



**Gladstone Region
Economic Development Strategy**
Gladstone Regional Council

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Executive Summary

Introduction

Since 2010, the Gladstone region's economy has undergone significant changes, particularly as a result of the construction of the three liquefied natural gas (LNG) projects on Curtis Island, a new coal wharf and loading facilities on Wiggins Island and the earlier completion of the upgrade of the Yarwun alumina refinery. This recent time period marks another major period of adaptation in the on-going evolution of the Gladstone regional economy.

Through the implementation of this strategy, Gladstone Regional Council seeks to set out a framework to guide future economic growth and continue the economic evolution of the Gladstone region. In the future, the economy of the region would be:

- Diverse in nature with a wide range of industry clusters, without any reliance on any one segment
- Possess a range of business types, including large, multi-nationals as well as small to medium sized businesses, family-owned enterprises and small start-ups
- Retain its current position as a world class industrial city
- Contain a range of medium sized, innovative and export focused advanced manufacturing and engineering firms
- Flexible and adaptable to changing economic conditions
- Nimble and entrepreneurial, building on the strong based of ideas and skills
- Regionally focused and innovative, not just in terms of the local economy, but in how economic development is conducted

Gladstone Regional Council's **vision for economic development** is that:

Council pro-actively and innovatively problem solves and makes decisions enabling region wide economic growth while respecting our environment.

In order to achieve this vision Council has **clear economic objectives**:

To facilitate sustainable, financially and environmentally responsible initiatives that will advance economic development in the Gladstone Region for the community.

Competitive Advantages and Economic Assets

Fortunately, the Gladstone region has numerous competitive advantages and economic assets to assist it in its future economic evolution, including:

- Natural deep water port that is one of the largest, bulk commodity ports in the world
- Strategic location in proximity to considerable natural resources across Central Queensland (and the Surat Basin)
- Existing industry strengths, including:
 - Large scale industry
 - Resources and energy
 - Engineering and advanced manufacturing
- Strong existing supply chains for major industry as well as a highly skilled workforce
- Considerable infrastructure including power, water, rail, port and interconnected road and airport
- Gladstone State Development Area (GSDA), a 29,000 ha industrial hub
- Central Queensland University
- Locally based construction capacity to deliver major projects

Economic Roadmap

In order to achieve the economic vision and fulfil its economic objective, the following road map has been developed to guide economic development in the Gladstone region.

Figure E.1. Gladstone Region's Economic Road Map



Source: AEC

Given the unique make-up of the Gladstone region's economy, there are numerous key industries that will drive the development of the future economy, including:

- **Large scale industry:** Alumina refining, aluminium smelting, cement production, chemical production, LNG processing and future large scale industries
- **Resources and Energy:** export of coal, LNG and other industrial products as well as developing as a significant energy hub (including LNG, gas, electricity generation and others)
- **Engineering and advanced manufacturing:** Engineering, fabrication and other advanced technology industries that can support existing large scale industries as well as export knowledge, services and products
- **Agribusiness:** agriculture, aquaculture, cattle, horticulture, sea food and value added processing
- **Retail and professional services:** Variety of retail shopping opportunities as well as professional business services
- **Education, health and research:** All levels of education and health (including secondary and tertiary education, workforce development, aged care, allied health services, etc.) as well as leveraging the University and a focus on local research, innovation and knowledge creation
- **Tourism, events, arts and culture:** tourism and events as well as increasing local art and cultural capacity

Vehicle for Implementation

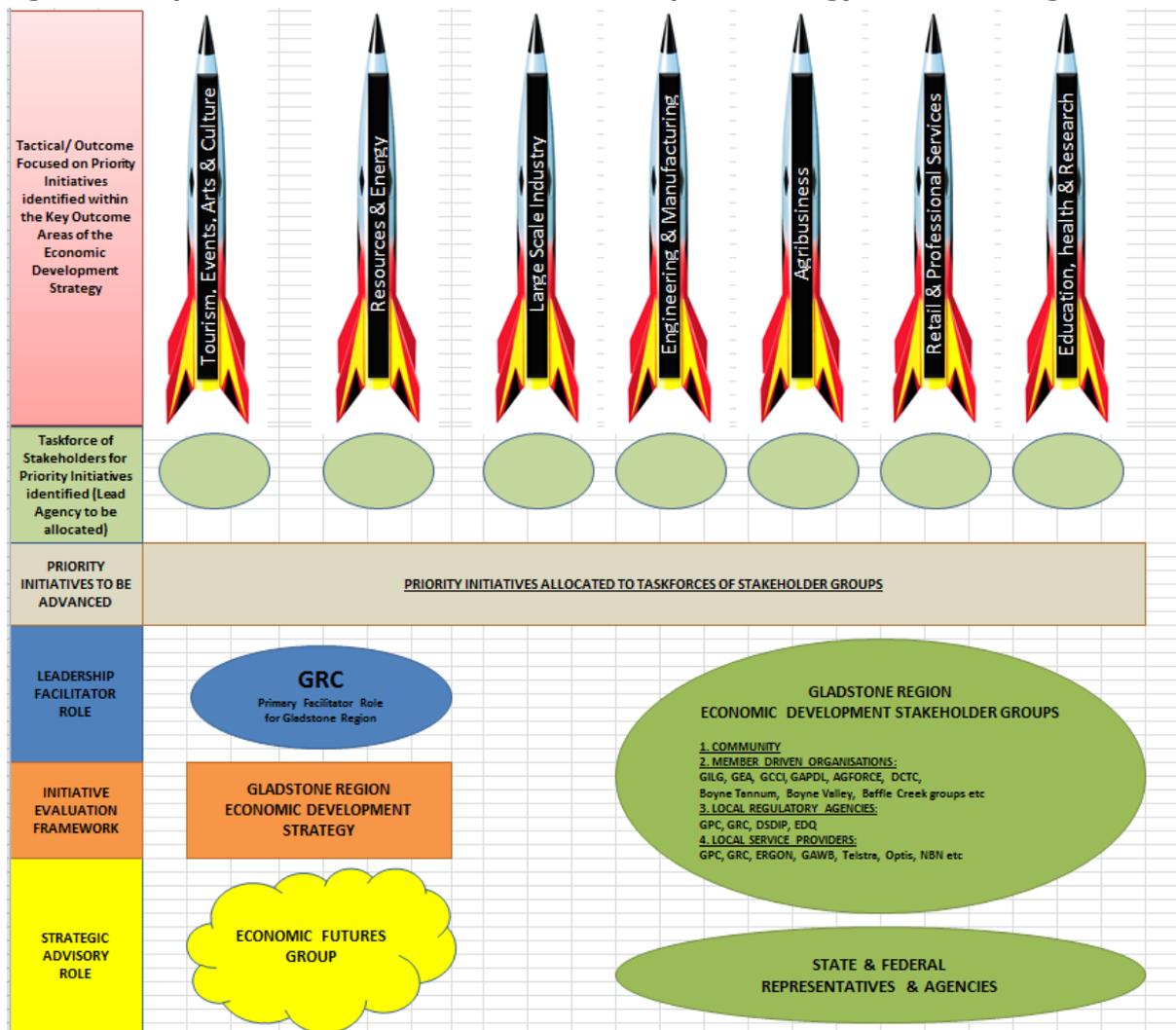
The Gladstone region is fortunate to have many agencies active in economic development.

