HINCHINBROOK CHAMBER OF COMMERCE, INDUSTRY AND TOURISM

March 2014

Report from EDA Regional and Remote Areas Training Program
Hinchinbrook Queensland

Report of the Economic Development Australia (EDA) Regional and Remote Areas Training Program

Held in Ingham, Queensland, 28 February - 2 March 2014
INTRODUCTION

Background
The Hinchinbrook Shire Council of Queensland is part of the Regional Development Australia Townsville and North West Queensland region. Hinchinbrook is in the North Queensland Tropical Coast with wet tropical rainforest, the Great Barrier Reef and the world’s largest island national park; Hinchinbrook Island to the east. Hinchinbrook is a region rich in Italian heritage, natural attractions and agriculture. The economy of the region has been shaped by the sugar industry which has become the primary economic driver for the region including two sugar mills within the Shire boundaries.

There are several small villages surrounding the major centre of Ingham which sits within the lower catchment area of the Herbert River. Ingham is the retail and service centre with engineering and transport sectors that support the agricultural industry. The Shire covers an area in excess of 2,882 square kilometres and has a population of approximately 11,700 people.

The region has a cultural history that includes Italian (Sicilian), Spanish, Finnish and Irish along with its indigenous community and a history that also includes the Pacific Islanders as part of the workers for the early cane industry.

Ingham the main town of Hinchinbrook is 110 Kilometres north of Townsville and 235 kilometres south of Cairns with a regional population base of around 460,000 people. This region is one of the fastest growing non metropolitan regions of Australia. The Australian Government are also currently placing a major focus on Northern Australia.

The Shire undertook an Economic Growth Strategy in 2009 and is currently undertaking community consultation for the development of their Corporate Plan. The Hinchinbrook Shire Council is a member of Townsville Enterprise Limited (TEL) who is the Regional Tourism Organisation and also the Regional Economic Development Organisation and Regional Tourism Organisation. TEL are currently finalising the Townsville North Queensland Tourism Destination Plan and a regional Tourism Brand.

The Hinchinbrook Chamber of Commerce, Industry & Tourism Inc. is the peak membership based organisation for businesses in the Hinchinbrook Shire. In 2013 the Chamber launched with the support of its members, businesses and the Hinchinbrook Shire Council the Hinchinbrook Economic Snapshot. This publication was developed as a tool to assist with attracting investment and supporting new business ventures.

The region has been suffering a decline in its population as the number of sugar cane farms decrease with farms getting bigger whilst at the same time the population has been ageing. There have been several natural disasters in recent years from floods and cyclones.

The Chamber organised for Economic Development Australia (EDA) members June Powell and Simon Milcock to meet with the community and undertake the Regional and Remote Area Economic Development Training Program (RRATP) developed by EDA. The program was supported and promoted by both the Chamber and the Shire and is designed to match communities interested in progressing their economy with economic development professionals who deliver the training. The Hinchinbrook RRATP was delivered on Friday 28 February - Sunday 2 March 2014.

The Chamber was assisted with funding from the Foundation for Rural & Regional Renewal ANZ Seeds of Renewal Program.
North Queensland Regional Economic and Infrastructure 2031 Plan

The Regional Economic Development sub-committee of the North Queensland Regional Organisation of Councils is developing a North Queensland Economic and Infrastructure Plan (NQ2031). NQ2031 addresses the local governments of Townsville, Hinchinbrook, Palm Island, Charters Towers and Burdekin. NQ2031 identifies the key economic drivers and opportunities for the region to support the growth of the region to 2031. Hinchinbrook Shire Council submitted the following as key projects as key contributors to the growth of their economy.

- **North Queensland Bio-Energy**: Development of a $450 million sugar, ethanol power generation plant at Como Road, Toobanna. The Applicant is currently working towards fulfilling the conditions of approval set by the Minister. The Applicant have fulfilled the relevant Ministerial conditions to commence preliminary onsite works and are now in the process of establishing a site office, with construction works anticipated to commence in early 2014.

- **Hinchinbrook Habitats**: This is a development of 264ha of land for an eco-style residential land subdivision which entails the creation of 110 lots, with tourist facilities and accommodation at Manda Road, Mount Cudmore near the Cardwell Range. Currently the developer has completed the operational works for Stage 1, including the access road.

- **TYTO Precinct and Wetlands**: as part of the Our Town Our Future Strategy: The promotion of the precinct as a visitor destination. Hinchinbrook Council has appointed a TYTO Precinct Manager to promote the precinct and develop a business plan.

