

27 January 2021

The Hon Josh Frydenberg  
Treasurer

Dear Treasurer

**2021-22 Federal Budget  
Cairns Regional Council (Council) Pre-Submission**

**Table 1: Recommendations**

In formulating the 2021-22 Budget, Treasury should:

1. Consider the recommended actions contained in the [COVID-19 Cairns Local Recovery Plan](#) and develop and implement initiatives that will support the Plan's implementation.
2. Establish a dedicated funding stream to support investment in urban water supply infrastructure projects such as the Cairns Water Security – Stage 1 project. This initiative is consistent with the Town and City Water Security High Priority Infrastructure Initiative identified by Infrastructure Australia. Provision for this funding stream should be made within the 2021-22 Budget and across the forward estimates.
3. Establish a dedicated funding stream to support investment in new iconic tourism infrastructure and experiences such as the Cairns Gallery Precinct project to support the medium to long term economic recovery of tourism destinations whose economies have been severely impacted by COVID-19. Provision for this funding stream should be made within the 2021-22 Budget and across the forward estimates and be in addition to the recently announced Building Better Regions Fund Round 5.
4. Implement the recommendations made in the JobKeeper Payment Scheme – Cairns Submission made on 17 December 2020. Specifically:
  - a. That the expiry date for the JobKeeper Payment Scheme be extended from 28 March 2021 to 30 June 2021 with the fortnightly payment for this period retained at 100% of the level applied from 4 January to 28 March 2021 (i.e. \$1,000 per eligible employee per fortnight for Tier 1, and \$650 per fortnight for Tier 2);

*Continued....*



**Table 1: Recommendations (cont'd)**

- b. That a further review of the JobKeeper Payment Scheme be undertaken in the lead up to June 2021 taking account of the circumstances at that time and considering, amongst other things, whether another extension of the scheme is warranted; and**
- c. That, to the extent JobKeeper Payment Scheme eligibility requires a comparison being made between 'post-COVID' and 'pre-COVID' quarterly turnover levels, 'pre COVID' turnover should continue to be determined with reference to the corresponding quarter in 2019 (not 2020) for the reasons outlined in this submission.**
- 5. Develop and implement initiatives to provide immediate insurance premium relief (e.g. direct insurance premium subsidies, government backed reinsurance pool etc) for consumers and businesses in Northern Australia (including Cairns) to address the key findings of the ACCC Northern Australia Insurance Inquiry.**

Cairns Regional Council appreciates the opportunity to provide a submission to Treasury as part of the Federal Government's 2021-22 Budget Pre-Submission process. This submission highlights a number of priorities relevant to the Cairns and broader Far North Queensland (FNQ) region together with associated recommendations.

This submission was unanimously endorsed by Council at its Ordinary Meeting on 27 January 2021.

### **1. COVID-19 Cairns Local Recovery Plan (the Plan)**

Cairns' reliance on tourism and aviation connectivity means the impacts of COVID-19 on the local economy and community have been severe. In response, Cairns Regional Council has led the development of the [COVID-19 Cairns Local Recovery Plan](#) (Appendix 1).

Facilitated in collaboration with representatives from the Queensland Reconstruction Authority (QRA) following established QRA recovery planning methodologies and developed with significant (100+) stakeholder consultation and engagement (including all levels of government), the Plan was unanimously endorsed by Cairns Regional Council on 26 August 2020. The Plan was also endorsed by the Local Disaster Management Group – Cairns Region on 15 September 2020.

The Plan sets out the key short, medium and long-term initiatives that will support Cairns' recovery from COVID-19 and ensure the future prosperity and resilience of our economy and our community.

The 2021-22 Federal Budget is an opportunity to deliver the policy and investment support needed for economic, human and social recovery. The needs and priorities of individual communities differ significantly. Accordingly, local recovery plans should be utilised to inform 2021-22 Federal Budget initiative.

## **Recommendation**

In formulating the 2021-22 Budget, Treasury should consider the recommended actions contained in the [COVID-19 Cairns Local Recovery Plan](#) and develop and implement initiatives that will support the Plan's implementation.

### **2. Cairns Water Security – Stage 1**

Australia's urban water infrastructure is critical for the liveability and prosperity of more than 20 million people and 9 million connected properties in our towns and cities. It also serves industries, supporting growth in productivity and employment across the country.

Recognising the importance of this issue, on 26 February 2020 Infrastructure Australia included Town and City Water Security as a new High Priority Initiative on the National Infrastructure Priority List.

This new High Priority Initiative was informed, in part, by a submission from Council regarding Cairns' water security needs. Cairns currently draws urban water supply from two sources:

**Table 1: Cairns urban water supply sources**

Primary Source (>80% of annual supply)	<b>Copperlode Falls Dam on Freshwater Creek</b> <ul style="list-style-type: none"><li>- Constructed 1976.</li><li>- Dam capacity 38,400 Megalitres (ML).</li><li>- Water treated at the full-service Freshwater Water Treatment Plant (WTP) located at Tunnel Hill (constructed 1981).</li><li>- Currently supplies over 80% of Cairns' annual water requirements.</li></ul>
Secondary Source	<b>Behana Creek</b> <ul style="list-style-type: none"><li>- Established 1955 with subsequent improvements/upgrades.</li><li>- Run of river supply (no bulk water storage).</li><li>- Volumes constrained by seasonality, environmental flow requirements, turbidity and a sub-optimal treatment process.</li></ul>

Whilst the above supply sources have served Cairns well over many decades, they will no longer be able to meet the needs of a growing Cairns population. The graph on the following page plots the existing supply capacity within the Cairns Water Supply Scheme and the anticipated annual demand for urban water, taking into account future population growth (medium growth scenario) based on the Queensland Government Statisticians Office (QGSO) projections.

## FIG 1: EXISTING SUPPLY CAPACITY VS DEMAND

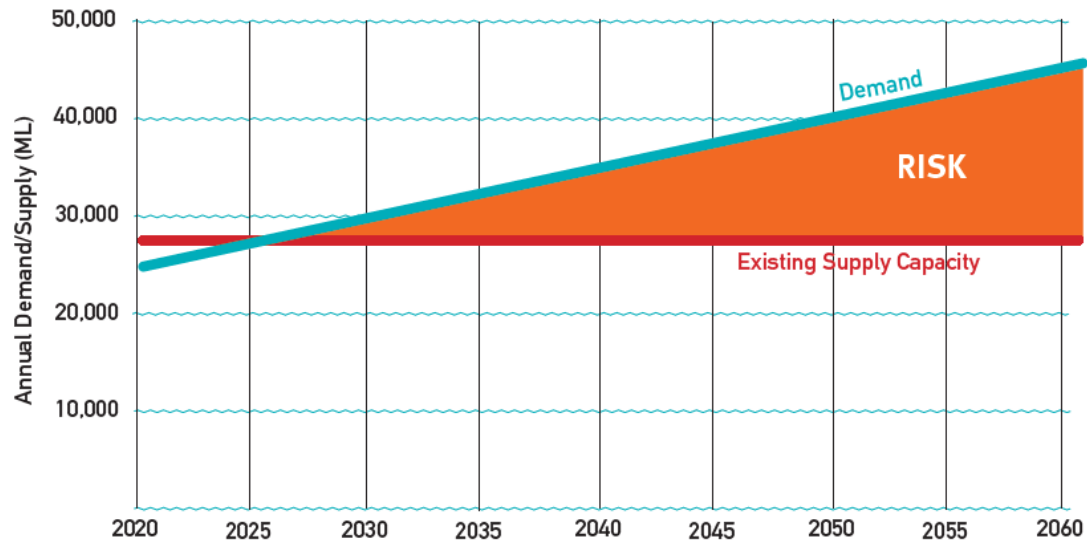


Figure 1 highlights that by the middle of this decade, demand for water in Cairns will outstrip existing supply capacity. Without action, this could have significant ramifications for the Cairns community and economy including:

- Severe and more frequent water restrictions adversely impacting the quality of life for residents and visitors.
- Effective 'capping' of population growth with constraints on the population base the existing network can effectively service.
- Damage to the city's and the region's reputation as a visitor destination.
- Loss of business and consumer confidence as a result of risk and reliability issues associated with water supply.

For some time, Council has been planning for the long-term water needs of the Cairns community. In 2015, Council adopted the [Cairns Water Security Strategy](#) (CWSS). Developed independently by Council's Water Security Advisory Group (WSAG), the CWSS identified a staged series of initiatives needed to meet Cairns' short, medium and long-term water security requirements. Initiatives included actions to reduce water demand as well as augmentations to the Cairns water supply network.

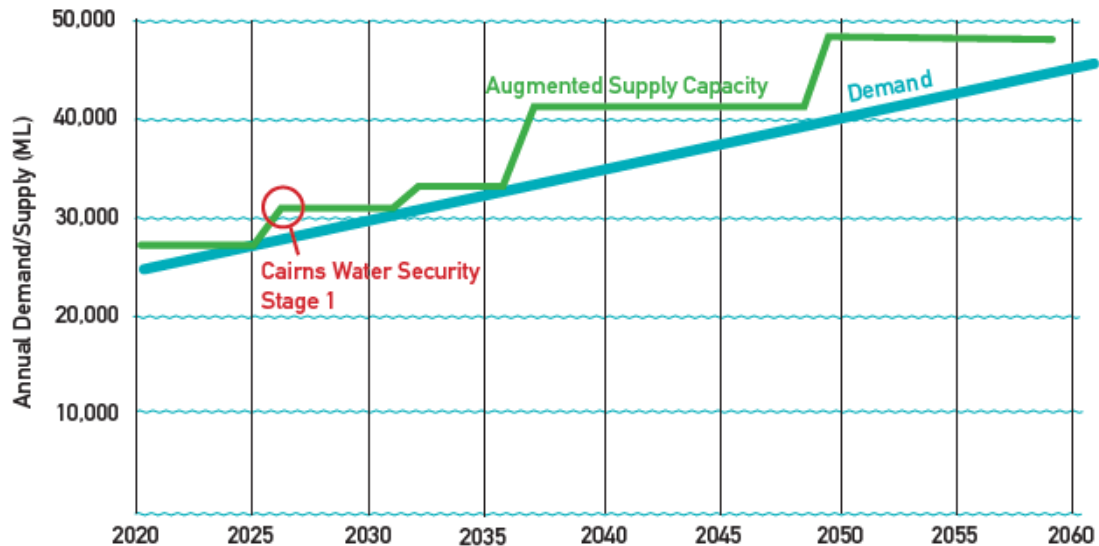
Significant work has already been undertaken in further developing and implementing the CWSS. In particular, demand management initiatives have delivered real results in Cairns with a 42% reduction in water usage per capita over the past 15 years. Key demand management actions to date have included:

- Effective metering and pricing.
- Water education and conservation programs (schools and community).
- Media and communication campaigns.
- Active leak detection, management and repair program.
- Water conservation incentives for commercial customers.
- Use of recycled water for irrigation of public gardens, school fields and sports facilities.

Whilst demand management initiatives have delivered significant results and will be ongoing, they will not on their own enable the water needs of a growing population to be met. As a result, and in accordance with the CWSS, a series of augmentations to the

Cairns water supply network are required. These augmentations are displayed in Figure 2 below as the series of 'step-ups' in supply capacity.

## FIG 2: AUGMENTED SUPPLY CAPACITY VS DEMAND



*Note: The demand forecasts included in Figures 1 and 2 in this paper incorporate additional water savings through further demand management initiatives over the period to 2060.*

The Cairns Water Security – Stage 1 project will provide additional water supply to support forecast population growth out to 2033 with a further expansion to the project (stage 2) able to provide water security through to 2038. The project will enable 'new' water to be sourced from a 'run of river' supply in the Mulgrave River and also enable a significantly enhanced treatment process to be applied to Council's existing Behana Creek water supply thereby increasing the volumes of water able to be drawn from this source.

Key elements of the project include:

- Water intake infrastructure on the Mulgrave River south of Cairns.
- A new Water Treatment Plant (WTP) and associated water reservoirs strategically located on land bordering the southern edge of the Mt Peter future urban development area.
- Water mains infrastructure to deliver water from the intake source to the treatment plant and then into Cairns' mains water network.
- Further infrastructure to appropriately discharge wastewater effluent produced as part of the treatment process.

Total project capital cost is estimated at \$215 million with a two-year construction timeframe (July 2024 to June 2026). The project procurement strategy has been confirmed with a single design and construct contract with early contractor involvement planned for the treatment plant, reservoir, intake and key pipeline components (intake to treatment plant) of the project. Traditional construct to design contracts will be utilised for the remaining contract project components (treatment plant to mains network pipeline and wastewater effluent pipeline).

Key benefits of the project include:

- Augments the entire Cairns water supply network through connectivity to the water mains network to the north and south of Gordonvale.

- Provides water security for Cairns well into the next decade and delivers the additional water Cairns needs to grow and prosper.
- Enables a significantly enhanced treatment process to be applied to Council's existing Behana Creek water source increasing the reliability and volume of water able to be drawn from this existing source.
- Provides significant risk mitigation and contingency for Cairns' primary water source (Copperlode Falls Dam).
- Protects Cairns' reputation as an internationally renowned visitor destination thereby supporting the long-term prosperity of the region's tourism and allied industries.
- Provides significant risk mitigation and contingency for the city's water treatment processes/capabilities through the establishment of a second full-service water treatment plant within the Cairns Water Supply Scheme.
- Supports an estimated 630 (FTE) jobs (direct and indirect) and contributes \$159 million to Gross Regional Product (GRP) during the project's construction phase.
- Supports and underpins the Queensland Government's Cairns South State Development Area (1,159 hectares situated to the north of Gordonvale) which secures land for significant industrial development.
- Strategically located adjacent to the Mt Peter future urban development area which is expected to accommodate a significant portion of Cairns' population growth over the coming decades.

As noted earlier, Council has developed the COVID-19 Cairns Local Recovery Plan which sets out the key initiatives required to support Cairns' economic recovery. The Cairns Water Security - Stage 1 project has been identified as a high priority in the Plan.

Like the Queensland and Australian Governments, Council has implemented a range of initiatives to mitigate the impacts of COVID-19 on the Cairns community and economy including:

- Financial hardship policy for ratepayers impacted by COVID-19 (interest waivers and generous repayment plans).
- Record \$181 million capital works program for 2020-21 to stimulate activity in the construction and capital works sector.
- Rate deferrals.
- A range of fee waivers and deferrals.
- An investment incentive policy (including financial incentives) to stimulate economic activity and development.

Whilst these initiatives are needed and have been welcomed, they have constrained Council's financial capacity to invest in the major infrastructure projects necessary for long-term recovery and future growth. Without external investment, the \$215 million capital cost of the Cairns Water Security - Stage 1 project would be borne by the ratepayers and residents of Cairns. The community of Cairns is simply not able to fund this project, particularly in light of the financial hardship experienced as a result of COVID-19.

### ***Recommendation***

In formulating the 2021-22 Budget, Treasury should establish a dedicated funding stream to support investment in urban water supply infrastructure projects such as the Cairns Water Security – Stage 1 project. This initiative is consistent with the Town and City Water Security High Priority Infrastructure Initiative identified by Infrastructure Australia. Provision for this funding stream should be made within the 2021-22 Budget and across the forward estimates.

### ***3. Cairns Gallery Precinct***

As highlighted in the [COVID-19 Cairns Local Recovery Plan](#) (refer page 5 of Appendix 1), Cairns' distance from metropolitan capitals and a reliance on tourism and aviation connectivity means our economy has been severely impacted by COVID-19. The Cairns and Tropical North Queensland tourism sector is heavily dependent on international visitation with 29% of total annual visitor expenditure normally coming from overseas visitors.

As outlined in Figure 3 below, Tourism Tropical North Queensland (TTNQ) estimates that even under a best-case scenario, it may take the region's visitor economy five years to recover.

**FIG 3:**



International tourism is expected to experience a slow recovery from the impacts of COVID-19, with this recovery contingent on a range of factors including:

- Successful development and deployment of a COVID-19 vaccine/s;
- Re-opening of international borders and/or establishment of international 'travel bubbles' (likely to occur on a staged basis);



- Reestablishment of international aviation connectivity and capacity; and
- Global economic conditions and consumers' propensity for international travel.