All of these organisations currently play an important role in the economic development of the region. They each have individual initiatives that make a valuable contribution to the growth and vibrancy of the region and many of these initiatives should continue as they fulfil many of the identified activities in the economic development framework (Figure E.1).

The **Gladstone Regional Council** will play a central leadership role in the future for economic development. It will work cooperatively with a range of stakeholders as well as a **new strategic advisory body (Economic Futures Group)** to guide future activities.

Moving forward, as new initiatives are identified to carry out the economic development strategy and achieve the desired goals, these will be discussed with the Economic Futures Group and evaluated using the decision making framework. The identified priority initiatives will be discussed with the relevant agencies and a 'lead agency' will be identified to lead and carry out the initiative. The 'lead agency' may elect to gather support and input from other agencies and it can decide which other stakeholders need to be involved (including Gladstone Regional Council). The lead agency will be responsible for driving the identified priority initiative, which in turn will progress the individual key industry.

Figure E.2. Implementation Vehicle for Economic Development Strategy in Gladstone Region



Source: AEC

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1. Adapting for the Future

The Gladstone Region, particularly Gladstone and the adjacent Port of Gladstone, has always been associated with large scale industry, dating back to the late 1800s and the development of a meatworks at Parsons Point. In 1963, the site of the meatworks became the location for the Queensland Alumina Limited refinery and since then, the economy of the region, particularly Gladstone, has been associated with large scale industry.

Large scale industry is estimated to directly represent approximated 58% of economic production and 29% of total employment in the Gladstone region¹. The growth and increase of large scale industry over time, has meant that a significant part of the regional economy relies on this large scale industry for economic growth, local wealth creation and employment, which is generally prone to commodity cycles and fluctuations.

Since 2010, the Gladstone region's economy has undergone significant changes, particularly as a result of the construction of the three liquefied natural gas (LNG) projects on Curtis Island, a new coal wharf and loading facilities on Wiggins Island and the earlier completion of the upgrade of the Yarwun alumina refinery. These projects with their significant, prolonged and intense construction phases have represented a 'once in a lifetime' economic event that has heralded a significant and unprecedented capital investment and jobs for the area, as well as applying a considerable level of pressure and stress on local infrastructure.

With the Wiggins Island Coal Export Terminal completed and the three LNG projects expected to fully transition into operational phase by the end of 2016, it is time to re-think regional economic development with local and regional markets returning to traditional levels.

The Gladstone region has always benefitted (and will continue to benefit from) its large scale industrial base. For the future, agility and resilience from within the economy will be important in order to manage future economic events and adapt to the dynamics of the global economy.

The economy must look within for organic growth as well as focus on external markets for growing exports and trade. Beyond leveraging its natural prowess and traditional strength in large scale industry, the Gladstone region must embrace new technology and innovation in order to adapt and prosper into the future.

