified	13.9%	22.8%
	Technical Qualified	30.6%	31.6%
	English Proficiency	98.9%	92.0%
Education and Training Outcomes	Year 12 Completions	70.7%	75.3%
	Learning or Earning	89.8%	80.1%

Workforce Participation

The Rockhampton Region is characterised by a slightly higher level of workforce participation compared to the national average. A contributing factor to this is the historically stable level of economic activity, with the Rockhampton Region not experiencing the sharp increases and decreases in economic activity which are currently evident in other areas surrounding the Rockhampton LGA

Despite this strong labour force participation rate and historically consistent level of economic growth within the Rockhampton Region, there remain significant opportunities for employment and business development through unlocking and harnessing the latent human capital of the Rockhampton Region. For instance, more than 40% of working age Aboriginal adults and just under 40% of working age women are not in the workforce. Encouraging these adults into part or full time employment would reduce dependence on welfare whilst enhancing the quality of life for the individuals and supporting long-term economic growth.

Skills Development

The appropriate level of skilling of the workforce should be a major aim within the Rockhampton Region, with a focus on up-skilling and capturing some of the flow-on benefits associated with having tertiary health infrastructure and the Central Queensland University located within close proximity to the major population centre.

The Rockhampton Region currently has a population with below average skills level. Year 12 completion rates are low as are post school qualification levels. This is partly driven by an older workforce demographic, which has historically be characterised by lower Secondary School completion rates. It also reflects a high rate of “earning or learning” among young adults, suggesting that young people are being drawn into the workforce as unskilled labourers rather than gaining further education and training.

This situation is potentially a result of the demand in the labour market from the surrounding areas. Due to the Rockhampton Region’s positioning within Central Queensland, there has historically been a high demand for mining, industrial and transport occupations where higher education qualifications may not be required. Therefore there may be fewer incentives for residents to undertake higher education studies, when employment opportunities have been readily available. Given the recent deterioration of the global market for coal, **this reliance on unskilled and unqualified employment, both locally and across the region, represents a considerable risk for the Rockhampton economy.**

Unlike many regional communities within Australia, accessing tertiary and further education within the Rockhampton Region is comparative easy, with a TAFE campus and Central Queensland University both located within Rockhampton. This TAFE recently underwent a transition and was incorporated with the Central Queensland University, improving the quality and diversity of post-school tertiary education offering. As a result the Central Queensland University now offers a full spectrum of courses from certificates and diplomas through to doctorates across eight subject areas.

CQUniversity

Rockhampton is home to the main campus of Central Queensland University or CQUniversity. First established as Queensland Institute of Technology (Capricornia) in 1967, the passing of legislation in 1971 gave the institution full autonomy from the Department of Education. After operating as the Capricornia Institute of Advanced Technology for two decades, CQUniversity gained full university status in 1992.

Since then CQUniversity has expanded and now has campuses in Bundaberg, Emerald, Gladstone City, Gladstone Marina, Mackay Ooralea, Mackay City and Noosa, as well as delivery sites in other region Queensland and Western Australia locations. Along with four international campuses in Brisbane, Gold Coast, Melbourne and Sydney, CQUniversity has one of the most expansive geographical spreads of any tertiary education institution in Australia.

CQU has had many claims to fame over its fifty plus year history. It was the first university to introduce a Bachelor of Science externally in 1974, pioneering remote and distance university education models that now feature prominently in Australia. This has continued with CQUniversity becoming the first to offer a fully online Bachelor of Laws in 2011. It was also the first university to have a female Vice-Chancellor.

CQUniversity hosts a range of research institutes including the Appleton Institute for Behavioural Science, Learning and Teaching Education Research Centre, Institute for Health and Social Science Research and the Institute for Resource Industries and Sustainability. Much of the research undertaken by these institutes and other research centres focus on improving the quality of life and prosperity of residents and industry in Central Queensland.

In 2010, CQUniversity announced its intention to become Queensland's first "dual sector" university with the merger with Central Queensland Institute of TAFE. As at July 2014, the merger was complete and CQUniversity now presents the most diverse and comprehensive tertiary education and training offering in Queensland.

Given the offering of tertiary education within the Rockhampton LGA, and the desire for the younger generations to have a strong education behind them, 70.7% of young adults (aged 20 to 24) completed year 12 within the Rockhampton LGA. Although this is slightly lower than the national average, the regional nature of Rockhampton could mean these people entered into a trade based qualifications after year 10. This assumption is reinforced by the fact that 89.8% of 15 to 19 year olds engaged in schooling, work or further education, considerably higher than the Australian average of approximately 80%.

Education and Training Outcomes

Investment in adequate and demanded education and training is important to enhancing human capital and supporting, short and long term economic growth. A key message which came out of the consultation process is that education providers within the Rockhampton Region were in high demand, with primary and secondary schools attracting students from several hundred kilometres away and with the Central Queensland University attracting students from outside the Central Queensland Region. This has supported Rockhampton's comparatively strong youth retention, with the attraction of youth to the region offsetting the loss of local youth, namely to South East Queensland.

There are currently several top quality schools within the Rockhampton Region, offering Prep to Year 12, with boarding school options for students outside of the Region. Combining this with the Central Queensland University, which offers traditional university and TAFE offerings means Rockhampton has the ability to become an educational hub in Regional Queensland. This quality supply of education options reinforces the conclusion reached earlier that it is the attraction of employment opportunities, rather than a deficit in education quality, that is driving below average Year 12 completions.

Based on consultation it does not appear that the current educational offering requires improvements in terms of staff and facilities. Instead focus should be afforded to Rockhampton optimising the curricula and research to established and emerging economic opportunities and promoting Rockhampton as a regional education destination of choice for higher performing students.

Sustainable Communities

Sustainability is the capacity to endure. A sustainable community is one that has diversity and resilience. It does not rely on one industry alone but leverages from the economy's mix of industries, human capital quality, its natural assets and comparative advantage to become competitive and buoyant. Sustainable communities are inclusive, accessible, healthy and safe with access to a range of employment, housing, cultural, educational and recreational opportunities. In essence, a sustainable community is a place where people want to live and work, now and into the future. The objectives of sustainable communities can be grouped under three key areas:

- Economic sustainability;
- Community vibrancy and diversity; and
- Health and educational access.

Table 3 Human Capacity Indicators, Rockhampton

Area of Focus	Indicator	Rockhampton	Nation
Economic Sustainability	Businesses (per 1000 residents)	60	90
	Unemployment	6.7%	5.2%
	Economic Diversification	0.87	0.57
	Welfare Dependent Families	14.5%	9.8%
	Regional Index of Retail Prices	99.1%	100.0*
Community Vibrancy and Diversity	Leadership Capacity	25.3%	34.9%
	Volunteer Activity	19.7%	17.7%
	Aged Residents (65+)	13.7%	14.2%
	Family Households	62.9%	71.5%

Area of Focus	Indicator	Rockhampton	Nation
Health and Educational Access	Access to Hospital Services (per capita)	0.03	0.11
	Access to GP Services (per capita)	88.9	112.4
	Adult Health	5.6%	4.7%
	Access to Allied Health Services	12.1%	11.0%
	Child Development Vulnerability	31.4%	23.6%
	Distance to Medical Facility	5.1km	38.9km
	Distance to Primary Education Services	3.6km	24km
	Distance to Secondary Education Services	30.9km	23.3km

Economic Sustainability

The Rockhampton Region has a strong economic base in healthcare, and social assistance and education and training. These industries have underpinned continual stability within the Region. As a result of this, the population-serving economic structure is influenced by the critical mass of residents in the Region and broader Central Queensland. Combined with an established economic based in agriculture value adding, and emerging transport, logistics and manufacturing potential, Rockhampton is broadly more economically diverse, and therefore stable compared to the national and state economies.

Given the location of the Rockhampton Region relative to the Bowen Basin, Rockhampton has a significantly lower exposure to mining activity than expected. This has seen Rockhampton miss out on the benefits of mining expenditure and supply chains during the most recent investment and construction cycle.

As a result of the Rockhampton LGA not being exposed to the mining industry a large proportion of investment which could have occurred within the Rockhampton LGA has subsequently been invested in the surrounding regions, with Mackay being viewed as a major beneficiary. Even though the Rockhampton LGA has limited direct mining resources, opportunities to capture the mining supply chain industries have been missed, which would have resulted in further flow-on investment in other services.

Community Vibrancy and Diversity

The Rockhampton Region contains a relatively balanced population, with a lower proportion of residents aged 65 years and over compared to the national average. This suggests that Rockhampton's population will not age any faster than the rest of the country. Aged residents are important contributors to communities as volunteers as they are often in a better position to contribute to the community due to working fewer hours, identify strongly with the local community and having extensive social networks built up through years of residency^{xiii}. This is reflected in above average levels of volunteering in Rockhampton.

Similarly, increased workforce participation rates among older Australians in response to increasing costs of living, insufficient retirement incomes and the desire for social and mental stimulation mean that the traditional views on retirement age are breaking down. Engaging older residents in the workforce can contribute significantly to a community's diversity and vibrancy.

A major area of concern is the apparent leadership capacity deficit in the Region. Data from the Regional Australia Institute indicates that only 25.3% of Rockhampton's adult population have the capacity to take on leadership roles in the community. This is almost 40% less than the Australian average (34.9%), suggesting Rockhampton lacks a culture of leadership.

Leadership qualities are commonly associated with attributes such as dynamism, entrepreneurship and acceptance of change – critical to driving future economic growth in a globally competitive and integrated world.

Rockhampton also has an above average share of residents that identify as Aboriginal or Torres Strait Islander. The indigenous history and heritage of the Region is an important community asset that must be celebrated and promoted. This can not only improve cultural engagement and interactions, but help to diversify the attractions of the Region to tourists and visitors.

Dreamtime Cultural Centre Case Study

The Dreamtime Cultural Centre was opened 1998 to preserve and celebrate the original occupations of the land on which the Rockhampton Region is based – the Darambal peoples. Located on the northern outskirts of Rockhampton, the centre is set on 12 hectares of land which is divided by Limestone Creek.

The property is attractively landscaped on the northern side of Limestone Creek with native plants, trees and a large waterfall. The waterfall provides a stunning backdrop for any function, whilst the gardens are part of an interpretive walk available to visitors. The choice of this particular piece of land is therefore appropriate as it still contains the traditional “ceremonial rings” of the Darambal Tribe.

To the northern side of Limestone Creek is the Centre’s main building, appropriately named the Nola James Building. Nola was Cultural Director of the centre from 1984 to 1993 until her untimely passing. Nola dedicated her life to the presentation of Aboriginal culture and to the introduction and education of all Australians to Indigenous history. This building contains artefact shop and storage, training and conference facilities. This is supplemented by the Darambal Convention Centre.

North of the main building there is the Ted Mitchell Gallery. This museum depicts a remarkable display of the traditional people of the Central Qld Sandstone Belt and their culture – all presented in 34 metres of reconstructed sandstone caves. Other features include the Torres Strait Islander’s Complex and the Aboriginal Traditional Area

The Rockhampton Region hosts a wide range of community events that add to the dynamism and vibrancy of the community. These events build upon the natural strengths and unique attributes of the Region, celebrating its history, agricultural production and role as the capital of Central Queensland.

Notable events include:

- Rockhampton Show
- Beef Australia
- Rockhampton River Festival
- Capricorn Food and Wine Festival
- Tastes of the World Show.

These events celebrate the Rockhampton Region and add to the dynamism and vibrancy of the community. They also diversify the attraction of Rockhampton and Central Queensland to tourists and visitors, increasing the number of visitors, their length of stay and the level of expenditure in the Region.

Health and Education Access

Access to quality education and training across all sectors is critically important for attracting and retaining people within a regional area. The Rockhampton Region contains a large concentration of education and

health providers, although the majority of these services are located within two centres - Rockhampton City and Mount Morgan. Other than these two cities, access to health and education is limited and often some distance away.

The quality of education within Rockhampton is considered to be of a high standard, partly due to the attraction of boarding school students to primary and secondary schools within Rockhampton. This is complemented by a tertiary university and TAFE campus providing a full spectrum of education and training courses.

In terms of health services, Rockhampton is the health centre for Central Queensland, with the Rockhampton Base Hospital and Central Queensland Hospital and Health Service catchment servicing the Capricorn Coast west past Emerald and the Gemfields. Furthermore, Rockhampton contains several private hospitals which act to complement the public Rockhampton Base Hospital and a range of allied health services (including medical and radiation oncology, physiotherapy, psychology and dental) and a network of community and primary health services.

Rockhampton Base Hospital Expansion

The Rockhampton Hospital is the main referral centre for Central Queensland and is building on its services to the region. It offers a full range of specialist services, catering the growing needs of the Rockhampton and Central Queensland communities.

In recent years, the Rockhampton Base Hospital has been the focus of considerable investment and expansion. In 2014, construction of a \$160 million seven-storey ward block was completed. This expansion includes the Central Queensland Regional Integrated Cancer Service which expands on cancer treatment service options that can now be delivered in the Region. A critical care service is expected to be opened in 2015, which will meet the needs of cancer centre patients.

The regional servicing nature of the Hospital has been enhanced through the opening of a new helipad which enables better transport of trauma patients. This has complemented the recent opening of an extended emergency care unit which has improved access for patients who require short-term care, but not admission to a ward bed. This has helped to improve the efficiency and performance of the hospital, maximising its benefit to the community.

Although there has been significant investment and renewal of education and health infrastructure in the Region, attracting and retaining doctors and specialists is still a major challenge for Government and the community, especially cardiology and radiation oncology specialists.

Connectivity

Access and connection with global markets is critical to the growth of business, employment, incomes and the broader economy. Trade with other locations within the state, nation and around the world is the most effective way for a region to exploit its comparative advantages and competitiveness to generate prosperity for local residents. Access to markets comprises both physical access, including through efficient transport infrastructure, as well as business relationships and networks including trading partners, clients and labour. Improving access to markets broadens trade, allows competitive industries to grow and can increase the availability of goods and services.

Table 4 Connectivity Indicators, Rockhampton

Area of Focus	Indicator	Rockhampton	Nation
Digital Connectivity	Broadband Connections	66.1%	62.5%
	Mobile Coverage	73.0%	80.0%
	Mobile Internet	4.50	
	Internet Connectivity	73.3%	79.0%
Movement of People	Airport RPT Usage (per capita)	8.61	6.3
	Overseas Born Residents	9.4%	30.2%
	International Merchandise Exports (per capita)	7.7km	79.7km
Freight Infrastructure Access & Capacity	Port Access	43.7km	141.6km
	Road Infrastructure	1.4km	19.4km
	Rail Infrastructure	10.6km	35.6km

Digital Connectivity

Telecommunications services for households and businesses in the region are generally of a lower standard than in urban locations in the south east of the state. The mobile phone network coverage within the Rockhampton LGA is of low to medium quality outside of the major towns and centres. Mobile phone coverage is being progressively addressed throughout the Rockhampton Region and Central Queensland.

Universal access to high speed broadband is also lacking in the region. Broadband access is problematic away from the major towns, with slower and less reliable satellite broadband often the only alternative. Improvements to broadband capacity through the rollout of the NBN which is scheduled to commence towards the end of 2015 should assist in stimulating productivity and new enterprise and learning capabilities. Coupled with ongoing improvements to mobile phone coverage and digital telecommunications there is expected to be a dramatic improvement in the function, access and reliability of telecommunications services in the region, which should result in the Rockhampton LGA being more attractive for service sector businesses.

Movement of People

The Rockhampton Region is serviced by a major domestic airport located in Rockhampton, which is wholly owned and operated by Rockhampton Regional Council. The main runway at the Rockhampton airport is just over 2.5km long, which has been long enough to accommodate larger twin bodied aircraft such as the Boeing 747s, 777s and Antonov AN-124s. Day to day operations at the airport typically involve single aisle domestic aircraft.

Throughput traffic of the Rockhampton Airport has decreased over the past three financial years, and down off the peak passenger numbers from 5 years ago. Recent decreases in passenger numbers through the Rockhampton Airport can be attributed to the winding down of mining and LNG construction workers, as well as direct flights into Central Queensland bypassing the Rockhampton Airport. Furthermore, due to the decreased coal price, and scaling back and closing of mines throughout Central Queensland, FIFO traffic has been decreasing steadily.

The Rockhampton Airport is in a unique position, given the current size of the runway; it would not need to undergo large scale civil works to lengthen the runway in order to accommodate larger international sized aircraft, for either passengers or freight.

In addition to the airport, Rockhampton is strategically positioned between South East Queensland and North Queensland, with the Bruce Highway running through the middle of Rockhampton. Due to this positioning, Rockhampton has the potential to accommodate overnight travellers from north Queensland travelling south and vice versa. Leveraging the geographical position of Rockhampton, especially with being the first major city travellers pass going north, and the last major city travellers pass heading south, should allow Rockhampton to grow its accommodation sector, and subsequently food services.

Freight and Transport Infrastructure

The Rockhampton Region has a strategic advantage in regards to its positioning. Rockhampton is positioned along the Bruce Highway, approximately half way between Brisbane and Townsville, and just under half way between Brisbane and Cairns. In addition to the Bruce Highway, Rockhampton is also the starting point for the Capricorn Highway, which runs west through Emerald out to Barcaldine before becoming the Landsborough Highway which continues out to Mount Isa, and the Burnett Highway which runs south west through to Miles, Goondiwindi and into Northern New South Wales.