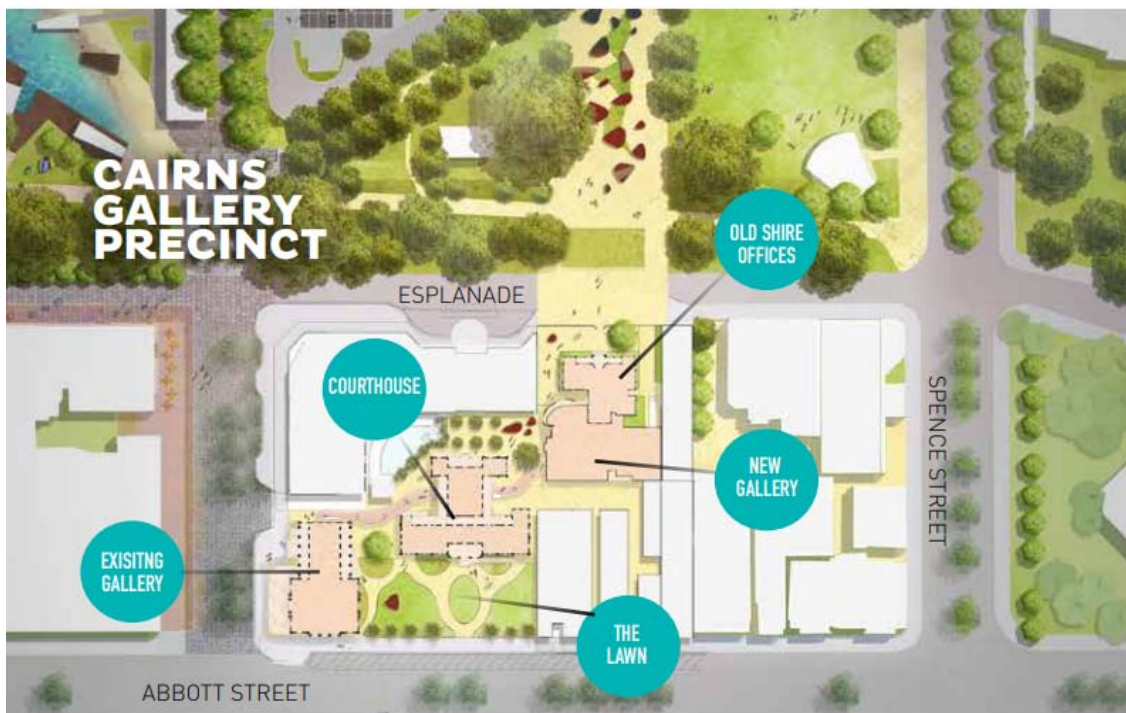
Whilst the road to recovery is expected to be a long one, the reopening of international borders will present opportunities as well as challenges. Competition from regions around the globe to re-establish and grow international tourism export markets through this recovery phase is likely to be fierce.

Through targeted investment, Australia can grow its share of the international travel market leveraging its 'COVID Safe' reputation. However, it is important that Australia invests in new iconic tourism infrastructure and experiences to effectively compete and increase market share when international travel resumes. The Cairns Gallery Precinct project is an example of an investment ready iconic tourism project that can support economic recovery and drive future domestic and international visitation to Cairns.

Cairns is recognised as the Arts and Culture Capital of Northern Australia. The Cairns Gallery Precinct is a project that strongly supports this status and complements recent regional investment in arts and cultural facilities, events and programs. These include the Cairns Indigenous Art Fair (CIAF), Cairns Performing Arts Centre (CPAC), Munro Martin Parklands (MMP) and Centre of Contemporary Arts (CoCA) refurbishment among others.

The project will transform and connect three heritage listed buildings in the Cairns City Centre (the Cairns Art Gallery, 'Old' Court House and former Mulgrave Shire Council offices) and establish a new world class gallery building to create a dynamic and unique gallery precinct with benefits for both the local community and domestic and international visitors.

**Fig: 4 Gallery Precinct Project Overview**



The project would have a particularly strong connection to the region's Indigenous community. The project would also broaden the region's tourism offer and enhance liveability within our community. A significant proportion of Cairns' population identify as First Nations peoples. Cairns is also the principal connection point for the exchange and



celebration of Indigenous art and culture from communities throughout Cape York and the Torres Strait. The Cairns and Great Barrier Reef region is home to Australia's highest proportion of Indigenous Australians and its greatest diversity of Indigenous cultures. Community demand for the arts, the burgeoning local creative sector, the opportunity to showcase more Indigenous arts, and the need to diversify our tourism offering all contribute to the need for increased scale and diversity of Cairns' visual arts infrastructure.

Establishment of the Cairns Gallery Precinct will also have significant positive impacts on jobs and economic growth. It will support city centre activation and complement Council's \$28 million investment in the Esplanade Dining Precinct project (currently in progress) which is transforming the dining and entertainment precinct located on the Esplanade in Cairns. In addition to the significant economic impact and employment created during construction, once operational, the Cairns Gallery Precinct will add \$20.7 million per annum to the regional economy (Gross Regional Product) and support 177 ongoing full-time jobs through its direct operation and induced tourism expenditure.

An independent and comprehensive business case for the project has been completed utilising funding provided by the Queensland Government. The business case supports the case for project investment with the preferred project option having a Benefits to Cost Ratio (BCR) of 1.19 and a Net Present Value (NPV) of \$13.3 million. Cairns Regional Council has for some time been seeking a tripartite funding arrangement to meet the project's total capital cost of \$39.8 million.

It will be project's like the Cairns Gallery Precinct, that support Australia's tourism recovery and offer the new and exciting experiences for international visitors we need to increase market share when international travel resumes.

The recently announced Building Better Regions Fund Round 5 has allocated \$100 million to tourism specific infrastructure projects. Whilst welcomed, the fund is spread across the entirety of regional Australia, capped at \$10 million per project and generally requires co-contributions of at least 50%. Funding the 50% co-contribution requirement can be extremely difficult for those regions experiencing financial hardship as a result of COVID-19. A more significant and enduring pool funding stream is required.

### ***Recommendation***

**In formulating the 2021-22 Budget, Treasury should establish a dedicated funding stream to support investment in new iconic tourism infrastructure and experiences such as the Cairns Gallery Precinct project to support the medium to long term economic recovery of tourism destinations whose economies have been severely impacted by COVID-19. Provision for this funding stream should be made within the 2021-22 Budget and across the forward estimates and be in addition to the recently announced Building Better Regions Fund Round 5.**

#### **4. JobKeeper Payment Scheme**

Without doubt, JobKeeper has been the single most important initiative supporting businesses and employment continuity throughout the COVID-19 crisis. On 17 December 2020, Council joined with a number of other regional stakeholders in making a submission to the Treasurer and Minister for Industrial Relations calling for the expiry date of the JobKeeper Payment Scheme to be extended. A copy of that submission is attached at Appendix 2. The submission sets out the reasons why an extension to the scheme's expiry date will be critical to economic recovery in our region.

## ***Recommendation***

**In formulating the 2021-22 Budget, Treasury should implement the recommendations made in the JobKeeper Payment Scheme – Cairns Submission. Specifically:**

- 1. That the expiry date for the JobKeeper Payment Scheme be extended from 28 March 2021 to 30 June 2021 with the fortnightly payment for this period retained at 100% of the level applied from 4 January to 28 March 2021 (i.e. \$1,000 per eligible employee per fortnight for Tier 1, and \$650 per fortnight for Tier 2);**
- 2. That a further review of the JobKeeper Payment Scheme be undertaken in the lead up to June 2021 taking account of the circumstances at that time and considering, amongst other things, whether another extension of the scheme is warranted; and**
- 3. That, to the extent JobKeeper Payment Scheme eligibility requires a comparison being made between ‘post-COVID’ and ‘pre-COVID’ quarterly turnover levels, ‘pre COVID’ turnover should continue to be determined with reference to the corresponding quarter in 2019 (not 2020) for the reasons outlined in this submission.**

### **5. High costs of insurance in North Queensland (including Cairns)**

The cost of residential and business insurance in North Queensland (NQ) has long been a contentious issue with widespread anecdotal reports of cost disparity (NQ compared to southern cities), lack of competition/insurance availability, significant year on year premium increases and increasing rates of under insurance and non-insurance.

The Australian Competition and Consumer Commission (ACCC) has recently completed the Northern Australia Insurance Inquiry which considered a broad range of issues relating to insurance pricing, availability and affordability in Northern Australia.

Whilst the focus of the inquiry is on residential building (home), contents and strata insurance, many of the findings are also relevant to business insurance with businesses facing similar challenges and issues.

The ACCC released the final inquiry report on 28 December 2020. The report highlighted a number of concerning issues relevant to insurance in Northern Australia (including NQ). In particular:

- Insurance premiums are significantly higher in Northern Australia (including NQ) compared to the rest of Australia and have been rising at a more rapid rate. Specifically:
  - The average annual home and contents premium in NQ for 2018-19 was circa \$2,450, nearly twice the average annual premium for the rest of Australia (i.e. areas outside Northern Australia) which was circa \$1,350 p.a<sup>1</sup>.
  - The percentage increase (in real terms) in average annual home and contents premiums over the period 2007-08 to 2018-19 was 127% for NQ compared with 71% for the rest of Australia<sup>2</sup>. Over that same period, the increase in premiums per sum insured was 72% for NQ compared with 8% for the rest of Australia<sup>3</sup>.

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<sup>1</sup> Graph page 25 of [ACCC Final Inquiry Report](#)

<sup>2</sup> Page 29 of [ACCC Final Inquiry Report](#)

<sup>3</sup> Page 35 of [ACCC Final Inquiry Report](#)

- Despite these price trends, insurer profitability in Northern Australia whilst improving, is still poor compared to other areas of Australia. This is due to frequency and quantum of insurance settlements exceeding that in other parts of Australia predominantly as a result of natural disasters (e.g. Cyclones Larry and Yasi, Townsville floods etc). This higher risk and loss profile are the main driver of increased premiums.
- Competition in the insurance markets is below that in other areas with some insurers not considering Northern Australia a priority market because of the associated risks and low profitability.
- The rate of non-insurance is significant and growing and premium affordability is the main reason why. The rate of non-insurance in NQ was estimated at 17% (up from 10% in 2011) compared with 11% for the rest of Australia (outside Northern Australia)<sup>4</sup>.

The high cost and rapid increase in insurance premiums represents a significant impediment to population growth and economic development in Northern Australia (including Cairns). Not addressing this significant impost on businesses and residents has the potential to limit the effectiveness of the Federal Government's Northern Australia Agenda. The final ACCC report made a number of recommendations to address this situation. Recommendation 8.1 (reproduced below) was of particular relevance.

#### ► Recommendation 8.1

##### **If governments want to provide immediate relief to consumers facing acute affordability pressures, they should consider direct subsidies over other measures**

There are calls for government intervention through a range of measures to address acute affordability and availability issues in the supply of insurance in northern Australia. We investigated the relative merits of measures including government reinsurance pools, government insurers, direct subsidies, mitigation programs and licence conditions.

**If governments want to intervene, they should consider doing so through direct subsidies based on both premium level and income eligibility requirements, rather than government reinsurance pools or other measures.**

**Direct subsidies have the greatest potential to work in a targeted way to relieve some of the acute affordability and cost of living pressures facing consumers in higher risk areas, at a lower cost and more effectively than other measures.**

There are some risks with subsidies, such as distorting price signals to consumers and the subsidy being absorbed over time by insurers where price competition is not strong. Careful subsidy design can help manage these risks.

Government reinsurance pools in other jurisdictions have generally been introduced in situations where insurance or reinsurance was not available through private markets. This is not currently the case in northern Australia. Private insurance markets continue to supply insurance, including for cyclone and flood risks. As such, government insurers and reinsurance pools cannot be justified on the basis of availability concerns.

The potential for government insurers and reinsurance pools to lower premiums without the government subsidising the insurer in some way is uncertain and may not be significant. These measures cannot be targeted to consumers most in need, and would transfer significant risks from insurers and reinsurers to governments.

<sup>4</sup> Page xii of the Exec summary [ACCC Final Inquiry Report](#)

Whilst the ACCC recommends direct subsidies as the best way to provide immediate relief to consumers facing insurance affordability pressures in Northern Australia, it is appreciated that there are a range of differing opinions on the most effective mechanism to reduce premium costs.

***Recommendation***

**In formulating the 2021-22 Budget, Treasury should develop and implement initiatives to provide immediate insurance premium relief (e.g. direct insurance premium subsidies, government backed reinsurance pool etc) for consumers and businesses in Northern Australia (including Cairns) to address the key findings of the ACCC Northern Australia Insurance Inquiry.**

Should you have any further enquiries or require additional information, please contact Council's Executive Project Officer, Nick Masasso on the above phone number.

Yours sincerely



Christine Posgate  
Acting Chief Executive Officer

*Appendices:*

Appendix 1: COVID-19 Cairns Local Recovery Plan

Appendix 2: JobKeeper Payment Scheme – Cairns Submission (17 December 2020)

cc.

Hon Warren Entsch MP, Federal Member for Leichhardt

Hon Bob Katter MP, Federal Member for Kennedy



# Appendix 1



# COVID-19 CAIRNS LOCAL RECOVERY PLAN

AUGUST 2020 V2

# Introduction

COVID-19 is having wide-ranging human, social and economic impacts throughout the world. Effectively managing and mitigating these impacts will be one of the biggest challenges faced by our generation.

The COVID-19 pandemic and the restrictions associated with containing the spread of the virus have had a significant impact on the economy and the social and emotional health of the Cairns community. Due to Cairns' geographical location, independent evidence indicates the impact of the crisis in Cairns will be more severe and the likely recovery times longer than for most other regions in Australia.

Pre-COVID-19, the Cairns economy was in a relatively strong position. Gross Regional Product (GRP) growth was above Queensland and Australian levels, and unemployment was below both the State and National levels. However, a reliance on tourism and other export sectors means the economic impacts of COVID-19 on GRP and employment on Cairns will be severe. The tourism sector, which 'pre-COVID' contributed annual visitor expenditure of \$3.5 billion to the TNQ region, has collapsed. Domestic and international visitors have disappeared and the impact of this has spread to all industries. GRP and employment rates are now projected to be worse than national and State averages.

These economic impacts are having significant flow-on effects on the health (in particular mental health) and social well-being of the Cairns community. Sector feedback indicates an increased degree of anxiety, loneliness and uncertainty related to restrictions on freedoms, severe financial distress and dramatic changes to lifestyle and livelihoods. In addition, pre-COVID-19 prevalence of mental health issues, housing stress, homelessness and domestic violence has been exacerbated by the event. Reports indicate increased levels of mental health and use of harmful substances, disruptions in access to in-home care and health support services (particularly for vulnerable cohorts), and impacts on access to nutritious food and physical health regimes. The risks for vulnerable Aboriginal and Torres Strait Islander groups, youth and culturally and linguistically diverse communities are particularly acute during the event.

Given these impacts, recovery objectives will continue to consider immediate needs, as well as aiming to contribute to longer-term recovery through diversification, building adaptive capacity and reducing regional vulnerabilities. Ultimately, the strategies seek to build increased resilience to pandemics, other hazards, and all forms of adversity. The Plan also provides flexibility due to the unfolding nature of the event. Regular reviews will provide the ability to ensure the Plan remains aligned to community needs.

## Cairns Local Government Area COVID-19 response and recovery planning

On 22 March 2020, a disaster declaration related to COVID-19 was issued across Queensland. The Cairns Local Disaster Management Group (LDMG) went to stand-up on 23 March and established its Incident Management Team to coordinate immediate support to people affected. The Cairns Local Community Disaster Recovery Plan (CRC, 2019) identifies five functional pillars of recovery:



Given the impacts outlined, Council prioritised response and recovery efforts across the economic and human and social pillars and incorporated considerations across the remaining pillars consistent with the approach of other regions. Two committees were activated to take carriage of response and recovery planning and implementation.

