



A commentary on the Greater Sunshine Coast economy

2nd Edition

October 2015

The University of the Sunshine Coast provides this independent overview and commentary on the Greater Sunshine Coast economy which includes Noosa Shire. The information is drawn from a range of sources which include the ABS, Informed Decision's (.id) databases, Queensland Government Statistician's Office and others. It is hoped that this commentary assists business, investors, government and the wider community to gain a better appreciation of the current economic status of the region.

This commentary observes an overall increasingly positive economic position for the region with those prospects likely to improve further in the foreseeable future.

The *State of the Regions 2015–16* report by National Economics for the Australian Local Government Association has economically ranked the Sunshine Coast as the 2nd best performing non-capital city region in Queensland and the 5th highest performing in the country.

The wider state outlook however is less positive with the CommSec *State of the States Report July 2015* rating Queensland's economic performance at 5th nationally – reflecting the state's challenges in adjusting to the end of the mining construction boom of the previous decade.

Preliminary 2013-14 data from Queensland Treasury estimates residential population (ERP) growth for the state has slowed, although this region, remains above the state average. It should be noted however that in such demographic analysis, longer five to ten year timeframes are much more reliable. (See Table 1 and 2.)

Major infrastructure projects have been committed to this region and there is a notable increase in private investment activity which are now starting to significantly boost jobs and growth. These effects are yet to be reflected in the statistics due to the lags in reporting but these increases should be more evident in 2016 and beyond.

It is most important that the wealth created by the economic momentum underway in the region now be maximised through to firm and household levels.

In considering this document, there are three particular issues that require initial noting:

- Each of the 67 regions in Australia are influenced by a wide range of forces at a global, national and state level over which individual regions have little or no control. These can work either to the benefit or detriment of that local region. Consequently, a balanced view needs to be

taken in recognising both the external forces and those over which the region has a reasonable level of influence.

- The contemporary external environment remains volatile. Some macroeconomic forces will prove beneficial including the lowest cash rate in 20 years, the now competitive Australian dollar and the resurgence of the US economy – all of which provide considerable benefits for tourism and exporters. However other challenges continue. These include the significant residual effects of 2007-08 global financial crisis, the increasingly problematic position of China and unresolved issues within Australia including climate change adaptation, managing private debt levels, and accommodating a rapidly ageing population.

All of these diverse forces need to be considered but now with an overall view of cautious optimism.

- Finally, it needs to be noted that the 5-year statistical cycle in Australia is in its late stages. The last census data is now almost five years old and new data will not be widely available until 2017. Obviously the 2011 data is rapidly losing its currency and while other sources are available and have been used in this paper, the issues of currency and reliability need to be recognised.

The six major areas discussed in this commentary are (1) gross regional product, (2) population and demography, (3) sector performance, (4) tourism and hospitality, (5) education and skills development and (6) development, construction and infrastructure.

This document should be read in conjunction with the previous publication as unchanged information from the June 2014 commentary (that may still be relevant) is not repeated here. Available at <http://research.usc.edu.au/vital/access/manager/Repository/usc:13397>.

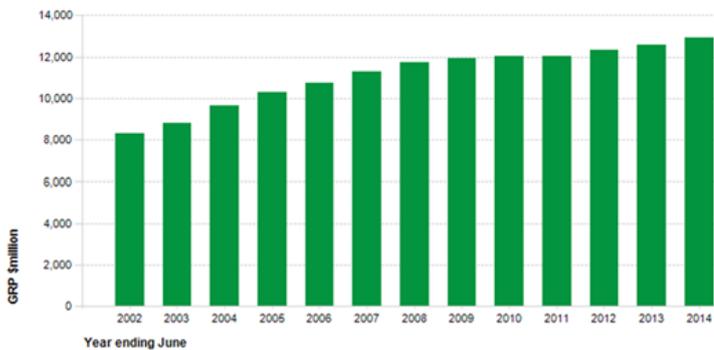
Commentary is provided when results are not self-evident from the graphs and tables.

Table 1 Greater Sunshine Coast key economic measures

Performance indicators	Size	Trend
Estimated resident population ¹ (2014p)	335 874	+2.2% (2004–14 p/a)
GRP ² (2014)	\$14 005m	+2.9% (2013–14)
Employed residents ³	176 559	+1.7% (3Q 2013–14)
Unemployment ³	6.1%	+5.2% (2014–15)
Building approvals ¹ (2014-15)	\$ 1 284m	+14.3% (2014–15)

1 Queensland Government Statistician's Office Greater Sunshine Coast Profile (Oct 2015) aberration in statistics due to major hospital projects accounted for in previous periods. Housing starts have in fact increased - refer to page 7.
 2 Economy.id
 3 Australian Government, Department of Employment 2015 and Small Area Labour Markets - March 2015

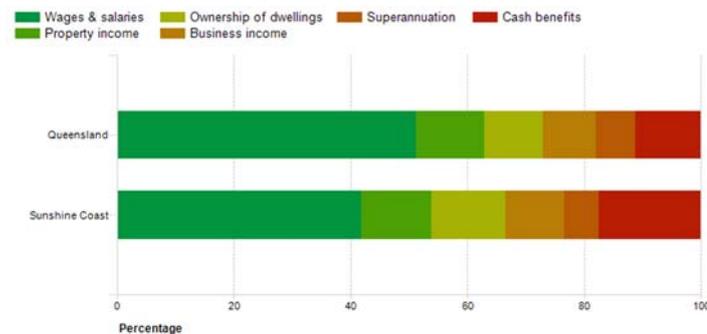
Figure 1 Regional Product – Sunshine Coast



Source: National Institute of Economic and Industry Research (NIEIR) © 2014 Compiled and presented in economy.id by .id the population experts

* Local Residents GRP refers to the economic output of the residents of the area regardless of where they work. It is best thought of as the income received by people in the region. If the Residents GRP is high relative to the Local Industry GRP, this indicates that residents are contributing their economic productivity to other areas (most likely commuting out).