This strategic location and supporting transport connectivity is highly attractive to a range of industries and sectors of the economy. This includes construction, mining, tourism, manufacturing and transport and logistics sectors, which all rely on strong connections to other parts of Australia to maximise their prosperity. It is also an attractive feature for the Defence sector, providing a central location on the Queensland Coast to which military assets in North and South East Queensland can aggregate, particularly during Exercise Talisman Sabre.

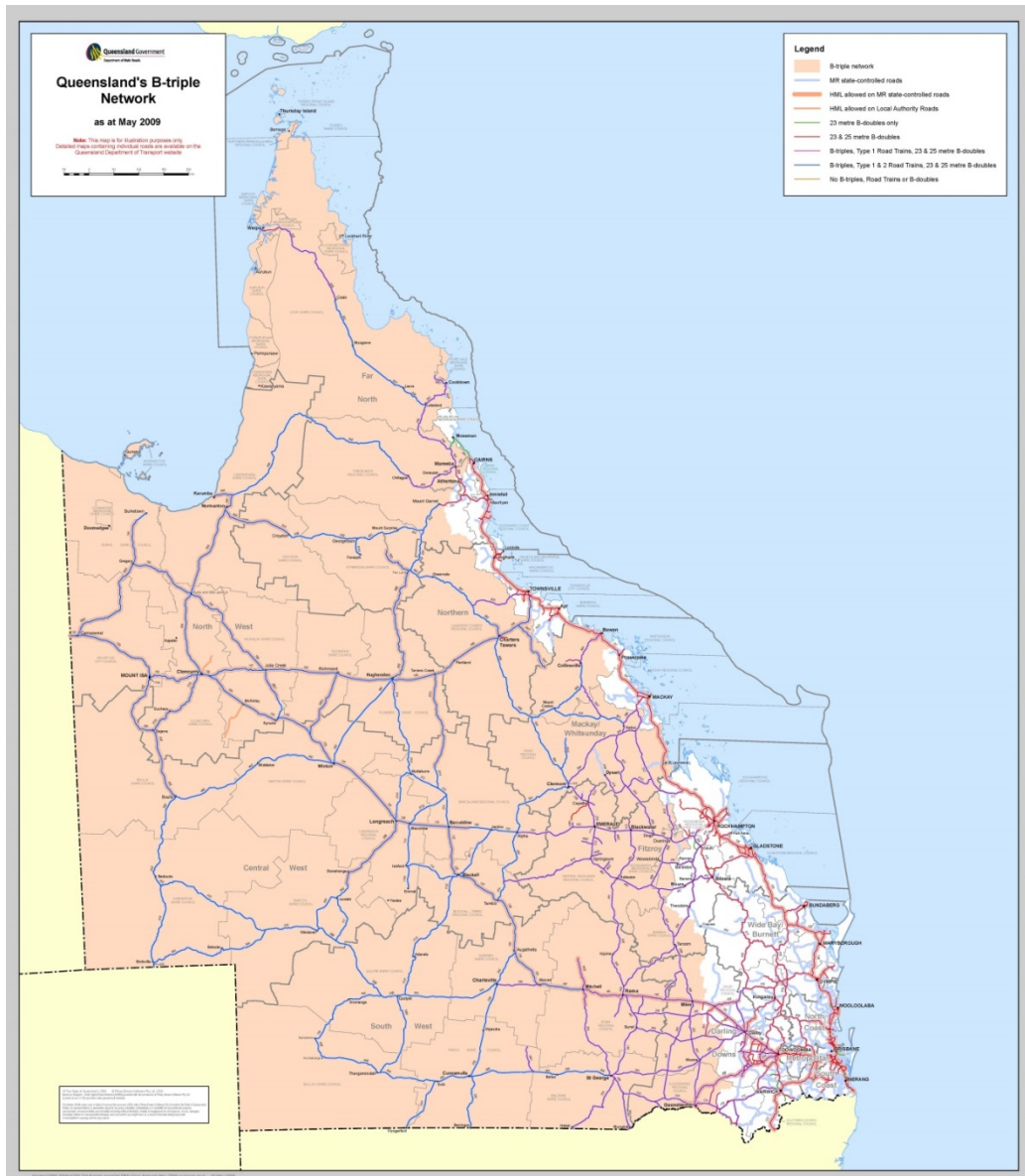


Figure 14 Queensland's Road Freight Network

Competitiveness

Countries, regions, communities and organisations must become more competitive if they are to maintain their economic position and respond to challenges such as perceived productivity gaps, competition for mobile investment, rapid adoption of new technology and electronic commerce.

The Organisation for Economic Co-Operation and Development (OECD) defines a competitive region as one that can attract and maintain successful firms and maintain or increase standards of living for the region's inhabitants. This means that skilled labour and investment will gravitate away from uncompetitive regions towards more competitive ones.

Diamond Assessment Model

The competitiveness of a region can be readily assessed through the application of Porter's Diamond Model of Competitive Advantage. Developed by Michael Porter in his book, *The Competitive Advantage of Nations*, the Diamond Model represents a form of economic SWOT analysis. The Diamond Model was originally developed to analyse competitiveness at a national level but has since been widely applied to regions and industry clusters.

Adjustments have been made to this model to reflect the assessment of a region, rather than a nation or organisation. This adjusted model is illustrated in the following diagram.

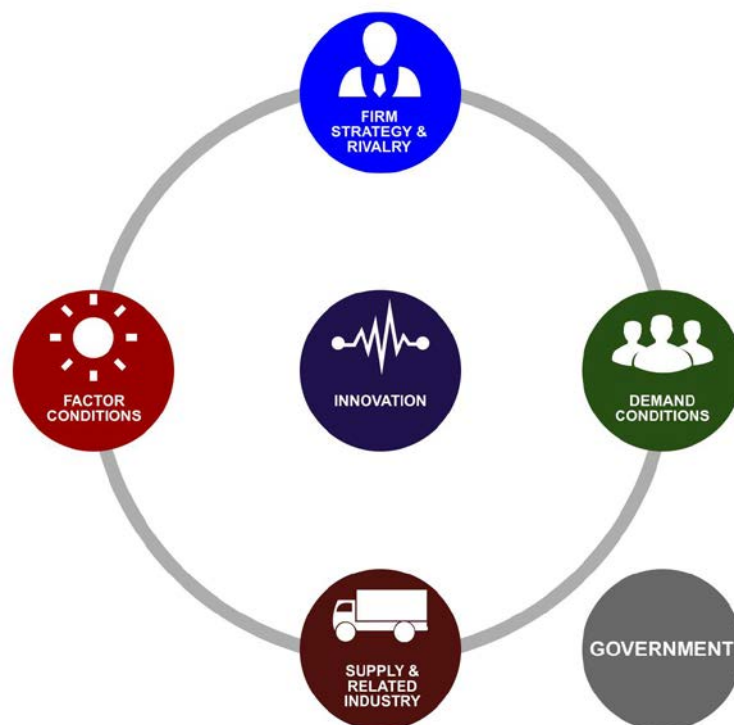


Figure 15 Adjusted Porter's Diamond Model

The adjusted Diamond Model applied in this Economic Development Strategy is comprised of five core, interrelated determinants of regional competitiveness:

- **Factor Conditions** – refers to the factors of production such as land, climate/environment, resources, labour and infrastructure and their relative quality, accessibility and suitability;
- **Demand Conditions** – refers to the state of the market for the goods and services. Strong markets with sophisticated and quality focused consumers provide businesses with incentive to innovate and grow into exporting firms while access to enabling infrastructure (e.g. ports, airports, roads) provides businesses with access to regional and international markets;
- **Related and Supporting Industries** – refers to the depth and diversity of businesses that input into the supply chain of the principal activity. Can include direct inputs to production as well as activities that enhance business performance and operation (e.g. a high amenity location that supports the attraction and retention of skilled labour);
- **Firm Strategy, Structure and Rivalry** – represents the impact of local competition on propensity of businesses to innovate and the suitability of their strategies and corporate structures to facilitate this innovation; and
- **Innovation** – includes core facilities, technologies, processes and services that support innovation by industry such as proximity to research and development capacity (like a university), access to quality telecommunications technology and the emergence of new business models (such as ecommerce, crowd sourced financing and cloud computing).

Government also plays an important role in supporting and facilitating the economic competitiveness of a region. The results of the competitiveness assessment for Rockhampton are outlined in the following table.

Table 5 Business and Industry Competitiveness Summary, Rockhampton

	Advantages	Challenges
Factor Conditions	Central location within regional Queensland Subtropical climate Central position within major agricultural position Secure water supplies Critical mass of skilled labour Strategically located along major north south and west transport and freight infrastructure Affordable cost of living for residents and businesses	Vulnerability to extreme weather events Non-coastal location and associated loss of amenity Location along a large regional flood plain
Demand Conditions	Critical mass of residential population (2014 pop here) Younger age profile Proximity to major mining regions and associated potential supply chain links Critical mass of retail expenditure and service demand Strong supply and demand for tertiary health and education services Major service centre for large regional livestock production Presence of large regional airport providing connectivity	Above average unemployment rate Lack of small businesses and associated local procurement demand. Lower educational attainment

	Advantages	Challenges
Related & Supporting Industries	<p>Established role as the principal activity centre for Central Queensland</p> <p>Agricultural supply chain established service capacity</p> <p>Strength in transport, logistics and manufacturing/maintenance</p>	<p>Limited and constrained mining supply chain service capacity at present</p> <p>Limited small business participation in major procurement and supply chain projects</p> <p>Significant obstacles to prospective industrial businesses locating within the Region</p> <p>Local planning and approvals frame work that constrains new business investment and expansion</p> <p>Planning framework in industrial areas lacks clarity and consistency which undermines investment by industrial businesses</p> <p>Lack of small business creation and dynamism</p> <p>Poor entrepreneurial culture within the Region</p>
Firm Strategy, Structure & Rivalry	<p>Established foundation industries in health, education and agriculture</p>	<p>Lack of small business creation and dynamism, below average rate of small business creation</p> <p>Lack of business collaboration to secure major procurements</p> <p>Limited business competition in certain sectors undermining customer choice</p> <p>Poor entrepreneurial culture within the Region</p>
Innovation	<p>Presence of large tertiary education provider</p> <p>Presence of large tertiary public and private hospitals providers</p>	<p>Lack of small business support and incubation</p> <p>Poor entrepreneurial culture and lack of support for business innovation and entrepreneurial ship within the community</p> <p>lack of industry and research collaboration</p> <p>Lack of small business establishment and growth that constrains business innovation</p>

Regional Benchmarks

Important lessons can be learnt from exemplary locations around Australia to inform and guide the development and growth of the Rockhampton Region economy. By comparing the characteristics of the Rockhampton Region against these exemplars, critical issues, strengths, opportunities and challenges start to become apparent. This information provides critical evidence to inform the identification of the comparative advantages for the Rockhampton economy and the selection of key Regional Imperatives to which economic development actions and initiatives must be targeted.

Five regions across Australia have been selected for comparison. These regional benchmarks mostly share a number of similar characteristics including:

- Major regional population service centre, servicing a wider regional catchment;
- Non-coastal (with the exception of Geraldton and Mackay);
- Direct or indirect exposure to mining activity;
- Direct or indirect exposure to regionally significant agricultural activity;
- Home to tertiary education and/or health services.

The centres chosen vary in size to that of Rockhampton – some are smaller, some are comparable while others are much larger. This provides a spectrum of benchmark locations against which Rockhampton can be compared.

The regional benchmark locations selected are:

- Toowoomba;
- Wagga Wagga;
- Ballarat;
- Mackay; and
- Geraldton

The results of the benchmark analysis are outlined in the following table. Key findings from the analysis include:

- Rockhampton has a comparable population to Ballarat, and much higher than the regional local government areas of Wagga Wagga and Geraldton. Rockhampton is approximately half the size of Toowoomba.
- Population growth within Rockhampton has been consistent with the average annual population growth experienced across the benchmarked regions over the past 10 years. Indicates Rockhampton is currently holding its own against other parts of non-coastal regional Australia.
- Median household income within Rockhampton is comparable to Wagga Wagga, but significantly less than within Mackay. This is primarily due to Mackay's exposure to mining.
- Rockhampton had the highest unemployment rate of the benchmark locations examined. Geraldton was the only location with a comparable rate, with all others less than 5.0%.
- The benchmarked regions contained at least two of Rockhampton's top three employing industries, with Health Care and Social Assistance and Retail Trade figuring in the top three industries for all areas (except for Mackay).
- Rockhampton has a significantly lower number of businesses per 1,000 residents, with major regional service centres such as the Toowoomba LGA and Wagga Wagga LGA containing approximately 50% more.
- Rockhampton has a lower proportion of workers with post school qualifications. Although comparable to Mackay and Geraldton, Rockhampton was significantly less than Toowoomba, Wagga Wagga and Ballarat.

Table 6 Rockhampton LGA Benchmarked Against Other Regional Areas^{xiv}

Indicator	Rockhampton	Toowoomba	Wagga Wagga
Population	82,551	160,251	62,149
10 year Average Annual Population Growth	1.4%	1.5%	0.9%
Proportion of Population Aged 65+	13.7%	15.8%	13.6%
Median Household Income 2011	\$1,166	\$1,061	\$1,149
Unemployment Rate	6.7%	4.6%	4.9%
Top 3 Employing Industries	<ul style="list-style-type: none"> ▪ Health Care and Social Assistance ▪ Retail Trade ▪ Education and Training 	<ul style="list-style-type: none"> ▪ Health Care and Social Assistance ▪ Public Administration and Safety ▪ Retail Trade 	<ul style="list-style-type: none"> ▪ Health Care and Social Assistance ▪ Retail Trade ▪ Manufacturing
Businesses per 1,000 residents	60	90	85
Workforce with Post School Qualifications	58.6%	66.9%	67.1%
Indicator	Ballarat	Mackay	Geraldton
Population	98,684	121,909	40,448
10 year Average Annual Population Growth	1.6%	2.7%	1.6%
Proportion of Population Aged 65+	15.6%	11.0%	12.3%
Median Household Income 2011	\$988	\$1,578	\$1,225
Unemployment Rate	5.0%	4.5%	6.6%
Top 3 Employing Industries	<ul style="list-style-type: none"> ▪ Health Care and Social Assistance ▪ Retail Trade ▪ Education and Training 	<ul style="list-style-type: none"> ▪ Mining ▪ Construction ▪ Retail Trade 	<ul style="list-style-type: none"> ▪ Mining ▪ Retail Trade ▪ Health Care and Social Assistance
Businesses per 1,000 residents	76	85	75
Workforce with Post School Qualifications	71.6%	59.3%	59.3%

Summary of Challenges and Advantages

The future growth and development of Rockhampton will need to leverage the region's comparative advantages in human capital and community capacity, existing or nascent connections to national and global economies and its business and industry competitiveness. At the same time, challenges that constrain and impede this development need to be identified and effective and targeted strategies implemented to ensure Rockhampton reaches its full potential.

Key Challenges

Based on the evidence within this Strategy, three key challenges to the future economic development of Rockhampton have been identified:

- **Unemployment rates and employment generation** – to reinforce Rockhampton's primacy in the Central Queensland economy and promote the Region as a residential destination of choice, strong employment growth is required. The Region already possesses a high labour force participation rate, but unemployment levels are high and employment growth has been strongest in public sector industries such as health and education or in construction activity linked to mining.

- **Small business creation and development** – the small business community in the Rockhampton Region is too small, particularly given the potential of the economy. Rockhampton ranks poorly in terms of the number of businesses per 1000 residents against benchmark regions, while business numbers have been growing at a third of the rate of population growth in recent years.
- **Post school qualifications and labour force skills** – secondary school completion and post-school qualification rates in the Rockhampton Region are below national and benchmark region averages.
- **Community Leadership and Culture** – the culture of Rockhampton needs to be more supportive of new business establishment, innovation and industry development. This is reflected in below average levels of leadership capacity in the broader community, particularly in the development of the Rockhampton economy.

These challenges are highly interrelated. The small business sector is recognised nationally as the primary driver of employment growth so addressing business challenges in Rockhampton will help to address the need for accelerated jobs growth. Similarly, the ability of businesses to establish and grow in the Rockhampton is contingent on access to a large, diverse and highly skilled workforce that can help to drive innovation and productivity.

Comparative Advantages

Rockhampton’s comparative advantages are determined by the region’s location, natural resource endowment, settlement pattern and industrial advances. Based on the findings of the evidence within this Strategy, five comparative advantages for Rockhampton have been identified.



Figure 16 Rockhampton Comparative Advantages

Agriculture and Value Adding

Agriculture value add is the process of taking the primary produced good, including live cattle, fruits and vegetables and processing these goods. The Central Queensland Region contains large tracts of agricultural land, with agriculture being one of the main exporting industries for several of the local government areas adjacent to Rockhampton. The association between Rockhampton and the beef cattle industry is widely recognised around Australia and the world and food production has long been the foundation industry of the Region.

Agricultural production requires several key supply chain industries, including transportation and manufacturing. Given Rockhampton's relative accessibility to major agricultural markets in the south and international export ports, affords Rockhampton a comparative advantage in agricultural transportation, processing and manufacturing.

Population Critical Mass

Having a critical mass of population is essential for the sustainability of regional centres. A key factor identified in the failure of regional and rural communities across Australia has been a lack of population critical mass.