- The Economic Response and Recovery Sub-Committee (ERRSC) and
- The Human and Social Response and Recovery Sub-Committee (HSRRSC)

On 20 April 2020, the LDMG transitioned to focus on recovery planning. Recovery strategies were developed based on an in-depth assessment of impacts and need.

This Plan aims to identify and meet short-medium term needs – both acute and developmental – while informing longer-term recovery and resilience. The draft Plan was endorsed by Council on the 26th August 2020 and the Local Disaster Management Group on the 15th September 2020.

This Plan has also been developed acknowledging that the event is still unfolding at this time. Regular reviews are intended to ensure that the process can account for potential delayed effects and that the Plan continues to reflect the needs of the community. While focussed on Cairns LGA, the process also considers cross-regional impacts.



<sup>1</sup>Source: Economy id, "Cairns Economy Impacts from COVID-19," 12 May 2020

<sup>2</sup>Source: Economy id, "Cairns Economy Impacts from COVID-19," 12 May 2020

<sup>3</sup>Tourism & Events Queensland, "Tropical North Queensland Regional Snapshot, Year Ending December 2019," available online at: [https://cdn2-teq.queensland.com/~media/0c4a71e5fffb14458a17c6a8e49c7d3df.ashx?vs=1&d=20200514T163143](https://cdn2-teq.queensland.com/~/media/0c4a71e5fffb14458a17c6a8e49c7d3df.ashx?vs=1&d=20200514T163143)

<sup>4</sup>Economy id, "Cairns Economy Impacts from COVID-19," 12 May 2020.



# Plan oversight and implementation mechanisms

The Plan provides a framework for an integrated approach to recovery based on specific support needs, corresponding recovery goals and nominated leads.

As an operational document, the Plan will be used by the Cairns Regional Council Local Recovery Committee to direct their work and monitor progress in partnership with regional stakeholders.

The Plan is owned collectively and responsibility for implementation will need to be shared among stakeholders to ensure its full realisation.

To support this process, Council facilitates the COVID-19 ERRSC and the HSRRC. These groups assess impacts, develop responses and coordinate activities on behalf of the Cairns LGA using a process tailored to the unique requirements of each pillar and the stakeholders each represents.

The Chairs of both Committees report on a regular basis through the Local Recovery Coordinator (within Cairns Regional Council) to the Local Recovery Committee and the Local Disaster Management Group. Both groups also report to a Local Leadership Group, comprising senior representatives from all three tiers of government as a mechanism to escalate matters of importance.

This tailored approach aligns with the standing Cairns Local Community Disaster Recovery Plan framework and follows the Queensland Reconstruction Authority (QRA) methodology. The QRA assisted with the facilitation to develop the plan, including alignment with Regional and State recovery planning processes. This

approach is intended to position the region to access State and Federal funding as well as other forms of recovery support.

These groups will continue to engage with the community, services and organisations, as well as with Federal and Queensland Government agencies on recovery strategies going forward.

## LINKS

This Plan fits within the framework of the following Strategic Documents: Queensland Strategy for Disaster Resilience (QRA, 2017); Cairns Local Disaster Management Plan (CRC, 2018); Cairns Local Community Disaster Recovery Plan (CRC, 2019); Regional Recovery Plan (QRA, 2020); Unite and Recover for Queensland Jobs (Queensland Government, 2020); State Recovery Plan (QRA, 2020).

## EVALUATION FRAMEWORKS

Cairns is a role model city under the United Nations Making Cities Resilient Campaign. As such the region follows the Sendai Framework for Disaster Risk Reduction and uses the United Nations Office for Disaster Risk Reduction Disaster Resilience Scorecard to assess resilience capabilities. Complementary principles and indicators from the 100 Resilient Cities framework will also be applied, particularly those related to institutional change and addressing chronic social stressors.

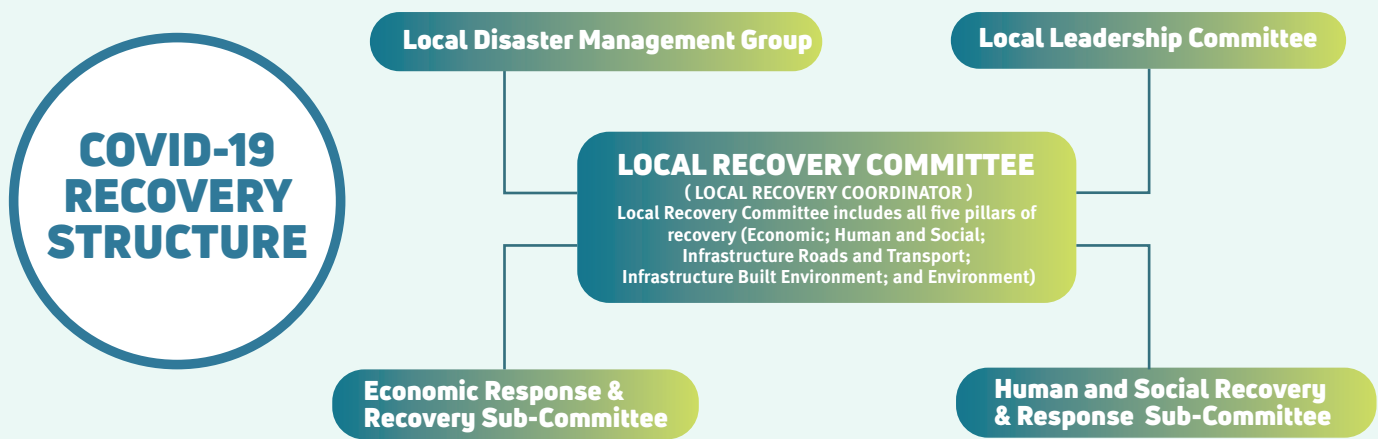
## Recovery plan structure

Informed by the State Recovery Planning framework and Queensland Reconstruction Authority methodology, the Plan follows the structure of: impact assessment, recovery objectives and measures of success, underpinned by tasks critical to meet the objectives. Each pillar undertook a process tailored to the unique circumstances and needs of its stakeholders, sectors and the nature of the impacts. The plan is a functional document developed for the use of discrete groups. As such, the format and terminology is tailored to each user group.

The process resulted in an Overview and Action Plan specific to each pillar. A detailed description is provided in the sections following –

- 1 COVID-19 Economic Recovery Plan
- 2 COVID-19 Human and Social Recovery Plan

Further information and publications are available at <https://www.cairns.qld.gov.au/council/covid19>



# COVID-19 economic Response and Recovery - Overview



In March 2020, Council established a regional COVID-19 Economic Response and Recovery Sub-Committee (ERRSC) to support and help coordinate economic recovery in the Cairns Local Government Area in response to the impacts of COVID-19.

**Chaired by Cairns Regional Council's Chief Executive Officer (CEO), members of the ERRSC include representatives of:**

- Advance Cairns
- Cairns Airport
- Cairns Chamber of Commerce
- Far North Queensland Region of Councils
- Ports North
- Queensland Government – Department of State Development, Tourism and Innovation
- Queensland Government – Queensland Reconstruction Authority
- Regional Development Australia – Tropical North
- Tourism Tropical North Queensland

**Council and the ERRSC produced the following key documents:**

- Cairns Regional Council, “Cairns Pathway to Recovery from COVID-19”, May 2020.
- Cairns Regional Council, “COVID-19: Cairns Economic Response and Recovery Sub-committee: Recommended Business Survival Initiatives”, 27 March 2020.
- Cairns Regional Council, “COVID 19: Cairns Economic Response and Recovery Sub-committee: Stimulus Initiatives”, 21 April 2020.
- Council also commissioned an independent economic advisory firm, .id Consulting Pty Ltd, in May 2020 to analyse the anticipated impacts of COVID-19 on the local economy.

*These publications are available at <https://www.cairns.qld.gov.au/council/covid19>*

The preparation of the Economic Response and Recovery Action Plan involved broad engagement with local stakeholders, including businesses, industry groups, government departments and agencies. The Plan was developed through the following engagement processes:

- a) Impact Assessment sessions: two online sessions on 4 June 2020 with 49 attendees.
- b) Recovery planning workshops: three face-to-face sessions, facilitated by the QRA, held on 18 and 19 June, with 63 attendees.
- c) Numerous individual discussions with local stakeholders across a range of sectors.

Response approaches have been integrated with the Human and Social Recovery Plan because of the cross-cutting nature of many impacts and needs.

## KEY SUPPORT REQUIRED

The two short-term key needs identified by the business community to rebuild the Cairns' economy back to pre-COVID-19 strength are:



*Extension of JobKeeper and of the suite of business support measures implemented by the Queensland and Australian Government*



*Re-establishment of domestic aviation capacity and connectivity, coupled with strong investment in destination marketing*

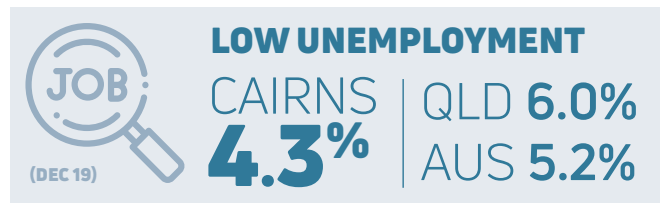
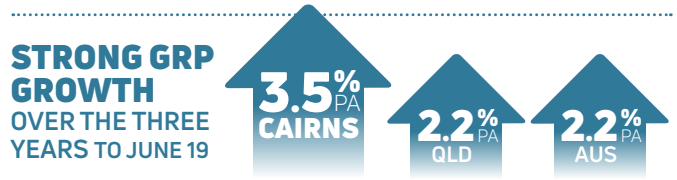




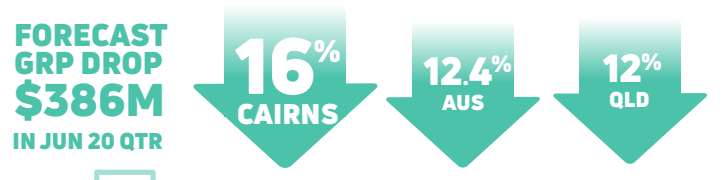
economic recovery

# Event summary at May 2020

## BEFORE COVID-19



## IMPACT OF COVID-19

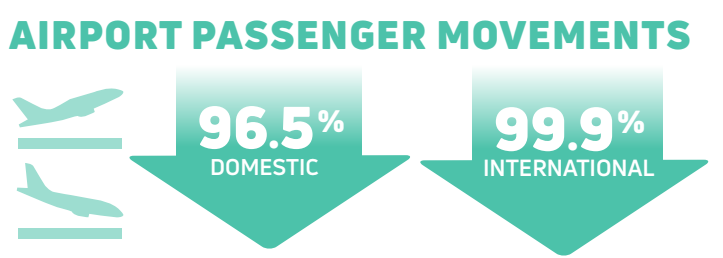


**SECOND MOST SEVERELY AFFECTED**  
REGIONAL CITY IN AUSTRALIA IN % JOBS LOST AND % LOSS OF GRP (JUN 20 QUARTER)



**HIGHEST NUMBER OF JOBKEEPER RECIPIENTS**  
(EMPLOYERS) OF ANY POSTCODE IN QUEENSLAND

WITHOUT JOBKEEPER, JUN 20 UNEMPLOYMENT FORECAST TO EXCEED 15%



\*Estimate based on a straight line labour force based pro-rata of national JobKeeper statistics  
Cairns Economy: Impacts from COVID-19' prepared by .idConsulting Pty Ltd and Cairns Regional Council



# Snapshot of preliminary and interrelated event impacts

## BUSINESS CHALLENGES, IMPACTS AND OPPORTUNITIES

- Loss of sales, revenue and income across all sectors, with impacts on ability to predict earnings into the future. An expected multi-year timeframe for the economy to return to pre-COVID-19 levels leading to questionable viability of many businesses.
- Staffing levels decreasing and anticipated to fall further. JobKeeper has been widely utilised, with uncertainty surrounding retaining staff after JobKeeper ends.
- Loss of forward bookings for goods and services. Uncertainty about funding, access to finance, investment and sponsorship due to negative impacts on investor confidence.
- Disruption to supply chains, pre-arranged purchases and ability to access stock. Positively, renewed focus on local supply chains.
- Unknown additional costs and implications of COVID safe requirements on operations e.g. Physical distancing reducing customer capacity.
- Disruption to branding and development of strategic partnerships, including international partnerships.
- Some positive examples of effective cross-industry dialogue and collaboration.
- Attractive living conditions may attract southern workers looking to leave the city and work from anywhere remotely.
- Opportunities and costs from shift to online sales or delivery of services. Many small businesses unsure steps to take to fast-track online presence, pivot and find more markets.
- Lack of understanding of business planning, financial modelling or forecasting to make business decisions. Multiple agencies providing information but no 'one stop shop' for small business support and coaching.
- Perceived barriers for many small to medium sized businesses to successfully tender and deliver public sector projects.
- Vibrancy of the city centre severely diminished through lockdown, reduced tourist numbers and increased vacancy rates.



## TOURISM, NATURAL ASSETS AND SUSTAINABILITY

- The Cairns tourism industry has hit an all-time low, with impacts felt across a range of industries including accommodation, food services, arts, transport and attractions, particularly businesses focused on International tourist markets. Businesses are struggling to meet ongoing fixed costs.
- Some businesses able to re-open to cater for domestic audiences. Immediate need to realign tourism focus from International and interstate tourists towards domestic and local markets, which is a smaller and less profitable market.
- Deep uncertainty about the future as COVID-19 situation fluctuates in domestic and international markets. Fears of illness and potential future lockdowns impacting traveller demand and forward bookings.
- Many natural resource businesses showed strong resilience to continue operations during the lockdown and have opportunities to provide new jobs in new projects, subject to continuity of funding.

## RECOVERY TIMEFRAME

**SHORT TERM**  
JUNE 2020 - JUNE 2021

**SHORT TERM:** Focus on the immediate support measures needed to help businesses survive the crisis and be in a position to recommence/re-escalate operations and re-employ staff as the crisis passes. For the overall benefit of the economy, return airport passenger movements and visitor numbers to pre-COVID-19 levels.

**MEDIUM TERM**  
UP TO JUNE 2022

**MEDIUM TERM:** Focus on the projects, programs and policies that will create employment and economic activity and rebuild business confidence. Success is envisioned as returning the economy to pre-COVID levels of key economic indicators, including unemployment rate, GRP, export value, commercial vacancy rates, building approvals, airport passenger movements, visitor numbers, and population growth.

**LONG TERM**  
ONGOING

**LONG TERM:** Continued implementation of an economic recovery plan that will see the economy exceed economy to 'pre-COVID' levels but with a more diverse and resilient foundation. Leverage the stronger, more resilient economic foundation for long-term growth and prosperity.



## SKILLS, RESEARCH AND INNOVATION

- All tertiary and Vocational Education and Training (VET) providers have reported a loss of students.
- English language schools and study tour companies experienced a complete loss of international visitors undertaking short term study.
- All providers across the sector shifted to delivering on-line or virtual classes. Significant changes with primary and secondary schooling adaption to digital delivery.
- Difficulties for education institutions to maintain enrolments. Predicted further impacts in Semester 2 with further reduced international student numbers.
- Impacts to training pathways for skills in key sectors.

## CREATIVITY AND CULTURE

- Arts and recreation services sector heavily impacted. In March, almost 100% cancellation of forward bookings for events, exhibitions and programs across all venues in the city. Associated loss of thousands of dollars' worth of sales, revenue and income, impacting artists, venues and organisations.
- Shift to online for many events is not projected to generate anywhere near normal levels of revenue for artists and curators.
- Mass stand-downs of staff and high number of casual, part-time, temporary staff (gig economy), volunteers and contractors who are not employees highly impacted and not eligible for JobKeeper.
- Concerns that creatives will leave the sector given the fragile nature of employment, particularly in the Cairns region.
- Loss of audience confidence and interest and quality contemporary cultural product from the region.
- Positive opportunity for new partnerships, and to 'think outside the box' and test creative ideas.
- Significant losses for Indigenous artists reliant on key market events e.g. Cairns Indigenous Arts Fair (CIAF).

