

PORT HINCHINBROOK DREDGING PROJECT



FUNDING APPLICATION

PREPARED BY CASSOWARY COAST REGIONAL
COUNCIL



Image Source: Townsville Bulletin

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Executive Summary

The purpose of this submission by the Cassowary Coast Regional Council (CCRC), is to seek funding for the dredging of Port Hinchinbrook

The project consists of the dredging of the following:

- One Mile Creek;

The dredging will provide all tide access conditions that allow safe boat launching and retrieval and the safe transfer of passengers and goods.

Disposal of the dredge material via the existing dredge spoil ponds within the Port Hinchinbrook marina and resort development.

In 2011, Cyclone Yasi caused significant damage to Port Hinchinbrook and the marina. Since 2011, it is understood that due to lack of maintenance dredging of the channel, marina and commercial precinct has resulted in heavy silting. The heavy siltation means that vessels can only operate within the marina at high tide. This constraint poses a significant operational risk in that the Cardwell Coast Guard is only able to respond to emergencies at high tide. In recent times the Cardwell Coast Guard has been destabilised, the lack of an all tide access has contributed to this.

It is widely acknowledged by the local community and boating users that the current facility requires dredging to ensure it complies with current standards and reflects the current and future level of usage. The observation has been made by boating users that the state of the current boat ramp and adjacent waterways is perceived to have led to a decline in local tourists and confidence in the region - given increasing expectations for provision of boating facilities. The Port Hinchinbrook marina and resort development is currently in liquidation with the dredging issue contributing significantly to the saleability of the site and surrounding residences.

The economic benefits of the Port Hinchinbrook dredging project will include:

- Direct creation of new jobs during the dredging operational phase; with services sourced from local suppliers in accordance with Councils local buy policy;
- Increase the diversity and sustainability of Cassowary Coast economy, by growing the range of tourism activities, and sources of revenue. The dredging will increase in visitors and encourage longer visitation to the region which in turn will bring significant economic benefits;
- Economic benefits across a diverse number of other industry sectors as a result of increased visitation primarily in the accommodation, food services, retail and recreational sectors;
- Increased spending within local businesses through increased day-to-day activity at in Cardwell;
- Increased economic benefits to local businesses from supplying goods and services to those tourists visiting the area;
- Increased spending in the wider Cassowary Coast community and accommodation providers as result of ability to host events; and
- The project will also create a tourist drive destination providing an important economic boost to local business and regional Queensland.

The social benefits of Port Hinchinbrook dredging project will include:

- Increased community use of the boat ramp through the provision of all tide access;
- Increased emergency response availability through the provision of all tide access ; and
- Improved viewing experience of the Hinchinbrook Island.

Over the dredging operation period, the project will create employment for local contractors and other businesses. As a direct result of the construction of the project, there will be **5.0 FTE's in direct jobs**. By using employment multipliers for the construction industry, it is clear that through production induced effects including first round effects and industrial support effects, there will be an additional **2.5 FTE's in indirect jobs** through production and consumption induced effects during the construction phase. In total there will be **7.5 FTE's created by the investment in the project for the Cassowary Coast region during the dredging operation phase**.

Over the operational period, using employment multipliers for the Accommodation and Hospitality industry, and on the basis of the **direct induced visitation spend of \$2,542,000.00** on an ongoing basis there will be **11.5 FTEs created in direct employment with an additional 5.5 FTE's generated indirectly**. In total there will be **17.0 FTE's created by the investment in the project for the Cassowary Coast region during the operational phase**.

The Hon Michael McCormack MP has provided a letter to Council committing up to \$1,500,000.00 towards the project from the Community Development Grants Scheme during the 2019 election, a copy of this letter is provided as **Attachment 1**.

The project is “shovel ready” tender/procurement activities are currently underway with three companies working through an early tenderer process with Council, a copy of these submissions are provided as **Attachment 2** (Council will wait for execution of funding deed and approval from Australian Government before announcing successful tenderer and entering into a contract).

I wish to thank you for taking the time to consider this request and look forward to a positive outcome.

Yours Sincerely



Mark Nolan



Mayor, Cassowary Coast Regional Council

1 The Cassowary Coast Region

The Cassowary Coast region is situated midway between Cairns and Townsville on the Queensland coast between two World Heritage areas, the Great Barrier Reef and Wet Tropics Rainforest. The main population centres are Innisfail on the river in the north, Tully inland, Cardwell on the south coast and the Mission Beach village precinct. Historically, the rural region has existed on the agriculture sector which produces more than 90% of Australia's bananas as well as being a major sugar producer.

In the north, the regional centre of Innisfail is a retail service centre, rich in early-settler history and glittered with Art Deco landmarks. Cairns is less than 90 kilometres by road north of Innisfail and is a major international entry point to Tropical Northern Australia.

Mission Beach is a key regional gateway to the Great Barrier Reef as well as the family group of rainforest islands including Dunk and Bedarra. It is made up of four small townships: South Mission Beach, Wongaling Beach, Mission Beach and Bingil Bay – all connected by a palm-fringed beach that is reputedly the longest stretch of sand in North Queensland.

Located 140kms south of Cairns is the region's green jewel town of Tully, nestled between World Heritage Rainforests. It is also home to the renowned Tully River, capital of Australia's white water rafting for over 30 years and home of the International Rafting Association World Championships in 2019.

In the south, the seaside town of Cardwell is gateway to Hinchinbrook Island with some of the best fishing and boating in Australia. Cardwell is located on the National Highway providing easy access to unexplored rainforests, rugged terrain, numerous waterfalls, steep gorges and unlimited waterways. Approximately 150 kilometres south of Cardwell is the economic centre of Townsville. A city of nearly 200,000 people, it is a key centre of industry and government services for the region and home to Defence facilities and James Cook University.

The region is a dynamic, multi-faceted montage of pristine natural wonders, historical pubs, boutique food experiences, spectacular islands, reefs and beaches, ancient rainforests, rich indigenous art and culture and friendly local characters.

Reef and Rainforest is traditionally the response for what is the main attractions that tourists want from their holiday in the region. However consumer research conducted by Tourism and Events Queensland reveals people are looking for a 5-pillar experience:

- Reef, Island and Beaches;
- Natural Encounters;
- Adventure and Discovery;
- Lifestyle, Culture and People; and
- Events

Our region has all this and more with the advantage of offering the top three highly sought-after experiences visitors are seeking. Whether it be a guided experience or choosing your own adventure, diving, snorkelling, hiking, mountain biking, white water rafting, skydiving, rainforest walks and fishing as popular activities throughout the

region. The region offers the laid back style of speciality shops, markets and historical pubs while being able to meet local characters along the way.

The region offers an array of nature and adventure based activities in Australia's and the world's most biodiverse and unexplored destinations. The Wet Tropics World Heritage Area is abundant with animals and birdlife including some 30% of the nation's marsupials and 48% of its bird species. The pristine habitat boasts as many as eighty-five species of animal. It's not unusual to sight turtles and dugongs playing freely in the waterways - The warm tropical waters have made the area home for many species of exotic marine life. Above the ground is home to butterflies, mahogany glider and so many types of birdlife – including the Cassowary, the bird that gave the Cassowary Coast its name.

Agriculture has also diversified into an additional tourism experience with the potential of becoming a world-class food producing region. While the abundance of natural beauty appeals to visitors, a variety of boutique food and beverage experiences are emerging to place the region as a tropical food bowl destination.

The region is popular for annual sports and community events such as Kurrimine Fishing Competition, Feast of the Senses, Ona Mission Multi Sport Adventure Race and growing events such as the Aquatic Festival at Mission Beach and the Cardwell Barra Bash. Due to its inherent attractiveness and lifestyle character and proximity to the larger regional centres of Cairns and Townsville, the Cassowary Coast is increasingly being identified for its potential to host a range of diverse events.

The recreational boating industry accounts for approximately \$500 million turnover annually of which recreational fishing accounts for approximately 60% Australia-wide (Australian Bureau of Agricultural and Resource Economics and Sciences, 2018). The overall economic value of recreational fishing was estimated to be approximately \$2.56 billion in 2013 (i.e. estimated total expenditure – Fisheries Research and Development Corporation, 2013). This includes expenditure on all supporting aspects associated with recreational fishing, including ancillary transport, accommodation, travel and other purchases as well as costs associated with information awareness (e.g. media and marketing).