Figure 2 Sources of income per household



Source: National Institute of Economic and Industry Research (NIEIR) © 2015 Compiled and presented in economy.id by .id the population experts

Gross regional product

Gross regional product (GRP) is an important overall measure and shows a current rate of growth higher than population increase. In 2013/14, the Sunshine Coast Council area accounts for 92.4% of the Greater Sunshine Coast region's Gross regional product (GRP) of \$14,005m – representing 4.9% of Queensland's GSP.

The GRP growth of the Sunshine Coast and Noosa regions has shown an increase of 2.9% which is relatively higher than both South East Queensland's GRP (1.5%) and Queensland's GSP (1.7%) over the same 2013–14 period.

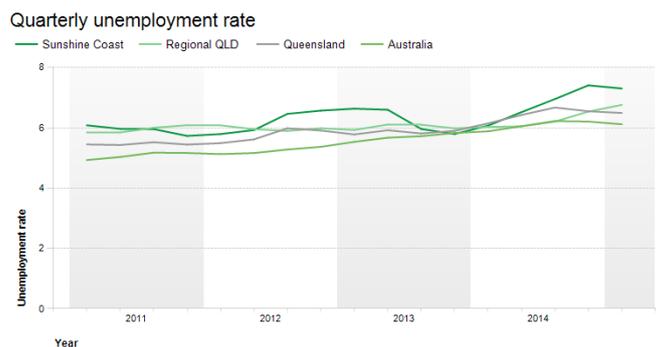
This increase in GRP also translated through to residents and firms with modest growth in income from wages/salaries, benefits, business income, property and disposable income. It is notable that interest payments have decreased by 11% providing greater liquidity for many households.

Figure 2 highlights a significant reliance on social security benefits of the Sunshine Coast residents reflecting both the aging population and also those who access youth and new start allowances and other welfare schemes.

Of concern is that the unemployment rate for the region stands at 6.1% as of July 2015. This represents an increase from 2014's rate of 5.8%. However these figures need to be taken in the overall context of labour markets in regional Queensland. By comparison, current unemployment on the Gold Coast is 5.7%, Toowoomba 5.5% and Ipswich 6.5%.

Youth employment on the Sunshine Coast is 12.1% - an unacceptable figure requiring remedial action. Comparable regions suffer similar difficulties – the Gold Coast level is 14.6%, Toowoomba 11.3% and Ipswich 16.5% reflecting the systemic nature of these problems across the state.

Figure 3 Quarterly employment rate



Source: Australian Bureau of Statistics, Labour force survey, catalogue number 6202.0, and DEEWR, Small Area Labour Markets - Australia. Compiled and presented in economy.id by .id The population experts

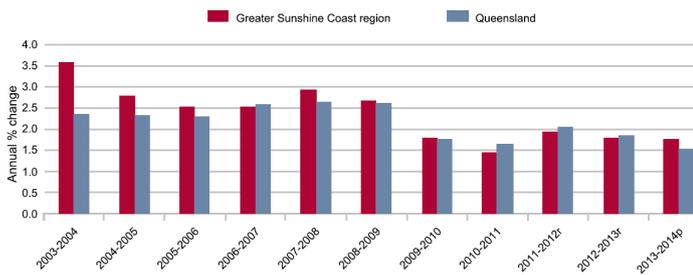
More positively however, the Sunshine Coast region has been the only region identified by the *Westpac and CCIQ Survey of Business Conditions (June 2015)* with a positive result in general business conditions and capital expenditure. Furthermore, in the same survey, the Sunshine Coast registered for three consecutive quarters' positive outlooks in general business conditions, sales/revenues, labour costs, profitability, employment levels and capital expenditure.

Table 2 Estimated resident population by LGA, Greater Sunshine Coast and Queensland

Region/ State	As at 30 June			Average annual growth rate	
	2004	2009	2014p	2004-2014p	2009-2014p
	-number-			- % -	
Greater Sunshine Coast	270 326	308 362	335 874	2.2	1.7
Noosa (S)	47 183	50 315	53 052	1.2	1.1
Sunshine Coast (R)	223 143	258 047	282 822	2.4	1.9
Queensland	3 829 970	4 328 771	4 722 447	2.1	1.8

Source: ABS 3218.0, Regional Population Growth Australia 2013-14

Figure 4 Estimated resident population growth, Greater Sunshine Coast and Queensland