A critical mass of population results in a greater diversity and depth of skills within the labour force compared and enhances the viability and availability of tertiary services (including health care, tertiary education and large retail centres), which increases amenity of the centre for local residents and people who are looking at moving to the Region. This also helps to diversify the economy, by supporting the establishment and growth of large population serving and professional services sectors. These sectors can help to build upon, value add and diversify core foundation industries, like agriculture and mining and reduce the local economy's vulnerability to external shocks

Central Location

The Region's location is key to future growth opportunities. Rockhampton is strategically positioned within Central Queensland, approximately 600km north of Brisbane along the Bruce Highway. There are very few regional centres of the size of Rockhampton situated in a similar location throughout Australia.

This strategic location is supported by strong transport infrastructure accessibility, including three major highways, rail lines, and port facilities all within, or in close proximity, to the city. These strong accessibility characteristics are not only attractive to sectors such as agriculture, mining, tourism, defence and manufacturing sectors – by provide access to key domestic and overseas markets - but can also underpin the growth and development of Rockhampton as a nationally significant transport and logistics hub.

Tertiary Services Sector

The Rockhampton has a large and extensive services sector, including tertiary health and education. Few centres of the size of Rockhampton in regional Australia possess the level and quality of hospital and university education available to local residents. This is why these services attract customers/users from across Central and regional Queensland, offering a quality of education/care comparable to that of South East Queensland.

At present, one in four people employed within the Rockhampton LGA are employed in either the health care and social services or education and training industries highlighting the importance of this sector to Rockhampton's current and future employment growth. With growth and ageing of Central Queensland's population over the next 20 years, Rockhampton's tertiary service sector will become even more important and critical to the community in the future.

Proximity to Mining Activity

Rockhampton is located within close proximity to the Bowen and Galilee Basins within Central Queensland. Over the past decade, these coal and natural gas basins have been the focus of considerable investment and resource development, driving employment and incomes in a number of regional centres. Up to this time, Rockhampton's exposure to this activity has been minimal, with Central Highlands. There has been a decrease in mining activity throughout Queensland; however this slow down in mining activity is primarily due to a shift from the construction phase to the operational phase of many new mines within the Region. The construction phase normally entails a large short increase in demand for mining services to develop the mines, whereas the operational phase of the mines typically lasts for 30 years.

Given the location of the Rockhampton LGA to the Bowen and Galilee Basins relative to other major cities within Queensland and Brisbane, Rockhampton has a significant advantage servicing the mining activity within Central Queensland. This should include enhanced integration of Rockhampton manufacturing and maintenance, transport and logistics and service sectors in mining and gas investment and operations as well as alignment of the Rockhampton skills base, education and research with the drivers and challenges of these sectors.

A Vision for the Rockhampton Economy

Vision Statement

The future of the Rockhampton economy will be determined by the interplay between current and emerging global megatrends and the region's drivers, characteristics and capacity for growth. Based on this the vision for the Rockhampton economy is:

“Rockhampton is recognised globally as the economic heart of Central Queensland. It is home to a critical mass of residents, high quality services and facilities and a dynamic and prosperous economy driven by entrepreneurial and innovative businesses, strategic investment and international exports.”

This Vision is comprised of a series of discrete elements:

- **Rockhampton is recognised globally as the economic heart of Central Queensland**
....Rockhampton is recognised across Australia and around the world as the principal hub of economic activity in Central Queensland. It is the destination of choice for new businesses and investment characterised due to its robust economy and diverse economic and commercial opportunities..
- **.... It is home to a critical mass of residents** the population of Rockhampton is large and diverse. The size of the population base provides businesses with a large skilled labour force and a prosperous customer base. It supports the viability of higher order community services and facilities and is characterised by a growing number of new residents from around the world.
- **.... high quality services and facilities ...** Rockhampton continues to be home to a diverse service sector supported by major tertiary education, health, government and communities facilities that service Rockhampton region and broader Central Queensland.
- **....prosperous economy....** the Rockhampton economy generates prosperity for businesses and community. It is characterised by strong employment generation, profitable businesses and industry, high and rising incomes
- **....driven by entrepreneurial and innovative businesses....** the economic success of Rockhampton is founded in its dynamic businesses which are characterised by a culture of entrepreneurship, innovation, research and development and a general willingness to pursue new ideas and opportunities.
- **....strategic investment and international exports....** the development of business and industry is facilitated by strategic investment in critical infrastructure, projects and facilities which allow the comparative advantages of the Rockhampton Region to be realised. This includes greater engagement by Rockhampton businesses with national and international markets, producing high quality goods and services to trade with the rest of the world.

Achieving each element of this vision is critical to ensuring the economic, social and environmental potential of the Rockhampton region is realised with appropriate public and private investment.

Aspirational Population Target

Benefits and Challenges of Growth

The Rockhampton Region is characterised by a critical mass of residents. Such a critical mass is essential to realising the economic, social and environmental potential of the Region. However, just as population growth drives the growth of the economy through increased expenditure and demand for population services, so too can the economy drive the need for more residents. For example, economic growth generates jobs and with this comes the need for a larger and more diverse labour force.

Population growth, like economic growth, should never be pursued simply for the sake of growth itself. A Region can experience perverse impacts and outcomes from rapid population growth if it is not pursued in a strategic and effective manner. These impacts can include rising cost of living, reduced amenity and quality of life, poor access to essential services and facilities and declining population retention and attraction.

Instead, a balance must be continually struck between economic, social and environmental sustainability if the quality of living and prosperity of residents and businesses is to be maintained and enhanced.

Aspirational but Achievable

Current State Government population projections indicate that the population of Rockhampton will continue to grow in line with historical averages to 2036, averaging to a growth rate of 1.5% to reach around 118,000. However, if the Rockhampton economy is to reach its full potential, a larger population, customer base and labour force will be required.

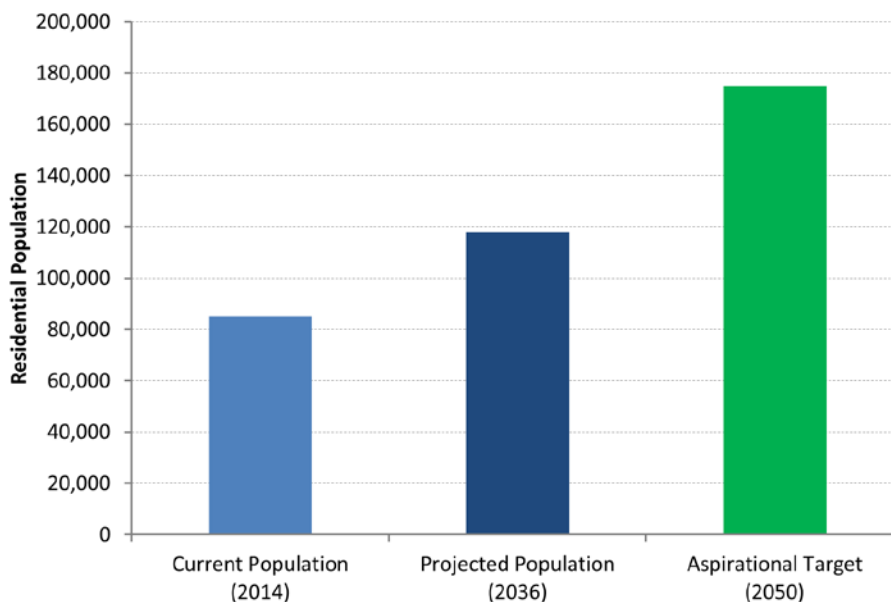


Figure 17 Population Projections and Targets for Rockhampton

Assuming only a moderate acceleration in growth to 2.0% per annum, Rockhampton's population could reach 130,000 by 2036 and 175,000 by 2050. This growth rate is aspirational but achievable, with Rockhampton recording higher growth rates several times over the next decade, most recently in 2012. Such growth would further enhance the viability of major community services, infrastructure and facilities, help to

drive the demand for a wider and higher quality range of retail offering, improve the efficiencies of Government administration and services and the capacity for local businesses to establish and expand.

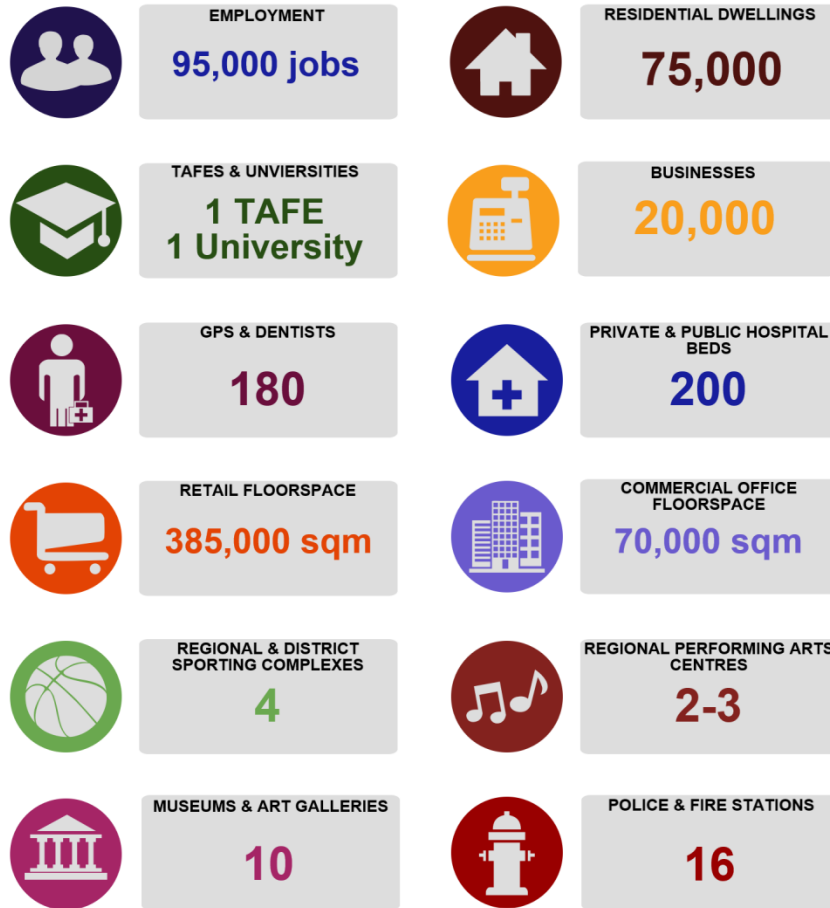


Figure 18 What Does 175,000 Residents Mean for Rockhampton?

Reaching the population target will drive demand for a wide range of services and facilities in the Region. This will include dwellings, education, community, health, retail commercial and sport and recreation facilities. However, it is important to recognise that Rockhampton’s role as the “economic heart” of Central Queensland will mean the Region will require an even greater level and diversity of facilities and services, to meet the need of the wider service population.

Economic Development Framework

Delivering Economic Development

Growing and developing the Rockhampton economy into the future to achieve the vision and aspirational population target, requires a comprehensive, consolidated and integrated approach to the growth and development of the region.

There are a range of ways to foster and promote the growth of a regional economy and community. Different initiatives generally fall into three broad categories:

- **Enabling Initiatives** – investment in activities, infrastructure, facilities and services that catalyse and enable the private sector and the community to grow and prosper in a region;
- **Value Adding** – building upon and adding value to the strengths of the foundational industry to deepen regional economic activity. This can include physical value adding to raw materials, increased capture of upstream supply chains expenditure in the region or innovative use of existing infrastructure and economic capacity.
- **Diversification** – broadening of the economic base of a region through the promotion, fostering and growth of new industries and businesses. These businesses are generally separate from the value adding activities associated with the foundational industries, drawing upon the region’s competitive advantages, innovation, research and entrepreneurship to drive new business and industry growth.

These three approaches to growth and development require different levels of intervention from government and stakeholders, but also provide different scales of benefits and impacts. Enabling investments are the most passive of the approaches. They are critical to de-constrain business investment and community development, but do not necessarily directly generate substantial new activity and benefits. In contrast, diversification actions have the largest impact, supporting the creation and development of new industries and sectors. However, such actions require significant up-front investment and intervention to foster.



Figure 19 Spectrum of Approaches to Regional Growth and Development

These approaches can be pursued individually but are most effective when implemented in concert. By pursuing enabling, value adding and diversifying activities and investments, the challenges facing the Rockhampton economy realising its potential in the long-term can be addressed, leveraging the Region’s comparative advantages to capture new economic and commercial opportunities.

Economic Development – A Whole-of-Community Responsibility

The Rockhampton Region Economic Development Strategy is not simply a strategy for Government; it is a holistic economic development strategy that requires buy-in and investment by all aspects of the Rockhampton community.

All members of the Rockhampton Region community have an important role to play to implement this Strategy. This will be achieved through collective and coordinated actions and investment in a broad range of projects that will stimulate, incentivise and facilitate the growth and development of the Rockhampton economy, for the benefit of local residents and businesses.

A diverse range of stakeholders have been identified as having the potential to positively contribute to the realisation of the economic Vision for the Rockhampton Region and the implementation and delivery of a diverse range of innovative and transformational projects. These include:

- Federal Government
- Regional Development Australia Fitzroy and Central West
- State Government
- Rockhampton Regional Council
- Resource Industry Group
- Local Businesses
- Capricorn Enterprise
- Capricornia Chamber of Commerce and Industry
- Other Industry Groups and Associations
- Domestic and International Investors
- Not-For-Profit and Community Groups
- Residents and the General Community

A Framework for Economic Development

The implementation of this Strategy requires a Framework to achieve the Vision for the Rockhampton economy. The following Framework seeks to establish the areas of focus to guide identification, profiling the implementation of actions and investments by stakeholders over the next 3 to 5 years. The Framework is comprised of a series of ***Economic Development Programs*** that seek to respond to the unique challenges and advantages of the Rockhampton economy. This is supported by a range of ***Potential Opportunities*** examined in **Appendix 3**.

Rockhampton Regional Council, in partnership with RPS, undertook extensive consultation with a wide range of Government, industry and community stakeholders as part of the development of this Strategy. This included direct interviews and a public workshop. This consultation yielded a diverse set of Potential Opportunities which were subsequently reviewed and refined by Council and RPS.

Additionally, further opportunities have been identified through research of best practice responses around Australia and the world to the challenges and opportunities facing Rockhampton's economic future. This included identification of strategies and initiatives implemented by national benchmark locations as well as successful and proven initiatives relating to small business development, urban rejuvenation and workforce skills development.

Each potential opportunity is profiled in detail in Appendix 3 and includes the following information.

- Relevant Economic Development Program;
- Name of the Opportunity;
- Brief description of the Opportunity;
- Best Practice Examples of the Opportunity;
- Relevant Challenge or Advantage the Opportunity relates to;
- Opportunity proponents and stakeholders;
- The level of Priority of the Opportunity, based on its potential impact or benefit; and
- An Indicative Cost Level of addressing the Opportunity based on its capital intensiveness.

Economic Development Programs

The Potential Opportunities identified are broken down into six distinct Economic Development Programs. These Programs represent the broad areas of focus for the economic development activities and investment of the community. The profiles of each Economic Development Program for the Rockhampton Region are outlined below.