- **Wallaman Falls Eco-Tourism Project**: This project has been identified in the Shire Economic Growth Strategy. The Mayor has written to the Premier seeking advice on the lead agency to progress this concept in line with the government’s new Tourism Strategy. An Expression of Interest is being prepared to State Government for this project in line with the Ecotourism Facilities on National Parks investment opportunity.

- **Herbert Resource Information Centre (HRIC)**: HRIC is a non-profit Geographic Information Systems facility that supports decision makers in the Herbert River Catchment. They provide GIS logistics support to the sugar industry in the Hinchinbrook and are seeking to expand their services to other mills in the region.

Acknowledgements

Thanks to Mary Brown and Karalee Venturato from the Chamber and Rosemary Pennisi from the Shire for their assistance in helping with the background information and planning. It was great to see both the Shire Mayor and CEO and several elected members join during the program and many thanks also to those community members who contributed so generously of their time and expertise. Plus there is a special mention of Ross Contarnino from Enterprise Connect who has a long history with Hinchinbrook and the region for giving of his time also.

The generous hospitality of the Chamber and the community ensured there was very genuine interest and involvement from a number of highly committed members from the community and this made the process extremely worthwhile.
Attendees:

Mary Brown
Karalee Venturato
Mayor Rodger Bow
Rosemary Pennisi
Keith Phillips
Rita Phillips
Councillor Marc Tack
Leanne Mash
Evlyn Bailey
Meryl Simpson
Milena Minchio
Councillor David Carr
Kate Carr
Jeff Cantamessa
Heather Cocking
Judy Stokes
Mark Everett
Shane Castles
Councillor Pat Lynch
Nathan Henderson
Cathy Pfeffer
Karen Venables
Darren Richardson
Dianne Richardson
Councillor Wallis Skinner
Felix Reitano
Adelina Marolla

Program
The RRATP was facilitated pro-bono by two highly experienced economic development practitioners and members of EDA from the Queensland State Practitioner Network June Powell and National Board member Simon Millcock. The focus for the program was to:

1. Assist the Chamber in the development of an Action Plan
2. Identify how we as individuals or as a collective can influence change
3. Inform Council as part of their community round table program

Session One: (Friday evening – 28 February 2014)

The facilitators were joined by Ross Contarino and they provided an introduction to the program and June Powell outlined the process in developing the NQ2031 economic development plan, Ross outlined the opportunities for collaborative work across a number of businesses in the work he is undertaking through Enterprise Connect and Simon Millcock provided case studies on intensive livestock, horticulture and tourism. Attendees were given time to outline their reasons for attending. There was a dinner held at Casa Pasta a local successful pasta business who now supplies pasta throughout Queensland including major supermarket chains. Attendees at dinner included current and former Mayor’s and Chamber representatives.
Session Two: (Saturday AM - 1 March 2014)

This session saw the presentation of the “Economic Development toolkit” which was an interactive session with practical examples from the facilitators and was jointly presented by June and Simon. This was held in Ingham and was followed by lunch.

Both sessions 1 and 2 included general feedback, questions and interaction by the attendees and notes were taken of key items raised.

Session Three: (Saturday PM – 1 March 2014)

Held on the Saturday afternoon and facilitated by Simon Millcock and June Powell this session allowed attendees to raise their key areas of interest. A dinner was held on the Saturday night at Lee’s Hotel and included elected members and Chamber representatives. This hotel was an example of an upgraded business in centre of Ingham.

Session Four: (Sunday AM – 2 March 2014)

Held on the Sunday morning it commenced at Jk’s Deli an example of a local growing business based on the cultural background of the region and was hosted by the vibrant Karen Venables and included other local business operators and Chamber representatives. Visits were made to local business and also to the mosaic project being undertaken by Kate Carr which will become a feature in the main street. A visit to some of the smaller settlements was also undertaken.
Discussions continued throughout all sessions with the following main themes emerging:

- There are a number of successful businesses who have shown the capacity to expand and grow during some tough times.
- Attracting new industries is a key role for all levels of Government with assistance from organisations such as Townsville Enterprise.
- The focus for Chamber should be to support capacity building for its members and then partnering with all levels of government and other agencies to help provide support to all businesses.
- Many business representatives considered that growth in the tourism sector was an opportunity that should be explored.

It was observed that people recognised their catchment area for business was beyond their council boundaries and whilst some were taking up the opportunity this was not the case with everyone. With the upcoming tourism open day it was discussed that this project could be a great way to increase knowledge of people from the region on the assets of Hinchinbrook.