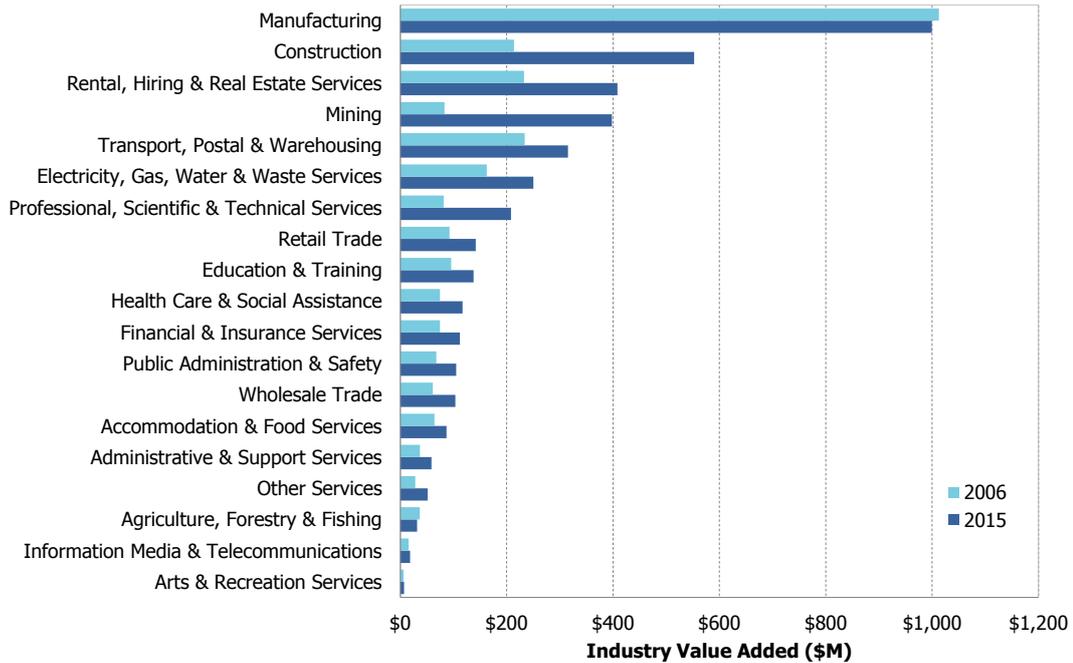
¹ As of March 2015. Source: REMPLAN

2. The Facts

2.1 Economic Overview

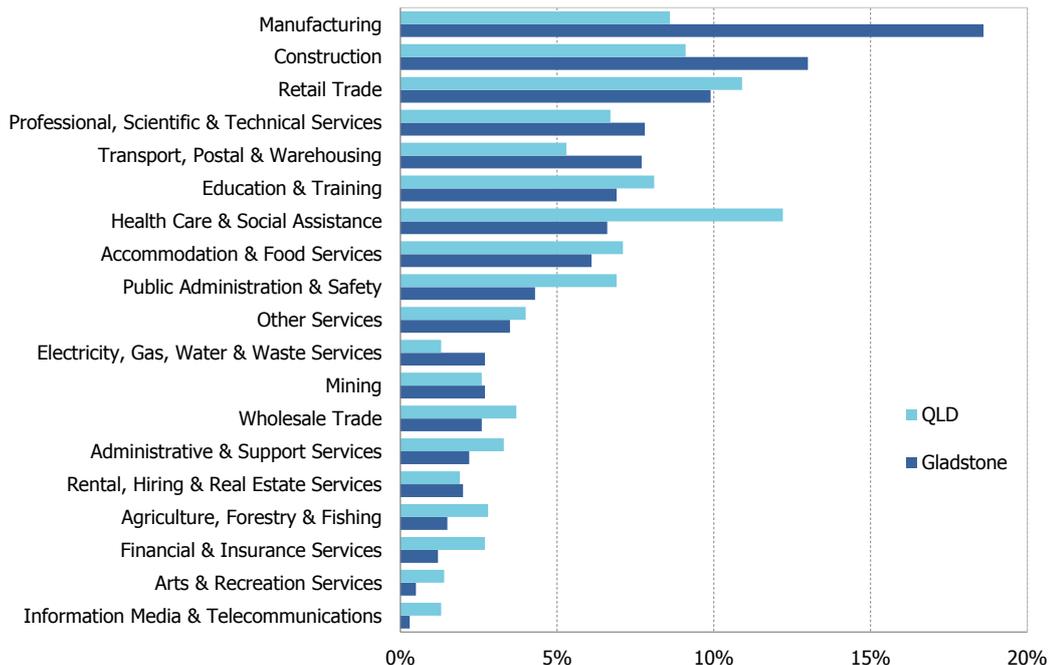
The Gladstone region's economy (in terms of Gross Regional Product) has grown tremendously from \$2.8 billion in 2006 to over \$4.3 billion in 2015, an average annual increase of 4.9%. During this time, the economy has evolved with significant growth observed in construction (largely due to recent and on-going major projects), business services, mining, transport and utilities. During this same time, the economy has added over 3,000 new jobs.

Figure 2.1. Industry Value Added by Industry, Gladstone Region



Source: REMPLAN (2015) available from <http://www.economicprofile.com.au/gladstone/>

Figure 2.2. Employment by Industry, Gladstone Region (% of Total)



Source: REMPLAN (2015) available from <http://www.economicprofile.com.au/gladstone/>

2.2 Competitive Advantages and Economic Assets

The Gladstone region has a number of competitive advantages, including:

- Natural deep water port that is one of the largest, bulk commodity ports in the world
- Strategic location in proximity to considerable natural resources across Central Queensland (and the Surat Basin)
- Existing industry strengths, including:
 - Large scale industry
 - Resources and energy
 - Engineering and advanced manufacturing
- Strong existing supply chains for major industry as well as a highly skilled workforce
- Considerable infrastructure including power, water, rail, port and interconnected road and airport
- Gladstone State Development Area (GSDA), a 29,000 ha industrial hub
- Central Queensland University
- Locally based construction capacity to deliver major projects.

3. Building our New Economic Future

3.1 Economic Evolution

The Gladstone regional economy has evolved over many decades and adapted to great change from the initial development of the QAL site in 1963 to the most recent advent of LNG processing. Today, it is one of the world's premiere industrial locations with significant operations Boyne Smelters, Rio Tinto Alcan, Cement Australia and Orica, as well as significant local electricity generation and export capacity through the Port of Gladstone.

Just as the recent LNG developments will add a new facet to the Gladstone regional economy, it is imperative the region stays focused on future economic development and not to rest on past success. Effort is required to leverage the inherent strengths of the Gladstone region and take advantage of various economic opportunities in the future. Given its current size (over 66,000 people and \$4.1 billion economy), the Gladstone region possesses a strong critical mass and foundation on which to build its future economy.

The large, and strategically placed, Gladstone State Development Area will always be a significant asset for the future economic development potential of the region. However, reliance on this one asset alone will undersell the ultimate potential of the region. A renewed focus on other aspects of the economy (in addition to large scale industry) is required to focus on innovation, small to medium sized business growth as well as assisting the economy to grow more organically in the future will help to unleash and realise the full potential of the region.