Fishing and the recreational opportunities of the Hinchinbrook Channel and Hinchinbrook Island forms an important part of our tourism and general economy. While the fishing tournament is a major attraction in its own right, it also has the potential to provide for added stays within our region by attendees to the event.

1.1 Regional population

The population for the Cassowary Coast regional area in 2017 was 29,680, with a median age of 43.4 years (ABS, 2018). Annual growth rates of between 0.2% and 1.0% have been experienced every year since 2011.

1.2 Gross Regional Product

The 2017 Gross Regional Product (GRP) of Cassowary Coast was \$1.48 billion according to the National Institute of Economic and Industry Research (NIEIR), representing an increase of 1.1% on 2016, however 17% below the 2012 peak of \$1.7 billion. The main contributors to the region's GRP are agriculture, particularly sugar

cane farming and banana growing, tropical fruit and vegetables, cattle grazing, timber production, fishing and tourism.

Around 60% of total businesses within the area are within the Agriculture, Fishing and Forestry sector, with the remaining 40% led by Construction, Property and Business Services. The region produces over 10% of the total value of crops in Queensland on an annual basis (Cassowary Coast Regional Council Economic Development Plan, 2016).

The focus on agriculture is consistent with the wider Northern Australia region, which accounts for the majority of Australia's 30 million tonnes of sugarcane produced each year and more than 90% of Australia's mango and banana production.

1.3 Regional Produce

Agricultural products are a key driver of regional GRP, and any resulting export potential. The total value of agricultural production in 2008/09 was \$592 million, encompassing a total land area of 268 000 ha (Bananas \$388 million, Sugar \$157 million, Fishing \$13 million, Cattle \$103 million).

1.4 Tourism and the Cassowary Coast region

Tourism has played a significant part of the Cassowary Coast's economic growth. While the region has abounded in economic opportunity since its early discovery by European settlers, the natural beauty of the area and the relaxed lifestyle that the region is able to offer has also most likely played a significant role in settling people and helping the area to grow.

Today, the region offers one of the few authentic tropical experiences ranging from pristine tropical rainforest visits to adventure white water rafting on its natural rivers, sailing its 35 islands or walking its coastal beaches where the rainforest meets the ocean. This has led to a growth in tourist accommodation, support services (e.g. cafes and tourist shops) and access to a range of experiences through tours and the hire of equipment.

The 1970s through to the 1990s saw arguably the heyday of tourism investment into the region as well as steady growth in the residential sector for both the then Cardwell and Johnstone Shires. The impacts of two major cyclones in 2006 (Cyclone Larry) and 2011 (Cyclone Yasi) saw significant damage inflicted onto the region's tourism infrastructure and the economy. This was further, and arguably more significantly, affected by the Global Financial Crisis in 2009 and the associated evaporation of finance for tourism infrastructure projects.

Yet while tourism has suffered in the region, it is still recognised as one of the most important economic sectors for the region, being a service industry which has a high capacity to employ people and corresponding multiplier effect across other supporting sectors.

Tourism Tropical North Queensland (the RTO for the region's north) has recognised that the Great Barrier Reef alone is valued at \$56 billion with \$29 billion being directly attributed to associated tourism. A large proportion of this comes through the Cairns

gateway and either already does or has the potential to make its way to the Cassowary Coast Region and its surrounds.

The region is fast positioning itself as the next lifestyle capital for people wishing to have a high standard of living, a relaxed tropical lifestyle with still comparative easy access to a range of services for personal and business purposes. Being able to participate in the global economy from an enviable point of difference valued by potential customers and clients will be a key differentiating characteristic for the region. Tourism is and will continue to play a significant role as the initial gateway for the region's investors of the future.

The Queensland Government now recognises tourism, together with agribusiness, as the key sectors that are most likely to deliver prosperity to the regions. The Cassowary Coast has potential in both these sectors in plentiful supply and has significant potential for cross-integration opportunities for the two sectors – e.g. food tourism, farm stays and industry-related tours (farm properties and sugar mills).

Opportunity abounds in the region as ever rapidly expanding markets are increasingly looking for new holiday and lifestyle experiences. But the region is not alone – other centres are also working hard to develop their tourism industry and lifestyle services, constantly adjusting to market Visitor and industry trends

Tourism within the region has had a fluctuating history in terms of its contribution to the regional economy. At present, the tourism economy of the region, while improving, lags behind other regional tourist regions and Queensland as a whole. Although visitation in the region has increased by 3% in the last 3 years, the total visitor nights stayed in the region has decreased by 20% (Space Time Research).

Much of the Cassowary Coast's employment growth has been driven by agriculture, accounting for 23.1% of the growth between 2006 and 2016. This is counter to the trend for Queensland and Queensland tourist regions in general (which also include the large urban areas of the Gold Coast and Sunshine Coast regions) where there has been a significant decline in Agriculture and sharp spikes in the Accommodation and Food Services, Education and Health.

In Queensland, overall, the economy has undergone a transformation from an agricultural/mining economy to one that is services related with education and health being the main drivers. Accommodation and Food Services (a key indicator for the tourism industry) has lagged in regional centres compared to the Queensland and tourist regions averages as shown in Figures 1 and 2. This has been most significant in the Cassowary Coast where there has been a decline in the number of persons employed in the Accommodation and Food Services sector between 2006 and 2016. While this may be partly due to the effects of the GFC and cyclone events, other regions have also experienced adverse weather events and the effects of the GFC.

The Queensland and tourist region trends indicate that there are potential gains in the contribution that tourism can make to the regions. In 2012-13 tourism directly accounted for 140,000 jobs (or 5.9%) and indirectly accounted for 101,000 jobs, or in total 10.3% of employment in the state. This is substantially more than the mining sector (74,000 direct jobs) and agriculture, forestry and fishing (66,000 direct jobs). Cafes, restaurants and takeaway food services had the largest share of tourism employment (26%), followed by retail trade (18%) and accommodation (13%).

(Source: Tourism Research Australia -State Tourism Satellite Accounts 2012-13, Queensland Government Office of Economic and Statistical Research).

Deloitte Access Economics has valued the Great Barrier Reef at \$56 billion, with an economic contribution of \$6.4 billion per year. Much of this – nearly 90% or \$5.7 billion was from tourism alone (Deloitte Access Economics, 2017). A large proportion of the growth potential in tourism is expected to be fuelled by growth in the global ‘middle class’ demographic – much of this is expected to be driven by growth in South East Asia. By 2031 SE Asia is expected to accommodate a 1.7 billion middle class – an increase of 1.2 billion people on 2016 figures.

1.4.1 Tourism Goals

Vibrant tourism economy – ensuring that the region’s tourism experiences meet current and emerging market opportunities and expectations in a manner that adds to the prosperity of the region while maintaining its character and authenticity.

Tourism as a gateway for regional prosperity – recognise the role that tourism is able to play in showcasing the region for its beauty and lifestyle and its attraction for sustainable investment.

Love the place you live – empowering the industry and community to recognise the uniqueness of the region and its communities and engender pride.

Cassowary Coast as its own regional destination – promote the destination in its own right and not solely as a drive through (grab and go) market for visitors travelling through the region.



Figure 1: A summary of what the Cassowary Coast Region has to offer

2 Cardwell

Cardwell is the nearest town to the Port Hinchinbrook marina and resort development. In the 2016 Census, Cardwell had a population of 1,309 people. The Bruce Highway National Highway 1 and the North Coast Railway line are the dominant transport routes, connecting with the Queensland provincial cities of Cairns and Townsville. Cardwell suffered significant damage from Cyclone Yasi, a category 5 cyclone, in February 2011.

West of Cardwell the rugged topography of the Cardwell Range intercepts the trade winds resulting in high rainfall. The coastal escarpment is covered in rainforest which transition to the west to eucalypt woodland and tropical savannah. Cardwell Range biodiversity has been protected by the introduction of Forestry Reserves, National Parks and Queensland World Heritage Wet Tropics Areas. Seaward lies the Coral Sea, The Great Barrier Reef and Lagoon, Rockingham Bay and Hinchinbrook Channel. Islands are visible from Cardwell including protected areas; Hinchinbrook Island, Goold Island and the Brook Islands Group.