The following general comments were raised:

- There are still underlying issues around the impacts on people from Cyclone Yasi and the floods which occurred during that same period in 2011 which would appear to still need addressing. Whilst there were discussions during the workshop session on the need for community cohesion the issues about impacts of the disasters did not appear to be spoken of as openly.
- The wealth of the region has been from the Sugar industry although it did not feature highly in the discussions.
- The Italian influences do not appear as prevalent in the built form of Ingham whilst it does in its people and food. The Australian Italian Festival was discussed but to not to a great extent that a tangible comment could be developed. There appeared to be a lack of events with an Italian flavour such as Opera, Piano Accordion, Soccer and food activities.
- Tourism is the natural progression for the region but there is an apparent lack of tourism product (outside of the natural environment, accommodation and TYTO precinct) with some businesses unaware of what is available.
- The main retail precinct is quite large and in two sections and whilst the amenities do look clean it is underutilised and many of the buildings are run down and in poor state of repair with several vacant shops.
- The TYTO and the wet lands facility is a significant underutilised venture which is resulting in increased management expenses to the Shire. This major development / investment is a short distance from the main street and there are divided community opinions on the value of the asset.
- Retail is a strength to the area with the continental deli’s, fashion and numerous hotels. The town has a nice small town lifestyle feel but it recognises that it has become stagnant and needs uplift.
- Tourism is seasonal with wet season Nov – March being the quieter time.
• There is a large regional catchment with Townsville only 60 minutes’ drive from its northern suburbs. This can be both a positive and negative for local traders.
• Weekend trading hours for the shops in the main street are mostly limited to Saturday mornings.
• The rivers, ocean and islands are real opportunities to value add to a tourism experience.
• The Shire has committed to economic development.
• Entrance to Ingham and associated communities is not striking and could be further developed.
• The Hinchinbrook area does not have the capacity to cater for large numbers of visitors due to the numbers of beds available.
• There are strong business links with Palm Island (aboriginal community) as the Palm Island Barge Service commutes six days a week from Lucinda.
• There is a need for stronger engagement in the area of economic development and the various regional support mechanisms through regional development organisations.
• The numbers of members for Chamber have remained static.
• Younger members of community have been leaving. As the area has such a strong family based community there is great interest in youth retention.
• Nature based tourism and the need to better utilise infrastructure such as TYTO to support these industries to increase visitors stay.
• Lack of interaction between community and James Cook University and other regional research and education institutions.
• Strong social commitment and volunteering.
• Need to support risk takers and entrepreneurs in the community without needing to have 100% of community behind before undertake projects.
• Shared passion and unity.
• Greater understanding of the World Heritage significance to the region and its leverages.
• New entrepreneurial leadership programs and incubator / mentoring programs that support those willing to take risks need to be supported.
• Lack of understanding and preparedness re changing socio-economic impacts caused by the variations in the sugar industry and aging population (e.g. Gopher racing, retirement villages).
• There was a thirst for understanding what the tourism industry is and how to make Hinchinbrook a tourism destination. Lots of ideas including sugar cane tours, fishing, guided walking and the development of a thematic approach to tourism development.
• Women’s retailing is a strength although lack of activities for men if couples come shopping needs to be considered.
• There was little mention of the connection with the Defence which is an important industry sector for the region and possible target market for retail and tourism.
• Identify new and innovative uses for the resource of water and include recreational use noting that issues around crocodiles need to be addressed.
• Arts and Culture and performances space will add to the vitality of the community and currently facilities are underutilised.
• Better understand the ability to develop cocktail funding models.
Issues which were raised during the sessions that focused on businesses either individually or through Chamber:

- Need to understand business leakage from the region.
- Business needs to cross promote and showcase themselves to locals, which includes neighbouring centres such as Townsville. Businesses should also act as a point of referral for other businesses.
- Point of difference could be by focusing on customer service.
- There is a collaborative marketing opportunity including use of IT and media.
- Businesses need a greater understanding of what and who is involved in tourism industry and the how to build new tourism businesses and partner with other regional operators.
- Suggestion of a partnership with Council on business / retail / commercial centre (including TYTO) in Ingham to develop a community trust that can used to leverage funding and resources for CBD activation.
- There could be opportunities to partner with JCU’s business and tourism sectors for possible student placement.
- Consider development of communication plan and keeping positive messages in front of people.

**Tourism**

TEL as the Regional Tourism Organisation in consultation with Hinchinbrook Shire Council developed a 2013/14 Tourism Action Plan which includes:

- Develop Hinchinbrook Tourism Operator Capacity
- Develop commissionable product for Tyto Wetlands Precinct
- Create awareness of experiential drives and trails through Hinchinbrook
- Align Hinchinbrook tourism activities with Queensland Brand
The Chamber has the opportunity to support the implementation of these actions as they address a number of the issues raised at the workshop.