As the Gladstone economy continues to evolve, the future economy of the region would be:

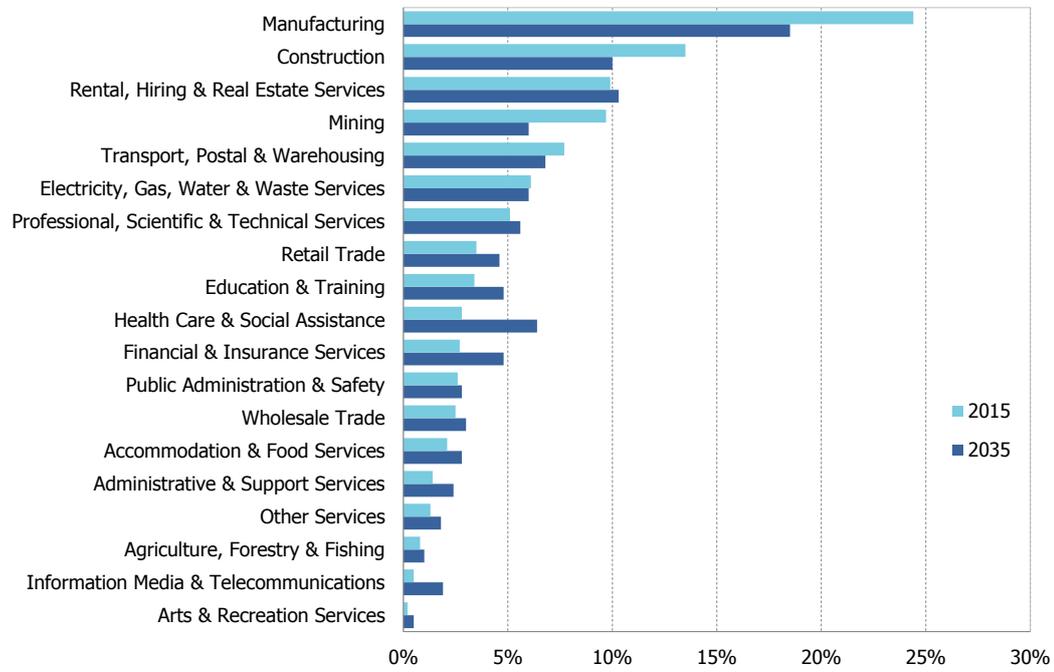
- Diverse in nature with a wide range of industry clusters, without any reliance on any one segment
- Possess a range of business types, including large, multi-nationals as well as small to medium sized businesses, family-owned enterprises and small start-ups
- Retain its current position as a world class industry city
- Contain a range of medium sized, innovative and export focused advanced manufacturing and engineering firms
- Flexible and adaptable to changing economic conditions
- Nimble and entrepreneurial, building on the strong based of ideas and skills
- Regionally focused and innovative, not just in terms of the local economy, but in how economic development is conducted

The future should look much like the past, in terms of Gladstone region continuing to play a critical role in the economy of Queensland and Australia. However, the regional economy will find new paths to economic activity, investment and jobs. As the LNG plants on Curtis Island enter their new operational phase, the Gladstone region's economy will again start on a new path of economic evolution and adaptation.

3.2 Growth Targets

In order to better understand the future evolution of the economy, the potential future economy a scenario of growth was projected to 2035 (Figure 3.1). This future economy would see Gross Regional Product almost double to just under \$8 billion by 2035 and add almost 5,500 new jobs. In this future, the economy has become more diversified and is in line with the State economy in terms of proportion value added by industry.

Figure 3.1. Industry Value Added by Industry, Gladstone Region



Source: REMPLAN (2015); AEC

3.3 Role of Local Government

Traditionally, local government has been responsible for 'roads, rates and rubbish'. Today, however, its mandate extends well beyond these traditional boundaries. Local government is the caretaker of the community and as such plays a vital role in the community's social, economic and environmental health.

For over a decade, local governments have started to take on a more proactive and responsible role in terms of the local economy. Today, the role of local government in terms of economic development is very important. The Gladstone Regional Council has recognised that its roles are:

- **Facilitation:** Support future economic growth through providing leadership and overall direction in regards to assisting local businesses and attracting new businesses, investments and jobs.
- **Advocacy:** Be a strong advocate for the local economy in terms of promoting the local economy and in particular ensuring that State and Federal Government are aware of the key economic initiatives and priority infrastructure developments for the Gladstone region.
- **Regulation:** Provide a strong regulatory framework in an efficient manner that encourages investment and business growth.
- **Planning:** Affording strategic foresight into the future needs of the economy so that the local environment and built form can evolve and grow together with the economy.
- **Provision of Services:** Provide a number of valuable services in a cost effective and customer focused manner that benefits both business and residents.

Figure 3.2: Role of Local Government in Economic Development



Source: AEC

Council is only one of the stakeholders involved in driving and supporting regional economic development. Large scale industry, small to medium sized businesses, infrastructure providers and state and federal government agencies as well as other economic development organisations active in the region will all play an important role in the future economic development of the Gladstone region.

The function of local government is to work in tandem with these other participants through its various roles to create an environment that is conducive to economic growth and fosters a spirit of confidence, innovation and success.

Council will also play an important leadership role in terms of providing overall direction for the implementation of the economic development, which will be conducted by a variety of participants in a coordinated approach that provides a strong framework for engagement, ownership and outcomes.

Gladstone Regional Council's **vision for economic development** is clear:

Council pro-actively and innovatively problem solves and makes decisions enabling region wide economic growth while respecting our environment.

In order to achieve this vision Council has a **clear economic objective**:

To facilitate sustainable, financially and environmentally responsible initiatives that will advance economic development in the Gladstone Region for the community.