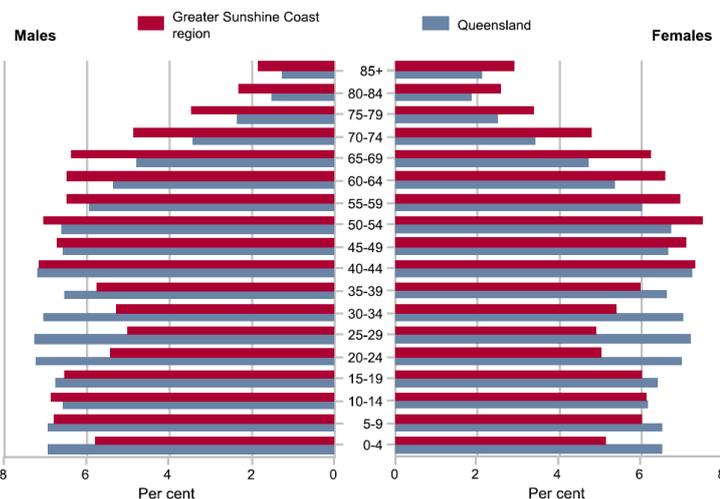
Source: ABS 3218.0, Regional Population Growth Australia 2013-14

Table 3 Estimated resident population by age and LGA, Greater Sunshine Coast and Queensland, 30 June 2014p

Region/ State	AGE GROUP									
	0-14		15-24		25-44		45-64		65+	
	number	%	number	%	number	%	number	%	number	%
Greater Sunshine Coast	61 532	18.3	38 534	11.5	78 490	23.4	92 152	27.4	65 166	19.4
Noosa (S)	9 192	17.3	5 273	9.9	10 689	20.1	16 370	30.9	11 528	21.7
Sunshine Coast (R)	52 340	18.5	33 261	11.8	67 801	24.0	75 782	26.8	53 638	19.06
Avg annual growth rate 2001-14	1.7		2.6		1.4		3.1		4.2	
QLD	934 862	19.8	645 774	13.7	1 323 000	28.0	1 159 012	24.5	659 799	14.0
Avg annual growth rate 2001-14	1.6		2.0		1.7		2.6		3.6	

Source: ABS 3235.0, Population by Age and Sex, Regions of Australia 2014

Figure 5 Estimated resident population by age and sex, Greater Sunshine Coast Region and Queensland, 30 June 2014p



Source: ABS 3235.0, Population by Age and Sex, Regions of Australia 2014

Population and demography

The growth of the Greater Sunshine Coast's population is still above the Queensland average in the past 10 years with a 2.2% average annual growth rate. This translates to an average of 6,554 new residents annually to the region. The population increase is more pronounced in the Sunshine Coast region than in Noosa.

Figure 4 reflects this comparatively sound increase in residential population. This rate of growth may well increase significantly over the next few years given the likely internal migration by retiring baby boomers, which will be reinforced by growing housing price differentials between this region and southern capitals.

The median age of the Greater Sunshine Coast region residents is 42.8 years as of June 2014. This is six years over the Queensland average of 36.8 years. In June 2001, the median age in the region was three years less at 39.5 years and Queensland's at 35 years. These are significant variations and trends. The largest growth came from the age group of 65+ years registering an average increase of 4.2% per year over the past 10 years as shown in Table 3.

This demographic change also represents a major opportunity for this region. The profile of baby boomer seniors – the 'new aged' – is quite different from past generations. Many remain as productive workers, have significant savings, are healthier and have an extended life expectancy when compared with that age group in the past. Therefore a range of economic prospects exists for the region in providing enhanced support, ranging from personal services, entertainment, wider housing options, wellness and health care. Health services, already the largest employer of the Sunshine Coast, is largely funded from national and state resources. For a region such as the Sunshine Coast, the high quality support for an aging population presents a wide range of business, employment, education and research opportunities. The region should continue to strategically position itself to accept and maximise these prospects. Other comparable regions are already advanced in such strategies.

Of concern however is the lower than average growth rate of the 25-44 year old age group. This growth rate on the Sunshine Coast is 1.4% compared with 1.7% across Queensland. This group is typically attracted to job opportunities, often underpinned by education and training and related to this are perceptions of sound job prospects and security. While this region provides an excellent physical and social environment for this group, the diverse opportunities provided by nearby Brisbane detrimentally affects local employment figures. As the regional economy matures, the situation may improve but the positive promotion of the region to this critically important demographic would assist in addressing this imbalance.

There is a remarkable lack of ethnic diversity on the Sunshine Coast as compared with other second-tier regions. The 2011 census noted that the Sunshine Coast population registered a very high level of Anglo-Saxon ancestry with more than about 82.7% coming from English, Australian, Irish and Scottish heritage. In an increasingly globalised environment, ethnic diversity specifically involving Asian cultures will be of economic as well as societal importance to this region. Improved international links at government and business level and the securing of the international students to the region's quality educational institutions need to be given priority.