A number of industry development programs are also offered by various organisations however the take up rate of local operators across the region is low. One example is the TEL Tourism and Events Industry Development Conference on 24 and 25 March 2014. This is the regional premier conference for local tourism operators as topics to be addressed include industry trends, marketing and creativity, social media and online distribution, becoming a media magnet, event packaging and corporate social responsibility for business events. This is an ideal professional development opportunity for all agencies and businesses associated with the tourism sector at a fraction of the cost that businesses would normally pay.

While many industry development programs are already available for the tourism sector at little or not cost, the businesses may need extra support to engage. This could be undertaken through group webinar session where businesses are invited to one location for the webinar and the session is supported by facilitated discussion.

Workshop participants indicated that attracting visitors to the region is an opportunity for further development. Tourism is a pillar of the Queensland economy as it creates jobs and showcases the natural and cultural heritage. The Queensland Government has a target of doubling overnight visitor expenditure to $30 billion by 2020. The Townsville North Queensland Destination Tourism Plan (DTP), developed by TEL, has outlined a clear direction for tourism and events towards 2020. Hinchinbrook Shire Council features as one of the five local government areas in the DTP. In general visitations to the region are dominated by the domestic market. There is an opportunity for the area to pursue further development of tourism by applying best practice principles and strategies to achieve sustainable destination planning, management, development and marketing to further develop some of the ideas below:

- Council indicated that a plan had been developed to improve the utilisation of the TYTO precinct. This includes an activity on a Sunday afternoon (movies and music) once a month - this monthly event could be an opportunity to attract visitors to the area, and promote local activities such as retail and tourism product to increase visitor length of stay and spend.
- Council also has an agreement with TEL for tourism support outcomes for the current financial year. Further discussions on how this support is being delivered may enhance the outcomes. Consideration should also be given for the continued support in 2014/15.
- Currently a tour operator (Tony O’Connor) brings groups of tourists to the Shire with some groups from the cruise boat market – Tony may have suggestions on how the local tourism products are viewed and suggestions for extending or increasing visitation.
- Mungalla Aboriginal Tours which is a unique experience of the culture and history of Mungalla Station and its Aboriginal owners has won numerous tourism awards and located a short drive from the CBD. There may be opportunities to link with the tour operators to develop a tourism package.
- Wallaman Falls, Girringun National Parks is part of the Wet Tropics World Heritage Area, is also short drive from the CBD. Wallaman Falls is the highest, permanent, single drop waterfall in Australia and presents an iconic tourism experience.
- Lucinda, Forrest Beach, Halifax and Taylor’s Beach offer experiences for tourists that could be further developed.
The development of a walking trail through the CBD outlying historical buildings and significant activities was suggested as a new product. Organisation of families of local products was suggested as a pathway to better understand the current and potential products.

A number of resources are available to assist in the development of the area such as:

- JCU offer numerous tourism related courses – there may be opportunities to partner with the university to share information or in relation to student placement.

- The Sustainable Tourism Cooperative Research Centre has developed a Five Step Pathway to Sustainable Tourism for Local Governments. This program is now available through the Local Government Association of Queensland. There is an opportunity for either the Shire to undertake this program or join with other local governments in the region to work to access this program.

- The Department of State Development Infrastructure and Planning (DSDIP) delivers on behalf of the Department of Tourism, Small Business and the Commonwealth Games. Staff would be willing to support council and the chamber to develop and action plan.

- Some of the local governments in the region have dedicated tourism staff, there may also be an opportunity to work with other local governments to develop new ideas and support implementation.

- DSDIP support the North Queensland Economic Development Practitioners Network that has recently included a focus on regional tourism development.

Some of the possible areas to consider becoming involved with are:

- Great Barrier Small Island Forum: Host a conference for island communities around NQ.
- Cooperative Research Centres and University engagement: Specific interest in enterprise development, regional climate change, and tourism projects through literature reviews and regional structures.

**Recommendation for consideration**

**Immediate steps (short term):** The Chamber in partnership with Council adopts a short term Hinchinbrook Business Revitalisation Action Plan (April 2014 – December 2015). Resources and being realistic were key items discussed and the Chamber in taking the lead to develop this Hinchinbrook Business Revitalisation Action Plan may consider amongst other things:

1. Utilise the time leading up to the Hinchinbrook Tourism Open Day on Saturday 12 April to ensure showcased products maximise opportunity to attract return visits. Other products are promoted to showcase a range of interesting activities in close proximity.