AGRICULTURE AND FOOD INDUSTRY GROWTH AND DIVERSIFICATION	
Program Purpose	This Program covers actions designed to grow, diversify and develop food production in the Rockhampton Region. It seeks to enhance Rockhampton's profile as a good producing region of national and global significance and the source of quality food products and supporting services and industries.
Program Scope	<ul style="list-style-type: none"> ▪ improvements to regional infrastructure supporting agricultural operations and connectivity ▪ value adding and investment attraction initiatives ▪ regional food branding and agriculture industry coordination
Relevant Challenges and Advantages	This Program seeks to build upon the role of Agriculture as a foundational industry and sector of the Rockhampton economy by increasing value adding, product diversity and exports. This will help to generate employment opportunities for Rockhampton residents, generate new business opportunities and leverage Rockhampton's strategic position in Central Queensland.
Potential Opportunities	<ul style="list-style-type: none"> ▪ Regional Power Distribution Infrastructure Upgrades ▪ Agriculture Value Adding Initiatives ▪ Fitzroy River Basin Agriculture Diversification Program ▪ Fitzroy River Food Precincts ▪ Regional Food Brand & Council ▪ Regional Telecommunication System Upgrades
Key Stakeholders	<ul style="list-style-type: none"> ▪ Ergon Energy ▪ Department of Agriculture ▪ Local Abattoirs ▪ Local and Regional Farmers ▪ Domestic and International Investors ▪ Capricornia CCI ▪ Council ▪ Telstra ▪ NBN Co ▪ Federal Government

BRANDING AND MARKETING	
Program Purpose	This Program seeks to enhance the profile of the Rockhampton Region as a location of choice for people to “live, work and play” and for business to establish and grow. It promotes and encourages growth of the Rockhampton profile and greater awareness of its comparative advantages and investment and economic development opportunities.
Program Scope	<ul style="list-style-type: none"> ▪ Marketing and branding material development ▪ Online tools and systems for capturing and communicating opportunities ▪ Formal community and industry groups for collaboration, advocacy and promotion
Relevant Challenges and Advantages	This Program recognises that Rockhampton’s profile outside of the Region, particularly in global markets, is limited to its links to beef production and export. Diversifying and growing the Rockhampton economy, and generating new employment and business opportunities, will require greater investment in emerging and established sectors such as transport and logistics, horticulture, health care, defence and tourism.
Potential Opportunities	<ul style="list-style-type: none"> ▪ Ageing in Rockhampton Industry Group ▪ Austrade Engagement and Support ▪ Business Convention and Conference Attraction ▪ Business Interest and Investment Opportunity Tracker ▪ Central Queensland Defence Working Group ▪ Indigenous Tourism Asset Plan ▪ Industry-Specific Economic Profiles/Investment Prospectuses ▪ Rockhampton e-Portal ▪ Rockhampton Events Calendar and Growth Strategy ▪ Youth Attraction & Retention Plan ▪ General tourism ▪ Quality of Life
Key Stakeholders	<ul style="list-style-type: none"> ▪ Queensland Health ▪ Mater ▪ Aged Care Providers ▪ Capricornia CCI ▪ Council ▪ Austrade ▪ Tourism Queensland ▪ Capricorn Enterprise ▪ Rockhampton Airport ▪ Local Hotel Operators ▪ Dreamtime Cultural Centre ▪ Department of State Development ▪ CQU ▪ Local Abattoirs ▪ Gracemere Industrial Area ▪ Local Business Leaders

EDUCATION AND SKILLS	
Program Purpose	This Program seeks to improve the skills base of the Rockhampton population to improve the attractiveness of the regional workforce to new and emerging sectors while providing socio-economic, prosperity and quality of life benefits to residents from improved educational outcomes.
Program Scope	<ul style="list-style-type: none"> ▪ Investigation and promotion of non-traditional education and qualification pathways, particularly for adult workers (including life long learning initiatives) ▪ Establishment of multi-faceted education brand for Rockhampton ▪ Increasing industry and education institution integration and collaboration ▪ Leveraging opportunities arising from integration of tertiary health and education offerings ▪ Increasing the interstate and international character of Rockhampton's student population
Relevant Challenges and Advantages	This Program recognises that the future strength of the Rockhampton economy will depend on the skills of its residents and workers. Rockhampton has a below average skills base. This raises serious concerns regarding the sustainability of prosperity for these workers and for the economy as a whole. Greater diversity and depth of skills is also required to support the establishment of new businesses and sectors. This will require new technologies and innovative processes to be leveraged.
Potential Opportunities	<ul style="list-style-type: none"> ▪ Applied Medical Research and Training Opportunities ▪ "Education Rockhampton" Brand ▪ Integrated medical school at CQU ▪ International Student Scholarship ▪ Online Learning Portals ▪ Recognition of Prior Learning ▪ Student Industry and Business Placement Program
Key Stakeholders	<ul style="list-style-type: none"> ▪ CQUniversity ▪ Queensland Health ▪ Mater ▪ Federal Government ▪ Local and Regional Primary and Secondary Schools ▪ Education Queensland ▪ Council ▪ Austrade ▪ Capricornia CCI ▪ Department of Education and Training ▪ Registered Training Organisations ▪ Major Local and Regional Employers

SMALL BUSINESS DEVELOPMENT	
Program Purpose	This Program will drive the establishment, growth and development of small businesses in the Rockhampton Region. It recognises the importance of a dynamic and entrepreneurial small business sector in driving income growth and job creation in the Region. The Small Business Development Program seeks to promote collaboration, innovation, technology adoption, growth acceleration and major project supply chain integration.
Program Scope	<ul style="list-style-type: none"> ▪ Investigating potential major redevelopment locations and precincts in Rockhampton ▪ Promoting greater business collaboration ▪ Encouraging new and innovative ways of working and doing business ▪ Facilitating take up and use of new technologies and systems ▪ Encourage accelerated business growth and development through access to early finance and capital, business mentoring and ▪ Promoting a culture in Rockhampton that acknowledges and rewards business excellence ▪ Promoting integration of small businesses into major project and industry supply chains ▪ Identify small business opportunities and seek to capitalise on these
Relevant Challenges and Advantages	<p>Small business development is fundamental to the growth of the Rockhampton economy. Small businesses are the primary employment generator in Australia and operate across all industries and sectors of the economy. Supporting the establishment and nurturing the growth of small businesses is key to realising the potential of Rockhampton's strategic economic assets and comparative advantages and driving a change in the culture of the Rockhampton community to one that embraces and celebrates innovation and entrepreneurship.</p> <p>Small business development in Rockhampton is mediocre, with rates of business creation and operation well below State and national averages. As major employment generators, the growth of Rockhampton's small business sector is key to improving the access of Rockhampton workers to quality jobs.</p>
Potential Opportunities	<ul style="list-style-type: none"> ▪ Co-Working Space ▪ Mount Morgan Heritage Tourism Strategy ▪ NBN Rollout and Utilisation Plan ▪ Online Business Capability Register ▪ Rockhampton Business Angels ▪ Small Business Accelerator Program ▪ Small Business Awards ▪ Small Business Incubator ▪ Small Business Micro-Grants ▪ Small Business Networking Events Series
Key Stakeholders	<ul style="list-style-type: none"> ▪ Major Private Developers ▪ Council ▪ CBD Landholders ▪ Major CBD Tenants ▪ Capricornia CCI ▪ Local and Regional Small Business Community ▪ Tourism Queensland ▪ Rockhampton Heritage Village ▪ Mount Morgan Guided Tours ▪ Federal Government ▪ Resource Industry Group ▪ Major Retailers and Shopping Centre Owners

SMALL BUSINESS DEVELOPMENT

	<ul style="list-style-type: none"> ▪ Major Rockhampton Business Owners ▪ Retired business owners with capacity to serve as mentors ▪ Australian Association of Angel Investors ▪ Department of State Development ▪ iLab ▪ Small Business Solutions Queensland ▪ Federal Government ▪ Industry Associations and Group
--	--

URBAN REJUVENATION

Program Purpose	This Program will seek to increase the amenity, accessibility and competitiveness of the Rockhampton Urban Area. The program focuses on the redevelopment and modernisation of the City, making the central business district a more attractive urban environment for both residents and businesses.
Program Scope	<ul style="list-style-type: none"> ▪ Enhancing the quality of Rockhampton’s built form and urban environment to maximise its attractiveness to skilled workers ▪ Increase the emphasis placed on Rockhampton’s urban environment, and enhance the existing offerings ▪ Redevelopment of strategic sites ▪ Developing the CBD into an area where families and visitors of Rockhampton want to visit
Relevant Challenges and Advantages	Urban Rejuvenation and creating an attractive urban environment is essential for regional cities to assist in the attraction of residents from outside of the area. The first impressions of the urban infrastructure within Rockhampton, especially the CBD, are of a tired and slightly run down city. Some shop fronts and areas have been modernised, however a significant proportion are old and in need of major upgrade or redevelopment. Rockhampton has the potential to develop into the main hub within Central Queensland; by leveraging the Fitzroy River to open up the foreshore. Redevelopment of the CBD is essential for attracting employment to the region, particularly young creatives.
Potential Opportunities	<ul style="list-style-type: none"> ▪ AURIZON Rail Yard Urban Redevelopment ▪ Botanical and Kershaw Gardens Redevelopment Master Plans ▪ CBD Redevelopment Master Plan ▪ Fitzroy River Foreshore Development ▪ Streetscape Beautification
Key Stakeholders	<ul style="list-style-type: none"> ▪ Major Private Developers ▪ Council ▪ CBD Landholders ▪ Major CBD Tenants ▪ Major Private Landholders and Developers

TRANSPORT, LOGISTICS AND MANUFACTURING PROMOTION	
Program Purpose	This Program seeks to establish Rockhampton as the principal transport and logistics hub in regional Queensland; leveraging its strategic location relative to major Queensland centres as well as agricultural, tourism and mining regions. It seeks to optimise the performance and accelerate the growth of key industrial precincts, integrate businesses into mining and major project supply chains and be a location of choice for growing defence activity.
Program Scope	<ul style="list-style-type: none"> ▪ Improving recognition (through signage and branding) of major industrial areas and precincts ▪ Enhancing the responsiveness and flexibility of planning and zoning regulations to support quality industrial development ▪ Identifying and capturing supply chain opportunities for major industries and infrastructure ▪ Investigating and promoting opportunities to increase defence and military equipment and personnel in Rockhampton ▪ Promoting investment in critical transport assets and infrastructure, including freight transport infrastructure and the Rockhampton Airport
Relevant Challenges and Advantages	Transport, logistics and manufacturing sectors are underrepresented in the Rockhampton economy, despite the comparative advantage of the region in these sectors. Similarly, the Rockhampton economy currently has limited exposure to the mining sector, despite the proximity of Rockhampton to major resource development activities in the Bowen Basin and Central Queensland generally. However, Rockhampton already has exposure to Australian and US Defence operations because of its proximity to Shoalwater Bay Military training Area. The development of all of these sectors is critical to driving the growth and diversification of the Rockhampton economy and generating new job opportunities for local residents and workers.
Potential Opportunities	<ul style="list-style-type: none"> ▪ Armoured Cavalry Regiment Relocation ▪ Government Lazy Lands Audit ▪ Gracemere Industrial Area Planning and Approvals Implication Review ▪ Gracemere Industrial Area Signage Plan ▪ Made in Rockhampton Campaign ▪ Major Project Supply Chain Mapping ▪ Military Equipment and Supply Storage Capacity ▪ National Transport and Logistics Business Hub ▪ Resources Industry Group ▪ Rockhampton Airport Expansion Feasibility Assessment ▪ Rockhampton Airport Military Precinct ▪ Strategic Freight Transport Network Upgrades
Key Stakeholders	<ul style="list-style-type: none"> ▪ Australian Defence Force ▪ Federal Department of Defence ▪ Defence Industries Queensland ▪ Federal Government ▪ Council ▪ Department of State Development ▪ Gracemere Industrial Area ▪ Department of Transport and Main Roads ▪ Capricornia CCI ▪ Resources Industry Group ▪ Major Mining Companies ▪ Local and Regional Businesses ▪ Rockhampton Airport ▪ Major Airlines ▪ Tourist Accommodation Operators

Need for an Economic Development Organisation

The delivery and implementation of economic development initiatives, actions and projects in the local community has traditionally been the responsibility of Local Government. Previous reviews of local and regional economic development in Australia have revealed that responsibility for economic development has primarily vested with teams within Local Governments, with State Government regional development organisations and regional council groupings also common.

However, an approach to economic development that relies solely on Local Government to drive and transform regional economies is no longer sustainable. The increased complexity and diversity of local and regional economies means the traditionally skills sets that exist within Councils do not align with the capabilities required to implement and deliver economic development outcomes for the community.

Instead, dedicated economic development organisations are becoming the norm. This approach recognises that a more commercially-oriented approach is required to drive the growth of regional economies in the future, through investment, entrepreneurship, exports and job creation. Additionally, more corporate governance and implementation structures have greater flexibility in terms of delivering economic development initiatives including greater access to a larger diversity of funding sources and product delivery models.

The Rockhampton Region economy needs a ***dedicated and targeted Economic Development Organisation focused exclusively and solely on supporting economic and business development and growth, attracting investment and providing advocacy on behalf of the Rockhampton Region.***

The organisation should be ***structured as a wholly-owned corporation of Rockhampton Regional Council with its own management team and appropriately skilled personnel.*** This reflects best practice approach in Australia and around the world, examples including:

- Brisbane Marketing (wholly owned, independently managed subsidiary of Brisbane City Council);
- Mildura Development Corporation (originally established by Mildura Regional Council, now an independent body funded by a specific Council differential rate); and
- Hunter Development Corporation (formed by the NSW Government, vested with a number of key State Government landholdings for management and development).

The funding of an economic development organisation can vary significantly and include:

- Direct council funding;
- A Council administered economic development levy or special differential rate;
- Membership fees and contributions;
- Grants and other funding from State and Federal Governments;
- For-fee services; and
- Revenue from vested Government assets.

The scope of economic development organisations can also vary. Some are targeted, driving small business or tourism sector development or regional marketing and branding, while other have broader scopes covering all aspects of economic development.

Rockhampton Regional Council will work with industry groups and the community to identify and implement the optimal structure, scope and funding mechanism for the economic development organisation for the Rockhampton Region.

Process for Reviewing and Updating the Strategy

A successful Economic Development Strategy is one that is subject to ongoing review and renewal. Just as the world changes, so too must the Strategy to maintain its relevance and currency. A responsive, evidence-based review and renewal process is proposed for tracking the growth and development of the Rockhampton economy, informing the ongoing amendment and update of the Strategy.

The steps in this process are summarised below.

- **Track Measures of Success** – tracking the performance of the Strategy requires monitoring of a series of key indicators or measures.
- **Analyse Performance** - The results of these measures will be tracked annually by Rockhampton Regional Council, as part of an Economic Development Strategy Scorecard. This will compare the development and growth of the Rockhampton region against the Measures of Success.
- **Identify Areas for Improvement** – the results of the Strategy Scorecard will allow the Rockhampton Regional Council to identify areas where improvement is required. Strategies will be developed, in partnership with relevant stakeholders, to determine the reason for the current performance and actions required to improve performance.
- **Summarise Changes in the Environment** – summarise changes in the local, national and global environment that have the potential to impact the achievement of the Measures of Success and continued relevance of the Challenges and Advantages identified in the Strategy.
- **Amend the Strategy** – based on the identification of areas for improvement and changes in the environment, amendments will be made on a regular, basis to the Rockhampton Region Economic Development Strategy. These changes will ensure the document remains current, live and relevant to stakeholders and the Rockhampton community and reflects the goals, aspirations and desires for the region to 2050.

This process is illustrated in the figure below.

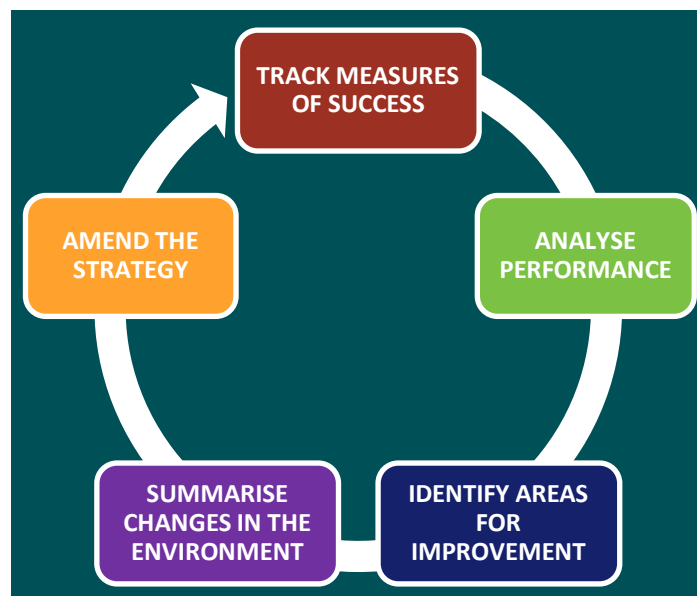


Figure 20 Ongoing Monitoring and Review Process

Tracking and Measuring Success

The following Measures of Success have been identified for tracking the implementation of the Economic Development Strategy.

The Rockhampton Region will have the following characteristics in 2050:

- A residential population of 175,000
- Net positive youth retention rates
- Unemployment rates below that of the State average
- Median household income 10% higher than the national average
- Secondary school completion rates above State and National averages
- Post-School tertiary qualification levels above National average
- 120 locally registered businesses per 1,000 residents
- Establishment of a permanent US and/or Australian Defence base
- \$500 million in overseas investment in Rockhampton agriculture, horticulture and/or food processing
- Global recognition (through media coverage) of Rockhampton food brands;
- Tripling of attendance at Rockhampton events
- Doubling of passenger throughput through the Rockhampton Regional Airport
- Above average shares of tertiary students coming from interstate or international locations
- Gross Regional Product per Capital equal to Australian average
- Community leadership capacity above Australian averages

These Measures of Success will be tracked annually by the Rockhampton Regional Council and will form the critical input into the Rockhampton Region Economic Development Strategy Scorecard.

Economic Development Strategy Scorecard

To track the measures of success of the Strategy and analyse the results, a Scorecard is required. This Scorecard is designed to capture and present the evidence of the growth, development and transformation of the Rockhampton Region and the progress made towards achieving the Vision of the Strategy.

Key data and indicators from publicly available data sources and information collated by the Rockhampton Regional Council will be captured, with the current performance of the Region against the Measures of Success analysed.

The Scorecard will outline the most recent measure/data captured for each of the Measures of Success, as well as the targets for 2050 established in this Strategy.

The performance of the Region, and of the implementation of the Strategy can be assessed in a number of ways:

1. Traffic Light based assessment of the progress made to date to the achievement of the 2050 Target;
2. Direction analysis, showing whether the indicator has improved or worsened
3. Qualitative commentary explaining the factors that have influenced the region's performance to date and its direction.

The Scorecard will be completed annually as part of Council's Strategy review process and form a core output for tracking the progress of the Strategy's implementation and success.

Need for an Implementation Plan

This Strategy provides the evidence-base, vision and framework for the successful development of a dynamic, prosperous and diversified Rockhampton economy into the future. However, achieving the vision will require a coordinated investment and effort by all stakeholders in the community.

A practical and applied Implementation Plan is needed to identify specific actions and investments required to achieve the goals and objectives of the Economic Development Strategy. This Plan, developed by Council, will build upon and expand the Economic Development Programs and Potential Opportunities outlined in this Strategy, focusing on defining and profiling specific and targeted projects for delivery by Council and other critical stakeholders.

A key focus of the Implementation Plan will be making potential economic development initiatives "investment ready" – whether that be investment by Government or by the private sector. This will include the preparation of investment prospectuses and business cases for securing capital funding as well as identifying potential in-kind support and contributions.