Sector performance

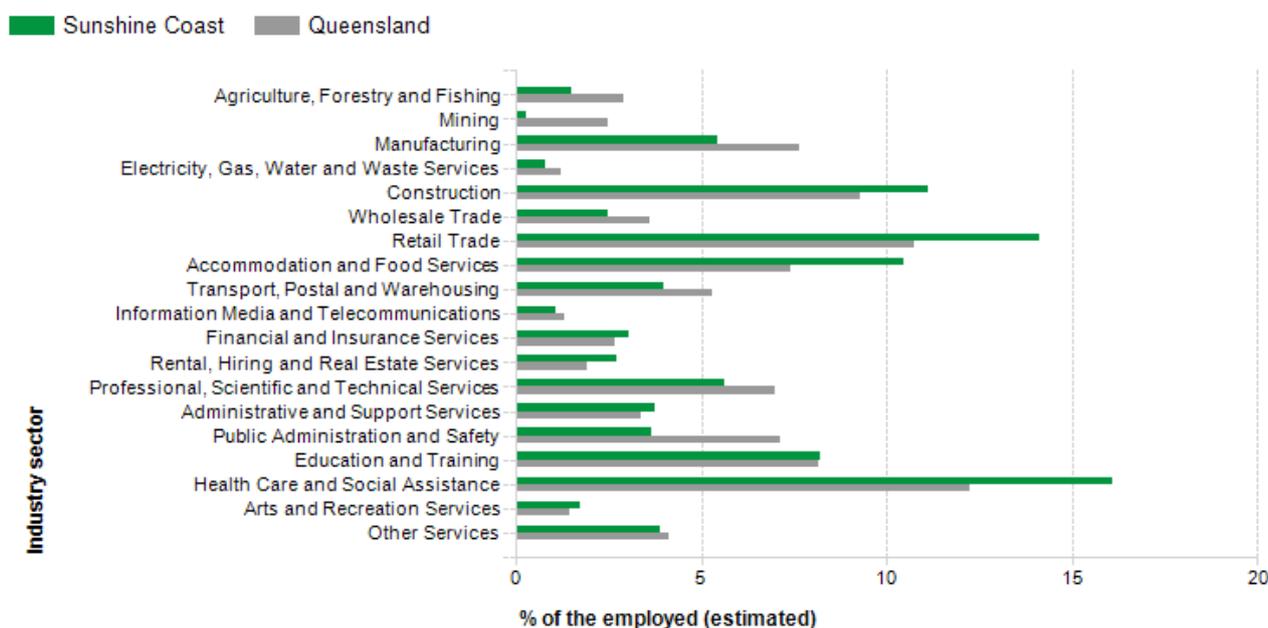
Within the Sunshine Coast region, there were a total of 127,937 local jobs at the end of calendar 2014. This represents a creditable increase of 8.13% from 2013. Employment on the Sunshine Coast accounted for 5.66% of Queensland's workforce – a small increase over past years.

The three largest sectors by employment numbers in 2013/14 were Health Care and Social Assistance (20,576 people or 16.1%); Retail Trade (18,039 people or 14.1%); and Construction (14,241 people or 11.1%).

These three sectors aggregate to 52,856 people or 41.3% of the workforce. They represent a higher proportion than in Queensland as a whole where the corresponding figures are 12.2%, 10.8% and 9.3% respectively.

Because tourism statistically represents an aggregation of sub-sectors, statistical analysis is more difficult. However in the Sunshine Coast region, Accommodation and Food Services component, this group accounts for 10.5% of the total workforce compared with 7.4% statewide, reflecting the importance of Tourism and Hospitality (generally defined) here. (See also page 5.)

Figure 6 Employment (total) by industry 2013/14



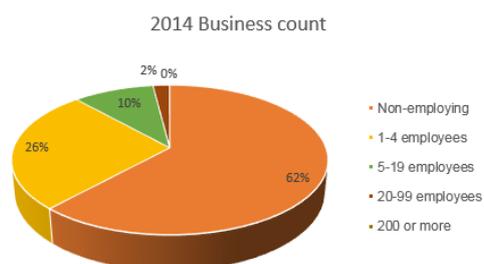
Source: National Institute of Economic and Industry Research (NIEIR) ©2015 Compiled and presented in economy.id by .id the population experts

In 2014, there were 27,907 registered businesses in the Sunshine Coast. This represents a decrease of 1.8% however such statistics are not necessarily of relevance as the figure could include a range of shelf and inactive companies and possibly amalgamations and acquisitions. The 2014 figures are shown in Figure 7 and Table 4.

Construction and related enterprises account for the largest number of registered businesses in 2014 – 21.0% compared with the average across all Queensland regions at 17.1%. Related sectors, Rental, Hiring and Real Estate Service, accounting for 12.6% and Professional, Scientific and Technical Services at 10.6% are the next largest group of firms. Many of these are linked to the construction and development sectors.

It is very important to note that the private sector on the Greater Sunshine Coast is dominated by micro to small enterprises – that is 98% having less than 19 employees. This implies that sectoral leadership by larger firms is not common and reinforces the need for coordination, leadership and appropriate support by the regions' institutions and associations.

Figure 7 Composition of businesses on the Sunshine Coast



Source: Australian Bureau of Statistics, Counts of Australian Businesses, including Entries and Exits, 2010 to 2014 Cat. No. 8165.0 NOTE: "Non-employed businesses includes sole proprietors where the proprietor does not receive a wage or salary separate to the business income."

Table 4 Registered businesses on the Sunshine Coast 2014

Business categories	2014	
	number	%
Non-employed	17 252	61.8
1-4 employees	7 404	26.5
5-19 employees	2 693	9.6
20-99 employees	545	2.0
200 or more	12	0.0
Total businesses	27 907	100.0

Source: Australian Bureau of Statistics, Counts of Australian Businesses, including Entries and Exits, 2010 to 2014 Cat. No. 8165.0 NOTE: "Non-employed businesses includes sole proprietors where the proprietor does not receive a wage or salary separate to the business income."