With the establishment of Port Hinchinbrook, the Marina Public Boat Ramp provides year round access to the protected marine environments of Hinchinbrook Channel, Estuaries, Islands and Great Barrier Reef. The Cardwell Jetty is an important infrastructure asset, where visitors can socialise and view the coastal scenery; and anglers can enjoy both day and evening fishing activities, however it provides no practical use for launching and retrieval or loading and unloading of passengers for either either commercial or recreational users

2.1 Port Hinchinbrook

The Port Hinchinbrook marina and resort development at Oyster Point is located on the southern side of Cardwell, North Queensland and was established in 1988. The Port Hinchinbrook development occupies a roughly triangular site south of Cardwell, bounded by the Bruce Highway/railway, One Mile Creek and Stoney Creek to Oyster Point, the Hinchinbrook Channel, and a council reserve on the southern outskirts of Cardwell. The northern boundary of the site is about 500 metres from the southern edge of the built-up area of Cardwell, and Oyster Point is about 2.5 kilometres from Cardwell centre. The boundary of the property is the high water mark. The landward boundary of the Great Barrier Reef World Heritage Area is the low water mark.

Source:

https://www.aph.gov.au/parliamentary_business/committees/senate/environment_and_communications/completed_inquiries/1999-02/hinchinbrook/report/c02

The Port Hinchinbrook marina and resort development is currently in liquidation with the dredging issue contributing significantly to the saleability of the site and surrounding residences.



Figure 2: Port Hinchinbrook

3 Project Details

3.1 Project Background

The project consists of the dredging of the following:

- One Mile Creek;

The dredging will provide all tide access conditions that allow safe boat launching and retrieval and the safe transfer of passengers and goods.

Disposal of the dredge material via the existing dredge spoil ponds within the Port Hinchinbrook marina and resort development.

3.2 Existing Conditions

In 2011, Cyclone Yasi caused significant damage to Port Hinchinbrook and the marina. Since 2011, it is understood that due to lack of maintenance dredging of the channel, marina and commercial precinct has resulted in heavy silting. The heavy siltation means that vessels can only operate within the marina at high tide. This constraint poses a significant operational risk in that the Cardwell Coast Guard is only able to respond to emergencies at high tide. In recent times the Cardwell Coast Guard has been destabilised, the lack of an all tide access has contributed to this. It is widely acknowledged by the local community and boating users that the current facility requires dredging to ensure it complies with current standards and reflects the current and future level of usage. The observation has been made by boating users that the state of the current boat ramp and adjacent waterways is perceived to have led to a decline in local tourists and confidence in the region - given increasing expectations for provision of boating facilities.



Figure 3: Port Hinchinbrook Marina (Source: *The Cairns Post*, *Townsville Bulletin* and Facebook)



Figure 4: Port Hinchinbrook Marina (Source: *The Cairns Post*, *Townsville Bulletin* and Facebook)



Figure 5: Port Hinchinbrook Marina (Source: *The Cairns Post*, *Townsville Bulletin* and Facebook)



Figure 6: Port Hinchinbrook Marina (Source: *The Cairns Post*, *Townsville Bulletin* and Facebook)



Figure 7: Port Hinchinbrook Marina (Source: *The Cairns Post*, *Townsville Bulletin* and Facebook)



Figure 8: Port Hinchinbrook Marina (Source: *The Cairns Post*, *Townsville Bulletin* and Facebook)



Figure 9: Port Hinchinbrook Marina (Source: *The Cairns Post*, *Townsville Bulletin* and Facebook)



Figure 10: Port Hinchinbrook Marina (Source: *The Cairns Post*, *Townsville Bulletin* and Facebook)

Figure 11: Port Hinchinbrook Marina (Source: *The Cairns Post*, *Townsville Bulletin* and Facebook)

3.3 Project Objectives

The project has a number of key outcomes, these are:

- Provide all tide access conditions that allow safe boat launching and retrieval and the safe transfer of passengers and goods;
- Provide all tide access conditions to assist in medical nautical emergencies;
- Improve boating infrastructure, facilitate local economic development, enable joint commercial and recreational usage and respect the rich natural environment and cultural heritage of the area;
- Support the Cardwell community by assisting the re-establishment of a reef / Hinchinbrook Island and Channelbased tourist market and provide improved recreational boating facilities;
- Support the local commercial fishing enterprises and the local economy through employment and the supply of local fish;
- Provide safer reliable public access to the Great Barrier Reef and Great Barrier Reef Marine Park. This will build public awareness and support for this globally significant natural environment; and
- Provide an opportunity to expand current and grow future significant tourism development and events in the area.

3.4 Project Scope

The project consists of the following works:

Dredging of the following:

- One Mile Creek;

Disposal of the dredge material via the existing dredge spoil ponds within the Port Hinchinbrook marina and resort development.

4 Community

The Port Hinchinbrook, Cardwell and wider Cassowary Coast Community has lobbied Council, the State and Federal Government over a number of years for funding to dredge Port Hinchinbrook.

5 The need for the dredging of Port Hinchinbrook

5.1 General

As Port Hinchinbrook has remained silted up since Cyclone Yasi levels of activity within Cardwell have remained very subdued. The Hinchinbrook Channel is currently inaccessible from One Mile Creek by even the smallest of vessels below a tide of 1.6m. Larger tourism vessels of a deeper draught would require a tide of 1.9m. Statistical analysis shows that tides are below 1.9 m in Cardwell 50% of the time and this severely compromises the opportunity to provide a marine based service or run a marine business from Cardwell. Council has identified the need to create employment opportunities and drive economic diversity by growing the tourism sector. The Cassowary Coast's economy is primarily based on sugar cane and banana production which is vulnerable to natural disaster events and diseases. Panama disease Tropical Race 4 was initially detected on Cavendish banana plants on a farm in the Tully Valley in 2015. The Cassowary Coast region represents about 94 per cent of Australia's \$600 million banana industry and is a significant employer with over 20% of residents working in the industry.

It is considered that the dredging project will reinvigorate Cardwell and Port Hinchinbrook. Providing a catalytic to the local economy and wider Cassowary Coast community. The project would provide an opportunity to grow the tourism sector. It would provide a unique opportunity to diversify the range of economy-boosting tourism development in the region away from its traditional agricultural base, creating jobs and also strengthening the wider Cassowary Coast region's economy and making it more resilient to natural disaster and disease events which it is currently facing with the threat of Panama disease Tropical Race 4.

The project will generate community pride and ignite inspiration in a region still rebuilding from the devastation of recent cyclones (Larry in 2006 and Yasi in 2011) The dredging is a key step in strengthening the communities destination appeal. The project will help restore visitation to pre-cyclone numbers and rebuild confidence in the tourism sector to contend with world-renown destinations with similar reef-meets-rainforest offerings. It will be a positive beacon to the community and will contribute to the quality of life of the residents of the Cassowary Coast.

An injection of grant funds would ensure the timely delivery of this capability at a time when the need for employment growth is at a critical level within the Cassowary Coast region. The potential for employment growth is not only likely to be generated by the accelerated development of the Cardwell area but also the multiplier effects of increased tourism and hospitality capacity across the region.

Given Cardwell's strong identity as a well-known a recreational fishing village, The major benefits will be increased expenditure related to tourism and recreational fishing. These expenditures were selected for our analysis selected as they are measurable, unlike a range of other, less tangible benefits. The key groups analyzed include day trippers (recreational fishers), and overnight tourists. Expenditure by these groups on accommodation, food and boat maintenance represent quantifiable metrics which are important for this analysis.

Due to the Cassowary Coast's high reliance on tourism, projects such as dredging of Port Hinchinbrook are vital to sustain the local economy. The Covid restrictions on

interstate, intrastate and overseas migration has cruelled the local economy through its reliance on tourism.

5.2 COVID Recovery

As the Covid restrictions ease, opportunities to capture tourism revenues will increase. However, there remains high levels of uncertainty surrounding how the impacts of Covid will further unfold. Nationally, the economy is in recession as the June quarter GDP figures are expected to show a significant decrease following the 0.3% fall recorded in the March 2020 quarter.

This project will assist to create employment opportunities in the dredging phase and by enhancing the amenity, safety and access to the Hinchinbrook Channel the project will assist to attract visitation and the marketability of the area.

Through the operational phase, this expected boost to tourism expenditure will support local job generation on an ongoing basis. This expenditure in the project will benefit the local, regional and state economies through these uncertain economic times and in doing so speed up the pace of recovery and help to build back confidence.

