ECONOMIC DEVELOPMENT STRATEGY
2018-2022
CAIRNS AT A GLANCE

UNEMPLOYMENT RATE: (DEC 17) 5.9%

NUMBER OF PERSONS EMPLOYED: 117,500 (DEC 17)

ANNUAL EMPLOYMENT GROWTH: (YEAR TO DEC 17) 7.1%

CAIRNS GROSS REGIONAL PRODUCT: $8.37 BILLION

CAIRNS POPULATION: 162,451

13,392 NUMBER OF LOCAL BUSINESSES

MEDIAN HOUSE PRICE: (DEC 17) HOUSE $411K UNIT $210K

WEEKLY RENTS (DEC 17) HOUSE $405/UNIT $285

1 Source: ABS Cairns SA4 statistical area
2 Source: NIEIR as at June 2016
3 Source: ABS as at June 2016 (Cairns LGA)
4 Source: HTW Cairns Watch Report
The strength and diversity of a city’s economy underpins the quality of life of residents and the opportunities for future growth and prosperity. The Cairns economy has shown significant improvement in recent years. Strong economic growth, low unemployment, renewed investment and rising business confidence all contribute to a justifiable level of optimism about the future of our city. It’s an exciting time for Cairns.

Cairns Regional Council is proud of our track record supporting economic development in the Cairns Region. We are a proactive and pro-economy local government that is investing heavily in the public infrastructure needed to support commercial development. We welcome and encourage private investment in strategic industries and work closely with investors to explore potential projects and strategic partnerships which capitalise on our city’s significant competitive advantages. Council is also committed to providing the resources and policy settings necessary to stimulate ongoing economic activity and growth.

Through Council’s ‘Our Cairns’ survey the community has also expressed a clear message. They want to see a strong and diverse economy for Cairns now and into the future. The results of ‘Our Cairns’ provided the foundation for the development of Council’s Corporate Plan 2017-2022. It is why The Economy is a central pillar of our Corporate Plan and a key area of focus for this Council.

Council’s Economic Development Strategy aligns directly with our Corporate Plan and sets out the key initiatives and actions Council will undertake to achieve our strategic objectives. In delivering this strategy, we will provide an environment in which our broader economy can thrive; where businesses of all shapes and sizes are able to grow, innovate and prosper; where ongoing investment is encouraged and supported; and where the principles of inclusion, equity and fairness are embraced to ensure the benefits of a strong economy permeate throughout our entire community.

Ultimately our aim is to support the sustained long-term growth, diversity and resilience of the Cairns economy that is critical to the continued improvement in the quality of life of our community.

I look forward to working with you in support of the future economic development of our city and in continuing to make life better for the people of Cairns.

Cr Bob Manning
MAYOR
MARCH 2018
Cairns Regional Council has maintained a strong focus on economic development with this focus embedded in successive Corporate Plans over a number of years. These plans have evolved and adapted in light of the changing economic conditions and outlook facing our city. Just four years ago (January 2014), the Cairns region unemployment rate stood at 9.6% with youth unemployment at 27.6%. The prevailing economic conditions at the time presented significant challenges for both Council and the broader Cairns community.

Faced with these challenges, Council dedicated the necessary resources to build upon and leverage our existing strengths and identify new opportunities to stimulate the economy to create jobs and deliver economic outcomes for the Cairns community. Council has been working to align our economic objectives with our civic partners, the private sector and other community organisations in achieving economic competitiveness, embracing shared prosperity and building a strong community.

BACKGROUND
The Cairns region is characterised by a diverse environment, community and economy. Strategically located as the gateway to two of the world’s greatest treasures in the World Heritage Listed Great Barrier Reef and Wet Tropics Rainforest and with direct connections to the Asia Pacific and Australian capital cities, Cairns enjoys significant competitive advantages which position the city well for future prosperity.
Leading into 2018, the Cairns economy is now in a much stronger position than it was four years ago. Unemployment stands at 5.9% with an additional 12,500 jobs created in the region since 2014. Youth unemployment has been halved in the past four years, a result which is the envy of many other regional centres throughout Australia.

Council’s actions, along with those of other key stakeholders and the private sector, have contributed to this strong economic performance. At a time when many other regional centres are experiencing high unemployment and low levels of private sector investment, Cairns is growing and is now home to over 162,500 people. Cairns also functions as a regional capital city, servicing the broader Tropical North Queensland region of more than 282,000 people.