Table 5 Tourism profile 2013/14 Greater Sunshine Coast

Key metrics	International	Domestic over-night	Domestic day	Total
Visitors ('000)	232	2 795	5 325	8 352
Nights ('000)	2 708	10 508	-	13 216
Average stay (nights)	12	4	-	4
Spend (\$m)	216	1 746	573	2 535
Average spend per trip (\$)	931	625	108	304
Average spend per night (\$)	80	166	-	148
Average spend (commercial accommodation) per night (\$)	102	204	-	297

Source: Tourism Research Australia 2015 Regional Profile Sunshine Coast

Table 6 Visitor profile 2013/14 Greater Sunshine Coast

Visitors	International	Domestic over-night	Domestic day	Total
Reason (visitors '000)				
Holiday	176	1 556	2 910	4 642
Visiting friends or relatives	46	962	1 609	2 617
Business	np	160	np	np
Other	8	np	np	np
Reason (visitors '000)				
Holiday	176	1 556	2 910	4 642
Visiting friends or relatives	773	3 257	-	4 030
Business	np	317	-	np
Other	680	np	-	np
Transport (visitors '000)				
Air	28	402	np	np
Drive	136	2 322	5 214	7 672
Other	82	np	np	np
Activities (visitors '000)^				
Culture and heritage	139	336	np	np
Food and wine	220	1 937	2 552	4 709
Nature based	196	727	765	1 688
Travel party type (visitors '000)				
Unaccompanied	113	456	-	569
Adult couple	62	869	-	931
Family group	20	805	-	825
Friends/relatives travelling together	34	581	-	615
Other	np	np	-	np
Age group (visitors '000)				
15-24	65	500	938	1 503
25-34	55	484	851	1 390
35-44	24	477	960	1 461
45-54	27	493	912	1 432
55+	61	842	1 665	2 568

Source: Tourism Research Australia 2015 Regional Profile Sunshine Coast

Tourism and hospitality

Tourism is linked across several sectors which include accommodation and food services, transport, retail, recreation activities and the like. The Sunshine Coast Destination Limited (SCDL) is the peak tourism body for the Sunshine Coast and Noosa regions. As indicated in Figures 8 and 9, performance in these areas are encouraging and should be supported by the decline in value of the Australian dollar.

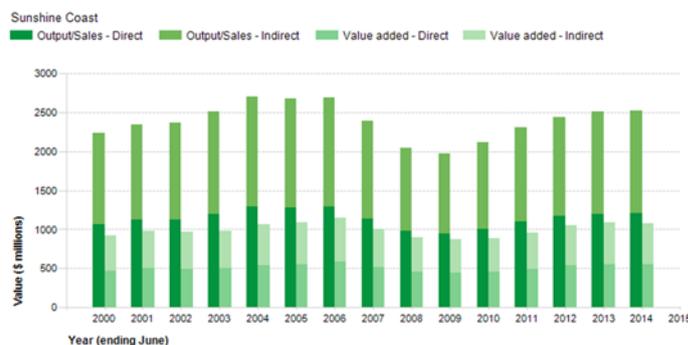
In 2013-14, the total tourism and hospitality turnover in the Sunshine Coast was \$2,523.9m and accounts for 9.7% of the Sunshine Coast GRP. The total value added by the sector to the region was \$1,078.7m. Statistics now emerging indicate a significant, current upswing in this sector with international visitation to the region up 15.7% to 253,000 in the year ending December 2014 and domestic visitor numbers increasing 9.2% to 2.5 million in the year ending March 2015 (Tourism Research Australia 2015).

The sector's particular importance lies in the high labour content absorbed in these activities across various skill levels and because it also provides positive impacts across a range of service-based and other sectors.

The tourism industry accounts for 15% of total employment on the Sunshine Coast with 14,612 FTE employees (of which 8,426 are direct) – a significant proportion of the working population.

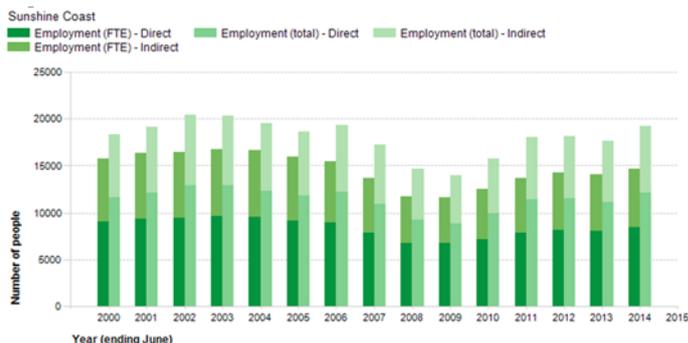
The largest occupations groups within the tourism and hospitality sector are in food service including waiters, kitchenhands and chefs taking the top three, they represent 38% of the total tourism workforce in 2011.