## INFRASTRUCTURE AND CONNECTIVITY

- Aviation severely impacted through lockdowns and travel restrictions. Domestic and international aviation passenger movements decreased by over 90% in March and April. Deep uncertainty about forward flight schedules and bookings in response to COVID cases in target markets. International flight movements not predicted to return to normal for numerous years.
- Connectivity and capacity of freight reduced for export markets, and some reduced demand for export product, alongside increased biosecurity protocols in airports.
- Naval and marine industries showed resilience, generally continued operations throughout lockdown. Some delays and impacts to shipping and interruptions to logistics and superyacht charters, but opportunities for boats to undertake maintenance repair and overhauls.
- Construction businesses generally able to continue working, however some losses of forward workload as projects put on hold, particularly private sector projects.
- Digital connectivity has come to the fore as an essential service to keep the economy functioning in a time of crisis, for businesses, education (including home schooling) and personal connectivity.

A full overview of initial COVID-19 Impacts and Needs are outlined in "Cairns Economy Impacts from COVID-19" (.id Consulting Pty Ltd, 2020), available at <https://www.cairns.qld.gov.au/council/covid19/recovery>



# RECOVERY OBJECTIVES

## PRIORITY SECTORS

- Tourism and aviation
- Education and training
- Enabling Infrastructure  
(water, roads, digital etc)
- Healthcare and social assistance
- Naval and marine
- Population retention and growth
- Service centre for food and agricultural production
- Strategic physical location  
(proximity and connectivity to Asia, PNG and the Pacific)
- The 'Green Economy'

## TOURISM, NATURAL ASSETS AND SUSTAINABILITY

1. Champion innovation and resilience to strengthen a future-focused local tourism industry.
2. Promote Cairns as the capital of the Smart Green Economy in Australia, through leveraging the economic benefits of our natural assets, the city's existing "green" reputation and unlocking sustainable development projects.

## LOCAL STRENGTH AND ADVANTAGE

3. Encourage ongoing economic diversification and resilience by building on regional strengths as well as supporting emerging industries.
4. Investigate region-specific incentives to drive employment and population growth in Cairns.
5. Unlock local manufacturing and value-adding of existing supply chains to leverage Cairns' strategic position and location.

## COLLABORATION AND SUPPORT

6. Sustain local businesses through increased local spending and improved pathways to public and private sector procurement opportunities.
7. Inspire increased vitality and activity in the city centre.

## SKILLS, RESEARCH AND INNOVATION

8. Align the development of world-class skills, training, and education capabilities to meet future requirements of key sectors and emerging industries.
9. Support innovation, research and development to provide for evolving needs of the local economy.

## CREATIVITY AND CULTURE

10. Foster the development of new pathways for Indigenous inclusion in the local economy to deepen collaboration and understanding of place.
11. Grow our diverse and inclusive arts, cultural and events sector and recognise contribution towards liveability, economy and wellbeing of the community.

## INFRASTRUCTURE AND CONNECTIVITY

12. Investigate and support expansion of local naval and marine capabilities.
13. Strengthen trade through improved passenger and freight efficiencies to leverage our strategic location as the gateway to Northern Australia, PNG, Asia and the Pacific.
14. Plan and deliver infrastructure upgrades to increase resilience and provide for future population and economic growth, including digital connectivity opportunities.





# ACTION PLAN

OBJECTIVE	TASKS	MEASURES OF SUCCESS
<b>Tourism, Natural Assets and Sustainability</b>		
<p><b>1. Champion innovation and resilience to strengthen a future-focused local tourism industry.</b></p>	<p><b>1.1</b> Restore tourism visitation to the Cairns region, through:</p> <p>1.1.1 Aviation capacity, including re-establishment of key domestic and international services and introduction of new routes.  <i>timeframe</i> <span style="display: inline-block; width: 100px; border-bottom: 1px solid black; position: relative;"> <span style="position: absolute; left: 0; top: -10px; font-size: 8px;">SHORT</span> <span style="position: absolute; left: 33%; top: -10px; font-size: 8px;">MEDIUM</span> <span style="position: absolute; left: 66%; top: -10px; font-size: 8px;">LONG</span> </span></p> <p>1.1.2 Destination marketing, targeted to appeal to wider markets including food, agribusiness, nature-based, sports and events tourism.  <i>timeframe</i> <span style="display: inline-block; width: 100px; border-bottom: 1px solid black; position: relative;"> <span style="position: absolute; left: 0; top: -10px; font-size: 8px;">SHORT</span> <span style="position: absolute; left: 33%; top: -10px; font-size: 8px;"></span> <span style="position: absolute; left: 66%; top: -10px; font-size: 8px;"></span> </span></p> <p><b>1.2</b> Support the creation of new experiences and infrastructure that drive the region’s competitive advantages for high value travellers and increase future resilience, including:</p> <ul style="list-style-type: none"> <li>• Authentic cultural experiences led by Indigenous owned businesses.</li> <li>• New leisure infrastructure such as the Northern Beaches Leisure Trail project, Cairns Gallery Precinct, Wangetti Trail and expansion of mountain biking trails.</li> <li>• Sustainable tourism funding model, e.g. visitor levy.</li> <li>• Discuss stronger industry-wide focus on sustainability linked with direct contributions towards management of key natural assets eg. Great Barrier Reef &amp; Wet Tropic rainforest.</li> </ul> <p><i>timeframe</i> <span style="display: inline-block; width: 100px; border-bottom: 1px solid black; position: relative;"> <span style="position: absolute; left: 0; top: -10px; font-size: 8px;"></span> <span style="position: absolute; left: 33%; top: -10px; font-size: 8px;">MEDIUM</span> <span style="position: absolute; left: 66%; top: -10px; font-size: 8px;">LONG</span> </span></p> <p><b>1.3</b> Support increased resilience of tourism industry through opportunities for productive use of workforces and infrastructure for secondary purposes during times of lower tourist demand.  <i>timeframe</i> <span style="display: inline-block; width: 100px; border-bottom: 1px solid black; position: relative;"> <span style="position: absolute; left: 0; top: -10px; font-size: 8px;">SHORT</span> <span style="position: absolute; left: 33%; top: -10px; font-size: 8px;">MEDIUM</span> <span style="position: absolute; left: 66%; top: -10px; font-size: 8px;">LONG</span> </span></p>	<p>In the medium to longer term, achieve 3 million visitors plus to the region per year, with visitor expenditure exceeding pre-COVID levels.</p> <p>Resilient tourism businesses able to continue viably operating during a period of reduced tourist numbers.</p> <p>Successful development and attraction of new tourism experiences and infrastructure supported with a sustainable tourism funding model.</p> <p>Protected natural assets to support longevity of the industry e.g. Great Barrier Reef &amp; Wet Tropics rainforest.</p> <p>More Indigenous-owned cultural tourism businesses, experiences and product woven through local tourism industry.</p>
<p><b>2. Promote Cairns as the capital of the smart, green economy in Australia, through leveraging the economic benefits of our natural assets, the city’s existing green reputation and unlocking sustainable development projects.</b></p>	<p><b>2.1</b> Source funding to undertake a scoping study and implementation plan, supported by a local cross-industry Project Steering Committee, to progress the vision of Cairns as the capital of the smart, green economy in Australia focusing on growth sectors including, but not limited to:</p> <ul style="list-style-type: none"> <li>• Renewable energy/hydrogen/ biofuels, particularly Cairns’ potential as a Priority Renewable Energy Zone.</li> <li>• Circular economy.</li> <li>• Climate adaptation and resilience.</li> <li>• Tropical expertise and related education, training and technical services.</li> <li>• Sustainable advanced manufacturing.</li> <li>• Natural resource management opportunities.</li> </ul> <p><i>timeframe</i> <span style="display: inline-block; width: 100px; border-bottom: 1px solid black; position: relative;"> <span style="position: absolute; left: 0; top: -10px; font-size: 8px;"></span> <span style="position: absolute; left: 33%; top: -10px; font-size: 8px;">MEDIUM</span> <span style="position: absolute; left: 66%; top: -10px; font-size: 8px;"></span> </span></p> <p><b>2.2</b> Unlock further efficiencies to reduce and reuse waste, including:</p> <ul style="list-style-type: none"> <li>• Secure funding assistance for a Priority Regional Recycling and Reprocessing Hub in Cairns.</li> <li>• Support for businesses to manage waste and energy more efficiently.</li> </ul> <p><i>timeframe</i> <span style="display: inline-block; width: 100px; border-bottom: 1px solid black; position: relative;"> <span style="position: absolute; left: 0; top: -10px; font-size: 8px;"></span> <span style="position: absolute; left: 33%; top: -10px; font-size: 8px;">MEDIUM</span> <span style="position: absolute; left: 66%; top: -10px; font-size: 8px;">LONG</span> </span></p> <p><b>2.3</b> Secure resources to continue to pro-actively manage healthy resilient natural assets for current and future generations.  <i>timeframe</i> <span style="display: inline-block; width: 100px; border-bottom: 1px solid black; position: relative;"> <span style="position: absolute; left: 0; top: -10px; font-size: 8px;"></span> <span style="position: absolute; left: 33%; top: -10px; font-size: 8px;">MEDIUM</span> <span style="position: absolute; left: 66%; top: -10px; font-size: 8px;">LONG</span> </span></p>	<p>Increased private investment and jobs in “green” sectors.</p> <p>Wide network of engaged local stakeholders committed to adoption of green, smart approaches in their businesses.</p> <p>Reduced waste going to landfill (tonnes/week) and increased viability of reuse of waste for local businesses.</p> <p>Recognition of Cairns and FNQ as a nationally significant renewable energy producer.</p> <p>Cairns region recognised a world leader in the investment in natural asset management and resilience.</p> <p>Innovative business models and revenue streams developed to protect natural assets.</p> <p>FNQ as a living lab for innovation in tropical expertise.</p>

OBJECTIVE	TASKS	MEASURES OF SUCCESS
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### Local Strength and Advantage

**3. Encourage ongoing economic diversification and resilience by building on regional strengths as well as supporting emerging industries.**

**3.1** Enable and deliver growth in diverse industries that build on the region's natural and economic strengths such as tourism, marine industries, agriculture, education and health, as promoted by the Projects, Programs and Policy detailed in the Cairns ERRSC Preliminary Report to LLC – Stimulus Initiatives, dated 21 April 2020. [https://www.cairns.qld.gov.au/\\_data/assets/pdf\\_file/0006/337794/ERRSC-Stimulus-Initiatives.pdf](https://www.cairns.qld.gov.au/_data/assets/pdf_file/0006/337794/ERRSC-Stimulus-Initiatives.pdf)

timeframe **SHORT** **MEDIUM**

**3.2** Refresh the Cairns 2050 Shared Vision and the Cairns Regional Council Economic Development Strategy 2018-2022 with input and commitment from all levels of government and key stakeholders.

timeframe  **MEDIUM**

**3.3** Advocate for continuation of business survival initiatives to support longer term economic recovery, including:

- JobKeeper into 2021.
- Other Federal and State Government support programs including tax waivers, grants and assistance.

timeframe **SHORT**

Strong, aligned and diversified pillars of the economy that meets needs of the community, reduces risk and provides multiple revenue streams.

Improvement from pre-COVID levels of key regional indicators such as unemployment, GDP, GRP, export value, commercial vacancy rates, building approvals, airport movements and tourist numbers.

Future planning processes to effectively engage all stakeholders and levels of government throughout the region, underpinned by baseline data and implementation targets for monitoring of progress.

**4. Investigate region-specific incentives to drive employment and population growth in Cairns.**

**4.1** Enable new markets and encourage diversity of the economy through strategies such as:

4.1.1 Undertake review of opportunities to target workers to consider relocating to Cairns while employed elsewhere utilising digital connectivity.

timeframe **SHORT** **MEDIUM**

4.1.2 Advocate for relocation of private sector offices and decentralised State and Federal departments from southern cities.

timeframe  **MEDIUM** **LONG**

4.1.3 Establish initiatives to retain and attract youth workforce.

timeframe **SHORT** **MEDIUM**

**4.2** Investigate and advocate for Cairns specific regional incentives such as:

- A Special Economic Zone for industry growth.
- A Cairns City Deal to formalise collaboration between three levels of government.
- Regional tax benefits.
- Specific coronavirus recovery funding programs, as detailed in the Cairns ERRSC Preliminary Report to LLC – Stimulus Initiatives, dated 21 April 2020.
- Reset of Northern Australia Infrastructure Fund.
- Fair insurance costs for both domestic and commercial uses.

timeframe  **MEDIUM** **LONG**

**4.3** Promote development of a Regional Population and Migration Strategy for Cairns that sets population growth targets, forecasts supporting policy and investment needs, and measures progress.

Increased new businesses established and based in the region.

Sustained positive population growth above State average.

Increased collaboration and commitment from all three levels of Government.

**5. Unlock local manufacturing and value-adding opportunities in existing supply chains to leverage off Cairns' strategic position and location.**

**5.1** Foster innovative research and development to increase resilience and economic value of regional agricultural production and supply chains.

timeframe **SHORT** **MEDIUM** **LONG**

**5.2** Investigate and support research for new manufacturing opportunities such as advanced manufacturing, Industry 4.0 and IoT (internet of things).

timeframe  **MEDIUM** **LONG**

Increased private sector investment and number of jobs.

Increased new markets for agricultural produce.

Increased investment in local advanced manufacturing opportunities.

Construction of Industry 4.0 and IoT infrastructure.

OBJECTIVE	TASKS	MEASURES OF SUCCESS
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**Collaboration and Support**

**6. Sustain local businesses through increased local spending and improved pathways to public and private sector procurement opportunities.**

**6.1** Bring together targeted support services for small to medium sized business to survive COVID-19 and leverage community awareness of importance of supporting local businesses, eg. Keep It in Cairns campaign.

timeframe **SHORT**

**6.2** Foster initiatives to increase business morale and confidence through collaboration, positive messaging and celebration of local heroes.

timeframe **SHORT**

**6.3** Support the diversification and resilience of the region’s communities, e.g. through renewed focus on implementation of the Gordonvale and Babinda Economic Development Plans.

timeframe **SHORT** **MEDIUM** **LONG**

**6.4** Refine public sector and large business procurement policies to support local diversity, including:

- Clarify definition of ‘local content’ and targets for spend from local businesses.
- Explore quotas for product purchasing and project delivery from Indigenous businesses and small to medium sized enterprises.
- Investigate pathways to link local businesses as Joint Ventures to deliver large projects.
- Improve tendering information and assistance available to encourage more local small to medium sized businesses to tender for projects.

timeframe **SHORT** **MEDIUM** **LONG**

Increased numbers of local small to medium-sized enterprises, indicating consumer support for quality, locally made products.

Improved business morale and confidence.

Implementation of Gordonvale and Babinda Economic Development Plans.

Private sector and all three levels of government increased commitment to local, Indigenous and small to medium sized business spend in product purchasing and project delivery.

Increased diversity targets in procurement in both public and private sectors.

**7. Inspire increased vitality and activity in the City Centre.**

**7.1** Seek support to fast-track planned projects in the city centre, including:

- Cairns Gallery precinct.
- Cairns Esplanade dining precinct.
- Implementation of Cairns CBD Masterplan (2019 review).

timeframe **SHORT**

**7.2** Consider initiatives that would support wider diversity of uses in the city centre, including:

- Increase the numbers of people living in the city centre.
- Support conversions of existing buildings and commercial space into other uses, including other commercial uses or residential.
- Develop and implement an Infrastructure Charges incentive policy to apply to all development in Cairns City.
- Educational institutions and student accommodation.
- New high-quality commercial office development.
- Creative projects that incorporate Indigenous storytelling to deepen understanding of place.
- Outdoor uses and events in public space, including temporary uses.
- Creative ways to fill empty shops with new uses.
- Co-working spaces for small business and entrepreneurs.
- Increased car parking coupled with improved accessibility, wayfinding, public transport and active transport infrastructure.
- Undertake a review of the Cairns City Centre Master Plan 2019.
- Continue to implement tropical urbanism principles and urban heat mitigation measures to reinforce Cairns as the capital of the smart, green economy.

timeframe **SHORT** **MEDIUM** **LONG**

Increased residential dwellings in the city centre.