2. Use the preparation for the Regional Tourism Open Day to build a program of further events for the next 18 months with suggestions including:
   a) Special combined Retail Days targeting Townsville
   b) Italian food evenings at the local hotels/cafes restaurants
c) Regular program of markets

d) Retail / business open day similar concept to the tourism open day – featuring collaborative marketing that seeks to attract regional visitors and locals alike

3. Utilising existing programs and webinars develop a structured business support program based on areas of interest from local businesses such as: social marketing, business continuity and financial management. Discuss with the Townsville Business Development Centre and regional Chambers of Commerce the opportunity to partner with them to deliver the training programs.

4. Celebrate via 3 monthly business dinners to provide businesses opportunity to showcase themselves and to engage with council. Consider including TEL as partners in this process.

5. In partnership with TEL and local accommodation providers develop a targeted small conference attraction program setting a target of attracting 3-4 conferences to Hinchinbrook in 2015.

6. Work with all levels of Government to provide the opportunity for the Chamber and partners to resource a business development support officer including linkage with the Townsville Business Development Centre that includes business incubator services.

7. Explore the opportunities to link with Palm Island businesses to expand the role of a business development support officer.

8. Consider targeting specific groups in Townsville (such as school committees and sporting groups) to encourage visits to Hinchinbrook. Visits could be targeting women’s shopping or supporting family visits.

9. Seek to deliver a Youth Entrepreneurial Business and Leadership Program.

10. Develop a partnership with TYTO that provides businesses with an opportunity to add value when events are staged at TYTO and to assist with Council’s desire to activate the spaces and look at providing support for new business ventures and undertake events at this venue.

11. Develop a partnership with Council and JCU to attract research activities to occur in the local area and opportunities to partner with businesses for projects or internships.

12. Pursue opportunities to further develop a better knowledge of the tourism industry by applying best practice principles and strategies to achieve sustainable destination planning, management, development and marketing.

13. Set a target of increasing membership by 15% by the end of the plan.

14. October 2015 review the plan to consider developing a longer term 3 years business action plan that focuses on membership and sustainability for the Chamber.

Economic Development Planning

The Australian Government’s Regional Economic Development Guide 2013
Central to embedding a common approach to regional development is understanding the factors that contribute to strong regional economies. The five key determinants of long-term regional economic development can provide a firm foundation on which regional analysis, planning and initiatives are built. While there are other factors that influence economic development, these determinants are considered the most common across regions. The key determinants provide a starting point to collect information and analyse data to understand the strength and direction of each region’s economy. Targeting the key determinants in regional plans and with collective actions can help to maximise each region’s economic potential.

The key determinants of long-term regional economic development

1 Human capital, particularly education and skills
   Human capital is the stock of knowledge, expertise and abilities of a population.

2 Sustainable communities (economically, environmentally and socially) and population growth
   Sustainable communities refer to the ability of a region to endure in the long-term. It has economic, environmental and social dimensions. Population growth refers to change in the size of a population over time, caused by migration and natural change through births and deaths.

3 Access to international, national and regional markets
   Access to international, national and regional markets is the ability to trade goods and services in a given market.

4 Comparative advantage and business competitiveness
   A region has a comparative advantage when it can produce a product, good or service at a lower opportunity cost than other regions. Business competitiveness is the ability of a business to sell and supply goods and services compared to a competitor. A business has a competitive advantage when its products or services cannot be easily duplicated by competitors.

5 Effective cross-sectoral and intergovernmental partnerships (including through place-based approaches) and integrated regional planning
   Effective cross-sectoral and intergovernmental partnerships are areas of formal and informal cooperation between stakeholders, which can help deliver on shared priorities. Integrated regional planning aligns the objectives of government, businesses and the community to coordinate development efforts at different levels.

The North Queensland 2031 Regional Economic Development Plan and the Hinchinbrook Growth Strategy address a number of the criteria outlined above. An opportunity exists for Hinchinbrook Shire Council to review the NQ2031 Economic and Infrastructure Framework that supports the NQ2031 Regional Economic Development Plan, to update the Growth Strategy into a current Economic Development Plan.

There are a number of actions to improve the local and regional economic outcomes and the prioritising using the economic development strategy needs to have a compelling vision, a realistic understanding of the economy and well-thought through strategies that will have the ability to capture the imagination of the community, investors and Government.

Economic Development Australia also provided a number of resources and professional development. Council could consider joining EDA to assist staff and elected members access to
the resources available for professional development and increased awareness of economic development.

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