Figure 8 Value of tourism & hospitality



Source: National Institute of Economic and Industry Research (NIEIR) 2015. Compiled and presented in economy.id the population experts

Figure 9 Tourism and hospitality employment



Source: National Institute of Economic and Industry Research (NIEIR) 2015. Compiled and presented in economy.id the population experts

Table 7 Workforce field of qualification – Sunshine Coast

Sunshine Coast - All industries	2011			Change 2006 to 2011
	Number	%	QLD %	
Natural and Physical Sciences	1 010	1.1	1.6	+158
Information Technology	916	1.0	1.6	+280
Engineering and Related Technologies	8 090	9.1	11.7	+542
Architecture and Building	3 916	4.4	4.6	+271
Agriculture, Environmental and Related Studies	1 618	1.8	1.5	+229
Health	7 693	8.7	6.6	+1 951
Education	5 822	6.6	5.1	+877
Management and Commerce	10 394	11.7	11.8	+2 668
Society and Culture	6 157	6.9	6.6	+1 731
Creative Arts	1 886	2.1	1.9	+396
Food, Hospitality and Personal Services	4 187	4.7	3.7	+541
Mixed Field Programmes	45	0.1	0.1	-13
Not stated or inadequately described	2 272	2.6	2.9	-352
No qualification	34 631	39.1	40.4	-2 195
Total [genders]	+88 644	100.0	100.0	+7 085

Source: Australian Bureau of Statistics, Census of Population and Housing 2006 and 2011. Compiled and presented in economy.id by .id, the population experts.

Table 8 Workforce qualifications – Sunshine Coast

Sunshine Coast - All industries	2011			Change 2006 to 2011
	Number	%	QLD %	
Bachelor or Higher degree	17 836	20.1	21.8	+4 640
Advanced Diploma or Diploma	9 882	11.1	9.4	+2 071
Certificate IV Level	3 467	3.9	3.1	+1 431
Certificate III Level	16 379	18.5	18.5	+1 656
Certificate I and II Level	1 485	1.7	1.5	+193
Certificate Level, nfd	1 750	2.0	1.7	+70
No qualification	36 652	41.3	40.4	-172
Inadequately described or not stated	1 187	1.3	3.6	-2 802
Total [genders]	+88 642	100.0	100.0	+7 087

Source: Australian Bureau of Statistics, Census of Population and Housing 2006 and 2011. Compiled and presented in economy.id by .id, the population experts.

Education and skills development

The education statistics are updated by the ABS per census period and no other comprehensive information or trend data is available mid-cycle.

In this publication, workforce profiles are presented and not the education and skills profile of the entire population. It should be noted that there are a number of factors that affect the level of qualifications, namely:

- The age of the workforce
- The type of qualification required to enter an industry
- The availability of jobs related to fields of qualification in the Sunshine Coast
- The types of occupations which are available in an area or industry

Table 8 provides a picture of the span of qualifications for much of the Sunshine Coast workforce.

Over the past census period, the size of the qualified workforce increased by 7,085 or 8.7%. The three largest fields of qualification were:

- Management and Commerce (10,394 people or 11.7%)
- Engineering and Related Technologies (8,090 people or 9.1%) and
- Health (7,693 people or 8.7%)

In combination these three fields accounted for 26,177 people in total or 29.5% of the employed workforce (at 2011 levels). In comparison, Queensland employed 11.8% in Management and Commerce; 11.7% in Engineering and related technologies; and 6.6% in Health.

As noted above, a key issue for the Greater Sunshine Coast region is its high youth unemployment rate at 12.4% in July 2015. There are a range of structural, business and labour economic reasons for this situation. Training, education, work ready and transition programs are underway to assist in addressing this problem.

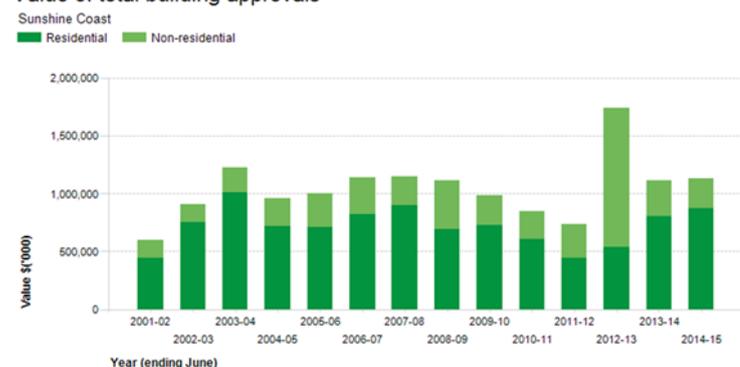
Education Sunshine Coast has now formed to include representatives of education providers in the region to promote and support development of the education and training sectors across the region by initiating collaborative activities designed to enable the sector to realise its potential as a key driver of development for the region.

Competing regions such as Gold Coast, Brisbane, and Cairns currently have a much more coordinated offer, particularly to international markets.

There are about 70 state and private primary schools, about 29 state and private high schools, one Technical and Further Education (TAFE) school operated by TAFE Queensland East Coast with three campuses in the region (Maroochydore, Mooloolaba and Nambour), one university headquartered in the region, the University of the Sunshine Coast and another Central Queensland University with a satellite campus in Noosa.