Lively public realm retail and outdoor dining, in all weather, throughout the whole year.

Reduced commercial and office vacancy rates in the city centre.

Reduced crime incidents and increased sense of safety in the city centre.

Increased number of pop-up temporary uses and events in public realm in the city centre.



OBJECTIVE	TASKS	MEASURES OF SUCCESS
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**Skills, Research and Innovation**

**8. Align the development of world-class skills, training, and education capabilities to meet future requirements of key sectors and emerging industries.**

**8.1** Increase awareness, and encourage industry collaboration with educational institutions to explore supported training systems to address regional skills gaps post-COVID-19 that support young people to create and maintain local career pathways.

timeframe **SHORT**

**8.2** Attainment of University Hospital status for Cairns Hospital and investigation of health sector growth opportunities including projects to increase local health research knowledge base.

timeframe  **MEDIUM** **LONG**

**8.3** Advocate for the safe return of international students, exploring potential for specific quarantine arrangements, then investigate scaled up international education presence in Cairns with wider student post-study work rights.

timeframe  **MEDIUM** **LONG**

**8.4** Advocate for stronger education presence in the city centre through increased student accommodation and the CQUniversity permanent New City Centre Campus.

timeframe **SHORT** **MEDIUM**

**8.5** Provision of Commonwealth and International Supported Places through JCU Medical School.

timeframe  **MEDIUM** **LONG**

Population growth coupled with attraction and retention of human capital.

Comprehensive career development opportunities across sectors to encourage talent to stay in the region.

A strong education and training sector that has comprehensive course offerings that meet the need of the region from school and beyond in existing and developing industries.

Greater diversity of local health services offered as well as number of jobs in the sector.

Increased local domestic and international student numbers.

Increased number of impactful, locally engaged research projects to assist with sustainable long-term development of the region.

**9. Support innovation, research and development to provide for evolving needs of the local economy.**

**9.1** Support for businesses that have ‘pivoted’ through COVID-19 to maintain new models, e.g. online connectivity, physical adaptations, new services.

timeframe **SHORT**

**9.2** Enable greater innovation and entrepreneurship through collaboration between start-ups, entrepreneurs, social enterprise, the local innovation sector, key stakeholders, and streamlined access to government services and resources.

timeframe  **MEDIUM** **LONG**

**9.3** Advocate for sustainable funding for education institutions allowing for increased research in emerging industries.

timeframe  **MEDIUM** **LONG**

Coordinated approach to innovation across the region between all key stakeholders.

Local businesses successfully integrate new processes adopted during COVID-19 and adopting innovative business models for long term use.

OBJECTIVE	TASKS	MEASURES OF SUCCESS
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## Creativity and Culture

**10. Foster the development of new pathways for Indigenous inclusion in the local economy to deepen collaboration and understanding of place.**

**10.1** Explore opportunities for new engagement and representation of Indigenous people in business to give a stronger voice for Indigenous people on local affairs eg. More seats for Indigenous people on boards and committees.

timeframe  MEDIUM  LONG

**10.2** Increase awareness of culturally-sensitive education and training pathways for Indigenous people, eg. apprenticeships and traineeships with investment in country, people, culture.

timeframe  SHORT

Inclusion of more local Indigenous groups in shared decision making, including boards and committees.

Increased knowledge, to all that visit or reside in Cairns, of local Indigenous stories and understandings.

**11. Grow our diverse and inclusive arts, cultural and events sector and recognise contribution towards liveability, economy and wellbeing of the community.**

**11.1** Investigate collaborative, creative pathways between local and independent arts organisations to reopen facilities, restart events, upgrade infrastructure to comply with COVID-safe requirements and foster new cultural product and infrastructure.

timeframe  SHORT

**11.2** Promote innovative sources of investment in emerging artist development and new creative products, including:

- Arts, including visual arts, theatre, live entertainment, dance, makers, exhibitions, major events and more.
- Expand opportunities to grow Queensland’s screen industry with local filming.

timeframe  MEDIUM  LONG

**11.3** Proceed with the Cairns Gallery Precinct project, subject to Federal and State funding, and investigate concept of National Indigenous Heritage Centre, based in the Cairns region.

timeframe  SHORT  MEDIUM

Thriving and vibrant arts ecology, in full partnership with all levels of government and the education sector, delivering community cultural engagement programs including events, exhibitions, performances and more.

Event participation, sponsorship and sales levels exceeding pre-COVID levels and growing local events to world class levels.

Increased diversity in arts offerings, sharing the rich tapestry of culture and knowledge of our Indigenous and multicultural community.

## Infrastructure and Connectivity

**12. Investigate and support expansion of local naval and marine capabilities**

**12.1** Continue to assist the Cairns Marine Precinct to remain competitive to take advantage of opportunities for increased investment by the Department of Defence.

timeframe  MEDIUM  LONG

**12.2** Promote strategic projects to diversify and strengthen local marine industries, such as:

12.2.1 Completion of Cairns Port Master Planning, including options for expansion of Cairns Seaport for trade.

timeframe  SHORT

12.2.2 Cairns Marine Maintenance Precinct.

timeframe  MEDIUM  LONG

12.2.3 Pacific Engagement through delivery of the national Pacific Step-Up Program.

timeframe  MEDIUM  LONG

12.2.4 Pacific Patrol Boat/Guardian Patrol Boat Training programs.

timeframe  MEDIUM  LONG

12.2.5 Reestablishment of boat/ship manufacturing capacity in region building on existing skills base.

timeframe  MEDIUM  LONG

12.2.6 Growth opportunities for the Superyacht sector.

timeframe  MEDIUM  LONG

Increased public and private sector investment and number of jobs.

Cairns established as the leader in Northern Australia for marine and naval capabilities.

Implementation of key strategic projects .



OBJECTIVE	TASKS	MEASURES OF SUCCESS
<p><b>13. Strengthen trade through improved passenger and freight efficiencies to leverage our strategic location as the gateway to Northern Australia, PNG, Asia and the Pacific.</b></p>	<p><b>13.1</b> Seek to build, between key stakeholders, a regional provenance branding story for local produce e.g. ‘tropical food bowl’ branding.  <i>timeframe</i> <span style="background-color: #f4a460; padding: 2px;">MEDIUM</span> <span style="border: 1px solid black; display: inline-block; width: 40px; height: 15px;"></span></p>	<p>Increased public and private sector investment and number of jobs.</p>
	<p><b>13.2</b> Promotion of increased aviation connectivity within Australia and throughout Asia and the Pacific, both for passengers and freight, and for strategic aviation projects, such as:</p>	<p>Government supporting trade &amp; investment into agile, diversified sectors.</p>
	<p>13.2.1 Potential facilities that would support export supply-chain/logistics development (eg. Irradiation Facility).  <i>timeframe</i> <span style="border: 1px solid black; display: inline-block; width: 40px; height: 15px;"></span> <span style="background-color: #f4a460; padding: 2px;">MEDIUM</span> <span style="background-color: #2e7d32; color: white; padding: 2px;">LONG</span></p>	<p>Local aviation capacity exceeding pre-COVID levels, with new passenger and freight routes established and strongly supported.</p>
	<p>13.2.2 Cairns Aviation Excellence Precinct.  <i>timeframe</i> <span style="border: 1px solid black; display: inline-block; width: 40px; height: 15px;"></span> <span style="background-color: #f4a460; padding: 2px;">MEDIUM</span> <span style="background-color: #2e7d32; color: white; padding: 2px;">LONG</span></p>	
	<p>13.2.3 Cairns Metro/Airport Link.  <i>timeframe</i> <span style="border: 1px solid black; display: inline-block; width: 40px; height: 15px;"></span> <span style="background-color: #f4a460; padding: 2px;">MEDIUM</span> <span style="background-color: #2e7d32; color: white; padding: 2px;">LONG</span></p>	<p>Increased regional agriculture export to international markets.</p>
	<p>13.2.4 Stage 2 CQU Asia Pacific Aviation Hub.  <i>timeframe</i> <span style="background-color: #2e7d32; color: white; padding: 2px;">SHORT</span> <span style="background-color: #f4a460; padding: 2px;">MEDIUM</span> <span style="border: 1px solid black; display: inline-block; width: 40px; height: 15px;"></span></p>	<p>Establishment of regional Cairns provenance branding for local produce.</p>
	<p>13.2.5 Continued support for air freight connectivity for critical routes.  <i>timeframe</i> <span style="background-color: #2e7d32; color: white; padding: 2px;">SHORT</span> <span style="border: 1px solid black; display: inline-block; width: 40px; height: 15px;"></span> <span style="border: 1px solid black; display: inline-block; width: 40px; height: 15px;"></span></p>	<p>Increased local business partnerships with Pacific and Asian nations.</p>
	<p>13.2.6 Sectoral benchmarking and positioning.  <i>timeframe</i> <span style="background-color: #2e7d32; color: white; padding: 2px;">SHORT</span> <span style="border: 1px solid black; display: inline-block; width: 40px; height: 15px;"></span> <span style="border: 1px solid black; display: inline-block; width: 40px; height: 15px;"></span></p>	<p>Aviation capacity is expanded to increase competitiveness and diversification opportunities and support new aviation-related jobs.</p>
	<p><b>13.3</b> Investigate ways to utilise Cairns’ strategic location for increased international trade and export support programs and infrastructure, including:</p> <ul style="list-style-type: none"> <li>Export growth incubator.</li> <li>Reset Export Market Development Grants.</li> </ul>	
	<p><i>timeframe</i> <span style="border: 1px solid black; display: inline-block; width: 40px; height: 15px;"></span> <span style="background-color: #f4a460; padding: 2px;">MEDIUM</span> <span style="background-color: #2e7d32; color: white; padding: 2px;">LONG</span></p>	
<p><b>14. Plan and deliver infrastructure upgrades to increase resilience and provide for future population and economic growth, including digital connectivity opportunities.</b></p>	<p><b>14.1</b> Collaborate between government and key stakeholders to produce a sequenced long-term plan and implementation program for upgrades to key strategic road infrastructure in line with population growth, including:</p> <ul style="list-style-type: none"> <li>Captain Cook Highway (Draper Street to Smithfield).</li> <li>Cairns Western Arterial Road.</li> <li>Kuranda Range Road.</li> </ul>	<p>Increased public and private sector investment and number of jobs.</p>
	<p><i>timeframe</i> <span style="background-color: #2e7d32; color: white; padding: 2px;">SHORT</span> <span style="background-color: #f4a460; padding: 2px;">MEDIUM</span> <span style="border: 1px solid black; display: inline-block; width: 40px; height: 15px;"></span></p>	<p>Clear infrastructure plan outlining key needs for the next 10 years with supporting construction targets (including social housing).</p>
	<p><b>14.2</b> Collaborate between government and key stakeholders to produce a sequenced long-term plan and implementation program for key long-term strategic water security needs, including:</p> <ul style="list-style-type: none"> <li>Draper Road Water Treatment Plant.</li> <li>Barron River Water Treatment Plant.</li> </ul>	<p>Increase in number for development approvals and building permits.</p>
	<p><i>timeframe</i> <span style="background-color: #2e7d32; color: white; padding: 2px;">SHORT</span> <span style="border: 1px solid black; display: inline-block; width: 40px; height: 15px;"></span> <span style="border: 1px solid black; display: inline-block; width: 40px; height: 15px;"></span></p>	<p>Increase in construction activity.</p>
	<p><b>14.3</b> Seek support for upgrades of digital infrastructure to support economic growth, including:</p> <ul style="list-style-type: none"> <li>Investigation of 5G Pilot.</li> <li>Feasibility of a secure data storage facility for the region.</li> <li>Support and training for local businesses to adapt to new online business models, such as e-commerce capability.</li> <li>Establish and strengthen international trading relationships through e-commerce and digital engagement.</li> </ul>	<p>Infrastructure plans and investments are aligned to economic, sustainability, social and positive population growth strategies and development plans.</p>
<p><i>timeframe</i> <span style="border: 1px solid black; display: inline-block; width: 40px; height: 15px;"></span> <span style="background-color: #f4a460; padding: 2px;">MEDIUM</span> <span style="background-color: #2e7d32; color: white; padding: 2px;">LONG</span></p>	<p>Infrastructure upgrades targeting problem areas limiting growth and restricting future development are prioritised and commenced.</p>	
<p><b>14.4</b> Review processes and requirements for building and development approvals to identify opportunities to streamline processes and incentivise appropriate development to support economic recovery.</p>	<p>More agile, profitable local businesses connected to wider markets through increased digital connectivity and e-commerce.</p>	
<p><i>timeframe</i> <span style="background-color: #2e7d32; color: white; padding: 2px;">SHORT</span> <span style="border: 1px solid black; display: inline-block; width: 40px; height: 15px;"></span> <span style="border: 1px solid black; display: inline-block; width: 40px; height: 15px;"></span></p>		
<p><b>14.5</b> Expand understanding of the long-term benefits of dams to assist with future development of water infrastructure in the Region.</p>	<p>Increased investment and fast tracked capital works and essential public infrastructure (including social housing).</p>	
<p><i>timeframe</i> <span style="background-color: #2e7d32; color: white; padding: 2px;">SHORT</span> <span style="border: 1px solid black; display: inline-block; width: 40px; height: 15px;"></span> <span style="border: 1px solid black; display: inline-block; width: 40px; height: 15px;"></span></p>		



# Implementation

Successful economic recovery will require commitment from all relevant stakeholders and levels of government to deliver the recovery objectives and tasks identified in the Action Plan. The ERRSC will continue to meet as a future-focussed collaborative group to oversee implementation of the Plan. There will be an annual review of the Plan with key stakeholders. Updates on the delivery of tasks will be provided to the ERRSC.

## CONTRIBUTING STAKEHOLDERS

- Advance Cairns
- Advance Queensland
- AFL Cairns
- Agforce
- Arts Nexus
- Arts Queensland
- Australian Banana Growers Council
- Babinda Taskforce
- BDO Australia
- Bumma Bipperra Media & Dreamtime Dive & Snorkel
- Cairns Airport
- Cairns Aquarium
- Cairns Art Gallery
- Cairns Business Women's Club
- Cairns Chamber of Commerce
- Cairns Indigenous Art Fair
- Cairns Indigenous Tourism Hub, AppOriginee & Abiculture
- Cairns Museum
- Cairns Primary Health Network
- Cairns Regional Manufacturing Hub, (DRDM)
- Cairns Taxis
- Cairns Young Chamber
- Canegrowers
- CQUniversity
- Davis, S.
- Department of Aboriginal & Torres Strait Islander Partnerships
- Department of Agriculture and Fisheries
- Department of Employment, Small Business and Training
- Department of Environment and Science
- Department of Housing and Public Works
- Department of Local Government, Racing & Multicultural Affairs
- Department of Natural Resources, Mines & Energy.
- Department of Premier and Cabinet
- Department of State Development, Tourism and Innovation
- Department of Transport & Main Roads
- Digeralia
- Dive Queensland
- Djunbunji Ltd & Mandingalbay Cultural Tours
- Down Under Tours
- End Credits Film Club
- Energy Queensland
- Excellence Coaches
- Far North Queensland Regional Organisation of Councils
- Fibre Optics P/L, July 2020
- FNQ Dance Academy
- FNQ Agriculture
- FNQ Plastics
- FNQ Tropical Dance Festival
- Global Forwarding
- Gordonvale Chamber of Commerce
- Great Barrier Reef Marine Park Authority
- Indigenous Business Australia
- InkMasters Print Workshop
- James Cook University
- John Hartigan Associates
- Jute Theatre Company
- Mainie
- Master Builder
- MiHaven
- Miriki Performing Arts / Nintiringanyi
- National Indigenous Australians Agency
- New Century Resources
- Norship
- North Site Contemporary Arts
- Ochre Restaurant
- Outdoor Solutions Queensland
- Ports North
- Pryce Centre for Culture & Arts
- Pullman Reef Hotel Casino
- Queensland Agriculture Workforce Network
- Queensland Health – Cairns and Hinterland Hospital and Health Service
- Queensland Museum
- Queensland Parks and Wildlife Service
- Queensland Reconstruction Authority
- Queensland Sugar Limited
- Regional Development Australia – Tropical North
- Savannah Guides Limited
- Screen Queensland
- Seaswift
- Study Cairns
- Strait Support
- Sunbus
- Superyacht Group Great Barrier Reef
- Terrain NRM
- Tourism Events Queensland
- Trade Investment Queensland
- Tradelinked
- Trinity Anglican School
- Tropic Now
- Tourism Tropical North Queensland
- Umi Arts
- Urban Development Institute of Australia
- Y(E)P Entrepreneurship Facilitators Cairns
- Yurika



# COVID-19 human & social Response and Recovery - Overview

The COVID-19 pandemic is having a significant impact on the economy and the social and emotional health of the Cairns community. Due to the regional context, independent evidence indicates the impacts of the pandemic in Cairns will be greater in severity and the likely recovery times longer in duration, than for other regions in Australia.

