



3 June 2020

Cr. Bob Manning
Mayor
Cairns Regional Council
PO Box 359
Cairns QLD 4870

BY POST/EMAIL – B.Manning@cairns.qld.gov.au

Dear Mayor

Re: Proposals for the 2020/2021 budget

Thank you for the opportunity to present to Council on 25 May 2020 on measures and initiatives Cairns Regional Council can implement to support employment and local jobs for the property industry. We are keen to assist council in ensuring our community and local businesses bounce back from this crisis.

As you would be aware, the Urban Development Institute of Australia Queensland (the Institute) is Queensland's leading development industry association with a unique regional structure covering 11 regional branch areas ranging from Cairns, all the way down to the Gold Coast in South-East Queensland.

Independent research undertaken by Urbis for the Institute in 2018 has highlighted the development industry's economic contribution to the Cairns region. This research indicates that the Cairns development industry directly accounts for **7 percent** of local employment delivering **\$454 million** into the pay packets of local families each year¹. In addition, the research highlights that the Cairns' property and development industry:

- Provides **6,791** direct jobs and supports a further **8,332** jobs indirectly
- Contributes **\$1,976 million** to Gross Regional Product.

Given the clear relationship between the local development industry and the success of the region's economy, it is critical that council's 2020/2021 budget considers the industry's needs and requirements, particularly in the wake of the COVID-19 crisis. As you are no doubt aware from your interactions with key stakeholders across a range of industries, the upcoming period will result in significant hardship right across the full breadth of our local economy. Despite the recent easing of public health restrictions, our research among members and investors indicates the worst is yet to come in terms of the economic impact of the COVID-19 pandemic.

¹ Report prepared by Urbis for the UDIA Queensland, March 2018

For this reason, we have moved quickly to identify key initiatives which we believe should be funded in council's upcoming budget because they demonstrate a direct link to assisting our local economy weather the fall-out from the pandemic and support our industry to continue to play a role creating jobs and delivering housing. Critically, they also form key pillars of any local recovery strategy.

Specifically, the Institute's Cairns Branch hopes to see the following funded in the 2020/2021 budget:

1. Freeze on infrastructure charges so as to avoid dampening the industry's capacity to stimulate the Cairns economy and create local jobs
2. Waive infrastructure charges or implement infrastructure charges discounts to significantly boost the industry and encourage investment into the Cairns region
3. Introduce new home builders grant offering at least \$10,000 per new dwelling to boost local employment for the local property industry and stimulate employment in the region.

In addition, the Institute recommends council dedicate resources to strategically review the Local Government Infrastructure Plan (LGIP) to identify and deliver infrastructure that is catalytic in nature and will generate investment in the region.

In closing, we would also like to take this opportunity to acknowledge that council is already taking many steps to support the community as well as shouldering the responsibility to continue essential services. We commend council on any effort in this regard and reiterate our willingness to play our part in the recovery effort and to join council's Economic Recovery Taskforce as required.

The Institute remains committed to continuing our ongoing collaboration with council to support good development and community outcomes for a strong and resilient economy. Should you wish to discuss these matters further, please contact Policy Executive Robert Tily (rtily@udiaqld.com.au) on (07) 3229 1589.

Yours sincerely,

Urban Development Institute of Australia Queensland



Anna Cox
Director of Policy, Strategy and Regional Services