The COVID pandemic has now reached more than 5.08 million known cases, with 1.94 million recovered, however, caused more than 332,000 fatalities (May 29 2020). Isolation and social distancing together have proven to be highly effective. Australia recorded 7,079 confirmed cases with COVID with 6,444 total recoveries. There have been 100 total deaths (Elvery, Australian Coronavirus Numbers, 2020). Australia's response to COVID has been relatively effective in controlling the numbers of those infected and possible transmission.

COVID Impacts

- It is highlighted at the outset that this GVC is different to the previous downturns including the 1990-92 Recession and the GFC because in the short term the impacts from the GVC are physical. We note that the first impacts of this event are physical in nature and not just financial;
- It is also important to note the stark differences in monetary policy settings that were in place during the Recession 1990-92 when the OCR was 14% at the start, and the GFC when the OCR was 6% and where the OCR is now at 0.25%; and
- It is considered that the period of monetary policy easing over the last two years, which has led to the current historically low OCR will work to cushion the impact arising due to the GVC.

Migration

- Australia has a tightly managed permanent migration program, but analysis of NOM figures for the last 10 years shows that temporary visa arrivals contribute twice as much to NOM as permanent visa arrivals. In recent years this has risen to a three times ratio, and with the recent announcement of a cut to the migration program, it would appear that this trend may continue depending largely on residual impacts resulting from COVID;

- Looking ahead, the impact of the COVID pandemic is expected to see a large pull-back in NOM into Australia, following the closure and strict quarantine measures of Australia's international border in the aim of preventing the spread of the pandemic;
- Integral to this, the biggest impact over the last few years on Australia's population has been the rapid growth in international students. In 2018-19, NOM of international students was almost 113,000, with 173,000 added to the population and only 60,000 departed;
- This was 47% of total NOM and around a third of the total increase in population. Without international students, the contribution to population growth of migration would be less than natural increase. This will have significant implications on NOM into Qld for 2021; and
- MacroPlan's current position on NOM largely reflects the Government advice at a national level – seeing a 30% reduction in 2020 (170,000) and 85% reduction in 2021 (35,000). At this stage we have in agreement with NHFIC assumed a return to underlying demand levels by 2022 circa 225,000.

Unemployment

- Queensland unemployment rate increased from 5.7% in March to 6.8% in April 2020 which has had a significant impact on the Cassowary Coast economy.

5.3 Dredging Operation Benefits

Over the dredging operation period, the project will create employment for local contractors and other businesses. As a direct result of the construction of the project, there will be **5.0 FTE's in direct jobs**. In the construction phase, there will be an opportunity for local business to provide inputs. Council has advised that increased opportunity for local contractors and subcontractors that can supply materials and fit out will become available in accordance with Councils local buy policy. Additional employment will also be generated through flow on effects for local suppliers. By using employment multipliers for the construction industry, it is clear that through production induced effects including first round effects and industrial support effects, there will be an additional **2.5 FTE's in indirect jobs** through production and consumption induced effects during the construction phase. In total there will be **7.5 FTE's created by the investment in the project for the Cassowary Coast region during the dredging operation phase**.

5.4 Operational Benefits

5.4.1 Accommodation

The following is an analysis of all 9 hotels in Cardwell and Port Hinchinbrook region and quantifies the revenue. By assuming a current occupancy rate of 55% (based on discussions with local operators) and forecasting for a range achievable rates of 65%-95% as a result of the project. This is on the premise that increase visitation coming into the Cardwell will and support higher rates of occupancy. In other words, we assume that the benefits to the accommodation market, if the dredging occurred, would be in the form of strengthening occupancy rates.

By using a range of occupancy rates we modelled the potential benefit in terms of total improved accommodation revenues. Assuming the local market had an uplift occupancy rate by say 2021 (which would represent the first full year of improved access generated by the dredging) of 65% there would be a benefit of \$364,270, 85% there would be a benefit of \$1,092,810 and 95% a benefit of \$1,457,080 of benefit from the current local market occupancy rate of 55%.

A conservative estimate is to use the occupancy rate of 65% where there would be an annual benefit of \$364,270.

Address	AVG \$	Apartments	Difference (current)		
			65%	85%	95%
1 Scott St, Cardwell	115	12	\$50,370	\$151,110	\$201,480
1 Poinciana Blv Port Hinchinbrook	300	4	\$43,800	\$131,400	\$175,200
10-14 Poinciana Blvd, Cardwell QLD 4849	180	5	\$32,850	\$98,550	\$131,400
59-61 Victoria St, 4849 Cardwell,	85	7	\$21,718	\$65,153	\$86,870
107 Roma St, Cardwell QLD 4849	100	6	\$21,900	\$65,700	\$87,600
215 Victoria Street Cardwell QLD	105	10	\$38,325	\$114,975	\$153,300
43a Marine Parade, 4849 Cardwell	105	20	\$76,650	\$229,950	\$306,600
18 Landsdown Street, Cardwell QLD, 4849	85	3	\$9,308	\$27,923	\$37,230
175 Bruce Hwy, Cardwell QLD 4849	95	20	\$69,350	\$208,050	\$277,400
	130	87	\$364,270	\$1,092,810	\$1,457,080

Figure 11: Cardwell Accommodation

5.4.2 Increased demand for boat maintenance

This component was undertaken to estimate the uplift in local boat maintenance expenditures arising from increased boating activity that would arise from the dredging.

Utilising Local Government and Department of Agriculture and Fishing data an estimate of the number of boats in the region can be determined. Macroplan assumes that that on an average annual basis, in the order of 10% of the value of the boating stock will go towards maintenance and repairs. ("The Annapolis Book of Seamanship 2014).

An estimate of the number of boats was determined on the basis of Queensland Government boat registration data for the Cassowary Coast. The market share for the Cardwell was determined to be 12.8%. It is assumed that the boat registration would rise to about 15% owing to the impact of dredging.

This uplift of 2.57% is the same quantum of increase applied to recreational fishers participation rate.

As a consequence of the increase in boating activity and its associated maintenance expenditures that would be likely to result as a consequence of the improved access that the dredged Port Hinchinbrook would generate

The increase in boat maintenance expenditure projected would lead to an annual benefit of \$742,200.00.

5.4.3 Tourism

The analysis undertaken for the tourist market draws upon domestic and international nights in catchment shaped by the availability of data. Using the Tourism Research Australia (TRA) data for the Cassowary Coast Local Government Area from 2016 to 2018 as the basis for this component of the analysis.

Through analysis of the accommodation market over the before period (a 3 year period prior to cyclone Yasi) and over an extended period after 2011 (8 years to 2019, a measure of the impact on domestic and international tourism can be established. . An assumed market share of 20% was selected to represent the Cardwell/Hinchinbrook market which was provided by STR data for Tully catchment which includes Cardwell. In regard to proportionating the tourist accommodation market the assumption of 20% is slightly higher than the actual market share in terms of rooms numbers. This elevated market share has been adopted owing to the coastal locational attributes of Cardwell.

The analysis divided the benefits into that generated by domestic and international tourist overnight accommodation demand. By application of the 'before' dredging accommodation demand to the 'after' dredging to the 20% market share of accommodation, found an annual uplift of \$152,000 in terms of the international nights and \$870,000 annually for the domestic overnight accommodation spend. This represents an annual uplift of \$1 million in overnight accommodation expenditures which would accrue in each full year after the dredging.

Through careful analysis of the domestic and international 'paid' activities market 3 years prior to cyclone Yasi and in the long term after Yasi, the difference between the pre-post spending levels were identified to gauge the continued effects of Yasi on the tourism market in Cassowary Coast. We adopted the same 20% market share assumption to determine the Cardwell share our tourism activity expenditure.

The increase in tourism expenditure projected would lead to an annual benefit of \$1,800,000.00.