4. New Economic Roadmap

4.1 Overview

In order to achieve the economic vision and fulfil its economic objective, the following new road map has been developed to guide economic development in the Gladstone region.

Figure 4.1. Gladstone Region's Economic Road Map



Source: AEC

4.2 Key Industries for the Future

Given the unique make-up of the Gladstone region's economy (refer Section 2), there are numerous key industries that will drive the development of the future economy, including:

- **Large scale industry:** Alumina refining, aluminium smelting, cement production, chemical production, LNG processing and future large scale industries
- **Resources and Energy:** export of coal, LNG and other industrial products as well as developing as a significant energy hub (including LNG, gas, electricity generation and others)
- **Engineering and advanced manufacturing:** Engineering, fabrication and other advanced technology industries that can support existing large scale industries as well as export knowledge, services and products
- **Retail and professional services:** Variety of retail shopping opportunities as well as professional business services
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- **Tourism, events, arts and culture:** tourism and events as well as increasing local art and cultural capacity
- **Agribusiness:** agriculture, aquaculture, cattle, horticulture, sea food and value added processing

4.3 Enhancing Local Innovation

4.3.1 Utilise natural resources through embracing new technology

The Gladstone region is strategically located with access to various natural resources that provide considerable value to the region. Coal and gas are the two most common natural resources currently associated with the region, namely through the Port of Gladstone being one of the largest coal export terminals in the world and soon to become the largest LNG exporter in Australia. In addition to coal and gas, the Gladstone region has easy access to the Great Barrier Reef, numerous beaches and national parks as well as various other tourism assets. Finally, the region's hinterland provides high quality agricultural land.

The access to coal and demand for power from large scale industry were the key drivers in the development of various power stations in the region. Many of these use the latest technology and are exploring emerging technologies for the future. Additionally, there are future opportunities to explore carbon capture, waste to energy as well as various alternative energy provision (i.e. gas, cogeneration, bio fuels, solar, etc.).

Digital technology has penetrated deeply into the tourism sector, with the majority of visitors using the internet to identify destinations to visit and often leveraging local Wi-Fi networks during their visit. Ensuring that the Gladstone region can leverage the latest in digital technology to increase visitation and the visitor experience will be important to future success in tourism.

4.3.2 Build community capacity

A skilled workforce is one of the top requirements for businesses in Australia (in terms of site selection factors). Ensuring that the local workforce has the skills that business require is critical to success. Fortunately, the Gladstone region already has significant skills in regards to engineering, fabrication and numerous trades. These skills can be further refined and increased to ensure that the region can export the high quality of services and products that it currently has in terms of large scale industry.

In order to attract other industries and foster further business growth locally, additional skills may be required. Engaging regularly with businesses in regards to skill requirements as well as working cooperatively with local educational and research institutions will assist in preparing the local workforce for the new economy.

Similar to the workforce, local businesses need to have the skills to allow them to grow and prosper as well. Assisting local businesses to upskill and build their own internal capacity for future growth will assist in growing locally owned and located firms. In industries such as retail, tourism and professional services, the rate of change due to technology adoption is significant and can be difficult to keep up with. Additionally, small businesses and business start-ups often require assistance to ensure their businesses can stay on the right track. Even for established businesses, learning about accessing new markets or improving efficiencies can provide considerable value locally.

Many of the smaller communities within the region have distinct assets and key selling points that may differ from that of Gladstone itself. This uniqueness presents specific local opportunities for future growth, which need to be identified, nourished and developed with localised solutions. Working with the individual communities within the region will be important to allow them to direct and guide their own economic development future as well as building their capacity to play a larger role in the future growth of their town.

4.4 Supporting Existing Business

4.4.1 Expand the local market

The growth and expansion of the local market will assist in the further diversification and sustainability of the local economy. Accessing markets outside of the local catchment will help to expand the local market for many existing small businesses, thus exporting goods and services outside of the Gladstone region, Queensland and Australia will become important for many local businesses. Gaining new markets for products and services of locally based companies helps to grow their business (which can employment more local people) as well as ensure the business has a more diversified revenue pool.

Ensuring that local residents and businesses are aware of locally provided goods and services can build awareness and ensure that locals are buying from locals. The existing 'Buy Local' campaign will assist to reduce 'leakage' of expenditure to other regions as well as ensure the local market provides a robust foundation for local businesses. These efforts should be expanded and continued into the future to ensure the local market expands.

Progressing towards the new economic future will require new local products, services and indeed new local businesses. Encouraging businesses to progress from an idea to a small to medium sized business employing locals will be important. Locals should be encouraged to start a business. Those working from home should be encouraged to grow into new business premises. Those operating out of a small office or premise should be encouraged to grow further.

These businesses will require different forms of assistance during these various growth phases. A business incubator service could provide the services that many of these businesses require as well as the physical space they need.

The economy will continue to evolve, and new products and services will be required, which can translate into new business opportunities. Agriculture, retail, tourism, as well as other sectors are creating new products on a regular basis through various technological change as well as various trends and drivers in other countries. The ability to identify and leverage these opportunities will greatly assist the Gladstone region to expand the local market.

4.4.2 Share knowledge and networks

Knowledge is a critical business input and will become increasingly important as the economy continues to evolve. Sharing knowledge across the region will aid all businesses in their own decision making process. Economic and industry data should be tracked on a regular basis and shared with the business community to ensure they have the most up to date understanding of the broader economy to inform their own business decisions. Beyond the economy, providing information regarding larger tenders and other work packages from the local large scale industries will also assist local firms or conglomerates to take advantage of these local opportunities.

Sharing this knowledge will also create a strong platform for business networking and relationship building. Providing a catalyst for local firms to meet and discuss their industry and other opportunities is an important local function. These networks increase knowledge sharing, collaboration, technology transfer as well as increases the strength of local supply chains.