Figure 10 Value of total building approvals | Sunshine Coast Council area

Value of total building approvals



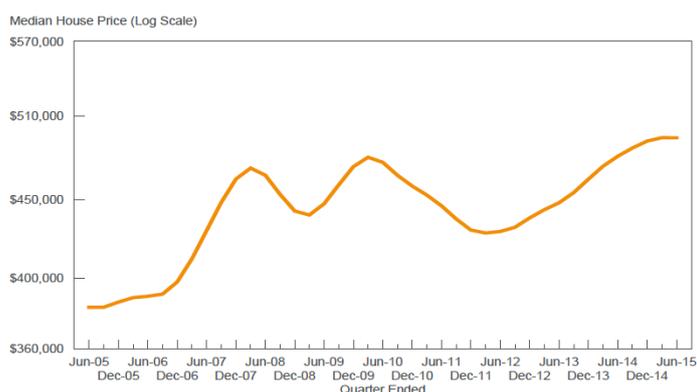
Source: Australian Bureau of Statistics, Building Approvals, Australia, catalogue number 8731.0. Compiled and presented in economy.id by .id The population experts

Table 9 Value of total building approvals | Sunshine Coast Council area

Financial year	Residential \$ millions	Non-residential \$ millions	Total \$ millions	Sunshine Coast as a % of QLD
2014-15	870	263	1 134	6.7
2013-14	808	306	1 114	6.6
2012-13	541	1 202	1 743	10.4
2011-12	448	290	737	5.6
2010-11	605	247	852	5.7
2009-10	726	262	987	5.5
2008-09	691	428	1 119	6.2
2007-08	897	254	1 150	5.5
2006-07	823	315	1 138	6.6
2005-06	712	295	1 006	6.6
2004-05	719	237	956	7.2
2003-04	1 015	210	1 225	9.9
2002-03	751	155	905	8.8
2001-02	447	155	602	7.4

Source: Australian Bureau of Statistics, Building Approvals, Australia, catalogue number 8731.0. Compiled and presented in economy.id by .id The population experts

Figure 11 Trend house prices | Greater Sunshine Coast



* All sales are classified to date of contract (not date of settlement)
 ** Recent quarters are provisional and subject to revision
 Source: HWTW Analysis of RPData

Source: Adapted from Herron Todd White Analysis of RP Data (Aug 2015)

Table 10 Value of total building approvals | Sunshine Coast Council area

Office stock	Area sqm	Vacancy sqm (percentage)
Grade A	65 770	2 471 (3.8%)
Secondary grade	84 678	15 504 (18.3%)
Total 2015	150 448	17 975 (12%)
New (2016)	18 000	
Mooted (4 buildings)	12 386	
Expected stock available	156 062	

Source: Paul Day, Savills (Aug 2015)

Development, construction and infrastructure

The development and construction sector is critical to the Sunshine Coast economy with the third highest number of jobs (14,241 people or 11.1%) in this sector. For the Sunshine Coast region alone, it contributed the most to its local economy with \$1,617 million (15.3%) value-add in 2014-15, the result of its comparatively high labour component.

The total value of building approvals for the Sunshine Coast Council area in the financial year of 2014-15 was \$1.134 bn as shown in Table 9. This value is expected to rise in the coming years with the progression of major capital infrastructure projects which include:

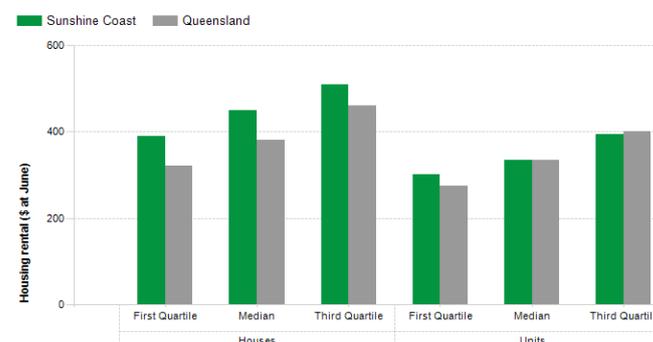
- Maroochydore City Centre
- Kawana Health Hub
- Sunshine Coast Airport Expansion Project

As of June 2014, the Sunshine Coast had a median house valuation of \$479,609, \$61,319 higher than the median house valuation for Queensland. This is not surprising given the high amenity, housing quality and lifestyle the region provides. Trend house prices are shown in Figure 11.

In terms of rents over the same period, the median house rental is \$450/week, 15% (\$70) higher than the median house rental for Queensland with median values in the third quartile up to \$510 for houses and \$395 for units.

The difference is shown in the graphs in Figure 12 below:

Figure 12 Rental listings | Sunshine Coast



Source: Hometrack 2010-14, Automated Valuation System

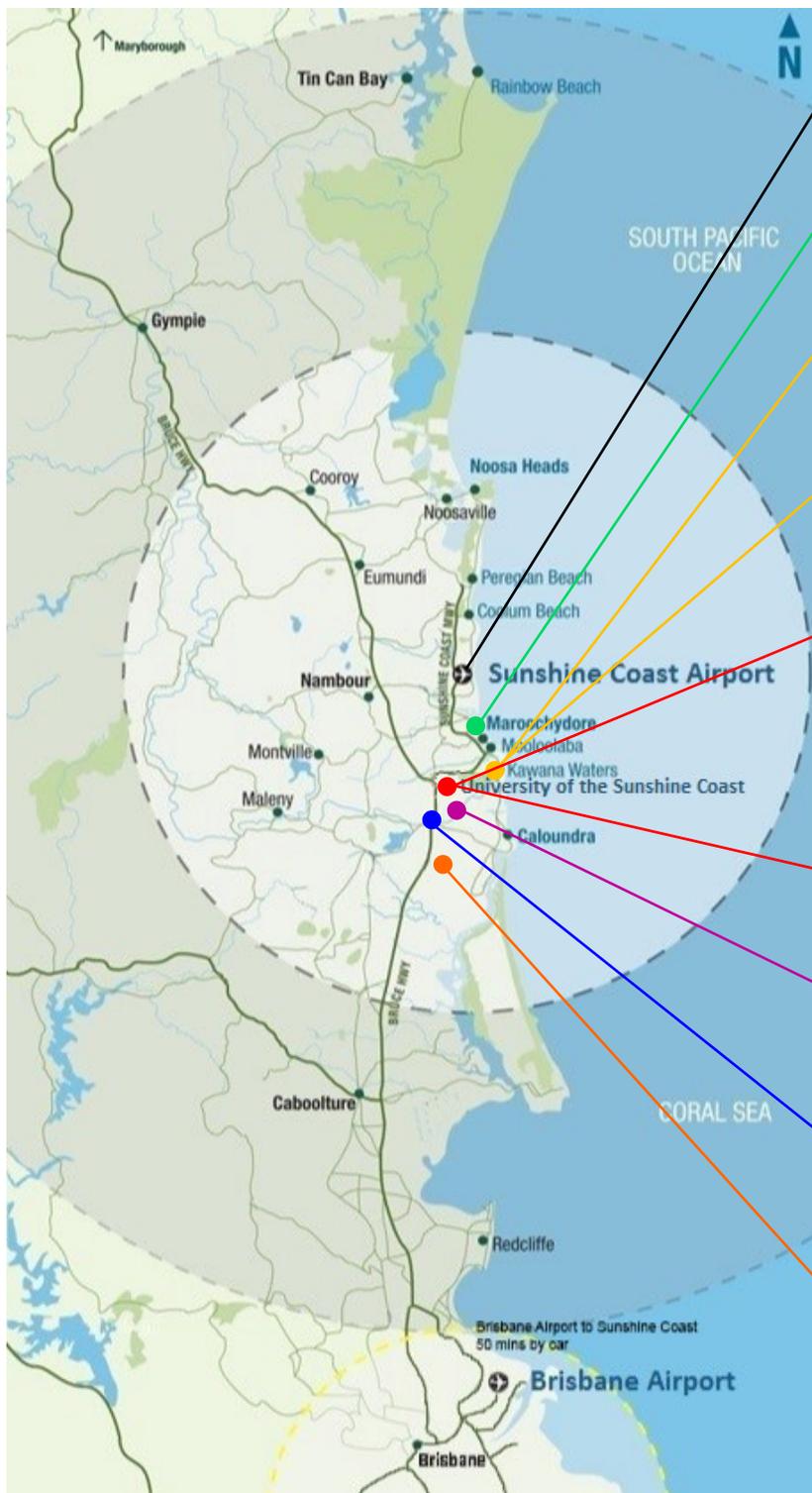
The changes in rental listings however from 2010 show that highest growth is seen in the rental of houses rather than units. The REIQ advise that residential vacancies are remarkably low and predicts that a tight market will continue.

The office market is expected to see major changes with the development of the region's principal activity centre called SunCentral, Maroochydore.

The current status of the office market as of August 2015 is summarised in Table 10 with Grade A buildings experiencing only a 3.8% vacancy as compared to the majority of secondary grade buildings which suffers an 18.3% vacancy rate. Percentages here may provide a somewhat misleading impression of impact given the relatively small size of the office market in the region. The Sunshine Coast office market is only 7% of the size of the Brisbane CBD's and office market demand here is tempered by the fact that only 2% of the region's businesses have over 20 employees.

Major infrastructure projects in the Sunshine Coast region

The map below identifies a number of very large public and private sector projects across the Sunshine Coast. The majority of those have been in its developmental stages over some time and post global financial crisis, progress on a number has been slow. It is important to note however that many of them are now reaching or are at the construction phase, with much greater market interest and transactions particularly by end-users. These represent very positive signs of improved confidence and likely physical development even in the short term. This represents important cyclical change.



- Sunshine Coast Airport expansion is due to be complete by 2020 and will deliver a new runway. Awaiting EIS approval.
- Maroochydore City Centre is a 60-hectare greenfield development 'SunCentral' with Stage 1A expected to be released by end 2015.
- The \$1.8bn Sunshine Coast Public University Hospital is on-track for completion on Dec 2016. The adjoining Sunshine Coast University Private Hospital opened in November 2013.
- Oceanside Kawana project has commenced construction around the new hospital precinct which includes a new town centre and commercial precinct.
- Sippy Downs Town Centre across from the university is starting to gain momentum with the GP Superclinic in operation and childcare being completed. Youi Insurance will soon commence development \$80m international headquarters Coles and Woolworths are also set to commence there respective developments.
- The University of the Sunshine Coast recently completed over \$81mn in new buildings on campus in 2014-15.
- Palmview is a 500 ha master planned community that is expected to house 16,000 residents. Construction in expected to commence in 2016.
- Upgrade of the Bruce Highway from Caloundra Road interchange to Sunshine Coast Motorway to a 6-lane highway is targeted to commence in 2016. It is a \$1.134bn project.
- Caloundra South is a 2,310ha master planned community to house 50,000 residents.

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