The Rockhampton Economic Development Strategy Implementation Plan will become a core input into Council decision making, guide the investment decisions of other stakeholders and establish the practical elements of the collaborative, innovative and dynamic Rockhampton economy envisaged in this Strategy.

Appendix I

Global Megatrends



Asian Century

Estimates from the United Nations are for a rapid increase in the size of the middle class in Asia over the coming decades, with population in Asia expected to grow from around 4.3 billion people in 2013, to over 5.1 billion by 2050^{xv}. Most of Asia's population, in fact the world's populations, is shared amongst the world's two most populous countries, China and India. In 2013, both China and India account for 61.4% of Asia's population and this is projected to remain relatively stable until 2050 (58.2%), although India is expected to surpass China's population by then. This is illustrated in the following figure.

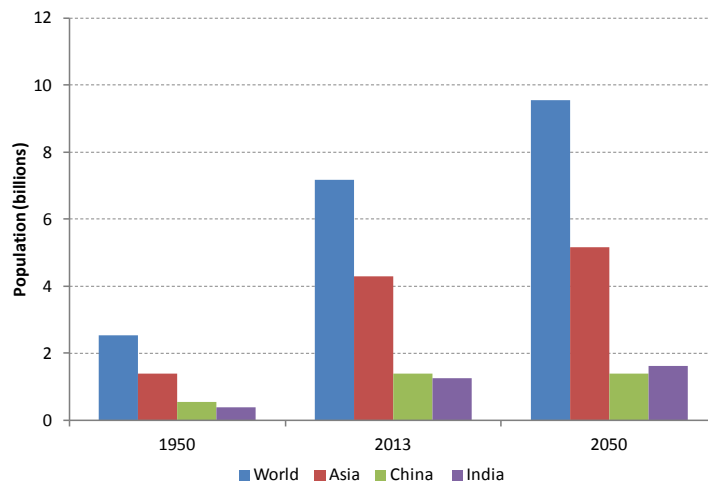


Figure 21 World Population, 1950 to 2050

This increase in population will influence growth in globalisation resulting in increasing trade activity between Australia (i.e. exports) and Asia, which will increase the need for industrial space within Australia. The industrialisation of Developing Economies in Asia is also driving up incomes and creating an emerging middle class. Key areas expected to benefit from this newly empowered market segment include automotive components, clean energy, food and beverages, health and medical, education and infrastructure and building materials.

Global Food Consumption

Global food production will need to increase by 60% by 2050 to meet projected demand levels^{xvi}. Demand is already outpacing supply in international markets, with food price volatility increasing dramatically since 2006 and prices trending upwards from 2000 lows, after decades of real food price declines resulting from increased productivity^{xvii}. This is illustrated in the following figure.

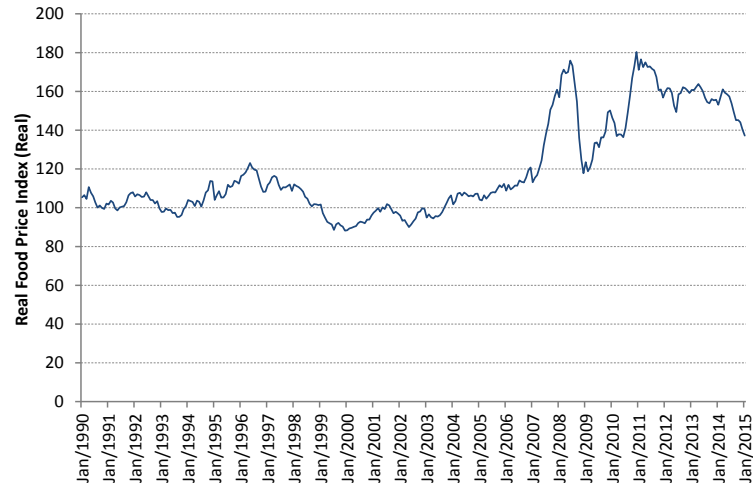


Figure 22 Food Price Index, Real, 1990 to 2015

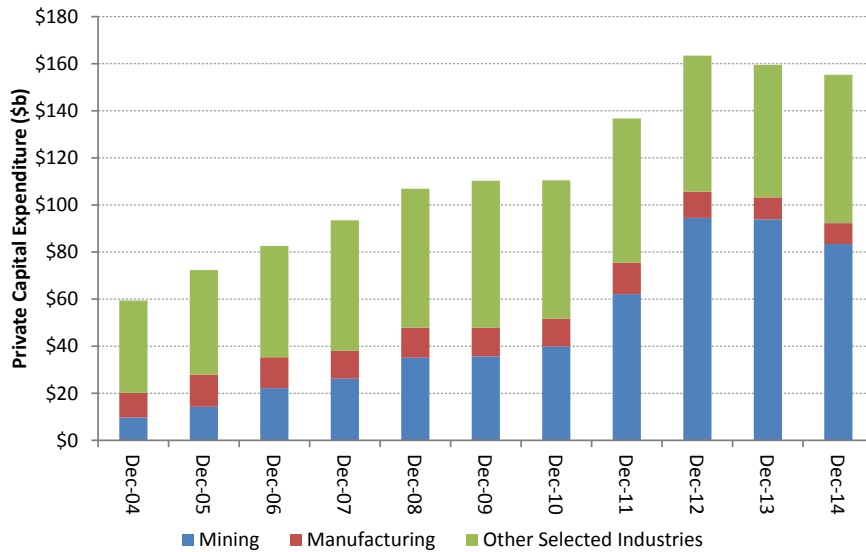
Australia’s coastal regions are well recognised for their diverse range of seafood, which is exported globally to markets such as the USA, Japan, South Korea and China. The coastal environment has also been known as a highly attractive environment for fish farming and other forms of intensive aquaculture. Fish and seafood is a major component of global food consumption and is particularly favoured in many emerging Asian economies. The increased need for protein in developing countries, driven by increases in both population and income levels, has underpinned this growth and is expected to support a 15% growth in seafood consumption over the next 10 years^{xviii}.

However, Australia also produces a wide mixture of other products including broad acre grains, animal husbandry (including horses, sheep and cattle all on pasture), fruit crops and horticulture. Currently, broad acre grains are experiencing considerable price growth on international markets due to seasonal volatility in major producers (such as the USA and Australia) and continued declines in stock-to-use ratios^{xix}. This is expected to continue in the medium term, despite the emergence of new production regions in Russia, Ukraine and other central Asian countries.

Mineral Resource and Energy Investment

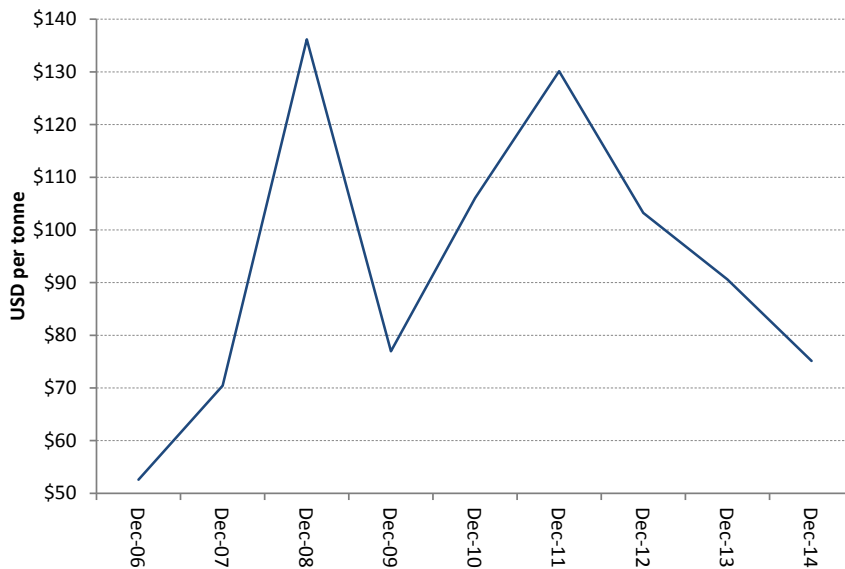
Growth in mining private capital expenditure increased sharply in recent years, jumping from \$39.9 billion in December 2010 to \$94.5 billion in December 2012 - more than doubling within a two-year timeframe. Current mining expenditure is only slightly below its historical peak, recording \$83.4 billion in 2013/14. This expenditure growth reflects the commencement of major LNG projects as well as considerable investment in coal and other mining projects within Queensland during this time.

Since peaking in December 2012, expenditure levels have been following a downward trend, but remain above the long-term average. Resource capital expenditure has underpinned the growth in overall private capital expenditure during this time, with the value of capital expenditure in manufacturing and other selected industries remaining broadly constant throughout the assessment period.



Private New Capital Expenditure by Commodity, Australia, December 2004 to December 2014^{xx}

Queensland is the largest seaborne coal exporter in the world and is directly influenced by major changes in prevailing global coal market conditions. Since 2011/12, coal (both thermal and coking) have experienced structural declines in spot prices. Thermal coal in particular has declined significantly from its December 2011 peak, following continued softness in global economic activity and a move by countries to cleaner sources of energy amid environmental and health concerns.



Smoothed Average Monthly Thermal Coal Prices, Australia, December 2006 to December 2014^{xxi}

This reduction in the spot and export price for both thermal and coking coal in recent years also reflects the impact of long-term changes in global energy mix and increased concern regarding environment impacts. China for example, has recently imposed restrictions on the quality of imported coal, with a combination of local industry protection and public outcry over poor environmental conditions in major mainland Chinese cities underpinning this decision.

Nationally, the effects of China’s pollution policy and regulation are likely to be softened by the China-Australia Free Trade Agreement (ChAFTA). On a State-scale, Queensland is relatively protected from the impact of pollution regulations as black coal derived from the Bowen Basin is generally freer of impurities

(like NOXs and SOXs). Nevertheless, China’s slowing demand for coal is expected to further exacerbate the decline in State and National mining and energy exports.

Fortunately, Queensland’s resource exports have begun to diversify in recent years Liquefied Natural Gas (LNG), in the form of Coal Seam Gas, is expected to play an increasingly pivotal role in supporting Queensland’s growth in exports and GSP in the medium term. Queensland is currently home to three major LNG projects:

- Queensland Curtis LNG, commencing operation in December 2014^{xxi} with a production capacity of 1.91 million tonnes of LNG;
- Gladstone LNG, commencing production in March 2015, with a production capacity of 1.76 million tonnes; and
- Australia Pacific LNG, commencing production in June 2015, with a production capacity of 2.07 million tonnes.

These three projects represent a total capacity of 5.7 million tonnes of LNG production per annum when all three reach full production capacity by September 2017. This ramp up in production is expected to result in substantial growth in exports and GSP during the 2015/16 financial year.

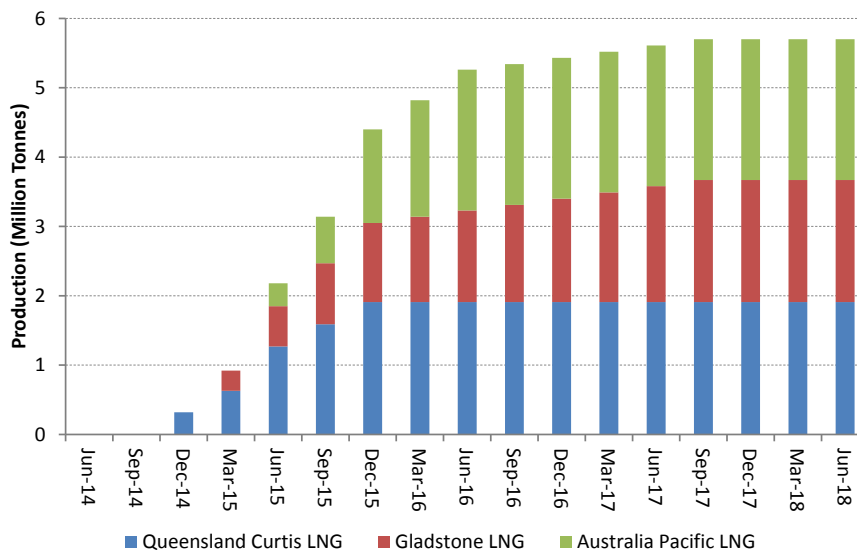


Figure 23 Liquefied Natural Gas Projections, Queensland, 2014 to 2018

However, the slowing in the coal sectors, coupled with the investment phase of major LNG projects reaching completion, is expected to impact the employment generation of the mining sector. Mining employment has already begun to fall as coal production is reduced and LNG projects shift to the operational phase (which generates far less employment).

Despite the current position of the coal and LNG sectors in economic and investment cycles, energy and resource demand from China, India and other parts of Asia and the world is expected to continue to grow in the medium term. The proximity of Rockhampton to major resource operations suggests that an increased exposure to mining activity – particularly in terms of local business participation in construction and operational supply chains – should be progressed in a measured and considered way.

Climate Change

The average global surface temperature has risen around 0.8°C since 1850 and may continue to rise further in the coming decades as a result of global carbon emissions^{xxiii}. For Australia, global temperature increases

will likely involve significant environmental change and variability, with both natural and agricultural production systems impacted by the combined effects of higher temperatures and more inconsistent and irregular rainfall patterns.

These environmental changes also increase the risks from bushfires, floods and other extreme weather, particularly in coastal and rural regions. Since 1990 to 2011, Australia's net emissions^{xxiv} (carbon dioxide equivalent) increased by 32.2%, growing annually at a rate of 1.3%^{xxv}. This is illustrated in the following figure.

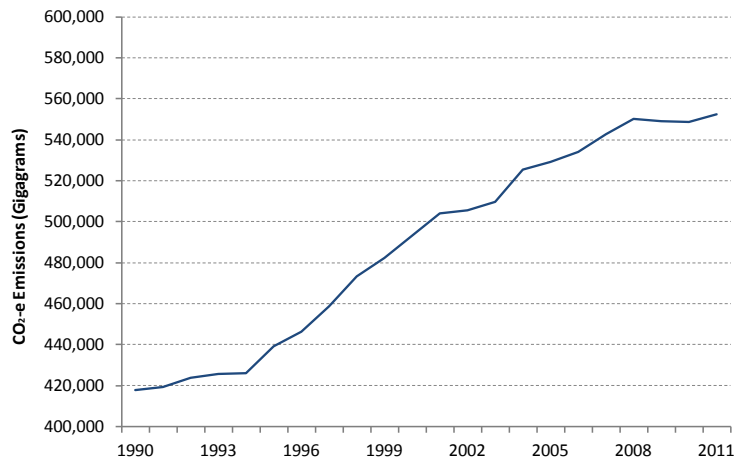


Figure 24 Emissions, Australia, 1990 to 2011

In response to climate change, as well as energy security, renewable energy production has been increasing globally. While per capita energy production in OECD countries has declined in recent years, due to depressed economic activity and enhancements in energy efficiency, this has been more than offset by rapid increases in energy usage in developing regions including the Middle East, China, South East Asia, Central Europe and Latin America^{xxvi}. Like Australia, global energy consumption is dominated by fossil fuels, with a market share in 2011 of 87%. This includes both base load power and transport fuel energy use. In contrast, renewable energy contribution is at 2%, or some 194.8 of 12,274.4 million tonnes of oil equivalent. This is illustrated in the following figure.

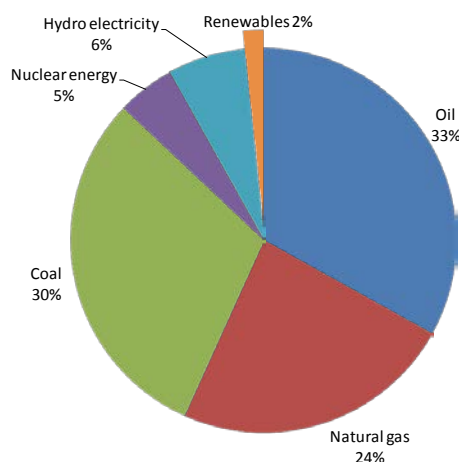


Figure 25 Global Energy Use Mix, 2011

Affordability and Cost of Living

Asian and Australian cities continue to move up the cost of living scale over the last few years which have been offsetting traditionally more costly European locations. In particular, the cost of living in Australian cities has been rising very quickly up the rankings as economic growth has supported inflation and currency swings to make them more costly^{xxvii}. This is illustrated in the following figure.



Figure 26 Australian Dollar, 1983 to 2013

Currently, two of Australia's cities (Sydney and Melbourne) are ranked in the top five most expensive cities to live, where ten years ago there were no Australian cities among the 50 most expensive cities^{xxviii}. In June 2013, the Consumer Price Index for housing was one of the highest in Australia (106.0), higher than that for all groups (102.8)^{xxix}. However, health was the highest (109.8) followed by Education (108.8). This is illustrated in the following figure.