Providing information and education for local businesses in regards to new tax policies, human resourcing, business planning and other areas that will also increase local business capacity.

4.4.3 Explore supply chains and gaps

The Gladstone region has strong existing supply chains across various industries. However, continual examination, investigation and improvement can provide a strong impetus for local economic development. Identifying new local requirements of the overall supply chain or identifying existing gaps in the supply chain could provide the opportunity for new business development or business attraction. The more that local business requirements are met with local providers, the stronger the local economy will become. Additionally, identifying new avenues for local companies to participate in supply chains in Queensland, elsewhere in Australia or overseas builds value for the local economy.

4.5 Attracting New Business

4.5.1 Promotion, marketing and events

In order to attract new business, investment and jobs, it will be necessary to promote and market the region for business. The Gladstone region, with its world scale industry centred on Gladstone and the Gladstone Port, has a strong existing brand in terms of large scale industry, however, would be lesser known for other industry sectors or in regards to many new economic opportunities. Creating a new brand or building awareness of these

opportunities and the new economic future would help to change existing market perceptions over time.

In order to promote or market the region, a wide variety of information, knowledge and tools are required. These materials require innovative design and strong, simple messages in regards to the competitive advantages of the Gladstone region and the future economic opportunities. Materials alone, of course, are not sufficient. These materials have to be used and directed at the targeted business audience. The physical action of taking these messages to the market (across a variety of mediums and avenues) will be important to ensuring the region is promoted for business, investment and jobs. A 'story' that simply and efficiently provides insights into the competitive position and value proposition of the region will be important.

Events are another mechanism to promote the region. Holding events locally (business or other) provides a strong boost to tourism and can inject significant money into the local economy. Targeting events that can leverage and utilise local assets or build on local competitive advantages will assist in promoting these advantages outside of the region.

Initiatives to identify and engage with prospective investors are required. These initiatives should include participation in various industry and trade events, attendance at various conferences and industry networking events as well as identifying and engaging directly with businesses. Working in partnership with other agencies and organisations is critical to establish the necessary networks and gain access to the prospective businesses or investors.

Promoting positive news stories regarding the economy and investment in the Gladstone region through media releases, newsletters and other formats can market the region effectively and build a sense of progress and success in the region. This perception will assist to identify new businesses and demonstrate the advantages of the region.

4.5.2 Facilitate new investment and jobs

Marketing and promotion alone are likely to be insufficient to recruit new business, investment and jobs. These projects need to be facilitated and supported locally to ensure they materialise. Providing one point of contact and high levels of customer service will aid in the facilitation process. This process is about providing information, contacts and other forms of assistance to businesses and investors that are considering the Gladstone region as a potential location. Instilling confidence in the location for the business or investor is an important part of this process. Incentives can also play an important role in demonstrating the local government's commitment to the business and interest to engage in a partnership with them locally.

4.6 Facilitating Enabling Infrastructure Development

4.6.1 Identify and promote catalytic infrastructure

Catalytic or enabling infrastructure can 'unlock' new economic opportunities and become a spark for building new industry clusters and attracting investment and employment. These projects can often build on existing competitive advantages or provide access for new opportunities.

Catalytic infrastructure projects for the Gladstone region including:

- **GSDA Infrastructure:** extending infrastructure services (i.e. power, water, sewer) into parts of the GSDA to allow for smaller scale industries to relocate/expand into the GSDA.
- **Broadband Infrastructure:**
- **Boyne Tannum Bridge Duplication:**
- **Upgrade Bridges on Dawson Highway:**
- **Stage 2 of Port Access Road:**

These projects will require funding and support from the State and Federal Government. In order to best promote these projects to government, they need to be evaluated and

analysed to demonstrate their viability as well as their overall benefits to the local community as well as the State and Federal Governments.

This evidence then needs to be provided to the government in the form of various briefings and documentation. This same documentation can be used in a variety of funding submissions as well.

4.6.2 Utilise facilities, land and resources

Maximising the use and value of existing facilities, land and resources can add additional value to the local economy. The ongoing development of the existing Gladstone State Development Area, not only for large industry but also for smaller interconnected industry to maximise the usage of that area and its component infrastructure is key to utilising this area for maximum economic value - an aspect that is being recognised in recent reviews of this area underway by the State government. Ensuring that various government owned businesses are running as efficiently as possible and taking advantage of existing opportunities guarantees that this infrastructure provides value to the community. Consideration of government owned property and land for alternative and more significant economic uses can also ensure that value is being maximised from these assets. A review of roads, land uses and other infrastructure would also highlight where improvements and changes are required to ensure that infrastructure aligns to the new economic future.

4.6.3 Advocate for improved infrastructure and services

Increases in various services and improved infrastructure can provide a strong driver for future economic growth. Ensuring the community has access to high speed broadband internet is crucial for many industries to grow and prosper. This infrastructure can also be very valuable to small businesses and provide a strong platform for them to grow. For the region, the access to high speed broadband infrastructure is equally important and can provide considerable value to these communities and their businesses, allowing them to access broader markets quickly and efficiently.

Increased health and education services will not only provide valuable services to a fast growing population but create the driver for new employment as well. Leveraging new technology across health and education can also assist in building new skills and new jobs. Identifying the gaps and future requirements across these sectors will assist in identifying targeted areas for action.

4.7 Planning Effectively

4.7.1 Provide supportive regulatory framework

Providing a regulatory framework that is conducive to business will be important to move towards the new economic future. Considering innovative ways to deliver the regulatory functions of local government can often become a competitive advantage for encouraging investment and business (i.e. being 'open for business'). The planning scheme, as the local regulatory tool, will be important to this process. However, often beyond the planning scheme, the development controls and guidelines as well as the manner in which development applications are assessed can have a more significant impact. Regardless, providing certainty of planning desires is important to project into the market what the desires of Council are in terms of development. Providing development and planning incentives could also be part of this effort.