The Cairns economy is also becoming increasingly diverse which contributes positively to its future resilience. Major industries include healthcare, public administration, transport (marine and aviation), construction, tourism, retail trade, and education and training. Council takes a proactive approach to supporting growth in these major industries, as well as emerging industries, through a variety of services and programs.

Whilst the Cairns economy has continued to diversify, Council also recognises that tourism remains a critical part of the region’s future prosperity. It is why Council has increased its funding of Tourism Tropical North Queensland, the organisation primarily responsible for the region’s destination marketing, from $530,000 per annum in 2012/13 to $3 million per annum for each of the three years to June 2020 in addition to committing funding to aviation retention.

Record capital expenditure by Council has also been a major economic driver in recent years, delivering improved services and infrastructure for the community, businesses and industry. Major projects undertaken include the Cairns Performing Arts Centre, Shield Street Heart project (stages 1 & 2), School of Arts building renewal, Tobruk Memorial Pool redevelopment, Munro Martin Parklands and Lake Street Carpark building upgrades. This is in addition to numerous projects undertaken to upgrade roads, bridges, public gardens, cycleways, walking trails, sporting and recreational facilities, and public infrastructure generally.

Significant private sector investment in Cairns is also delivering economic growth. Cairns is home to two universities, with the CQUniversity Cairns campus opened in October 2015 in the Cairns CBD. James Cook University has also expanded its footprint with the recent opening of a CBD campus. The GA Group has commenced construction of three hotel developments worth $370m, which will add significant new room stock to the city’s accommodation market. Significant tourism business sales and acquisitions have taken place over recent years and hotel refurbishments have been announced. The recently completed Cairns Aquarium, new direct flights from China, the recently announced expansion of the Cairns Convention Centre and planned dredging of Trinity Inlet are just some of the projects and initiatives which will contribute to the continued economic growth of Cairns.

But whilst the economic outlook for Cairns is positive, there is no room for complacency. Council recognises that a clear economic development strategy will be needed to guide the future development and prosperity of our economy in the medium to long term. This strategy builds on our significant competitive advantages and the substantial work that has already been undertaken in building a foundation for sustained economic growth. It aims to secure the future growth, diversification and resilience of the Cairns economy in the years to come and for the benefit of our community.
Cairns Regional Council’s Corporate Plan outlines Council’s vision and strategy for the period 2017 to 2022. The Economy is a central pillar of Council’s Corporate Plan and clear strategic objectives have been established within this key area of focus. Our Corporate Plan provides the context and framework within which our Economic Development Strategy has been developed.

**OUR VISION**

*We will:*

- Value our natural environment, lifestyle and surroundings
- Support and respect distinctive and vibrant communities
- Be innovative and creative, grow and diversify our economy

**OUR STRATEGY**

To promote an environment which values and enhances our unique lifestyle, iconic natural assets, supports a sense of community and furthers our economic prosperity

**OUR STRATEGIC GOALS**

- Economy
- Natural Assets
- Liveability
- Community and Culture
- Serving the Community

**ECONOMY: WHAT WE WANT TO SEE IN 2022**

A strong, diversified and resilient regional economy that supports the growth of new and existing industry, business activities and provides long-term employment opportunities

**STRATEGIC OBJECTIVES**

Over the next 5 years our strategic objectives are:

- Support a strong and diverse economy
- Continue to grow a strong Tourism economy and recognise its value to the region
- Grow and sustain employment and education opportunities
- Deliver events, activities and performances that bring economic and social benefits to the community
- Embrace a smart communities agenda and inspire innovation and entrepreneurship through access to technology and resources

THROUGH THE IMPLEMENTATION OF THIS ECONOMIC DEVELOPMENT STRATEGY, COUNCIL WILL CONTINUE TO PLAY A LEADING ROLE IN DELIVERING ECONOMIC DEVELOPMENT OUTCOMES FOR THE CAIRNS REGION.
Council has identified the following 10 key actions which will underpin the achievement of Council’s strategic objectives for the economy of Cairns:

**Preservation, Conservation & Promotion**
Promote Cairns as one of Australia’s most desirable places to live, visit and do business and preserve and conserve the natural assets that underpin our economy and lifestyle.

**Trade & Investment**
Undertake and actively participate in activities that will attract trade and investment.

**Events**
Facilitate and support the attraction of events and performances that bring economic and social benefits to the community.