Tully Domestic Overnight Trips (000)	AVG 3 Year	AVG 11/12 ->	Difference	Tully Domestic Overnight Activity (000)	AVG 3 Year	AVG 11/12 ->	Difference
Luxury hotel or luxury resort (4 or 5 star)	19	13	6	Go whale or dolphin watching	1	0	1
Standard hotel/motor inn (below 4 star)	23	23	0	Visit farms	1	2	-1
Serviced apartment	5	1	4	Visit the reef	3	1	2
Guest house or Bed & Breakfast	2	1	1	Other outdoor activities nfd	3	4	-1
Rented house/apartment/flat or unit	12	7	5	Golf	1	0	1
Domestic Overnight Spend	\$272.00		16	Scuba diving	1	0	1
Domestic Overnight Spend			\$4,390,628.53	Snorkelling	3	4	-1
Market Share	0.2		\$878,125.71	Water activities / sports	12	8	4
				Cycling	0	2	-2
				Play other sports	7	2	6
				Day Trip Spend	\$95.00		11
				Day Trip Spend			\$1,012,131.99
				Market Share	0.2		\$202,426.40
Tully International Overnight Trips	AVG 3 Year	AVG 11/12 ->	Difference	Tully International Overnight Activity	AVG 3 Year	AVG 11/12 ->	Difference
Luxury hotel or luxury resort (4 or 5 star)	4,924	1,614	3,311	Go whale or dolphin watching	19,263.45	13,162.85	6,100.60
Standard hotel/motor inn (below 4 star)	6,621	5,078	1,543	Visit farms	16,036.83	10,068.29	5,968.54
Serviced apartment	499	856	-357	Visit Reef	29,429.00	12,040.00	17,389.00
Guest house or Bed & Breakfast	789	661	129	Other outdoor activities nfd	24,714.16	14,466.20	10,247.96
Rented house/apartment/flat or unit	970	1,242	-272	Golf	3,093.07	1,275.38	1,817.69
International Overnight Spend	175		4,353	Scuba diving	20,028.51	13,388.38	6,640.14
International Overnight Spend			\$761,755.51	Snorkelling	44,617.33	30,686.89	13,930.43
Market Share	0.2		\$152,351.10	Water activities / sports	43,086.14	27,472.04	15,614.10
				Cycling	8,391.50	7,134.18	1,257.32
				Play other sports	8,779.04	6,294.46	2,484.57
				Day Trip Spend	95.00		81,450.36
				Day Trip Spend			\$7,737,784.38
				Market Share	0.2		\$1,547,556.88

Figure 12: Cardwell Overnight Trips

Tourism has played a significant part of the Cassowary Coast's economic growth. While the region has abounded in economic opportunity since its early discovery by European settlers, the natural beauty of the area and the relaxed lifestyle that the region is able to offer has also most likely played a significant role in settling people and helping the area to grow. Today, the region offers one of the few authentic tropical experiences ranging from pristine tropical rainforest visits to adventure white water rafting on its natural rivers, sailing its 35 islands or walking its coastal beaches where the rainforest meets the ocean. This has led to a growth in tourist accommodation, support services (e.g. cafes and tourist shops) and access to a range of experiences through tours and the hire of equipment.

The 1970s through to the 1990s saw arguably the heyday of tourism investment into the region as well as steady growth in the residential sector for both the then Cardwell and Johnstone Shires. The impacts of two major cyclones in 2006 (Cyclone Larry) and 2011 (Cyclone Yasi) saw significant damage inflicted onto the region's tourism infrastructure and the economy. This was further, and arguably more significantly, affected by the Global Financial Crisis in 2009 and the associated evaporation of finance for tourism infrastructure projects.

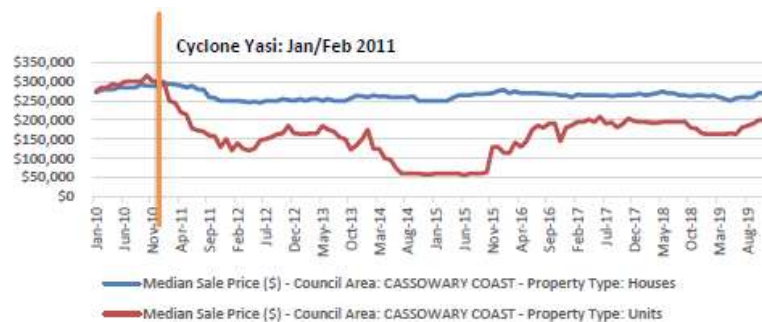


Figure 13: Property prices 2010-2019 since cyclone Yasi



Yet while tourism has suffered in the region, it is still recognised as one of the most important economic sectors for the region, being a service industry which has a high capacity to employ people and corresponding multiplier effect across other supporting sectors.

Tourism Tropical North Queensland (the RTO for the region's north) has recognised that the Great Barrier Reef alone is valued at \$56 billion with \$29 billion being directly attributed to associated tourism. A large proportion of this comes through the Cairns gateway and either already does or has the potential to make its way to the Cassowary Coast Region and its surrounds.

The region is fast positioning itself as the next lifestyle capital for people wishing to have a high standard of living, a relaxed tropical lifestyle with still comparative easy access to a range of services for personal and business purposes. Being able to participate in the global economy from an enviable point of difference valued by potential customers and clients will be a key differentiating characteristic for the region. Tourism is and will continue to play a significant role as the initial gateway for the region's investors of the future.

Cardwell is perfectly positioned between Cairns and Townsville, with these centres being an approximate 2-2.5 hour drive. Distances over 2 hours-drive tend to generate visitor preferences for overnight accommodation that creates more economic activity. The data supports the increased economic benefits of intrastate visitors needing to stay overnight compared to day trippers.


From Cassowary Coast Council's Visitor Information Centre data collected over the last 5 years, there is an evident tourist season. It would seem that the prime tourist season for the Cassowary Coast is the 6 months from 1 May to 1 November 2019. This may vary for some tourism operators e.g. Raging Thunder White Water Rafting has its busiest month in February which happens to be also the wettest month but it is the Chinese New Year which generates extra visitors from Asia and points to the changing trend of Asian visitors to participate in water contact activities.



LOCAL GOVERNMENT AREA PROFILES, 2018*

CASSOWARY COAST (R), QUEENSLAND

AREA POPULATION^: 29,689



TOURISM BUSINESSES^		TOTAL
Non-employing		148
1 to 4 employees		135
5 to 19 employees		70
20 or more employees		12
Total		369

TOP INTERNATIONAL MARKETS		
COUNTRY OF RESIDENCE	VISITORS ('000)	NIGHTS ('000)
United Kingdom	10	68
Germany	9	27
France	4	13

TOURISM STATISTICS FOR CASSOWARY COAST (R)

VISITORS TO CASSOWARY COAST (R)	INTERNATIONAL	DOMESTIC OVERNIGHT	DOMESTIC DAY	TOTAL
<i>Reason (visitors '000)</i>				
Holiday	45	117	217	379
Visiting friends or relatives	2	51	np	np
Business	np	np	np	np
Other	np	np	np	np
<i>Travel party type (visitors '000)</i>				
Unaccompanied	20	45	-	65
Couple	14	59	-	73
Family group	4	39	-	43
Friends/relatives travelling together	9	46	-	55
<i>Accommodation (nights '000)</i>				
Hotel or similar	24	103	-	127
Home of friend or relative	41	194	-	235
Commercial camping/caravan park	31	158	-	189
Backpacker	131	np	-	np
Other	114	204	-	318