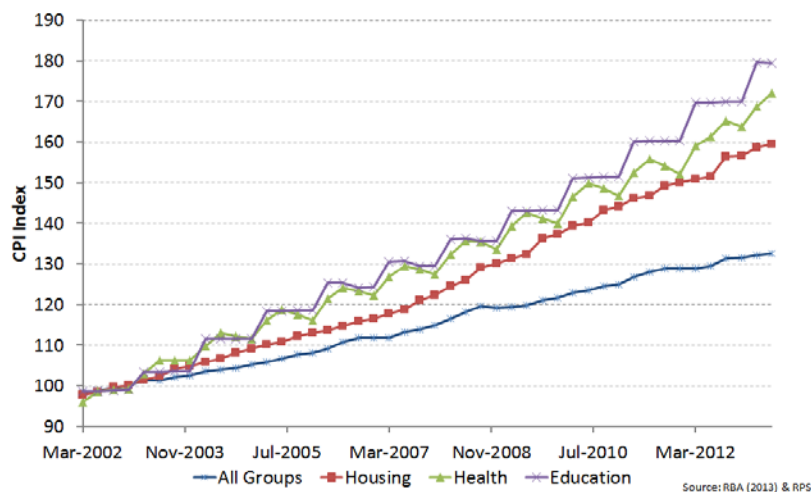


Figure 27 Consumer Price Index, Australia, 2002 to 2013

Population Ageing

The population of Australia is ageing. Approximately 3 million people in Australia were aged 65 years and over in 2011 representing over one in eight Australians^{xxx}. This was an increase of 27.6% over the last decade with an annual average growth rate of 2.5%. Looking forward, the number of people aged 65 years and over is projected to increase by 83.6% over the next two decades with an annual average growth rate of 3.1%^{xxxi/xxxii}. This is significantly faster than historical growth rates, representing acceleration in the ageing of Australia's population. By 2050, the number of people aged 65 and over is expected to reach one in five

people, representing one of the greatest challenges for policy makers, industry and the community. This is illustrated in the following figure.

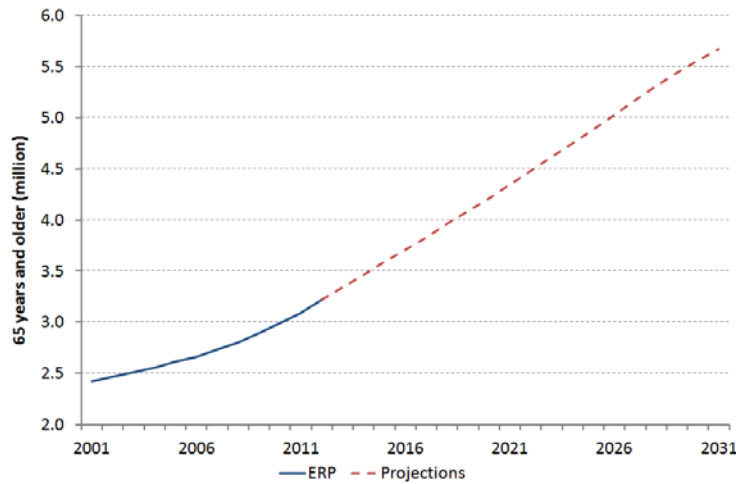


Figure 28 Historical and Projected Population, 65 Years and Over, Australia, 2001 to 2031

Broadband and the Digital Age

Technology has played a central role in enabling the globalisation of markets mainly by increasing the reach and speed of communication while also assisting to reduce costs, which have eased the flow of goods, capital, people and information across borders.. The future evolution of the internet including increased speeds, cloud based computing and applications will result in these benefits being more widely felt in regional locations, through improved connectivity and the establishment of new, knowledge intensive industries.

The share of Australian businesses using the internet has increased as a result of the digital age as e-commerce/banking gains momentum. Between 2007-08 and 2011-12, the proportion of businesses using the internet increased from 86.8% to 91.9%, while the share of Australian businesses with a web presence has increased from 36.3% in 2007-08 to 44.6% in 2011-12. This is illustrated in the following figure.

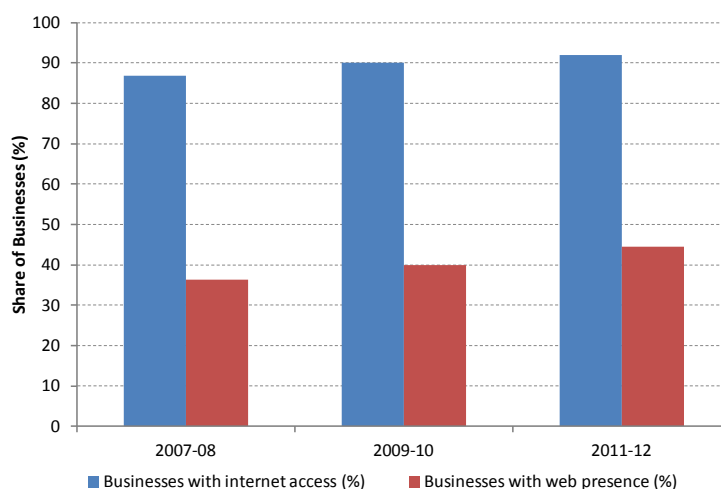


Figure 29 Business Use of Information Technology, 2007-08 to 2011-12^{xxxiii}

This increase in the use of technology has not been limited to only businesses as Australian households have also been increasing their use of the internet, for a range of reasons, from reviewing and purchasing

goods and services to online learning. In the last five years, the share of households using the internet has increased by almost 20%, from 2005-06 to 2010-11.

The development and implementation of the National Broadband Network (NBN) is expected to have a transformative effect on the connectivity and accessibility of regional residents to the rest of the country and world. This presents significant opportunities for regional centres such as Rockhampton to provide residents and businesses access to services otherwise unavailable, cost prohibitive or inefficient.

These include:

- More reliable base telecommunications;
- Online retail and shopping;
- Virtual education;
- Online entertainment, music and movies;
- Telehealth;
- Telecommuting and virtual work opportunities; and
- E-commerce and web-based business activity.

Defence and Security

An increasingly globalised and interconnected world does raise issues regarding national security. Recent Defence White Papers have identified a number of interrelated factors that may influence Australia's strategic security outlook in the coming decades. These include:

- the importance of the Indo-Pacific in global security – global population and economic activity is increasingly concentrated in countries that either border the Indian and Pacific Oceans or are dependent on trade routes through these Oceans. This is having the effect of repositioning global security focus. Current security architecture in the Indo-Pacific is focused on a series of sub-regional arrangements with not unifying framework. The development and establishment of this framework in coming decades will significantly influence Australia's defence posture.
- The critical nature of enhanced regionalism and cooperation in South East Asia – with South East Asia the primary pivot of the Indo-Pacific region, interactions and engagements among and between South East Asian nations can have significant global ramifications. Promotion and support of enhanced regional associations (such as ASEAN and the East Asia Summit) are viewed as highly beneficial to regional and global security.
- The relationship between the United States of America and China – this relationship represents the defining feature of global security over the next several decades. Defined in the White Paper as “collaborative competitiveness”, the relationship between China and United States is characterised by strong economic interconnectedness and reliance which is not currently matched by political and security cooperation. The US is currently implementing a ‘rebalancing’ of their defence posture to afford greater attention to the Indo-Pacific region and Asia in particular. This has caused some tension in the US-China relationship; though it remains Australia's stated position that we are not required to choose between the US as our military alliance partner and China as our primary economic partner.
- potential conflict hotspots in North and South East Asia – while broader US and China relationships are expected to be restrained by economic interdependence, individual hotspots are regarded as more serious threats. These hotspots including Taiwan Straits, the Korean Peninsula, the East China Sea and South China Sea.
- Regional military modernisation - Regional military modernisation is largely a consequence of rising national wealth, enabling many states to modernise their defence forces with more advanced capabilities.

This presents significant new opportunities for partnering with other nations' defence and military organisations. But it also raises the levels of capability required by the ADF to maintain the edge that has historically underpinned the defence of our continent with a comparatively small population.

- Terrorism – while enhanced counter-terrorism capabilities, the death of Osama bin Laden and sustained international cooperation and effort have altered the nature of global terrorism, the threat of terrorism and its potential impacts remain real and significant.
- Climate change impacts and resource security – Global energy, food and water resources are under pressure from population growth, rising affluence and climate change. Robust demand for commodities is underpinned by rapidly emerging economies such as China and India. Demand for key commodities is expected to remain robust over the long-term.
- Cyber warfare – the Defence White Papers acknowledge that national security could be compromised by cyber-attacks on defence, government or commercial information networks. Cyber security continues to be a serious and pressing national security challenge^{xxxiv}.

Of particular note in the Defence White Papers is the fact that the economic importance of northern Australia and offshore resources has increased and this must be considered in defence planning. These Papers and associated Posture reviews have reinforced the need for Australia's northern approaches to be appropriately defended with the capacity for high tempo projections of power into the region.

Defence establishments and operations can provide significant economic stimulus to a region. Townsville and Darwin, both of which have extensive Australia Defence personnel and facilities have benefited significantly from this presence, in terms of population growth, expenditure, economic stability and infrastructure delivery and capacity.

Appendix 2

Key Regional Indicators



Area of Focus	Indicator	Rockhampton	Nation	Source
Workforce Participation	Adult Participation Rate	66.8%	65.60%	Percentage of population (15+) in the workforce (ABS Census)
	Adult Female Participation Rate	60.5%	59.20%	Percentage of female population (15+) in the workforce (ABS Census)
	Aboriginal Adult Participation Rate	58.3%	53.30%	Percentage of Aboriginal population (15+) in the workforce (ABS Census)
Skills	Year 12 Qualified	42.2%	46.10%	Percentage of adult population that did not complete year 12 (ABS Census)
	University Qualified	13.9%	22.80%	Percentage of working age population with university qualifications (ABS Census)
	Technical Qualified	30.6%	31.60%	Percentage of working age population with certificate or diploma qualifications (ABS Census)
	English Proficiency	98.9%	92.00%	Percentage of population with English as a first language, or if second language, speaks English well (ABS Census)
Education and Training Outcomes	Year 12 Completions	70.7%	75.30%	Proportion of young adults (20-24) with year 12 certificate (ABS Census)
	Learning or Earning	89.8%	80.10%	Proportions of 15-19 year olds engaged in school, work or further education/ training
Economic Sustainability	Businesses	60	89.9	Businesses per 1000 residents (ABS 8165.0)
	Unemployment	6.7%	5.20%	Proportion of labour force unemployed
	Economic Diversification	0.87	0.56	Hachman Index of Diversification - higher score indicates more diversity (Regional Australia Institute)
	Welfare Dependent Families	14.5%	9.80%	Proportion of welfare dependent families with children (PHIDU Social Health Atlas)
Community Vibrancy and Diversity	Leadership Capacity	25.3%	34.90%	Percentage of the potential community leaders, measuring both the quality of human capital and the availability of resources suitable for leadership roles (Regional Australia Institute)
	Volunteer Activity	19.7%	17.70%	Percentage of residents (15+) who participate in volunteer activity (ABS Census)
	Aged Residents (65+)	13.7%	14.20%	Proportion of residents aged 65+
	Family Households	62.9%	71.5%	Number of family households in the community (ABS Census)
Health and	Access to Hospital Services (per capita)	0.03	0.11	Number of people employed in hospitals per resident (ABS Census)

Area of Focus	Indicator	Rockhampton	Nation	Source
Educational Access	Access to GP Services (per 100,000)	88.90	112.4	Number of GP services per 100,000 (PHIDU Social Health Atlas)
	Adult Health	5.6%	4.70%	Adults with at least one of four of the health risk factors of smoking, harmful use of alcohol, physical inactivity and obesity (PHIDU Social Health Atlas)
	Access to Allied Health Services	12.1%	11.00%	Percentage of workforce employed in health services excluding hospitals
	Child Development Vulnerability	31.4%	23.60%	Percentage of developmentally vulnerable children (PHIDU Social Health Atlas)
	Distance to Medical Facility	5.1km	38.9km	Average distance for residents to medical facilities (Regional Australia Institute)
	Distance to Primary Education Services	3.6km	24km	Average distance for residents to a primary school (My Schools, Australian Government)
	Distance to Secondary Education Services	3.9km	23.3km	Average distance for residents to a high school (My Schools, Australian Government)
Digital Connectivity	Broadband Connections	66.1%	62.5%	Percentage of households and businesses with broadband internet (ABS Census)
	Mobile Coverage	73.0%	80.0%	Percentage area with 3G coverage (Telstra)
	Internet Connectivity	73.3%	79.0%	Percentage of households with internet connection (ABS Census)
Movement of People	Airport RPT Usage (per capita)	8.61	6.3	RPT passenger numbers per resident (Department of Infrastructure and Regional Development)
	Overseas Born Residents	9.4%	30.2%	Percentage of residents born overseas (ABS Census)
	Population Inflows	10.8%	NA	People that moved to the region 2006-11 as a percentage of the total population in 2006 (ABS Census)
	Population Outflows	14.6%	NA	People that moved from the region 2006-11 as a percentage of the total population in 2006 (ABS Census)
	Airport Access	7.7km	79.7km	Average distance for residents and businesses to a commercial airport (Regional Australia Institute)
	Port Access	43.7km	141.6km	Average distance for business to a port (Regional Australia Institute)
Freight Infrastructure	Road Infrastructure	1.4km	19.4km	Distance to major (class 1 or 2) road (Regional Australia Institute)
	Rail Infrastructure	10.6km	35.6km	Distance for residents and businesses to nearest rail station (Regional Australia Institute)

Area of Focus	Indicator	Rockhampton	Nation	Source
	Research and Development Professionals	0.10%	0.10%	Percentage employed as research and development managers (ABS Census)
Innovation	Professional, Scientific and Technical Businesses	4.2%	8.5%	Proportion of workforce employed in technology and related businesses (ABS Census)
	New business start-ups	2.9%	13.5%	New businesses since 2009 as a proportion of all businesses (ABS 8165.0)
Entrepreneurship	Non-employing micro businesses	35.0	38.9	Non-employing businesses per 1000 residents (ABS 8165.0)
	Income Source Own Business	\$14,475	\$23,458	Average own unincorporated business income (ABS 6524.055, 2011-12)
	Small businesses	15.5	24.4	Small businesses (less than 5 employees) per 1000 residents (ABS 8165.0)
	Labour Costs	\$982	\$1,019	Average wage and salary income (Regional Australia Institute)
Cost of Doing Business	Access to Local Finance	1.22%	4.7%	Percentage of people employed in financial roles (ABS Census)
	Regional Index of Retail prices	99.1%	100%	Index of Retail Prices in Queensland Regional Centres (Queensland Government Statistician's Office, 2013)
Natural Resources	Agriculture	1.3%	2.3%	Percentage of people employed in agriculture (ABS Census)
	Mineral and Energy Resources	4.1%	1.7%	Percentage of people employed in minerals and energy industries (ABS Census)
	Commercial Fishing and Aquaculture	0.01%	0.1%	Percentage of people employed in fishing and aquaculture industries (ABS Census)
	Coastal Access	4.9km	109.0km	Average distance of residents to the coast (Regional Australia Institute)
	National parks	122.7km	46.2km	Average distance of residents to the National Parks or nature reserves (Regional Australia Institute)

Appendix 3

Potential Opportunities



Program	Opportunity	Description	Examples	Relevant Challenge/ Advantage	Principal Stakeholders	Priority	Indicative Cost Level
AGRICULTURE AND FOOD GROWTH AND DIVERSIFICATION	Regional Power Distribution Infrastructure Upgrades	Advocate to Ergon Energy and the State Government upgrades to the power distribution systems in rural areas of the Rockhampton region, particularly north west of Rockhampton City.	NA	<ul style="list-style-type: none"> ▪ Agriculture Production & Value Adding ▪ Central Location ▪ Proximity to Mining Activity 	<ul style="list-style-type: none"> ▪ Ergon Energy ▪ State Government ▪ Council 	Medium	High
	Agriculture Value Adding Initiatives	Identify and assess the viability of a range of agricultural value adding initiatives. Includes both physical (manufacturing and processing) and qualitative value adding (marketing, branding, promotions). If viable, prepare an investment prospectus for the opportunity and promote to national and international investors.	Greater Dandenong Food Strategy 2014 (www.greaterdandenong.com/document/27240/food-strategy-2014)	<ul style="list-style-type: none"> ▪ Small Business Creation and Development ▪ Agriculture Production & Value Adding 	<ul style="list-style-type: none"> ▪ Department of Agriculture ▪ RDA ▪ Local Abattoirs ▪ Local and Regional Farmers ▪ Domestic and International Investors ▪ Council 	Medium	Medium
	Fitzroy River Basin Agriculture Diversification Program	Establish a program in partnership with Federal and State Governments to promote the diversification of agricultural production in the Fitzroy River basin.	Ord River Scheme	<ul style="list-style-type: none"> ▪ Unemployment Rates and Jobs Generation ▪ Small Business Creation and Development ▪ Agriculture Production & Value Adding 	<ul style="list-style-type: none"> ▪ Department of Agriculture ▪ RDA ▪ Local Abattoirs ▪ Local and Regional Farmers ▪ Domestic and International Investors ▪ Council 	High	High
	Fitzroy River Food Precincts	Identification, profiling and promotion of potential intensive animal production and horticulture precincts located within 5km of Fitzroy River. Utilise water from the newly constructed Rookwood Weir. Target major overseas investors	Gascoyne River Horticultural Precinct	<ul style="list-style-type: none"> ▪ Unemployment Rates and Jobs Generation ▪ Small Business Creation and Development ▪ Agriculture Production & Value Adding 	<ul style="list-style-type: none"> ▪ Department of Agriculture ▪ RDA ▪ Local Abattoirs ▪ Local and Regional Farmers ▪ Domestic and International Investors ▪ Council 	High	High