**Resources**
Facilitate business and community access to relevant economic information and resources to assist business and industry development.

**Development & Diversification**
Support industry development and economic diversification.

**Entrepreneurship & Innovation**
Foster and support innovation and entrepreneurship.

**Shared Vision**
Develop a shared vision and strategic framework for Cairns which can be used as a foundation for advocacy initiatives and collaboration.

**Government Relations**
Undertake direct advocacy activities in support of economic development.

**Collaboration**
Foster a collaborative working relationship between agencies and stakeholders involved in the delivery of economic development activities.

**Targeted Activities**
Undertake targeted and specific economic development activities in priority areas.

The initiatives and activities which will support these 10 key actions are summarised on the following pages. Council’s Economic Development Team has also developed detailed internal work plans which set out the individual steps and actions necessary to deliver on these initiatives and activities together with related timeframes. These internal work plans will provide a basis for the ongoing monitoring and management of strategy implementation.
Recognise the value and contribution that the region’s key natural assets, including the World Heritage Listed Great Barrier Reef and Wet Tropics Rainforest, make to the Cairns economy and support the preservation, conservation and effective management of these key natural assets (based on science) whilst also supporting, growing and diversifying our economy and generating employment.

Advocate for policy and funding that supports the above objective.

Advocate for preservation, conservation and efficient management activities (based on science) relating to the region’s key natural assets to be led from, and based in, Cairns highlighting the region’s unique symbiotic relationship between economic development and environmental management.

Undertake promotional and advertising opportunities on a case by case basis where appropriate.

Active involvement and support of delegations, forums and other opportunities to promote Cairns as a place to live, visit, and do business.

Develop and implement a social media campaign aimed at promoting Cairns as one of Australia’s most desirable places to live and do business including promoting the potential for people to live in Cairns and utilise digital and physical connectivity (airport) to service national and international business markets.

Identify, promote and activate economic development opportunities including through Cairns’ existing Sister City relationships.

Support the film industry by managing online permit application processes, engagement with Screen Queensland and engagement with industry generally promoting the region’s continued development as a film destination.

Provide financial and in-kind support for the destination marketing activities of Tourism Tropical North Queensland (TTNQ) through Council’s established Resource and Performance Agreement with TTNQ.

Work closely in association with TTNQ, Tourism and Events Queensland (TEQ) and Tourism Australia (TA) to ensure the region’s destination marketing activities are coordinated, targeted and appropriately funded to deliver improved market share.

Support initiatives aimed at both attracting international and domestic students to live and study in Cairns and encouraging these students to remain in the region following study to build and diversify the region’s intellectual capital.
Regular update, translation and distribution of the Cairns Investment Prospectus highlighting Cairns’ investment potential, key investment opportunities and Council’s support for strategic investment

Facilitate and coordinate (in collaboration with other agencies) inbound business delegations to Cairns/Tropical North Queensland with an emphasis on those delegations considering potential investment and/or trade opportunities

Maintain Council’s Commercial Real Estate Agent Panel to provide a reference point and resource for potential investors looking for property investment opportunities

Facilitate a coordinated approach to promoting regional trade and investment opportunities through collaboration with relevant agencies and proponents, identification of key target markets and development of plans to promote trade and investment opportunities

Develop further marketing collateral and promotional material (in addition to the Cairns Investment Prospectus) to support trade and investment marketing initiatives

Lead, coordinate and participate in outbound trade and investment delegations to key target markets

Act as a key point of contact and information source for potential parties looking to invest

Participate in/present at investment forums, trade shows, conferences and other events where potential investors may be present with a view to promoting the Cairns region’s investment opportunities and potential

Refine and maintain the business and economic development sections of Council’s website to provide a central source of information and data for potential investors

Maintain an awareness of potential barriers and opportunities to regional trade and investment, consider Council’s ability to influence these barriers and opportunities, and undertake appropriate action as a result

Identify potential sites and opportunities within the Cairns region with higher use investment potential and incorporate these into Council’s trade and investment activities/strategies
KEY ACTION

#3

FACILITATE AND SUPPORT THE ATTRACTION OF EVENTS AND PERFORMANCES THAT BRING ECONOMIC AND SOCIAL BENEFITS TO THE COMMUNITY

ACTIVITIES & INITIATIVES

Work with TTNQ to implement the Event Prioritisation Strategy 2015-2020 for the attraction, management, development, promotion and review of events that contribute to economic development and social liveability.