These economic impacts are having significant flow on effects on the health and social well-being of the Cairns community. The health, human and social services sectors indicate an increased degree of anxiety, loneliness and uncertainty related to restrictions on freedoms and dramatic changes to lifestyle, livelihood and severe financial distress. Research also indicates many sections of the community have been affected by forms of hardship and vulnerability for the first time (financial, emotional) and require ongoing assistance. Additionally, pre-COVID-19 prevalence of mental health, housing stress and homelessness, and domestic violence has been amplified by the event, consistent with the experience of other regions.

Sector feedback also indicates increased levels of mental health and use of harmful substances, disruptions in access to in-home care and health support services (particularly for vulnerable cohorts), and impacts on access to nutritious food and physical health regimes.

The risks for vulnerable Aboriginal and Torres Strait Islander peoples, young people and Culturally and Linguistically Diverse communities are particularly acute during the event. Disadvantaged groups experienced immediate and disproportionate impacts.

There are also other groups that are particularly vulnerable, who were initially or entirely unaccounted for within government safety nets. These include international students, people on temporary visas (e.g. tourist or working visas), casuals and certain sectors (e.g. universities).

While these issues are consistent across the Far North region, the event also highlighted the role of Cairns as a significant service centre hub for surrounding communities. While there is a need to build regional service capacity, the reliance on Cairns services is anticipated to increase as the full impacts of COVID-19 are realised. Investment support should be proportionate to this demand and cross-regional recovery approaches are essential to deal with the complexity of issues as outlined below.



**For many in the Cairns LGA, COVID was an event of first-time experiences:**

*First time to: access welfare payments, accessing counselling supports, suffering extreme financial hardship, and for some, a first time experience of family violence. This involved needing to navigate new service pathways.*

The strength of the Cairns area's community assets was highlighted during the event. The health, social and community services sector was dedicated and able to quickly organise and respond to the emerging needs of the community – residents and visitors alike. In addition, the specific economic contribution and needs of the health and assistance services sector as a workforce (14% of the local workforce and the only sector to grow in the period March-June (by 9%)), the level of demands on the sector's capacity, and the essential contribution of the sector to supporting the local population to be ready and able to participate in the region's economic recovery was recognised.

Likewise, there were many grass-roots community-led initiatives that evolved to meet the needs of the local population. Small local groups were able to self-organise and create neighbourhood level outreach to help more vulnerable residents, create and move to virtual support forums, and many offered to volunteer their time and services. These community strengths provide a proud and solid foundation on which to build future recovery initiatives and build long term resilience.

Integrated recovery strategies will aim to identify and meet short-medium term needs – both acute and developmental - and in this way will inform longer-term recovery and contribute to building longer term resilience.

**With this intent, initiatives will focus on**

- **Strengthening social cohesion and capital;**
- **building adaptive capacity (including self-reliance) and;**
- **reducing vulnerability.**

The initiatives will be underpinned by the principles of community-led, place-based, strengths-based and equitable as key attributes of building community and social resilience.

**These initiatives will be implemented through four key approaches:**

- 1) Place-based community supports;**
- 2) Health and social sector coordination and planning in pandemics;**
- 3) Strengthening health and social services for pandemics; and**
- 4) Building knowledge and using learnings.**

# Snapshot of preliminary and interrelated event impacts

## INCREASED FINANCIAL INSECURITY

- Workforce/Economic Participation (job instability; welfare safety net (Jobkeeper/JobSeeker); adequate employment supports – including retraining and redeployment).
- Financial Impacts/severe financial distress (individually; household level).
- Housing stress and homelessness (mortgage stress; housing availability and affordability; overcrowding; rough sleeping; congregational living; temporary accommodation).
- Inclusive economic development (lack of access to diversified and inclusive economies).

## REDUCED HEALTH AND WELLBEING

- Workforce readiness and participation (employment support – COVID safe workplaces – for clients and staff; retraining; health and wellbeing).
- Social Cohesion and Social Capital (prior belonging; inclusion, social connection; collaboration and mutual support).
- Community Safety (antisocial behaviour; increased racism and discrimination).
- Mental Health (escalations in emotional and psychological health; increased substance use, self-harm and addictive behaviours).
- Vulnerable groups (increased vulnerability for seniors, youth, people with a disability, people with complex health/medical issues, Aboriginal and Torres Strait Islander peoples, Culturally and Linguistically Diverse groups, those at risk of domestic violence, and temporary visa holders).
- Food insecurity (interrupted supply chains; self-sufficiency).
- Disruption to community gatherings and networks (closure of venues; COVID compliance).

## BARRIERS TO DIGITAL CONNECTIVITY

- Infrastructure (Capability - load; Accessibility-coverage).
- Inclusion/Accessibility (low competency levels; systems standardisation; device access; data access).

## SERVICE SYSTEM CHALLENGES

- Coordination and Integration (challenges in coordinated leadership; capacity; communication and information; service capacity; agility; compliance).
- Gaps in knowledge and learnings (full impact assessment; community of practice; service strategies; service integration).
- Addressing gaps in community support (gaps in evidence-based strategies; community-led; innovation in pandemics).
- Reduced revenue due to interruptions to fundraising and donations.

A full overview of COVID-19 Impacts and Needs are outlined in the Rapid Social Needs Assessment (JCU, 2020).

## PLANNING TIMEFRAMES & RATIONALE

**SHORT TERM**  
JUNE 2020 -DEC 2020

**MEDIUM TERM**  
JAN 2021 -JUNE 2021

**LONG TERM**  
ONGOING

Monitoring review cycles will occur every three months (initially) to track progress and relevance and feed into annual progress reviews.

The focus of this iteration of the the Human and Social Action Plan is the short to medium term, and has been developed based on the best available information. Given the cross-cutting nature of many impacts and needs, response approaches integrate with the Economic Action Plan.

Initial consideration is also given to longer-term recovery and future resilience building approaches. These strategies will be fully accounted for in future iterations of the plan, as more in-depth evidence is available to inform impacts and response needs. These stages are captured in the tasks and timelines outlined.

## ENGAGEMENT TO DATE

Council facilitates a regional COVID-19 Human and Social Sub-Committee (HSSC) to assess impacts and facilitate coordination of response and recovery activities related to human and social systems of the Cairns region.

- HRRSC fully activated in March 2020 (37 participants met weekly)
- Rapid Social Needs Assessment (facilitated by JCU to provide preliminary assessment of priority support needs) – comprising 10 interviews across sectors; Focus Group (36 participants). Final report 17th August 2020.
- Federal and State senate inquiry development – consultation with sector leads.



# RECOVERY OBJECTIVES

1. Health, community and social services are more prepared and equipped in the short-medium term, to respond to community need in pandemics (and other hazards) and to contribute to addressing other forms of adversity (including chronic social stressors).
2. Residents and visitors are more prepared in the short-medium term to respond to hazards (acute shocks) and other forms of adversity (individual and collective).
3. Residents' quality of life is increased in the short-medium term, through place-based supports that strengthen a sense of health, wellbeing and self-sufficiency, capacity for connectivity (including digital) and contribute to longer-term resilience.
4. The ongoing community and social resilience of the Cairns community is increased through long-term recovery efforts that build overall capability and capacity to 'bounce forward' in response to acute shocks, social stressors or changing conditions.



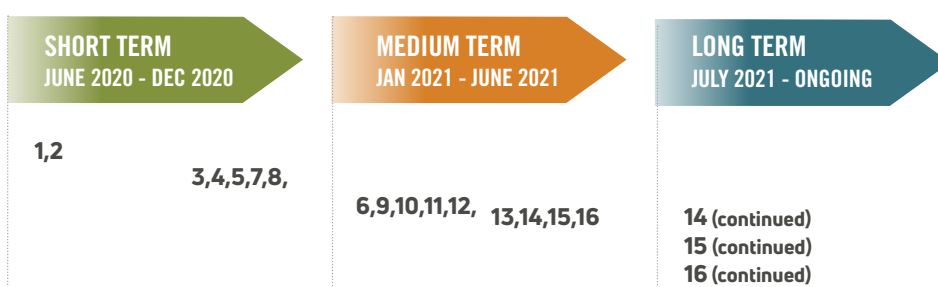
# Cross-cutting recovery tasks

1. Coordinate local planning session/s via lead organisations and networks to continue to develop priorities for collective action – short-medium term recovery strategies.
2. Coordinate local community engagement process to gather community input into place-based recovery support strategies.
3. Undertake advocacy and lobbying for resources and service models that are: delivered via out-reach or street-level servicing; aimed at prevention and early intervention (before escalation); fully integrated across the range of response agencies.
4. Explore backbone function including resourcing to drive coordination of sector development strategies.
5. Participate in cross-regional coordination and advocacy to support human and social recovery objectives.
6. Develop strategies to address impacts to fundraising and donations and develop formal arrangements (e.g. MOUs) to support donations of goods, services and financial support in events.
7. Plan, prioritise and stimulate community gatherings, events and activities (consistent with QH directives) across all partnering organisations and agencies, fostering improved wellbeing, community safety and cohesion.
8. HSRRSC to inform disaster management pandemic specific response arrangements, including engagement with lead agencies, organisations and networks to raise awareness and endorsement.
9. Collaborate with the human and social sector to develop a cross-sector development plan to increase capacity for response and recovery (pandemics and all hazards), including service coordination and business continuity.
10. Advocate and secure funding for workforce / sector development capacity building to respond to pandemics.
11. Establish a pandemic specific communications plan (response and recovery) that considers strategies to increase digital inclusion and connectivity.
12. Establish a knowledge sharing symposium and community of practice approach is established to identify and share learnings.
13. Establish an overarching coordination group specific to assess and manage localised responses for Aboriginal and Torres Strait Islander peoples. This includes the requisite authority to influence cross-agency responses.
14. Establish an overarching evaluation plan in collaboration with HSRRSC to monitor the effectiveness of implementation and guide recovery efforts ongoing.
15. A comprehensive assessment of impact and research is commenced – this includes understanding community strengths, types of risks, definitions of vulnerability, and understanding of response and recovery strategies including immediate (e.g. stimulus) versus developmental (e.g. systemic; coordination vs service capacity issues).
16. Social Resilience Plan is commenced, outlining integrated approaches to building long-term social resilience in the greater Cairns community. Life styles and living conditions are improved by addressing chronic social stressors amplified during an event.

## MEASURES OF SUCCESS

1. **Short-medium term action plans are finalised by November 2020.**
2. **Integrated monitoring and evaluation plan established by November 2020.**
3. **That people’s quality of life is enhanced and they experience increased well-being, self-sufficiency and capacity for connectivity.**
4. **That the Cairns LGA demonstrates increased levels of individual and collective response and recovery capacity (residents, visitors, sector).**
5. **Evidence of need is incrementally and more effectively applied to identify and resource placed-based community supports.**
6. **Evidence of need is successfully applied to advocate and lobby for additional resources or policy reform.**
7. **Ongoing sector engagement is established and more effectively applied to review and further develop integrated response and recovery coordination and service approaches.**
8. **Ongoing recovery planning is community led - underpinned by principles of community development (participatory and strengths-based) - and informs longer-term resilience planning.**
9. **Research and development opportunities are established and implemented to capture learnings, fill knowledge gaps and share intelligence across sectors.**
10. **Ongoing recovery and resilience planning is more grounded in evidence as in-depth knowledge of risks, vulnerability and holistic response options are filled.**
11. **Social Resilience Plan is established that enhances integrated community resilience efforts.**

## Recovery tasks timeline





# ACTION PLAN

**RECOVERY APPROACH 1: Placed-Based Community Supports - to increase a sense of safety, wellbeing and self-sufficiency. (Focus initiatives on strengthening social cohesion, social capital, adaptive capacity and reducing vulnerability).**

OBJECTIVE	MEASURE OF SUCCESS	CROSS-CUTTING TASKS
<p><b>Recovery Objective 2:</b> Residents and visitors are more prepared in the short-medium term to respond to hazards (acute shocks) and other forms of adversity (individual and collective).</p> <p><b>Recovery Objective 3:</b> Residents' quality of life is increased in the short-medium term, through place-based supports that strengthen a sense of health, wellbeing and self-sufficiency, capacity for connectivity (including digital) and contribute to longer-term resilience.</p> <p><b>Recovery Objective 4:</b> The ongoing community and social resilience of the Cairns community is increased through long-term recovery efforts that build overall capability and capacity to 'bounce forward' in response to acute shocks, social stressors or changing conditions.</p>	<p><b>MOS 3:</b> That people's quality of life is enhanced and they experience increased well-being, self-sufficiency and capacity for connectivity.</p> <p><b>MOS 4:</b> That the Cairns LGA demonstrates increased levels of individual and collective response and recovery capacity (residents, visitors, sector).</p> <p><b>MOS 5:</b> Evidence of need is incrementally and more effectively applied to identify and resource placed-based community supports.</p> <p><b>MOS 6:</b> Evidence of need is successfully applied to advocate and lobby for additional resources or policy reform.</p> <p><b>MOS 7:</b> Ongoing sector engagement is established and more effectively applied to review and further develop integrated response and recovery coordination and service approaches.</p> <p><b>MOS 8:</b> Ongoing recovery planning is community led - underpinned by principles of community development (participatory and strengths-based) - and informs longer-term resilience planning.</p>	<p>TASK 1: Conduct local planning session/s via lead organisations and networks to continue to develop priorities for collective action – short-medium term recovery strategies.</p> <p>TASK 2: Conduct local community engagement process to gather community input into place-based recovery support strategies.</p> <p>TASK 3: Undertake advocacy and lobbying for resources and service models that are: delivered via out-reach or street-level servicing; aimed at prevention and early intervention (before escalation); fully integrated across the range of response agencies.</p> <p>TASK 5: Participate in cross-regional coordination and advocacy to support human and social recovery objectives.</p> <p>TASK 7: Plan, prioritise and stimulate community gatherings, events and activities (consistent with QH directives) across all partnering organisations and agencies, fostering improved wellbeing, community safety and cohesion.</p> <p>TASK 16: Regional Social Resilience Plan is commenced, outlining integrated approaches to building long-term social resilience in the greater Cairns community.</p>

## ADDITIONAL DIMENSIONS OF SUCCESS:

- Place-based projects are identified and investment is secured to address cross-cutting and complex social needs.
- Solutions work at a grass roots level to engage services users, services and funders, and reflect the unique and integral place of local services within communities.
- Strategies consider the specific needs of groups most acutely impacted – seniors, people with a disability, people from a migrant background, First Peoples, youth.
- Proportionate investment in responses between stimulus (short term sugar hit) and longer term proactive (developmental) work.
- Effects are adequately managed as a result of withdrawal of stimulus policies (e.g. Job Keeper) and event lag effects.
- Targeted support exists to support social and economic recovery by addressing immediate support needs and access to critical services e.g. employment services, mental health.
- Further information is gathered on employment needs to inform strategies for workforce and economic participation.
- Fragmentation and social inequity is addressed between employed and unemployed, virus and virus fee, exacerbation of existing and generational inequalities, racial discrimination, risky behaviors and other issues.
- Economic recovery considers Inclusive Economies to expand opportunities for new industries and inclusive growth (e.g. social enterprise).
- Plans exist to ensure the community has access to adequate levels and types of safe and affordable housing (private rentals and social housing) including specialist supports, during events and ongoing (business as usual).
- Integrated thinking bridges economic, social and environmental responses to capture and addresses complex and multiple issues. For example, stimulus funding for construction is targeted to address critical shortages in social and affordable housing based on completion of Local Housing Plans.
- Account for the disproportionate impacts on Cairns as a service center for regional communities, particularly at risk groups.
- Local organisations are resourced to delivery services (rather than those removed from the region) – as proximity allows an intimate awareness and agility in responding to local needs.
- Recognition of the health care and social assistance sector as key employers in the region (approx. 14%), with specific sector support needs, its contribution to the local economy, and its role in sustaining healthy and functioning communities.