Figure 14: Cassowary Coast Tourism Statistics 2018

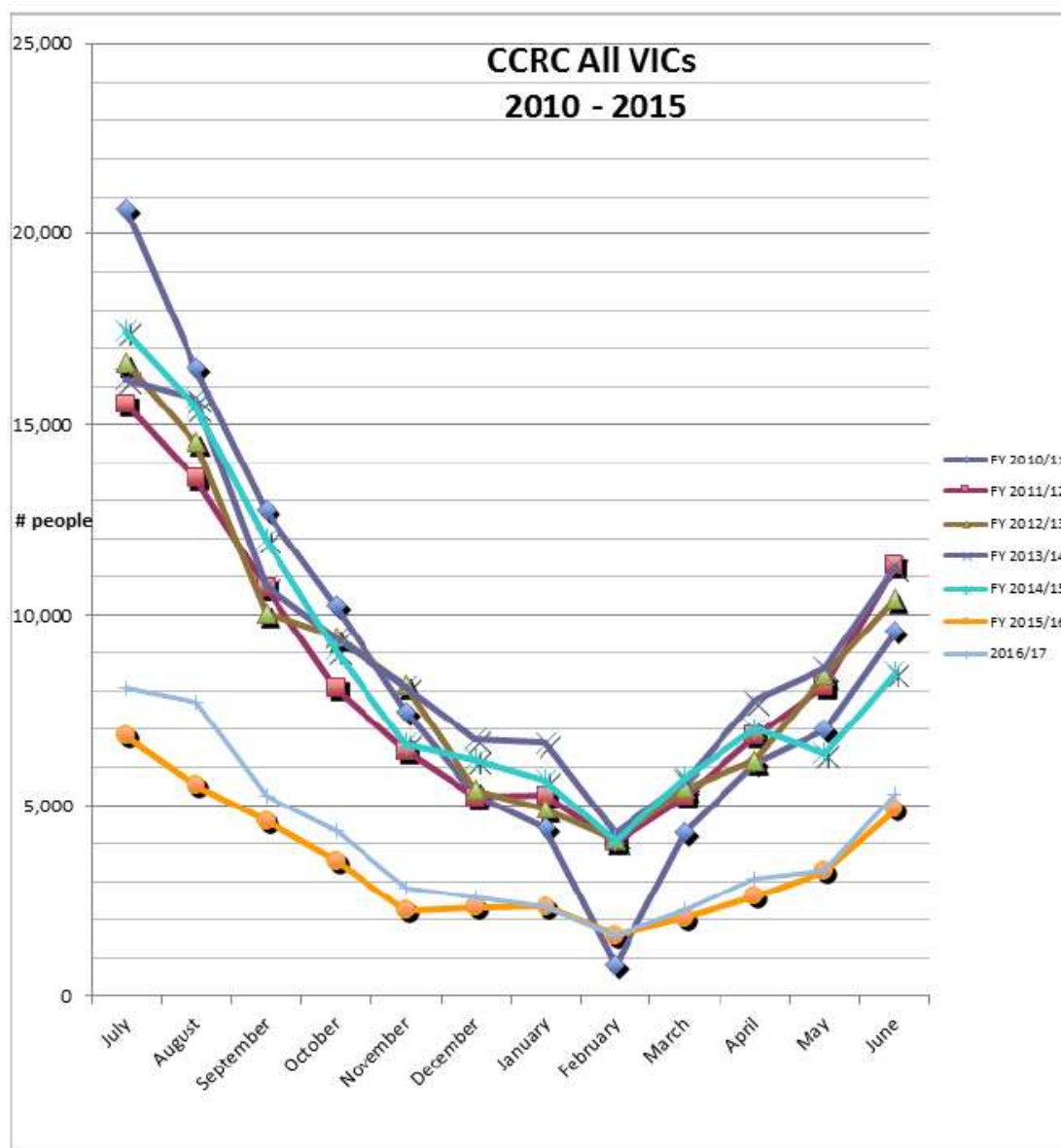


Figure 15: Cassowary Coast Visitor Information Centre Data 2010 - 2015

TOURISM REGION PROFILES, 2016 by TRA

CASSOWARY COAST

KEY TOURISM METRICS FOR CASSOWARY COAST (R)

	INTERNATION AL	DOMESTI C OVERNIGH T	DOMESTI C DAY	TOTAL
Visitors ('000)	47	190	291	528

Nights ('000)	437	643	-	1,080
Average stay (nights)	9	3	-	5
Spend (\$m)	33	80	20	133
Average spend per trip (\$)	694	423	68	251
Average spend per night (\$)	74	125	-	104
Average spend (commercial accommodation) per night (\$)	80	142	-	110

Figure 16: Cassowary Coast Regional Tourism Profile 2016

The investment in the region will assist to boost tourism. International visitation has grown strongly over the recent years for Cairns, especially with Chinese visitors, but this has yet to translate into benefits for the Cassowary Coast. Tourism has declined in the Cassowary Coast from the heady days of the 1970s and 80s. There has been a significant lack of tourism related investment in the Cassowary Coast for a more than a decade. The investment supporting the dredging of Port Hinchinbrook represents an opportunity to promote and grow tourism products aimed at the international, and domestic tourism markets.

The investment in the dredging of Port Hinchinbrook will assist to diversify the Cassowary Coast Regional Council areas economic base and employment by industry. Presently as the chart below shows the economy is heavily skewed towards Agriculture, which makes it vulnerable to weather events and pests. This will in turn assist in growing a more diverse economy and grow employment in other industries and also assist in addressing issues associated with unemployment

Industry (ANZSIC 1 Digit)	2011	2016	% of Total Employment as at 2016	2011-2016 Employment Growth (No. of Workers)	2011-2016 Employment Growth (%)
Agriculture, Forestry and Fishing	1,876	2,514	23.0%	638	34.0%
Health Care and Social Assistance	1,141	1,153	10.5%	12	1.1%
Retail Trade	1,270	1,072	9.8%	-198	-15.6%
Education and Training	813	938	8.6%	125	15.4%
Manufacturing	969	937	8.6%	-32	-3.3%
Accommodation and Food Services	780	781	7.1%	1	0.1%
Public Administration and Safety	600	622	5.7%	22	3.7%
Construction	981	553	5.1%	-428	-43.6%
Transport, Postal and Warehousing	458	531	4.9%	73	15.9%
Other Services	421	424	3.9%	3	0.7%
Professional, Scientific and Technical Services	303	307	2.8%	4	1.3%
Administrative and Support Services	202	294	2.7%	92	45.5%
Wholesale Trade	258	200	1.8%	-58	-22.5%
Financial and Insurance Services	150	129	1.2%	-21	-14.0%
Arts and Recreation Services	107	127	1.2%	20	18.7%
Electricity, Gas, Water and Waste Services	132	122	1.1%	-10	-7.6%
Rental, Hiring and Real Estate Services	161	117	1.1%	-44	-27.3%
Mining	39	57	0.5%	18	46.2%
Information Media and Telecommunications	63	51	0.5%	-12	-19.0%
TOTAL	10,724	10,929	100.0%	205	1.9%

Source: ABS (2016); MacroPlan (June 2018)

Figure 17: Cassowary Coast Employment by Industry

Hospitality and or tourism related jobs generated from increased demand for food and beverage services may also provide opportunities for 'return to work' mothers and local indigenous people and others.

Tourism Occupations (as per 2009 ABS Classifications)	Full Time Employment			Part Time and Away from Work Employment			Total Employment (incl. Away from Work)		
	2011	2016	Growth (No. of Jobs)	2011	2016	Growth (No. of Jobs)	2011	2016	Growth (No. of Jobs)
Other Accommodation and Hospitality Managers	20	23	3	12	6	-6	32	29	-3
Other Mobile Plant Operators	9	5	-4	0	0	0	9	5	-4
Other Specialist Managers	21	19	-2	5	3	-2	26	22	-4
Automobile Drivers	17	12	-5	3	10	7	20	22	2
Bar Attendants and Baristas	31	24	-7	48	57	9	79	81	2
Cafe and Restaurant Managers	42	37	-5	14	14	0	56	51	-5
Cafe Workers	12	8	-4	24	15	-9	36	23	-13
Caravan Park and Camping Ground Managers	15	16	1	0	4	4	15	20	5
Bus and Coach Drivers	4	13	9	26	34	8	30	47	17
Chefs	29	40	11	8	11	3	37	51	14
Housekeepers	7	10	3	17	32	15	24	42	18
Conference and Event Organisers	3	6	3	0	0	0	3	6	3
Cooks	29	23	-6	32	39	7	61	62	1
Sports Coaches, Instructors and Officials	4	4	0	10	14	4	14	18	4
Other Hospitality Workers	0	0	0	0	0	0	0	0	0
Travel Attendants	0	0	0	0	0	0	0	0	0
Archivists, Curators and Records Managers	0	0	0	0	0	0	0	0	0
Gaming Workers	0	0	0	0	0	0	0	0	0
Air Transport Professionals	12	8	-4	0	10	10	12	18	6
Hotel and Motel Managers	43	42	-1	8	9	1	51	51	0
Receptionists	59	52	-7	58	66	8	117	118	1
Hotel Service Managers	7	4	-3	0	0	0	7	4	-3
Kitchenhands	26	17	-9	84	117	33	110	134	24
Licensed Club Managers	4	5	1	0	0	0	4	5	1
Other Personal Service Workers	3	3	0	7	0	-7	10	3	-7
Ticket Salespersons	3	0	-3	0	4	4	3	4	1
Gallery, Museum and Tour Guides	8	4	-4	11	12	1	19	16	-3
Tourism and Travel Advisers	12	0	-12	5	5	0	17	5	-12
Transport Services Managers	13	21	8	0	0	0	13	21	8
Retail Managers	207	180	-27	43	39	-4	250	219	-31
Waiters	11	15	4	49	43	-6	60	58	-2
Animal Attendants and Trainers	5	0	-5	3	6	3	8	6	-2
TOTAL	656	591	-65	467	550	83	1,123	1,141	18