A clear path to development approval needs to be highlighted to potential investors and an interactive process should be in place to deal with development approvals (particularly for significant projects) in a proactive manner. Conducting pre-lodgement meetings and providing a single point of contact for development approvals would be a minimum and new innovative processes should be considered that can ensure the process is efficient and customer friendly.

4.7.2 Continual improvement

Planning effectively for the future goes beyond the statutory and strategic planning functions of Council and incorporates strategic thought about the future economic environment (which can enable the strategic and statutory planning functions to deliver

the appropriate land use environment that allows the economy to develop). Additionally, ensuring that all required infrastructure (i.e. broadband, road infrastructure, etc.) is equally an important function. Constantly questioning and investigating new ways of thinking and understanding the continual change of the economy will aid in continuous improvement.

Attempting to innovative and encouraging new ways of doing things spurs on improvements and generates valuable economic outcomes. This creative process will not always yield successful new initiatives and it will be important to learn from the things that do not work. Continual review of processes, initiatives and activities will be the best way to ensure that improvement takes place over time. These principles apply beyond Council to the business community at large.

5. Vehicle for New Economy

In order to reach the new economic future, an appropriate vehicle is required to implement the economic road map.

The Gladstone region is fortunate to have a number of existing agencies active in and focussed on economic development.

These organisations currently play an important role in the economic development of the region. They each have individual initiatives that make a valuable contribution to the growth and vibrancy of the region and many of these initiatives should continue as they fulfil many of the identified activities in the economic development framework (refer Section 4.1).

All of these organisations should continue to contribute to the future economic growth of the region. The future economy will be driven by the seven identified key industries (Figure 5.1):

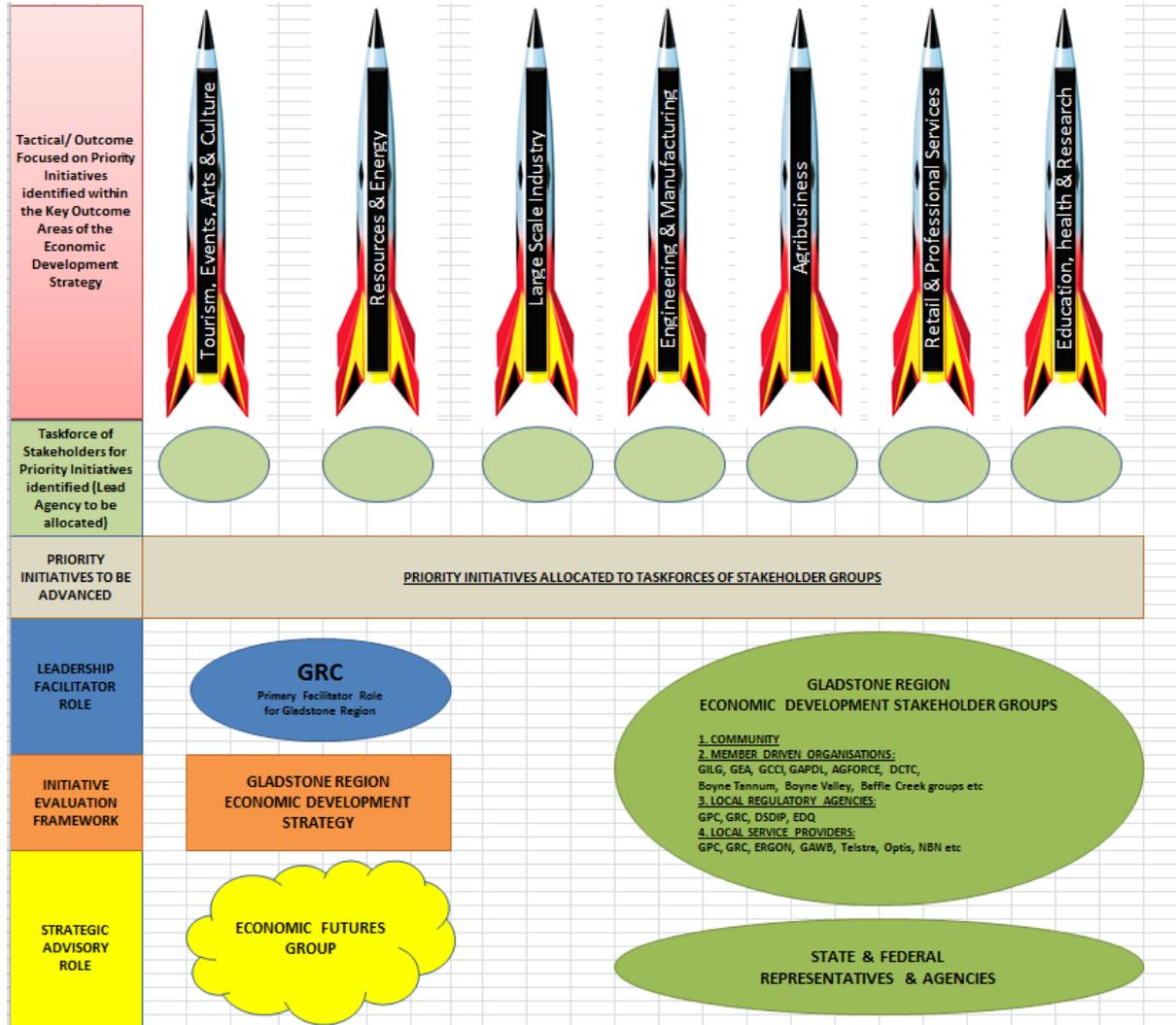
- Tourism, events, arts and culture
- Resources and Energy
- Large scale industry
- Engineering and advanced manufacturing
- Agribusiness
- Retail and professional services
- Education, health and research.