## RECOVERY APPROACH 2: Health and Social Sector Coordination and Planning in Pandemics

OBJECTIVE	MEASURE OF SUCCESS	CROSS-CUTTING TASKS
<p><b>Recovery Objective 1:</b> Health, community and social services are more prepared and equipped in the short-medium term, to respond to community need in pandemics (and other hazards) and to contribute to addressing other forms of adversity (including chronic social stressors).</p> <p><b>Recovery Objective 4:</b> The ongoing community and social resilience of the Cairns community is increased through long-term recovery efforts that build overall capability and capacity to ‘bounce forward’ in response to acute shocks, social stressors or changing conditions.</p>	<p><b>MOS 1:</b> Short-medium term action plans are finalised by November 2020.</p> <p><b>MOS 2:</b> Integrated monitoring and evaluation plan established by November 2020.</p> <p><b>MOS 4:</b> That the Cairns LGA demonstrates increased levels of individual and collective response and recovery capacity (residents, visitors, sector).</p> <p><b>MOS 7:</b> Ongoing sector engagement is established and more effectively applied to review and further develop integrated response and recovery coordination and service approaches.</p> <p><b>MOS 11:</b> Social Resilience Plan is established that enhances integrated community resilience efforts.</p>	<p><b>TASK 6:</b> Develop strategies to address impacts to fundraising and donations and develop formal arrangements (e.g. MOUs) to support donations of goods, services and financial support in events.</p> <p><b>TASK 8:</b> HSRRC to inform pandemic specific disaster management response arrangements. Including, engagement with lead agencies, organisations and networks to raise awareness and endorsement.</p> <p><b>TASK 9:</b> Collaborate with the H&amp;S sector to develop a cross-sector development plan to increase capacity for response and recovery (pandemics and all hazards), including service coordination and business continuity.</p> <p><b>TASK 10:</b> Advocate and secure funding for workforce / sector development capacity building to respond to pandemics.</p> <p><b>TASK 14:</b> Establish an overarching evaluation plan in collaboration with HSRRC to monitor the effectiveness of implementation and guide recovery efforts.</p>

### ADDITIONAL DIMENSIONS OF SUCCESS:

- Disaster Management (DM) planning ensures an all hazards approach including pandemic sub-plan (complementing the Queensland Health Pandemic Plan) with identified triggers for activation, messaging, communication and interventions. Takes account of climate variability in relation to pandemics and multi-hazard overlay.
- Sector-specific business continuity and pandemic response plans are established and monitored.
- Responses are systematic, not reactive.
- Connectivity with Federal and State Health is effective.
- DM dashboard as point of truth.
- Integrated social, economic and environmental responses as part of holistic disaster response and recovery.
- Roles and responsibilities of agencies are established and owned.
- Supply chains for essential PPEs are secured and resourced.
- Effective volunteering model specific to pandemics is established.
- Account for Cairns as a service center for regional communities, particularly at risk groups.

## RECOVERY APPROACH 2.1: Communication and Information

OBJECTIVE	MEASURE OF SUCCESS	CROSS-CUTTING TASKS
<p><b>Recovery Objective 1:</b> Health, community and social services are more prepared and equipped in the short-medium term, to respond to community need in pandemics (and other hazards) and to contribute to addressing other forms of adversity (including chronic social stressors).</p> <p><b>Recovery Objective 3:</b> Residents' quality of life is increased in the short-medium term, through place-based supports that strengthen a sense of health, wellbeing and self-sufficiency, capacity for connectivity (including digital) and contribute to longer-term resilience.</p>	<p><b>MOS 4:</b> That the Cairns LGA demonstrates increased levels of individual and collective response and recovery capacity (residents, visitors, sector).</p> <p><b>MOS 7:</b> Ongoing sector engagement is established and more effectively applied to review and further develop integrated response and recovery coordination and service approaches.</p> <p><b>MOS 8:</b> Ongoing recovery planning is community led - underpinned by principles of community development (participatory and strengths-based) - and informs longer-term resilience planning.</p>	<p>TASK 6: Develop strategies to address impacts to fundraising and donations and develop formal arrangements (e.g. MOU's) to support donations of goods, services and financial support in events.</p> <p>TASK 11: Establish a pandemic specific communications plan (response and recovery) that considers strategies to increase digital inclusion and connectivity.</p>

### ADDITIONAL DIMENSIONS OF SUCCESS:

- A unified communication and information mechanism is established that provides situational awareness and service information to support self-sufficiency.
- Single source of information, distilled messages fit for purpose and audience using multiple communication pathways to increase access.
- Information and key messaging is consistent and reassures the community.
- Health and service information is widely communicated and tailored to target audiences (including translation).
- Leadership and messaging around issues of community re-engagement and social cohesion.
- Multiple delivery channels used.
- Good news stories are captured and promoted.
- Education and awareness strategies include messaging related to water and sewage treatment, particularly desired behavior changes related to non-flushable items.
- Digital inclusion strategy that strengthens accessibility, competency and integrates with infrastructure development strategies.

### RECOVERY APPROACH 3: Strengthening Health and Social Services for Pandemics

OBJECTIVE	MEASURE OF SUCCESS	CROSS-CUTTING TASKS
<p><b>Recovery Objective 1:</b> Health, community and social services are more prepared and equipped in the short-medium term, to respond to community need in pandemics (and other hazards) and to contribute to addressing other forms of adversity (including chronic social stressors).</p> <p><b>Recovery Objective 4:</b> The ongoing community and social resilience of the Cairns community is increased through long-term recovery efforts that build overall capability and capacity to ‘bounce forward’ in response to acute shocks, social stressors or changing conditions.</p>	<p><b>MOS 1:</b> Short-medium term action plans are finalised by November 2020.</p> <p><b>MOS 2:</b> Integrated monitoring and evaluation plan established by November 2020.</p> <p><b>MOS 4:</b> That the Cairns LGA demonstrates increased levels of individual and collective response and recovery capacity (residents, visitors, sector).</p> <p><b>MOS 7:</b> Ongoing sector and community engagement is established and more effectively applied to review and further develop integrated response and recovery coordination and service approaches.</p> <p><b>MOS 9:</b> Research and development opportunities are established and implemented to capture learnings, fill knowledge gaps and share intelligence across sectors.</p> <p><b>MOS 10:</b> Ongoing recovery and resilience planning is more grounded in evidence as in-depth knowledge of risks, vulnerability and holistic response options are filled.</p> <p><b>MOS 11:</b> Social Resilience Plan is established that enhances integrated community resilience efforts.</p>	<p>TASK 4: Explore backbone function to drive coordination of sector development strategies.</p> <p>TASK 6: Develop strategies to address impacts to fundraising and donations and develop formal arrangements (e.g. MOU’s) to support donations of goods, services and financial support in events.</p> <p>TASK 9: Collaborate with the H&amp;S sector to develop a cross-sector development plan to increase capacity for response and recovery (pandemics and all hazards), including service coordination and business continuity.</p> <p>TASK 10: Advocate and secure funding for workforce / sector development capacity building to respond to pandemics.</p> <p>TASK 12: Establish a knowledge sharing symposium and community of practice approach to identify and share learnings.</p> <p>TASK 13: Establish an overarching coordination group specific to assess and manage localised responses for First Peoples. This includes the requisite authority to influence cross-agency responses.</p> <p>TASK 16: Regional Social Resilience Plan is commenced, outlining integrated approaches to building long-term social resilience in the greater Cairns community. Life styles and living conditions are improved by addressing chronic social stressors amplified during an event.</p>

#### ADDITIONAL DIMENSIONS OF SUCCESS:

- The health, social assistance sector is supported to respond to pandemics (and other hazards) at an organisational level, including workforce development, business continuity and specialist skills.
- Recognition of the health care and social assistance sector as key employers in the region (approx. 14%), with specific sector support needs, its contribution to the local economy, and its role in sustaining healthy and functioning communities.
- Account for the disproportionate impacts on Cairns as a service center for regional communities, particularly at risk groups.
- Workforce development for working in pandemics.
- Service, organisational and sector-level development and capacity building includes establishing, integrating and monitoring integrated service and community of practice models as learning opportunities.
- Standardised community level/client focused Needs Assessment processes (to inform service integration and collaborations).
- Sector-specific business continuity and pandemic response plans are established. This includes guidelines for safe operations; identifying essential services; resourcing safety plan implementation. Include contingency planning for a repurposing or value-adding grants-based funding to sustain operations and accounting for a contracted fundraising base.
- Local organisations are resourced to deliver services (rather than those removed from the region) – as proximity allows an intimate awareness and agility in responding to local needs.
- Consider model and resourcing for backbone function.

## RECOVERY APPROACH 4: Building Knowledge and Using Learnings

OBJECTIVE	MEASURE OF SUCCESS	CROSS-CUTTING TASKS
<p><b>Links to Preliminary H&amp;S Local Recovery Plan Recovery Objectives:</b></p> <p><b>Recovery Objective 1:</b> Health, community and social services are more prepared and equipped in the short-medium term, to respond to community need in pandemics (and other hazards) and to contribute to addressing other forms of adversity (including chronic social stressors).</p> <p><b>Recovery Objective 2:</b> Residents and visitors are more prepared in the short-medium term to respond to hazards (acute shocks) and other forms of adversity (individual and collective).</p> <p><b>Recovery Objective 4:</b> The ongoing community and social resilience of the Cairns community is increased through long-term recovery efforts that build overall capability and capacity to 'bounce forward' in response to acute shocks, social stressors or changing conditions.</p>	<p><b>Links to Preliminary H&amp;S Local Recovery Plan Measures of Success:</b></p> <p><b>MOS 4:</b> That the Cairns LGA demonstrates increased levels of individual and collective response and recovery capacity (residents, visitors, sector).</p> <p><b>MOS 8:</b> Ongoing recovery planning is community led - underpinned by principles of community development (participatory and strengths-based) - and informs longer-term resilience planning.</p> <p><b>MOS 9:</b> Research and development opportunities are established and implemented to capture learnings, fill knowledge gaps and share intelligence across sectors.</p> <p><b>MOS 10:</b> Ongoing recovery and resilience planning is more grounded in evidence as in-depth knowledge of risks, vulnerability and holistic response options are filled.</p> <p><b>MOS 11:</b> Social Resilience Plan is established that enhances integrated community resilience efforts.</p>	<p>TASK 12: Establish a knowledge sharing symposium and community of practice approach is established to identify and share learnings.</p> <p>Task 14: Establish an overarching evaluation plan in collaboration with H&amp;SS-C to monitor the effectiveness of implementation and guide recovery efforts.</p> <p>TASK 15: A comprehensive assessment of impact and research is commenced – this includes understanding community strengths, types of risks, definitions of vulnerability, and understanding of response and recovery strategies including immediate (e.g. stimulus) versus developmental (e.g. systemic; coordination vs service capacity issues).</p>

### ADDITIONAL DIMENSIONS OF SUCCESS:

- Research and development opportunities are implemented to capture and share learnings, fill knowledge gaps and provide new insights to guide response, recovery and build longer-term resilience. This includes iterative reviews to account for lag effects.
- A deeper and more considered understanding of the full span of impacts and response and recovery options is developed.
- Data to support understanding of vulnerability, risk and fragility (differentiated between disaster and pandemic) is sourced.
- An evidence-base is established to advocate and lobby for funding and services to meet sector and community need.
- Sector collaboration that supports a coordinated data capture and sharing mechanism for data and information is established.



## STAKEHOLDERS

A range of lead and/or contributing stakeholders will be involved in implementation, including:

- Human and Social Response and Recovery Committee
- Health, Community and Social Assistance Services Sector
- Cairns Alliance of Social Services
- Research and Education: James Cook University; Central Queensland University.
- Government Agencies: Department of Communities, Disability Services and Seniors; Queensland Health; Multicultural Affairs Queensland; Human Services; Home Affairs; CRC / DMU (CRC).
- Peak bodies: Queensland Council of Social Service; Australian Council of Social Services; Community Services Industry Association.

*The HSRRC will undertake a process to negotiate and assign leads for tasks based on a collective prioritisation of objectives during August/September 2020.*

## REFERENCES

- Access Community Housing, 2020  
 Cairns Alliance of Social Services, Annual Position Papers, 2020  
 Cairns Regional Domestic Violence Service, 2020  
 Group of 8, 2020; Centre for Aboriginal Policy and Economic Research, 2020  
 Headspace, 2020  
 Herron Todd White, January 2020  
 Human and Social Response and Recovery Sub-Committee, 2020  
 James Cook University, 2020  
 Primary Health Network, 2019  
 Queensland Council of Social Services, 2020  
 Queensland Domestic Violence Services Network, 2020  
 Queensland Mental Health Commission, 2019  
 Queensland Reconstruction Authority, 2017.  
 Rockefeller Foundation, 100 Resilient Cities - <https://www.rockefellerfoundation.org/report/city-resilience-framework-2/>  
 United Nations Sendai Framework for Disaster Risk Reduction - <https://www.undrr.org/implementing-sendai-framework/what-sendai-framework>  
 Uniting Community Care, 2020

## ACRONYMS

**CCIQ:** Chamber of Commerce and Industry Queensland

**CHHS:** Cairns Hinterland Hospital and Health Service

**CQU:** CQUniversity

**CRC:** Cairns Regional Council

**DAF:** Department of Agriculture and Fisheries

**DATSIP:** Department of Aboriginal & Torres Strait Islander Partnerships

**DES:** Department of Environment and Science

**DESBT:** Department of Employment, Small Business and Training

**DHPW:** Department of Housing and Public Works

**DLGRMA:** Department of Local Government, Racing & Multicultural Affairs

**DNRME:** Department of Natural Resources, Mines & Energy

**DRDM:** Department of Regional Development and Manufacturing

**DSDTI:** Department of State Development, Tourism and Innovation

**ERRSC:** Economic Response and Recovery Sub Committee

**FNQ:** Far North Queensland

**HSRRSC:** Human and Social Response and Recovery Sub Committee

**IBA:** Indigenous Business Australia

**JCU:** James Cook University

**LLC:** Local Leadership Committee

**NAIF:** Northern Australia Infrastructure Facility

**NIAA:** National Indigenous Australians Agency

**PNG:** Papua New Guinea

**QRA:** Queensland Reconstruction Authority

**RDA:** Regional Development Australia – Tropical North

**RTO:** Registered Training Organisation

**TAFE:** Far North Queensland TAFE

**TIQ:** Trade Investment Queensland

**TTNQ:** Tourism Tropical North Queensland

**VET:** Vocational Education and Training

## MORE INFORMATION



OUR REF: # 6541201 | S Wiaczek

17 December 2020

The Hon. Josh Frydenberg MP  
Treasurer  
Per email: [josh.frydenberg@treasury.gov.au](mailto:josh.frydenberg@treasury.gov.au)

The Hon. Christian Porter MP  
Minister for Industrial Relations  
Per email: [Christian.porter.mp@aph.gov.au](mailto:Christian.porter.mp@aph.gov.au)

Dear Ministers

### JobKeeper Payment Scheme - Cairns Submission

#### **Recommendations:**

1. That the expiry date for the JobKeeper Payment Scheme be extended from 28 March 2021 to 30 June 2021 with the fortnightly payment for this period retained at 100% of the level applied from 4 January to 28 March 2021 (i.e. \$1,000 per eligible employee per fortnight for Tier 1, and \$650 per fortnight for Tier 2);
2. That a further review of the JobKeeper Payment Scheme be undertaken in the lead up to June 2021 taking account of the circumstances at that time and considering, amongst other things, whether another extension of the scheme is warranted; and
3. That, to the extent JobKeeper Payment Scheme eligibility requires a comparison being made between 'post-COVID' and 'pre-COVID' quarterly turnover levels, 'pre COVID' turnover should continue to be determined with reference to the corresponding quarter in 2019 (not 2020) for the reasons outlined in this submission.