Source: ABS (2016); MacroPlan (June 2018)

Figure 18: Cassowary Coast Employment Type

The Cadwell community has experienced natural disasters previously (Cyclone Yasi in 2011 and Cyclone Larry in 2006) and has shown resilience in recovering from such events. The project aligns with Council's initiative to position the Cassowary Coast as a lifestyle, investment and tourist destination. Council has identified 'economic activation' as one of its Corporate Plan pillars to ensure the community forges ahead on a path for growth and prosperity. The project meets the following parts of Councils Corporate Plan:

- 1.1 Encourage and facilitate investment in the region that will support both traditional and emerging industries and act as a catalyst for further employment and population growth.
- 1.2 Further develop tourism industry, destination and events.
- 1.6 Ensure the Cassowary Coast region is seen as an economically vibrant area to do business.

An additional population inflow is also expected as a result of new jobs available for the construction and new jobs available for the operation of the reinvigorated area. The project will provide significant economic and community benefits to the Cassowary Coast region through attracting employment, training opportunities, population growth, and increased economic activity and multiplier effects as a result from increased spending associated with the construction and operational phases of the project. The project will have significant flow on effects and attract event tourism and investment to the Cardwell economy.

The dredging of Port Hinchinbrook will be a springboard for the future development of ongoing adventure events and tourism offerings and will attract visitors, optimise visitor experiences, encourage new tourist operations such as mountain biking as well as improve public perception, bolstering Cardwell profile as a 'must-see' tourism and event destination.

The key factor that makes tourists so valuable to the destinations that they visit is the amount of money that they spend on their accommodation and other products and services while on holiday. In short, it boils down to their disposable income and increasing the number of nights stay in the Cassowary Coast Region. The dredging of Port Hinchinbrook will provide tourists with more things to do and see and result in an increased spend and number of number of nights stay in the Cassowary Coast Region.

5.5 Population Benefits

The region has many natural, social and cultural attributes that make it attractive as a place to visit and reside within. The region's positive attributes are fundamental in shaping the region's values and principles for its way forward with tourism and how this is to help positively shape the community and its prosperity. The region's natural assets, centred on the two World Heritage Areas of the Great Barrier Reef and the Wet Tropics Rainforests, are signature experiences in the region highly sought after in both domestic and international source markets.

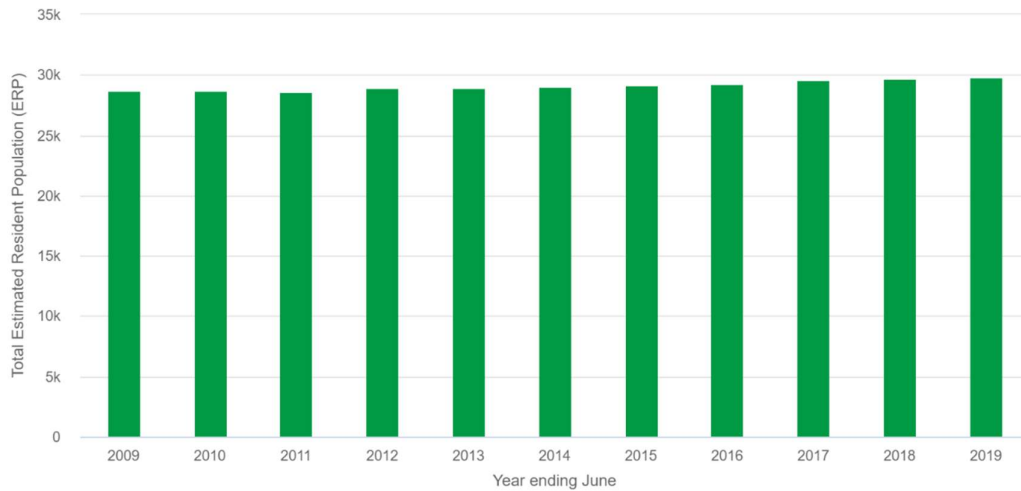
Settlement and agriculture is largely regarded as being of a scale that has contributed positively to the region's scenic landscape and to its character as a place where visitors can gain a genuine regional lifestyle experience in the Queensland tropics. The region's strength in agriculture is also seen as an opportunity to support 'food tourism' within the region.

The region's social and cultural diversity are regarded as its fabric that enables its potential to be realised as well as contributing to the range of experiences for visitors to the region. Maintaining and celebrating the region's social and cultural diversity are regarded as integral in managing a sustainable tourism strategy into the future.

After the impacts of two major cyclones in 2006 (Cyclone Larry) and 2011 (Cyclone Yasi) the Cassowary Coast has struggled to get its mojo back. Population growth was almost static, tourism took some years to recover and business confidence took a hit. However, more recently that appears to be shifting. Since 2011 (Cyclone Yasi) the region's population has increased by 1,158 people or 3.97%.

Estimated Resident Population (ERP)

Cassowary Coast

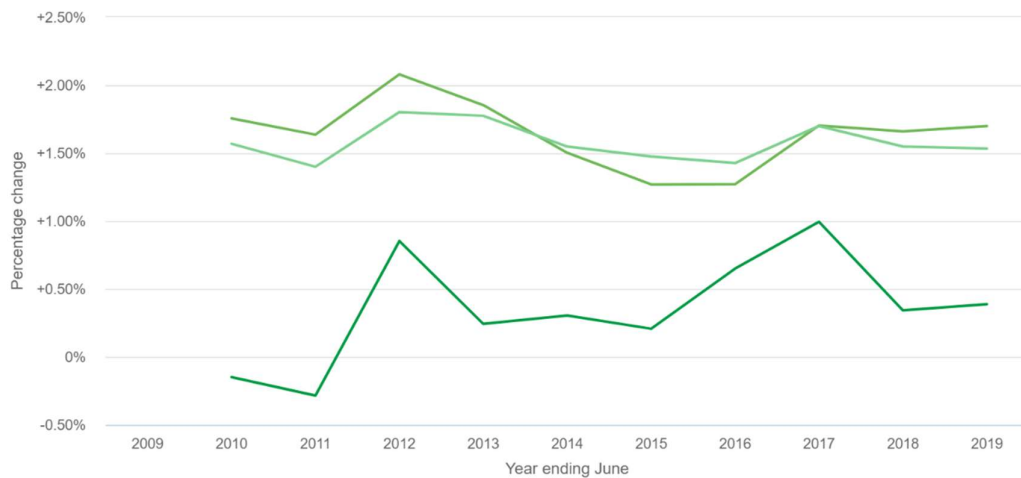


Source: Australian Bureau of Statistics, Regional Population Growth, Australia (3218.0). Compiled and presented in economy.id by .id, the population experts.

Figure 19: Cassowary Coast Region – Estimated Population Growth 2010 - 2019

Estimated Resident Population (ERP)

Cassowary Coast Queensland Australia



Source: Australian Bureau of Statistics, Regional Population Growth, Australia (3218.0). Compiled and presented in economy.id by .id, the population experts.