Attract intrastate, interstate and international visitors to the region through the delivery and support of significant events that deliver regional economic development outcomes.

Assist with the dispersal of events throughout the region and help create a balanced events portfolio, especially during the tourism industry ‘off season’.

Work with TTNQ, Tourism and Events Queensland and the Cairns Convention Centre on major events and conferences that deliver significant economic and community benefits to the Tropical North Queensland region.

Engage with VIPs and others in the region during major events (e.g. Commonwealth Games) with a view to promoting future trade and investment opportunities and relationships.
Prepare and disseminate Council’s regular Economic Development eUpdate newsletter which includes key information and resources relevant to the business community.

Provide community and business access to key economic and demographic data, information and analysis via Council’s ID Community resource and undertake promotion and training activities associated with this key data source.

Provide funding and support as required to enable delivery of a variety of small business training sessions aimed at improving small business capability and capacity.

Respond to business and community requests for economic information and facilitate introductions and referrals with a view to assisting businesses and investors.

Deliver energy initiatives aimed at helping Cairns businesses identify how they can minimise energy costs.

Provide information, resources and support to the micro and small businesses sector acknowledging the significant contribution this sector makes to the economy.
Provide financial and in-kind support to TTNQ pursuant to Council’s Resource and Performance Agreement with TTNQ (current agreement expires June 2020)

Support and partner with other key industry bodies (including Study Cairns and Super Yacht Group Great Barrier Reef) to deliver economic outcomes

Maintain an awareness of other industry bodies and initiatives in the region that support economic development, continue to build relationships and consider support where appropriate

Monitor the performance of organisations and agencies receiving Council funding and support pursuant to resource and performance agreements to ensure obligations are met and agreed performance outcomes achieved

Review and expand Council’s Industry Development Fund as a source of potential funding for industry led initiatives that support economic development
KEY ACTION #6

FOSTER AND SUPPORT INNOVATION AND ENTREPRENEURSHIP

ACTIVITIES & INITIATIVES

- Work with key stakeholders to support the development of the innovation ecosystem

- Deliver the Tropical North Queensland Innovation Awards (TNQiA) celebrating the achievements of the region’s innovative and entrepreneurial business community and thereby providing a launch pad for further development and success

- Develop and implement a Smart Communities Action Plan

- Provide support for events, activities and initiatives that contribute to innovation and entrepreneurship as and where considered appropriate

- Oversee and promote Council’s existing Memorandums of Understanding with both James Cook University and CQUniversity to ensure close collaboration between Council and the region’s two leading tertiary education institutions
KEY ACTION #7

DEVELOP A SHARED VISION AND STRATEGIC FRAMEWORK FOR CAIRNS WHICH CAN BE USED AS A FOUNDATION FOR ADVOCACY INITIATIVES AND COLLABORATION

ACTIVITIES & INITIATIVES

- Conduct a desktop review and development of a ‘working draft’ shared vision and strategic framework for Cairns
- Engage with key stakeholders in the development of the shared vision and strategic framework to seek input and secure support
- Engage with State and Federal Government representatives regarding the vision and strategic framework with a view to securing tripartite commitment to the key projects, policy settings and initiatives that underpin it
- Investigate and actively pursue the opportunity for Cairns to secure a City Deal building on the foundation of a shared vision and strategic framework
- Set clear timeframes for the regular review and update of the shared vision and strategic framework in consultation with key stakeholders
- As part of the development of a shared vision, ensure consideration is given to the medium to long term global, national and regional trends which will influence Cairns’ future direction and economy and what competitive advantages Cairns is likely to have and where it is best positioned, in light of these future trends
KEY ACTION

#8

UNDEARTAKE DIRECT ADVOCACY ACTIVITIES IN SUPPORT OF ECONOMIC DEVELOPMENT

ACTIVITIES & INITIATIVES

- Maintain an awareness of issues, policy and regulation impacting Cairns’ economic development and prepare and lodge direct submissions where relevant/appropriate

- Seek to partner with stakeholders representing small to medium businesses to undertake a regular business survey that assesses business and industry confidence and outlook as well as the key issues impacting Cairns’ businesses to inform Council advocacy initiatives

- Convene (twice yearly) business roundtables/forums to engage with the business community to ensure Council has a strong awareness of the key issues impacting Cairns businesses

- Coordinate Mayor and Divisional Councillor ‘listening sessions’ with divisional business representatives to gain further insight on the key issues impacting businesses operating in the community and to inform advocacy activities