#### **Rationale:**

- Independent economic analysis indicates the Cairns economy has been one of the most severely impacted of any region in Australia by the COVID-19 pandemic as a result of the city's and the region's reliance on tourism (in particular, international and interstate tourism).
- Tourism contributes 12% (direct and in-direct) to Cairns' annual GRP and the sector employs (either directly or indirectly) approximately 15% of the region's workforce<sup>1</sup>.
- The JobKeeper Payment Scheme has been critical in supporting the 'survival' of almost half of Cairns businesses and the retention of local jobs.
- International visitors normally contribute \$1 billion in visitor expenditure (29% of total visitor expenditure) to the Tropical North Queensland region each year. International travel restrictions and global economic conditions mean this segment of the region's visitor economy may take years to fully recover, adversely impacting economic and business performance in the interim.
- In addition, the Cairns region's economy follows a seasonal pattern with a significantly lower level of economic activity occurring between November and March each year (the region's traditional 'low'/'wet' season) when both visitor numbers and construction activity are subdued due to climatic conditions.
- The current expiry of the JobKeeper Payment Scheme (28 March 2021) coincides with the latter part of the 'low'/'wet' season. Accordingly, this critical support initiative is scheduled to be removed at the very time when many Cairns' businesses are likely to need it the most.

**Without continued support past March 2021, significant instances of business failure and employment losses are expected to occur in the Cairns region.**

<sup>1</sup> <https://economy.id.com.au/cairns/tourism-value>

## **Background**

We appreciate the Federal Government's response to COVID-19. It has been swift, effective, coordinated, and we commend the world-leading efforts in managing the crisis to date. A core part of the Federal Government's economic response has been the JobKeeper Payment Scheme. Without doubt, JobKeeper has been the single most important initiative supporting businesses and employment continuity throughout the COVID-19 crisis.

On 5 June 2020 we made a submission to you titled *Review of the JobKeeper Payment Scheme – Cairns Submission* (the First Submission). That First Submission recommended the extension of the JobKeeper Payment Scheme to 31 March 2021. Confirmation of this extension, announced by the Federal Government on 21 July 2020, has been widely welcomed and has provided many businesses operating in the Cairns region with the certainty and confidence needed to continue trading at this difficult time.

The Cairns economy has a significant reliance on tourism with 15% of the region's employment either directly or indirectly related to this industry sector. Tourism also contributes 12% (direct and in-direct) of Cairns' annual GRP<sup>2</sup>. One in 10 international holiday visitors to Australia visit the Cairns region. Given the significance of the tourism sector to the broader Cairns economy, economic 'shocks' to this sector have a substantial flow on impact to other parts of the economy and business confidence more generally.

The table below sets out an analysis of visitor expenditure by source market for Tropical North Queensland (TNQ) for the year ended 31 December 2019 (the period immediately prior to the impact of COVID-19).

**Table 1: TNQ visitor expenditure year ended 31 December 2019**

<b>Source market</b>	<b>Visitor expenditure \$ Million</b>	<b>% of total</b>
International	1,027	29%
Domestic - Interstate	1,276	36%
Domestic - Intrastate	<u>1,232</u>	35%
	<b><u>3,535</u></b>	

*Source: Tourism Research Australia analysis of IVS and NVS data. Split of domestic visitor expenditure between intrastate and interstate components has been determined on a proportional basis based on visitor nights.*

For much of the 2020 calendar year, international and interstate visitors have been unable to travel to TNQ due to border and travel restrictions. Combined, these source markets normally account for approximately 65% of annual visitor expenditure.

The direct impact of the loss of these source markets can be clearly seen in the airport passenger movement and hotel occupancy data included at Appendix 2, both of which have fallen substantially as a result of COVID-19 and are yet to recover.

International borders are expected to remain closed for some time, which means a return of international visitors to pre-COVID levels is unlikely in the short to medium term. In addition, whilst the recent easing of inbound travel restrictions to Queensland from New South Wales and Victoria are welcomed, it is unknown how quick the rebound of interstate visitation will

<sup>2</sup> <https://economy.id.com.au/cairns/tourism-value>

be. In this regard, it is noted that recent consumer survey analysis conducted by the Tourism and Transport Forum Australia indicates that three out of four Australians planning a summer holiday will travel within their own state while 25 per cent will not travel at all in the Christmas break due to continuing concerns over COVID-19<sup>3</sup>.

While JobKeeper and other Federal Government interventions have mitigated deeper economic impacts in the short-term, the Cairns economy remains fragile as evidenced by the following:

- An estimated 45.8% of Cairns businesses had applied for JobKeeper support as at August 2020 (the fourth highest percentage of any local government area in Queensland)<sup>4</sup>; and
- A 4.1% GRP contraction occurred during the September quarter 2020 compared to the September quarter 2019 (this contraction compares to a 2% contraction for Regional Queensland and a 3% contraction for all of Queensland over the same time period).<sup>5</sup>

The Cairns region's economy traditionally follows a seasonal pattern with a significantly lower level of economic activity between November and March each year (the region's traditional 'low'/'wet' season) when both visitor numbers and construction activity are subdued due to climatic conditions. Appendix 3 sets out Cairns Airport passenger movement data and Cairns hotel occupancy levels for the three years to December 2019 which clearly demonstrates this seasonal trend. Most other Australian tourist destinations do not experience this same seasonal trend.

The current expiry of the JobKeeper Payment Scheme (28 March 2021) coincides with the latter part of the 'low'/'wet' season, meaning this critical support initiative is scheduled to be removed at the very time when many Cairns businesses are likely to need it the most.

It is pleasing to note that nationally, the number of workers whose wages are being subsidised by the JobKeeper Payment Scheme has reduced significantly between September 2020 and October 2020 (down from 3.6 million to 1.5 million). This is evidence that some businesses, sectors and regions have been able to transition away from this important support mechanism earlier than others.

However, in regions such as Cairns, which have traditionally been heavily reliant on international and interstate visitation to support the local economy, an extension of the scheme will be critical. Without continued support past March 2021, significant instances of business failure and employment losses are expected to occur.

It is appreciated that eligibility for the JobKeeper Payment Scheme has been structured so that it provides funding to those businesses and employees most in need of support. We wholeheartedly agree with this principle together with a rigorous assessment and enforcement regime to ensure its successful implementation.

### **Recommendation**

Noting the success of JobKeeper Payment Scheme in supporting businesses viability through COVID-19, it is recommended that the current expiry date of the scheme be extended from 28 March 2021 to 30 June 2021 with the fortnightly payment for this period retained at 100% of the level applied from 4 January to 28 March 2021 (i.e. \$1,000 per eligible employee per fortnight for Tier 1, and \$650 per fortnight for Tier 2).

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<sup>3</sup> [TTF Australia survey of tourism intentions](#)

<sup>4</sup> [REMLAN JobKeeper Hotspot Analysis](#)

<sup>5</sup> <https://economy.id.com.au/cairns/covid19-quarter-impacts>



It is noted that the extension of the scheme has been identified in the [COVID-19 Cairns Local Recovery Plan](#) as critical to Cairns' economic recovery from COVID-19 (refer page 10 of the plan). All of the signatories to this submission were active contributors to the development of the [COVID-19 Cairns Local Recovery Plan](#).

It is also recommended that a further review of the scheme be undertaken in the lead up to June 2021 taking account of the circumstances at that time and considering, amongst other things, whether another extension of the scheme is warranted.

It is also recommended that in determining continued eligibility for the scheme with reference to decreased business turnover, the relevant comparison quarter should always be from 2019 rather than 2020. So, when calculating the percentage drop in turnover for the March 2021 quarter, March 2019 quarter turnover should be used for the comparison/calculation, June 2021 quarter turnover would be compared to June 2019 quarter turnover and so on.

The rationale for this recommendation is that COVID-19 was adversely impacting Cairns' tourism sector from January 2020 in the lead-up to Australia formally closing its border with China (the region's largest international tourism source market) in early February 2020, with all inbound international flights to Cairns subsequently ceasing in March 2020.

We appreciate that as part of any review/extension of the JobKeeper Payment Scheme, the Federal Government may seek to refine and tighten the eligibility requirements to ensure it appropriately targets those employers and employees most in need of support. We also appreciate this may require more regular and more detailed reporting from businesses receiving JobKeeper to demonstrate their ongoing eligibility. We support this approach.

This submission is also endorsed by the private sector tourism businesses set out at Appendix 1.

Please do not hesitate to contact Nick Masasso of Cairns Regional Council (P: 07 4044 3522 E: [n.masasso@cairns.qld.gov.au](mailto:n.masasso@cairns.qld.gov.au)) if you have any queries or require further information in relation to this submission.

Yours sincerely



Christine Posgate  
Acting Chief Executive Officer  
Cairns Regional Council



Nick Trompf  
Executive Chairman  
Advance Cairns



Ken Chapman  
Chair  
TTNQ



Darlene Irvine  
Executive Officer  
FNQROC



Sally Mlikota  
President  
Cairns Chamber of Commerce

Attachments:

**Appendix 1:** Logos of organisations supporting this submission

**Appendix 2:** Cairns - Airport Passenger Movements and Hotel Occupancy pre and post COVID-19

**Appendix 3:** Cairns - Airport Passenger Movements and Hotel Occupancy 2017-2019

cc:

*Senator the Hon. Simon Birmingham, Minister for Trade, Tourism, and Investment:*

[minister.trade@dfat.gov.au](mailto:minister.trade@dfat.gov.au)

*Warren Entsch, Federal Member for Leichhardt:* [warren.entsch.mp@aph.gov.au](mailto:warren.entsch.mp@aph.gov.au)

APPENDIX 1: Logos of organisations supporting this submission

**CAIRNS ADVENTURE GROUP**



**RAGING THUNDER**  
ADVENTURES



**Crystalbrook  
Collection**

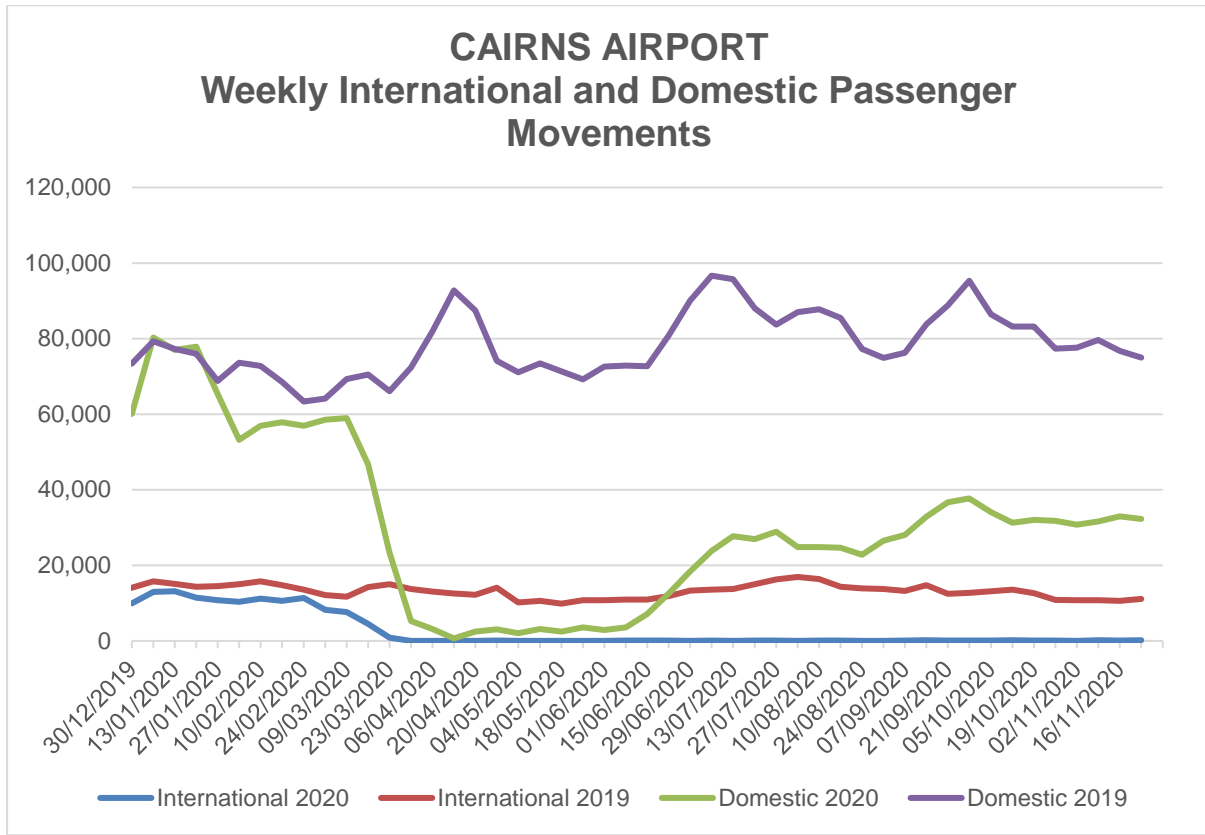


**ENTRADA**  
TRAVEL GROUP

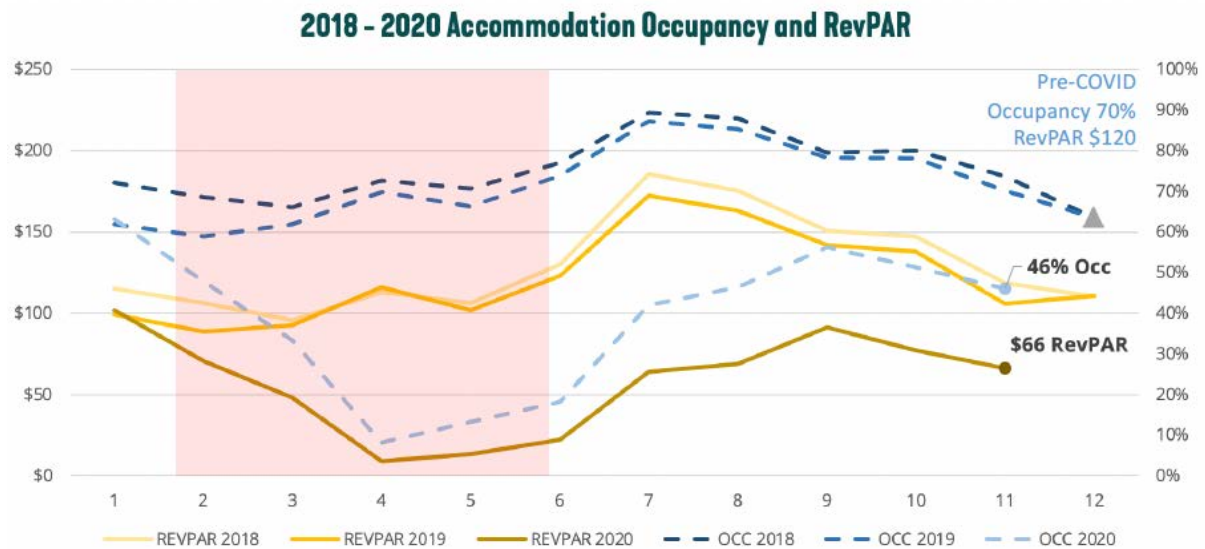
**Paronella  
Park**  
*The Dream Continues ...*



**APPENDIX 2: Cairns – Airport Passenger Movements and Hotel Occupancy pre and post COVID-19**



Source: Cairns Airport



Source: Tourism Tropical North Queensland



**APPENDIX 3: Cairns – Airport Passenger Movements and Hotel Occupancy 2017-2019**