Figure 20: Cassowary Coast Region – Estimated Population Growth 2010 – 2019 Percentage Change

Annual change in Estimated Resident Population (ERP)									
	Cassowary Coast			Queensland			Australia		
Year (ending June 30)	Number	Change in number	Change in percent	Number	Change in number	Change in percent	Number	Change in number	Change in percent
2019	29,794	+115	+0.39	5,094,510	+85,086.00	+1.70	25,365,571	+382,883.00	+1.53
2018	29,679	+101	+0.34	5,009,424	+81,795.00	+1.66	24,982,688	+380,828.00	+1.55
2017	29,578	+291	+0.99	4,927,629	+82,477.00	+1.70	24,601,860	+410,953.00	+1.70
2016	29,287	+189	+0.65	4,845,152	+60,785.00	+1.27	24,190,907	+340,123.00	+1.43
2015	29,098	+60	+0.21	4,784,367	+59,950.00	+1.27	23,850,784	+346,646.00	+1.47
2014	29,038	+88	+0.30	4,724,417	+69,896.00	+1.50	23,504,138	+358,237.00	+1.55
2013	28,950	+70	+0.24	4,654,521	+84,658.00	+1.85	23,145,901	+403,426.00	+1.77
2012	28,880	+244	+0.85	4,569,863	+93,085.00	+2.08	22,742,475	+402,451.00	+1.80
2011	28,636	-82	-0.29	4,476,778	+72,034.00	+1.64	22,340,024	+308,274.00	+1.40
2010	28,718	-43	-0.15	4,404,744	+75,973.00	+1.76	22,031,750	+340,097.00	+1.57
2009	28,761	--	--	4,328,771	--	--	21,691,653	--	--

Source: Australian Bureau of Statistics, Regional Population Growth, Australia (3218.0). Compiled and presented in economy.id by .id the population experts
Please refer to specific data notes for more information

Figure 21: Cassowary Coast Region – Annual Change in Estimated Population 2010 – 2019

5.6 Recreational and Commercial Fishing Benefits

All tide access marine access is a part of the essential service sector. All tide marine access has substantial economic “efficiency/amenity” benefits that help the town cater for the desires/needs of the population for, passive recreation and socialising activities.

If they were not available locally, residents would need to travel to other centres to access the type of services they provide. In addition to the local economic value, these types of facilities can also play a role in attracting visitors from outside the district generating additional economic activity through attracted expenditure in the tourism category.

There are a number of commercial fishing businesses which operate out of the Cardwell area. The lack of all tide access at Port Hinchinbrook severely limits the commercial fishing fleets ability to increase its operations, this has had an impact on local commercial fishing enterprises and the local economy through employment.

In the Cassowary Coast, Agriculture, Forestry and Fishing most productive industry, generating \$340 million in 2018/19. In 2017/2018 Queensland’s Fishing, Aquaculture and associated processing contributed approximately 479 million to the local economy.

The Queensland Recreational Boating Facilities Demand Forecasting Study 2017 sets out the current and future demand for publicly accessible recreational boating facilities within the Cassowary Coast Regional Council area over the next 20 years. The assessment considered facilities for vessels, such as boat ramps and floating walkways, as well as landings for deep-draught vessels.

The primary issues raised by stakeholders around access to recreational boating facilities in the Cassowary Coast Regional Council area centred on:

- The lack of sheltered facilities for all-tide, all-weather access
- Beach ramp safety; and
- Overcrowding.

This is especially critical for facilities that provide offshore access. On “flat water days” (that is, when the weather conditions are fine, with light winds and low wave action), demand for launching/retrieval facilities is very high.

A demand assessment was undertaken which was based on boat registrations from within the local government area (LGA) of Cassowary Coast and surrounding LGAs. The demand assessment is analysed against existing capacity to produce an outstanding shortfall projection. Key aspects influencing demand considered in the assessment include:

- The population of Cassowary Coast Regional Council is projected to remain relatively stable over the next twenty years;
- There is a relatively high incidence of boat registrations across all vessel classes and sizes;
- Trailable and non-trailable vessel registrations within the Cassowary Coast LGA are mostly used on the water within the LGA;
- Vessel inflows from outside the LGA are likely from Etheridge Shire Council, Tablelands Regional Council, Hinchinbrook Shire Council, Charters Towers Regional Council and Cairns Regional Council;
- The registration activation rate from residents of the LGA is anticipated to be high (14%) as a result of a relatively high incidence of blue collar workers and higher average age than the Queensland state average; and
- At present there are 17 boat ramp facilities in the LGA, containing 25 boat ramp lanes, however the lack of parking for car-trailer units (CTU) or limited tidal access at some locations means that the effective capacity of these ramps is 15.9 lanes.

Table 8 – Contribution to demand for boat ramp facilities, Cassowary Coast Regional Council

Contributing LGA	% of contributing LGA using Cassowary Coast facilities*	# of registered vessels from contributing LGA using Cassowary Coast facilities	% registration activation	Contribution comment
Cassowary Coast	95%	4,079	14%	Resident population Older, blue collar, remote
Cairns	3%	307	10%	Visitation from adjacent coastal LGA Regional centre
Hinchinbrook	7%	144	14%	Visitation from adjacent coastal LGA Older, blue collar, remote
Tablelands	30%	720	12%	Hinterland catchment Older, blue collar, remote, non-coastal
Charters Towers	5%	35	12%	Hinterland catchment Older, blue collar, remote, non-coastal
Etheridge	80%	40	12%	Western catchment Older, blue collar, very remote, non-coastal

*See Economic Associates Appendix C for percentage estimates

Figure 22: Queensland Recreational Boating Facilities Demand Forecasting Study 2017 Cassowary Coast boat ramp facilities demand

The lack of all tide access at Port Hinchinbrook severely limits the use of the boat ramp and causes increased congestion at our ramps throughout the Cassowary Coast and Hinchinbrook area.

5.7 Summary of Benefits

The economic benefits of the Port Hinchinbrook dredging project will include:

- Direct creation of new jobs during the dredging operational phase; with services sourced from local suppliers in accordance with Councils local buy policy;
- Increase the diversity and sustainability of Cardwell economy, by growing the range of tourism activities, and sources of revenue. The dredging will increase in visitors and encourage longer visitation to the region which in turn will bring significant economic benefits;
- The Cassowary Coast's economy is primarily based on sugar cane and banana production which is vulnerable to natural disaster events and diseases. Economic benefits from the project will be diverse across a number of other industry sectors as a result of increased visitation primarily in the accommodation, food services, retail and recreational sectors;
- Increased spending within local businesses through increased day-to-day activity at in Cardwell;
- Increased economic benefits to local businesses from supplying goods and services to those tourists visiting the area;
- Increased spending in the wider Cassowary Coast community and accommodation providers as result of ability to host events; and
- The project will also create a tourist drive destination providing an important economic boost to local business.

The social benefits of Port Hinchinbrook dredging project will include:

- Increased community use of the boat ramp through the provision of all tide access;
- Increased emergency response availability through the provision of all tide access ; and
- Improved viewing experience of the Hinchinbrook Island.

Over the operational period, using employment multipliers for the Accommodation and Hospitality industry, and on the basis of the **direct induced visitation spend of \$2,542,000.00** on an ongoing basis there will be **11.5 FTEs created in direct employment with an additional 5.5 FTE's generated indirectly**. In total there will be **17.0 FTE's created by the investment in the project for the Cassowary Coast region during the operational phase**.

Attachment 1: Letter from The Hon Michael McCormack MP



The Hon Michael McCormack MP

Deputy Prime Minister
Minister for Infrastructure, Transport and Regional Development
Leader of The Nationals
Federal Member for Riverina

MS19-000548

Cr John Kremastos
Mayor
Cassowary Coast Regional Council
PO Box 887
INNISFAIL QLD 4860
mayor@ccrc.qld.gov.au

Dear Mayor

I am writing to confirm the Australian Government's commitment to provide up to \$1.5 million for the Hinchinbrook Dredging project (the Project).

The commitment will be delivered by the Department of Infrastructure, Regional Development and Cities through the Community Development Grants Programme (CDG).

The Australian Government is committed to supporting local communities to prosper and grow. Local infrastructure projects are critical if we want to boost economic growth and improve local amenities and facilities.

A Departmental Officer will contact you shortly to discuss the next steps. You will be required to provide sufficient information for the Department to undertake an assessment of the project before final funding approval and negotiation of a Deed of Agreement. Whilst this letter confirms the commitment to your project, funding of \$1.5 million is contingent upon the execution of a Deed of Agreement.

I recommend that you do not enter into financial commitments or begin work on the project until such time a Deed of Agreement has been signed with the Australian Government. Please note that the contents of this letter should be kept confidential until a Deed of Agreement is signed with the Australian Government.

I wish you every success and look forward to seeing the project completed.

Yours sincerely

Michael McCormack

The Hon Michael McCormack MP
Parliament House Canberra | (02) 6277 7520 | minister.mccormack@infrastructure.gov.au
Suite 2, 11-15 Fitzmaurice Street, Wagga Wagga NSW 2650 | michael.mccormack.mp@aph.gov.au

Attachment 2: EOI Submissions (Commercial in Confidence)