Program	Opportunity	Description	Examples	Relevant Challenge/ Advantage	Principal Stakeholders	Priority	Indicative Cost Level
	Regional Food Brand & Council	Establishment of a regional food brand, administered by an industry led food council, for promoting an integrated and consistent brand to overseas and domestic markets. Include cattle production as well as other offerings (e.g. eggs)	Southern Forest Food Council (http://www.sffic.com.au/)	<ul style="list-style-type: none"> Unemployment Rates and Jobs Generation Small Business Creation and Development Agriculture Production & Value Adding 	<ul style="list-style-type: none"> Department of Agriculture Local Abattoirs Local and Regional Farmers Capricornia CCI Council 	Medium	Medium
	Regional Telecommunication System Upgrades	Advocate to Telstra and the State/Federal Government to upgrade telecommunication systems in rural and urban areas of the Rockhampton Region.	NA	<ul style="list-style-type: none"> Small Business Creation and Development Agriculture Production & Value Adding Population Critical Mass Central Location Tertiary Services Sector 	<ul style="list-style-type: none"> Telstra NBN Co State Government Federal Government Council 	Medium	High

Program	Opportunity	Description	Examples	Relevant Challenge/ Advantage	Principal Stakeholders	Priority	Indicative Cost Level
BRANDING AND MARKETING	Ageing in Rockhampton Industry Group	Establishment of an industry group in Rockhampton to focus on identifying commercial opportunities to increase the diversity and breadth of health and assistance services targeting older age groups. Include the development of investment attraction materials and promote joint ventures and other collaborative enterprises between major health providers.	NA	<ul style="list-style-type: none"> Unemployment Rates and Jobs Generation Small Business Creation and Development Post School Qualifications and Workforce Skills Population Critical Mass Central Location Tertiary Services Sector 	<ul style="list-style-type: none"> Queensland Health Private Hospitals Aged Care Providers Council Capricornia CCI 	Medium	Low

Program	Opportunity	Description	Examples	Relevant Challenge/ Advantage	Principal Stakeholders	Priority	Indicative Cost Level
	Austrade Engagement and Support	Directly engage with Austrade, Trade and Investment Queensland and other trade promotions and facilitation bodies to encourage promotion of Rockhampton Region as a potential investment destination and export producer. Generate marketing and promotional materials, including industry and site specific investment prospectuses for use by trade organisations.	NA	<ul style="list-style-type: none"> Unemployment Rates and Jobs Generation Small Business Creation and Development Agriculture Production & Value Adding Tertiary Services Sector Proximity to Mining Activity 	<ul style="list-style-type: none"> RDA Council Austrade 	Medium	Low
	Business Convention and Conference Attraction	Attraction of secondary conventions and conferences to Rockhampton. Focus on business, industry, and employment-related events attraction, reflecting the strengths of Rockhampton as an economic destination.	Geelong, Victoria;	<ul style="list-style-type: none"> Unemployment Rates and Jobs Generation Small Business Creation and Development Agriculture Production & Value Adding Population Critical Mass Central Location Tertiary Services Sector Proximity to Mining Activity 	<ul style="list-style-type: none"> Tourism Queensland Capricornia CCI Rockhampton Airport Local Hotel Operators Dreamtime Cultural Centre Council 	Low	Medium
	Business Interest and Investment Opportunity Tracker	Establishment of a database of business interest and investment opportunities identified by Council. Focus particularly on capturing opportunities communicated to Council through approaches to Planning officers.	NA	<ul style="list-style-type: none"> Unemployment Rates and Jobs Generation Small Business Creation and Development Population Critical Mass Central Location 	<ul style="list-style-type: none"> Capricornia CCI Department of State Development Council 	Medium	Low

Program	Opportunity	Description	Examples	Relevant Challenge/ Advantage	Principal Stakeholders	Priority	Indicative Cost Level
				<ul style="list-style-type: none"> Tertiary Services Sector Proximity to Mining Activity 			
	Central Queensland Defence Working Group	Expand and formalise current advocacy efforts to attract permanent defence force personnel establishments and facilities in the Rockhampton Region, through the establishment of a formal working group. Leverage Shoalwater Bay Military Training Area, strategic location on transport network and regular presence of US and Singapore forces.	NA	<ul style="list-style-type: none"> Unemployment Rates and Jobs Generation Post School Qualifications and Workforce Skills Population Critical Mass Central Location Tertiary Services Sector 	<ul style="list-style-type: none"> Council 	High	Low
	Indigenous Tourism Asset Plan	Encourage local Aboriginal groups to promote and facilitate sustainable visitation to major Indigenous tourism assets in the Rockhampton Region. Supporting sustainable funding and business initiatives for Aboriginal communities to benefit from the tourism assets in the form of jobs and incomes.	Destination NSW Aboriginal Tourism Action Plan 2012 to 2016 (http://www.destinationnsw.com.au/about-us/strategies-and-plans/aboriginal-tourism-action-plan)	<ul style="list-style-type: none"> Unemployment Rates and Jobs Generation Small Business Creation and Development Post School Qualifications and Workforce Skills Population Critical Mass Central Location 	<ul style="list-style-type: none"> Dreamtime Cultural Centre Tourism Queensland Council 	Low	Low

Program	Opportunity	Description	Examples	Relevant Challenge/ Advantage	Principal Stakeholders	Priority	Indicative Cost Level
	Industry-Specific Economic Profiles/Investment Prospectuses	Development of stylised, four page investment prospectuses on a range of industry and economic opportunities in the region. For use in investment attraction activities.	<p>Cairns Invest (http://www.cairnsinvestment.com.au/invest-here/regional-investment-prospectus)</p> <p>Gascoyne Development Commission Investment Profiles (http://www.gdc.wa.gov.au/contents/publications/investment-profiles.htm?id=214)</p>	<ul style="list-style-type: none"> Unemployment Rates and Jobs Generation Small Business Creation and Development Agriculture Production & Value Adding Population Critical Mass Central Location Tertiary Services Sector Proximity to Mining Activity 	<ul style="list-style-type: none"> Capricornia CCI Council 	High	Low
	Rockhampton e-Portal	Establishment of a community led e-portal for all aspects of Rockhampton Region. Include information on events, activities, investment, business opportunities and educational opportunities.	<p>More Gold Coast (http://www.moregoldcoast.com.au)</p>	<ul style="list-style-type: none"> Unemployment Rates and Jobs Generation Small Business Creation and Development Post School Qualifications and Workforce Skills Agriculture Production & Value Adding Population Critical Mass Central Location Tertiary Services Sector Proximity to Mining Activity 	<ul style="list-style-type: none"> CQU Private Hospitals Queensland Health Local Abattoirs Gracemere Industrial Area Local Business Leaders Tourism Queensland Capricornia CCI Other Major Private and Community Stakeholders Council 	High	Low

Program	Opportunity	Description	Examples	Relevant Challenge/ Advantage	Principal Stakeholders	Priority	Indicative Cost Level
	Rockhampton Events Calendar and Growth Strategy	Establishment of a calendar of existing events and promote these events online. Development of an Events Growth Strategy focusing on attracting business, industry, agriculture and sporting events to leverage Rockhampton's comparative advantages.	Events in Brisbane (http://www.brisbane.qld.gov.au/whats-on/featured/events-in-brisbane)	<ul style="list-style-type: none"> Small Business Creation and Development Agriculture Production & Value Adding Population Critical Mass Central Location 	<ul style="list-style-type: none"> Tourism Queensland Council 	Low	Low
	Youth Attraction & Retention Plan	Preparation of a plan identifying activities, facilities and events for youth in the region. Focus on providing a positive youth experience for residents to promote attraction, retention and repatriation.	NA	<ul style="list-style-type: none"> Unemployment Rates and Jobs Generation Small Business Creation and Development Post School Qualifications and Workforce Skills Population Critical Mass Central Location Tertiary Services Sector 	<ul style="list-style-type: none"> Council Capricornia CCI CQU Local High Schools 	Medium	Low

Program	Opportunity	Description	Examples	Relevant Challenge/ Advantage	Principal Stakeholders	Priority	Indicative Cost Level
EDUCATION AND SKILLS	Applied Medical Research and Training Opportunities	Explore and capture opportunities to leverage Rockhampton's strengths in tertiary health and education to establish applied medical research and training capacity in Rockhampton. Position Rockhampton as a regional centre of excellence for medical training, research and education.	Regional Medical Training Networks concept (http://www.qt.com.au/news/national-system-of-regional-training/2374200/)	<ul style="list-style-type: none"> Unemployment Rates and Jobs Generation Post School Qualifications and Workforce Skills Population Critical Mass Central Location Tertiary Services Sector 	<ul style="list-style-type: none"> CQU Queensland Health Private Hospitals Federal Government 	Low	High
	"Education Rockhampton" Brand	Establish and promote Rockhampton as the premier regional hub of education excellence in regional Australia. Focus on secondary and tertiary education and training strengths as well as promotion of Recognition of Prior Learning, linkages with industry and tertiary health and online learning portals.	Education City (Springfield, Qld) Education City (Qatar)	<ul style="list-style-type: none"> Unemployment Rates and Jobs Generation Small Business Creation and Development Post School Qualifications and Workforce Skills Population Critical Mass Central Location Tertiary Services Sector 	<ul style="list-style-type: none"> CQU Local and Regional Primary and Secondary Schools Education Queensland Council 	Medium	Low
	Integrated health school at CQU	Investigate partnership opportunities between Queensland Health and CQU to establish an integrated medical school at CQU to promote and encourage regional tertiary health skills development.	James Cook University, School of Medicine – Townsville Clinical School campus in the Townsville Hospital and Mater Private Hospital Townsville (http://www.jcu.edu.au/smd/medicine/workgroups/TownsvilleClinicalSchool/index.htm)	<ul style="list-style-type: none"> Unemployment Rates and Jobs Generation Post School Qualifications and Workforce Skills Population Critical Mass Central Location Tertiary Services Sector 	<ul style="list-style-type: none"> CQU Queensland Health Private Hospitals 	Medium	High

Program	Opportunity	Description	Examples	Relevant Challenge/ Advantage	Principal Stakeholders	Priority	Indicative Cost Level
	International Student Scholarship	Semester or year scholarships to international students to attend CQU and live in the community.	Australia Awards University of Wollongong (http://www.studyinaustralia.gov.au/usa/australian-education/more-study-options/short-term-study-abroad)	<ul style="list-style-type: none"> Unemployment Rates and Jobs Generation Small Business Creation and Development Post School Qualifications and Workforce Skills Agriculture Production & Value Adding Population Critical Mass Central Location Tertiary Services Sector 	<ul style="list-style-type: none"> CQU Local and Regional Primary and Secondary Schools Austrade Education Queensland Council 	Medium	Low
	Online Learning Portals	Promote and encourage participation by workers and residents (particularly those without post school qualifications) in online learning portals. Focus should be on improving technological, business and creative knowledge and literacy.	Lynda.com	<ul style="list-style-type: none"> Unemployment Rates and Jobs Generation Small Business Creation and Development Post School Qualifications and Workforce Skills Agriculture Production & Value Adding Population Critical Mass Central Location Tertiary Services Sector Proximity to Mining Activity 	<ul style="list-style-type: none"> Capricornia CCI Council 	Medium	Low
	Recognition of Prior Learning	Encourage unskilled and non-tertiary qualified workers in Rockhampton to undergo self-evaluation and formal Recognition of Prior Learning processes,	Recognition of Prior Learning Self-Evaluation Tool (http://training.qld.gov.au/training-careers/recognition-existing-skills/rpl.html)	<ul style="list-style-type: none"> Unemployment Rates and Jobs Generation Small Business Creation and Development Post School Qualifications and Workforce Skills Agriculture Production & Value Adding Population Critical Mass Central Location 	<ul style="list-style-type: none"> Department of Education and Training CQU Capricornia CCI Registered Training Organisations Major Local and Regional Employers 	High	Low

Program	Opportunity	Description	Examples	Relevant Challenge/ Advantage	Principal Stakeholders	Priority	Indicative Cost Level
				<ul style="list-style-type: none"> Tertiary Services Sector Proximity to Mining Activity 			
	Student Industry and Business Placement Program	Program for students in Rockhampton schools to be placed in work experience with local businesses and industry. To encourage greater integration between education providers and industry and expose students to the importance of post-school training and education as part of their career developments.	Schools Industry Partnership – Work Placement (http://www.schoolsindustry.com.au/work-placement/)	<ul style="list-style-type: none"> Unemployment Rates and Jobs Generation Small Business Creation and Development Post School Qualifications and Workforce Skills Agriculture Production & Value Adding Population Critical Mass Central Location Tertiary Services Sector Proximity to Mining Activity 	<ul style="list-style-type: none"> Department of Education and Training CQU Local and Regional Secondary Schools Capricornia CCI Major Local and Regional Employers Council 	Medium	Low

Program	Opportunity	Description	Examples	Relevant Challenge/ Advantage	Principal Stakeholders	Priority	Indicative Cost Level
SMALL BUSINESS DEVELOPMENT	Co-Working Space	Establishment of a small co-working space for local micro-businesses. Include open plan layout, modern IT, and conference room facilities.	SpaceCubed Perth (http://spacecubed.com/)	<ul style="list-style-type: none"> Unemployment Rates and Jobs Generation Small Business Creation and Development Post School Qualifications and Workforce Skills Population Critical Mass Central Location 	<ul style="list-style-type: none"> Capricornia CCI Local and Regional Small Business Community Council 	Medium	Medium
	Mount Morgan & Rockhampton Heritage Tourism Strategy	Develop a heritage tourism strategy for Mount Morgan and the Rockhampton CBD, including identification of latent tourism assets	Victoria Regional Tourism Strategy 2013-2016 (http://www.tourism.vic.gov.au/about/strategies-and-publications/regional-plans.html)	<ul style="list-style-type: none"> Unemployment Rates and Jobs Generation Small Business Creation and Development Central Location Proximity to Mining Activity Activation of heritage buildings and precincts 	<ul style="list-style-type: none"> Mount Morgan Promotion and Development, Inc. Rockhampton Heritage Village Rockhampton Historical Society Mount Morgan Guided Tours Council 	Low	Low
	NBN Rollout and Utilisation Plan	Develop plan, in collaboration with NBN Co and the Federal Government, to optimise the rollout of the NBN in Rockhampton Region and promote and encourage community and business take up and utilisation.	Hume Region Digital Economy Strategy (http://www.rdv.vic.gov.au/regional-development-australia/committees/hume/ict/ict-strategy-development)	<ul style="list-style-type: none"> Unemployment Rates and Jobs Generation Small Business Creation and Development Post School Qualifications and Workforce Skills Agriculture Production & Value Adding Population Critical Mass Central Location Tertiary Services Sector Proximity to Mining Activity 	<ul style="list-style-type: none"> NBN Federal Government Capricornia CCI Council 	High	Medium

Program	Opportunity	Description	Examples	Relevant Challenge/ Advantage	Principal Stakeholders	Priority	Indicative Cost Level
	Online Business Capability Register	Development of an online capability register for businesses operating within the region. Targeted at capturing supply-chain opportunities in mining, construction and major projects sector.	Epilbara.com.au	<ul style="list-style-type: none"> Small Business Creation and Development Agriculture Production & Value Adding Population Critical Mass Central Location Proximity to Mining Activity 	<ul style="list-style-type: none"> Resource Industry Group Capricornia CCI Council 	High	Low
	Rockhampton Business Angels	Support the establishment of a Business Angels group to encourage local seed capital funding of emerging business ideas.	Australian Association of Angel Investors (http://aaai.net.au/)	<ul style="list-style-type: none"> Unemployment Rates and Jobs Generation Small Business Creation and Development Population Critical Mass Central Location Tertiary Services Sector Proximity to Mining Activity 	<ul style="list-style-type: none"> Major Rockhampton Business Owners Australian Association of Angel Investors Department of State Development Capricornia CCI 	Medium	Low
	Small Business Accelerator Program	Establishment of an integrated program of training, marketing and business management support for select small business to encourage rapid and accelerated growth.	Business Gold Coast Growth Accelerator Program (http://www.mor.gov.au/business-gold-coast/growth-business/growth-accelerator-program/)	<ul style="list-style-type: none"> Unemployment Rates and Jobs Generation Small Business Creation and Development Tertiary Services Sector Proximity to Mining Activity 	<ul style="list-style-type: none"> iLab Capricornia CCI Department of State Development Small Business Solutions Queensland Council 	Medium	Medium
	Small Business Awards	Annual awards to promote and recognise small business exemplars in the community.	Western Australian Regional Small Business Awards (http://www.smallbusiness.wa.gov.au/business-in-)	<ul style="list-style-type: none"> Small Business Creation and Development Agriculture Production & Value Adding Tertiary Services Sector 	<ul style="list-style-type: none"> Capricornia CCI Department of State Development Small Business Solutions Queensland Council 	Medium	Medium