Gladstone Regional Council will play a central leadership role and rely upon the input and advice of a **new strategic advisory body (Economic Futures Group)** as well as the economic development strategy to guide future activities.

Moving forward, as new initiatives are identified to carry out the economic development strategy and achieve the desired goals, these will be discussed with the Economic Futures Group and evaluated using the decision making framework (explained in Section 6.1).

The identified priority initiatives will be discussed with the relevant economic development organisation(s) and a 'lead agency' will be identified to lead and carry out the initiative. The 'lead agency' may elect to gather support and input from other agencies and it will decide which other stakeholders need to be involved (including Gladstone Regional Council) on the basis of the skill mix and specific inputs required. The lead agency will be responsible for driving the identified priority initiative, which in turn will progress the individual key industry.

Figure 5.1. Implementation Vehicle for Economic Development Strategy in Gladstone Region



Source: AEC

Gladstone Regional Council

Role: Provide overall leadership in terms of economic development on behalf of the community.

Make-up: Gladstone Regional Council

Description: Council's role is to provide overall leadership for economic development in the Gladstone region. This function will see Council lead (or steer) economic development and provide overall direction in terms of the overall arching strategic goals and objectives. This role is a natural fit with the Council as the local government authority, governed by local citizens elected by the local population. Council's community planning provides input and documents the desires of the community (including direction for the future development of the economy). As such, Council must play a key role in the future economic development of the region.

While Council may take on certain elements of the Economic Development Strategy directly (in terms of 5. Planning Effectively), most of the strategy will actually be delivered by other agencies, leveraging their strengths, core capabilities and expertise.

Council would interact quarterly with the Economic Futures Group (or on an as needed basis) and use this interaction as one mechanism to provide its leadership.

Economic Futures Group

Role: Provide on-going strategic advice, feedback and input in terms of the evolution of the Economic Development Strategy.

Make-up: Group of seasoned executives with industry expertise (relevant to the Economic Development Strategy) and a familiarity of Gladstone. Individuals do not represent any organisation and are selected for their strategic thinking ability and industry knowledge.

Description: The Economic Futures Group (EFG) would provide a strategic advisory function for the implementation of the Economic Development Strategy. This group should be made up of experienced executives that have considerable industry knowledge (in an industry that is relevant for the Economic Development Strategy). These individuals also need to know and understand the Gladstone region.

This group will act as the engine (or 'brains trust') for the implementation of the Economic Development Strategy. The purpose of this group is to provide on-going strategic advice, feedback and input into the Economic Development Strategy, which will be carried out through quarterly engagement with Council and the individual lead agencies (as needed).

Lead Agencies

Role: Take on the responsibility of carrying out priority initiatives to achieve the goals of the Economic Development Strategy.

Make-up: Lead agencies will be determined based on the priority initiative. Other support agencies would likely be enlisted to assist in carrying out the initiative.

Description: The lead agencies will manage new economic development initiatives identified to move one of the seven identified industries forward. They will engage with Council and the Economic Futures Group as needed and required to guide the initiative. The lead agency will have autonomy to operate within the identified initiative and industry sector and determine the activities that are required to achieve its goals. The lead agency would likely enlist support from other economic development agencies, depending on the initiatives.

6. Tracking Our Progress

6.1 Decision Making Framework

The decision making framework leverages the future economic aspirations in order to guide the decision making in regards to the selection of priority initiatives to take the region forward. This framework uses a scorecard approach and scores each potential priority initiative against the future economic aspirations in order to ensure that the initiative will deliver the maximum results to help achieve the future economic goals.

Table 6.1. Decision Making Framework, Gladstone Region Economic Development Strategy

Criteria	Main Question	Score (Low =1, High =5)
Diverse economy	Does this activity help to diversify the economy?	
Range of business types	Does this activity help to diversify the business base?	
Maintain current position as world class industrial city	Does this activity help to maintain current position?	
Innovative and export focused	Is this activity innovative and export focused?	
Flexible and adaptable	Does this activity help to increase flexibility in economy?	
Entrepreneurial	Does this activity increase our entrepreneurial capability?	
Regionally focused	Is this activity regionally focused?	
	TOTAL SCORE	

Source: AEC

Each criteria is equally ranked and scored against a set of criteria (for example, the level of economic diversity will be determined by the amount of investment or employment in a particular industry sector). In such a manner, the decision making framework will be objective and align to the future aspirations of the Economic Development Strategy.

6.2 Tracking and Monitoring

Tracking and monitoring progress will be important. This should be done in two ways:

- Tracking progress of the implementation of the strategy
- Monitoring the progression of the economy

It is important to track future progress across both of these areas as no organisation can control what takes place in the economy and should not be held accountable for it. In order to track the progress of the Economic Development Strategy, the various activities and initiatives that are controllable and measurable can be monitored to ascertain if they were completed and what the results were. At the same time, the economy should be monitored to identify its progression as well. The combination of the two methods will be able to identify the effectiveness of the new road map and the Gladstone Region Economic Futures Group.

The progression of the Economic Development Strategy should be tracked by the activities and initiatives undertaken. These activities should be tracked in a simple, easy and meaningful manner. Progress and outcomes must be documented and evaluated so that (together with the EFG) the priority initiative can be evaluated and make adjusted as needed.

There are a variety of economic indicators that change on an annual and/or quarterly basis that can provide insights into the state of the economy, including:

- Gross Regional Product (GRP)
- Employment, by industry
- Unemployment rate
- Building approvals
- Median house prices
- Population growth

- Tourism visitation and expenditure
- Exports, through the Port

These indicators should be tracked and published annually as an economic scorecard.



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