- Maintain close relationships with Local Government Association of Queensland (LGAQ) representatives and provide input on LGAQ submissions and policy positions relevant to economic development

- Continue membership of and actively participate in LGAQ’s Economic Advisory Committee

- Coordinate joint policy submissions/responses with relevant regional stakeholders where relevant on economic development issues

- Maintain and build relationships with key State and Federal Government representatives in order to support advocacy initiatives and activities

- Prepare an advocacy engagement strategy that sets out parties to be engaged with, the proposed regularity of contact and approach

- Review and update processes and forums for regular engagement and consultation with business and industry to ensure views, issues and priorities are understood and to inform advocacy activities

- Proactively engage, contribute and participate in the regional advocacy initiatives of the Far North Queensland Regional Organisation of Councils

- In collaboration with the Mayor’s office, prepare economic advocacy submissions for Federal Government and State Government budget and election cycles
Continue to build strong relationships with key stakeholders and ensure opportunities to work collaboratively on economic development projects are maximised through regular engagement and interaction.

Coordinate regular Economic Priorities and Deliverables Meetings to provide a forum for agencies and other stakeholders involved in economic development to gather, share priorities and ideas, gain shared commitment and support for initiatives and activities, identify gaps and minimise duplication.

Support organisations representing the interests of small businesses in the region and who deliver programs and activities aimed at improving the capabilities and resilience of such businesses.

Continue to implement Council’s economic development plan for Babinda.

Provision of financial and in-kind support to Babinda Taskforce pursuant to Council’s Resource and Performance Agreement with Babinda Taskforce (current agreement expires June 2018).

Provision of financial and in-kind support to Babinda Visitor Centre pursuant to Council’s Resource and Performance Agreement with Babinda Visitor Centre (current agreement expires June 2018).

Support indigenous business development through engagement with key stakeholders, delivery of activities and initiatives that help build indigenous business capability and sustainability and implementation of relevant actions contained in Council’s Reconciliation Action Plan.

Continue to implement Council’s economic development plan for Gordonvale.

Develop and implement Council policies that support economic development with reference to the economic conditions prevailing from time to time.
Counci’s Economic Development Team has primary responsibility for the delivery and implementation of this Economic Development Strategy. This team combines broad public sector economic development expertise with significant experience gained in commercial and private sector businesses. The Economic Development Team reports directly to Council’s Chief Executive Officer and also works closely with the Mayor’s Office to ensure economic development activities are delivered in a coordinated manner and within the broader context of intergovernmental relations. Council’s Events Development Team also plays a significant role in Council’s Economic Development Strategy through its direct involvement in the support and delivery of events that contribute to regional economic activity. Council also works closely with a range of external stakeholders who contribute to economic development outcomes for the Cairns region to ensure activities are coordinated, to minimise duplication and maximise effectiveness.

These stakeholders include (amongst others): Local Government Association of Queensland, Tourism Tropical North Queensland, Far North Queensland Regional Organisation of Councils, Regional Development Australia Far North Queensland & Torres Strait Inc, Cairns Chamber of Commerce, Advance Cairns, Chamber of Commerce and Industry Queensland, Cairns Airport, Ports North, Study Cairns, Super Yacht Group Great Barrier Reef, Tradelinked Cairns and PNG, Urban Development Institute of Australia (Cairns branch), Queensland and Federal Governments, investors, developers, universities and education providers, organisations supporting innovation and entrepreneurship, small business and industry.

**HOW WE WILL DELIVER**

Council’s Economic Development Team will monitor and manage the day-to-day implementation of this Economic Development Strategy against the detailed internal work plans that have been developed. Council’s Economic Development Team will report to Council annually on the progress and performance made against the key actions and initiatives contained in this strategy together with recommendations on any revisions to future actions that may be required from time to time. The strategy will remain flexible and will evolve and adapt to reflect the action and focus needed as economic conditions and outlook change.

A detailed review and update of this strategy will be undertaken in the lead up to the renewal of Council’s Corporate Plan in 2022 and/or as directed by Council.

**MEASURING AND MANAGING PERFORMANCE**

Council’s Corporate Plan sets out key performance measures relevant to the delivery of our strategic economic objectives. Whilst not all performance measures are within Council’s direct/sole control, the extent to which the actions outlined in this strategy contribute to outcomes in these areas will form a key basis for assessing performance.

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