Program	Opportunity	Description	Examples	Relevant Challenge/ Advantage	Principal Stakeholders	Priority	Indicative Cost Level
			wa/succeeding-in-business/region-al-small-business-awards-2/				
	Small Business Incubator	Establishment of a small business incubator/hub in the Rockhampton CBD. Potentially located as part of renovated and revitalised retail tenancies, the incubator should provide discounted floorspace to successful candidate businesses.		<ul style="list-style-type: none"> Unemployment Rates and Jobs Generation Small Business Creation and Development Post School Qualifications and Workforce Skills Tertiary Services Sector 	<ul style="list-style-type: none"> iLab Capricornia CCI Department of State Development Small Business Solutions Queensland Council 	Medium	High
	Small Business Micro-Loans and Grants	A fund issuing small loans and grants (up to \$5k) to small businesses assist with branding, marketing and training and other actions designed to support growth.	US Small Business Administration Micro-Loan Program (http://www.smallbusiness.wa.gov.au/business-in-wa/succeeding-in-business/region-al-small-business-awards-2/)	<ul style="list-style-type: none"> Unemployment Rates and Jobs Generation Small Business Creation and Development Post School Qualifications and Workforce Skills Agriculture Production & Value Adding Population Critical Mass Central Location Tertiary Services Sector 	<ul style="list-style-type: none"> Major Local and Regional Businesses State Government Federal Government 	Low	Low
Small Business Networking Events Series	Delivery and promotion of a series of network events for small businesses in the region. Include focus on industrial, small business, development and agricultural sectors.	NA	<ul style="list-style-type: none"> Unemployment Rates and Jobs Generation Small Business Creation and Development Post School Qualifications and Workforce Skills Agriculture Production & 	<ul style="list-style-type: none"> Capricornia CCI Industry Associations and Groups Council 	Medium	Low	

Program	Opportunity	Description	Examples	Relevant Challenge/ Advantage	Principal Stakeholders	Priority	Indicative Cost Level
				<ul style="list-style-type: none"> Value Adding Population Critical Mass Central Location Tertiary Services Sector 			

Program	Opportunity	Description	Examples	Relevant Challenge/ Advantage	Principal Stakeholders	Priority	Indicative Cost Level
URBAN REJUVENATION	AURIZON Rail Yard Urban Redevelopment	Redevelopment of Aurizon's rail yard as part of an integrated, mixed use urban redevelopment.	NA	<ul style="list-style-type: none"> Unemployment Rates and Jobs Generation Small Business Creation and Development Population Critical Mass Central Location Tertiary Services Sector 	<ul style="list-style-type: none"> Aurizon Major Private Developers Council 	Medium	High
	Botanical and Kershaw Gardens Redevelopment Master Plans	Preparation of a master plan/s for the Botanical and Kershaw Gardens after Cyclone Marcia. Include focus on long-term rehabilitation as well as opportunities to enhance the visitation and economic value of the environment assets.	Bendigo Botanic Gardens Master Plan (http://www.bendigobotanicgardens.com.au/Explore/Master_Plan)	<ul style="list-style-type: none"> Unemployment Rates and Jobs Generation Small Business Creation and Development Population Critical Mass Central Location Tertiary Services Sector 	<ul style="list-style-type: none"> Council 	High	Medium
	CBD Redevelopment Framework Plan	Preparation of a framework plan to guide and encourage the redevelopment of the Rockhampton CBD. Consideration should be given to the mix of uses, the density and diversity of activity and the economic functionality of individual precincts.	Townsville CBD Development Incentives (http://www.townsville.qld.gov.au/business/planning/Documents/CBD%20Development%20Incentives.pdf)	<ul style="list-style-type: none"> Unemployment Rates and Jobs Generation Small Business Creation and Development Population Critical Mass Central Location Tertiary Services Sector 	<ul style="list-style-type: none"> CBD Landholders Major CBD Tenants Council 	High	Medium

Program	Opportunity	Description	Examples	Relevant Challenge/ Advantage	Principal Stakeholders	Priority	Indicative Cost Level
	Fitzroy River Foreshore Development	Master plan identifying community and commercial development opportunities on the Fitzroy River Foreshore. Focus on generating employment opportunities and enhancing regional amenity.	<p>Busselton Foreshore Redevelopment (http://www.busselton.wa.gov.au/Developing-Busselton/Major-Projects/Busselton-Foreshore-Redevelopment)</p> <p>Lake Hamilton Regional All Abilities Playground and Foreshore Redevelopment (http://www.rdv.vic.gov.au/regional-development-australia/committees/barwon-south-west/regional-development-australia-fund)</p>	<ul style="list-style-type: none"> Unemployment Rates and Jobs Generation Small Business Creation and Development Population Critical Mass Central Location Tertiary Services Sector 	<ul style="list-style-type: none"> Council CBD riverfront property owners 	High	High
	Pop-Up Retail and Cafes	Promote and encourage the establishment of pop-up cafes, through the establishment of suitable locations/tenancies at strategic locations within Rockhampton such as the CBD and Botanical Gardens.	<p>Pop-Up Retail Trends (http://www.smh.com.au/business/property/pop-up-stores-on-the-increase-across-australia-20140126-31gpx.html)</p>	<ul style="list-style-type: none"> Unemployment Rates and Jobs Generation Small Business Creation and Development Population Critical Mass Tertiary Services Sector 	<ul style="list-style-type: none"> Council 	Medium	Low

Program	Opportunity	Description	Examples	Relevant Challenge/ Advantage	Principal Stakeholders	Priority	Indicative Cost Level
	Streetscape Beautification	Investment in the beautification of the streetscapes of key economic precincts in Rockhampton City, with a focus on maximising pedestrian and worker amenity in the sub-tropical climate.	Brisbane City Council Streetscape Improvement Program (SciPs)	<ul style="list-style-type: none"> Small Business Creation and Development Population Critical Mass Tertiary Services Sector 	<ul style="list-style-type: none"> Major Private Landholders and Developers Council 	Low	Medium

Program	Opportunity	Description	Examples	Relevant Challenge/ Advantage	Principal Stakeholders	Priority	Indicative Cost Level
TRANSPORT, LOGISTICS AND MANUFACTUR'G PROMOTION	Armoured Cavalry Regiment Relocation	Advocate for the relocation of a squadron of the Armoured Cavalry Regiment to Parkhurst, North Rockhampton.	NA	<ul style="list-style-type: none"> Unemployment Rates and Jobs Generation Central Location Tertiary Services Sector 	<ul style="list-style-type: none"> Australian Defence Force Department of Defence Defence Industries Queensland Federal Government Council 	Medium	Medium
	Government Lazy Lands Audit	Audit of land holdings of State and Local Governments in Rockhampton and identification of potential development opportunities for social, residential and commercial assets.	Pilbara Development Commission Lazy Lands Audit (http://www.pdc.wa.gov.au/pilbara-cities/lazy-lands/)	<ul style="list-style-type: none"> Unemployment Rates and Jobs Generation Small Business Creation and Development Population Critical Mass Central Location Tertiary Services Sector Proximity to Mining Activity 	<ul style="list-style-type: none"> Department of State Development Council 	Low	Low
	Gracemere Industrial Area Planning and Approvals Implication Review	Review planning and approvals processes for Gracemere Industrial Area with a focus on simplifying use changes within broader industrial activities. Designed to improve	NA	<ul style="list-style-type: none"> Unemployment Rates and Jobs Generation Small Business Creation and Development Central Location 	<ul style="list-style-type: none"> Gracemere Industrial Area Council 	High	Low

Program	Opportunity	Description	Examples	Relevant Challenge/ Advantage	Principal Stakeholders	Priority	Indicative Cost Level
		responsiveness of the Area to changing economic conditions		<ul style="list-style-type: none"> Proximity to Mining Activity 			
	Gracemere Industrial Area Signage Plan	Advocate the establishment of a flexible and dynamic plan to enhance signage along Capricorn Highway to maximise exposure of Gracemere Industrial Area to passing traffic. Include improved access directions.	NA	<ul style="list-style-type: none"> Unemployment Rates and Jobs Generation Small Business Creation and Development Central Location Proximity to Mining Activity 	<ul style="list-style-type: none"> Gracemere Industrial Area Department of Transport and Main Roads Council 	High	Low
	Made in Rockhampton Campaign	Campaign to promote the goods and products manufactured in Rockhampton and promotion of opportunities to increase merchandise exports.	NA	<ul style="list-style-type: none"> Unemployment Rates and Jobs Generation Small Business Creation and Development Population Critical Mass Central Location Proximity to Mining Activity 	<ul style="list-style-type: none"> Gracemere Industrial Area Capricornia CCI Council 	Low	Medium
	Major Project Supply Chain Mapping	Undertake research to map supply chain opportunities in Central Queensland and the capabilities of Rockhampton Business to meet these opportunities.	Local SME Participation in the Supply Chains of Australn Mining, Oil and Gas Companies (http://www.scla.com.au/Portals/0/2012/National/SME's/Supply%20Chain%20Interim%20Report_final%20091203.pdf)	<ul style="list-style-type: none"> Unemployment Rates and Jobs Generation Small Business Creation and Development Post School Qualifications and Workforce Skills Population Critical Mass Central Location Tertiary Services Sector Proximity to Mining Activity 	<ul style="list-style-type: none"> Resources Industry Group Capricornia CCI Council 	Medium	Low

Program	Opportunity	Description	Examples	Relevant Challenge/ Advantage	Principal Stakeholders	Priority	Indicative Cost Level
	Military Equipment and Supply Storage Capacity	Leverage Shoalwater Bay Training Area operations to promote and advocate regional storage of military equipment and supplies. Supported in the medium term by local maintenance activities and functions.	NA	<ul style="list-style-type: none"> Unemployment Rates and Jobs Generation Central Location Tertiary Services Sector 	<ul style="list-style-type: none"> Australian Defence Force Federal Department of Defence Defence Industries Queensland Council 	Medium	Medium
	National Transport and Logistics Business Hub	Approach and advocate the location of operations of large national transport and logistics businesses in the Rockhampton Region.	Parks National Logistics Hub Nexus Albury Bomen Intermodal Hub Charlton Wellcamp Gippsland Logistics Precinct	<ul style="list-style-type: none"> Unemployment Rates and Jobs Generation Small Business Creation and Development Agriculture Production & Value Adding Population Critical Mass Central Location Proximity to Mining Activity 	<ul style="list-style-type: none"> Gracemere Industrial Area Capricornia CCI Department of Transport and Main Roads Council 	High	High
	Resources Industry Group	Support continued engagement with major mining companies and operations through the Resources Industry Group. Focus on identification of supply chain opportunities and addressing barriers to regional procurement.	Already established.	<ul style="list-style-type: none"> Unemployment Rates and Jobs Generation Small Business Creation and Development Post School Qualifications and Workforce Skills Population Critical Mass Central Location Tertiary Services Sector 	<ul style="list-style-type: none"> Resource Industry Group Major Mining Companies Local and Regional Businesses Council 	High	Low

Program	Opportunity	Description	Examples	Relevant Challenge/ Advantage	Principal Stakeholders	Priority	Indicative Cost Level
				<ul style="list-style-type: none"> Proximity to Mining Activity 			
	Rockhampton Airport Expansion Feasibility Assessment	Improving and upgrading the capacity of the Airport to capture market opportunities and resolve associated logistics. Includes assessment of access to the airport, storage, complementary land uses and flood-proofing.	Busselton Regional Airport Expansion Feasibility Assessment	<ul style="list-style-type: none"> Unemployment Rates and Jobs Generation Small Business Creation and Development Agriculture Production & Value Adding Population Critical Mass Central Location Tertiary Services Sector Proximity to Mining Activity 	<ul style="list-style-type: none"> Rockhampton Airport Major Airlines Major Mining Companies Tourist Accommodation Operators Council 	Medium	Low
	Rockhampton Airport Military Precinct	Advocate for the establishment of a dedicated military precinct at Rockhampton Airport.	Newcastle (Williamtown) Airport Carnarvon (Learmonth) Airport	<ul style="list-style-type: none"> Population Critical Mass Central Location Tertiary Services Sector 	<ul style="list-style-type: none"> Australian Defence Force Federal Department of Defence Defence Industries Queensland Council 	Medium	High
Strategic Freight Transport Network Upgrades	Upgrade road network west of Ridgeland and North of Capricorn Highway to enhance the freight transport and logistics infrastructure network of the Region	NA	<ul style="list-style-type: none"> Unemployment Rates and Jobs Generation Small Business Creation and Development Agriculture Production & Value Adding Population Critical Mass Central Location Proximity to Mining Activity 	<ul style="list-style-type: none"> Gracemere Industrial Area Capricornia CCI Department of Transport and Main Roads RDA Council 	Medium	High	

Appendix 4

References



-
- ⁱ ABS (2015), Regional Population Growth, Australia 2013-14, Australian Bureau of Statistics, Canberra.
- ⁱⁱ ABS (2012), 2011 Census of Population and Housing, Cat. No. 2001.0, Australian Bureau of Statistics, Canberra
- ⁱⁱⁱ ABS (2015), Regional Population Growth, Australia 2013-14, Australian Bureau of Statistics, Canberra., Queensland Government Statistician's Office (2014), Projected Population (medium series), by five-year age group by Local Government Area, 2011 to 2036, Queensland Government, Brisbane
- ^{iv} MacDonald, L (2003) An Overview of Rockhampton, CQU, Rockhampton
- ^v ABS (2014), Population by Age and Sex, Regions of Australia, Cat. No. 3235.0, Australian Bureau of Statistics, Canberra
- ^{vi} DoE (2015), Small Area Labour Markets, Australian Government Department of Employment, Canberra
- ^{vii} ABS (2012), 2011 Census of Population and Housing, Cat. No. 2001.0, Australian Bureau of Statistics, Canberra
- ^{viii} ABS (2012), 2011 Census of Population and Housing, Cat. No. 2001.0, Australian Bureau of Statistics, Canberra
- ^{ix} ABS (2012), 2011 Census of Population and Housing, Cat. No. 2001.0, Australian Bureau of Statistics, Canberra
- ^x ID (2014) Gross Regional Product estimates on economy.id, compiled from microsimulation estimates produced by the National Institute of Economic and Industry Research
- ^{xi} ABS (2015), Counts of Australian Businesses, including Entries and Exits, June 2010 to June 2014, Australian Bureau of Statistics, Canberra
- ^{xii} ABS (2015), Counts of Australian Businesses, including Entries and Exits, June 2010 to June 2014, Australian Bureau of Statistics, Canberra
- ^{xiii} NSPAC (2012) Older people building better communities through informal community leadership, National Seniors Productive Ageing Centre <http://www.productiveageing.com.au/userfiles/file/0612243PAC_BuildingBetterCommunities_LowRes%20-%20Final.pdf>
- ^{xiv} ABS (2015), Regional Population Growth, Australia 2013-14, Australian Bureau of Statistics, Canberra, ABS (2012), 2011 Census of Population and Housing, Cat. No. 2001.0, Australian Bureau of Statistics, Canberra, ABS (2014), Population by Age and Sex, Regions of Australia, Cat. No. 3235.0, Australian Bureau of Statistics, Canberra, DoE (2015), Small Area Labour Markets, Australian Government Department of Employment, Canberra, ABS (2015), Counts of Australian Businesses, including Entries and Exits, June 2010 to June 2014, Australian Bureau of Statistics, Canberra, TRA (2015), Tourism Visitation Data Custom Dataset, Tourism Research Australia, Canberra
- ^{xv} UN (2013), World Population Prospects: The 2012 Revision, Highlights and Advance Tables, United Nations Department of Economic and Social Affairs/Population Division, New York
- ^{xvi} FAO (2012), OECD-FAO Agricultural Outlook 2012, Food and Agriculture Organisation, Rome Italy
- ^{xvii} FAO (2015), Food Price Index – January 2015, Food and Agriculture Organisation, Rome Italy
- ^{xviii} FAO (2012), OECD-FAO Agricultural Outlook 2012, Food and Agriculture Organisation, Rome Italy
- ^{xix} FAO (2012), Grain Supply and Demand, Food and Agriculture Organisation, Rome Italy
- ^{xx} ABS (2015), Private New Capital Expenditure and Expected Expenditure, Australia, Dec 2014, Cat. No. 5625.0, Australian Bureau of Statistics, Canberra
- ^{xxi} IM (2015), Coal, Australian thermal coal Monthly Price - US Dollars per Metric Ton, accessed at <http://www.indexmundi.com/commodities/?commodity=coal-australian&months=120>, on 7 May 2015
- ^{xxii} QTT (2014), Budget Paper 2 - Budget Strategy and Outlook, Queensland Treasury and Trade, Brisbane
- ^{xxiii} Pearman, G. (2008), Climate Change Risk in Australia Under Alternative Emissions Futures, Department of the Treasury, Canberra
- ^{xxiv} Excluding Land Use, Land Use Change and Forestry
- ^{xxv} DoE (2013), National Greenhouse Gas Inventory - Kyoto Protocol Accounting Framework, Department of Environment, Canberra
- ^{xxvi} BP (2012) Statistical Review of World Energy, June 2012, BP, London
- ^{xxvii} RBA (2013), Exchange Rates Historical Data, Reserve Bank of Australia, Sydney
- ^{xxviii} The Economist (2013), Worldwide Cost of Living 2013, The Economist Intelligence Unit Limited, London
- ^{xxix} ABS (2013), Consumer Price Index, Australia, Cat No 6401.0, Australian Bureau of Statistics, Canberra
- ^{xxx} Australian Government (2010) Intergenerational Report 2010, Australian Government, Canberra and ABS (2012) Estimated Residential Population, Cat No 3235.0 Australian Bureau of Statistics, Canberra
- ^{xxxi} ABS (2013), Population by Age and Sex, Regions of Australia, 2012, Cat No 3235.0, Australian Bureau of Statistics, Canberra
- ^{xxxii} ABS (2008), Population Projections, Australia, 2006 to 2101, Cat No 3222.0, Australian Bureau of Statistics, Canberra
- ^{xxxiii} ABS (2013), Business Use of Information Technology, Cat No 8129.0, Australian Bureau of Statistics, Canberra
- ^{xxxiv} DoD (2013) Defence White Paper 2013, Commonwealth Government, Canberra