

25 January 2022

The Hon Michael Sukkar MP  
Assistant Treasurer and Minister for Housing  
Minister for Homelessness, Social and Community Housing  
Department of the Treasury

Email: [prebudgetsubs@treasury.gov.au](mailto:prebudgetsubs@treasury.gov.au)

Dear Minister

### **2022-23 Pre-Budget Submission**

Thank you for the opportunity to make a pre-budget submission towards the 2022-23 Federal Budget. Please find below a list of proposed items that I ask to be included in the upcoming 2022-23 Federal Budget.

#### **Budget Item 1: Repair Paradise Dam** **Budget cost: \$800 M (preliminary estimate)**

- *That funding be provided under the National Water Infrastructure Development Fund or the Emergency Response Fund to enable the full repair of Paradise Dam.*

The Queensland Government recently completed the business case into options to reinstate the water capacity of Paradise Dam after the dam wall was reduced amid safety fears in 2020. The recently completed business case recommended the full restoration of the Dam wall, which now requires the usual federal assistance to repair this critical piece of regional water infrastructure.

#### **Budget Item 2: Bundaberg East Flood Levee** **Budget cost: \$42.5 M**

- *Funding to deliver the Bundaberg East Flood Levee.*

In response to the 2013 Bundaberg flood event, the state government in partnership with Council, prepared a Bundaberg 10-year (flood) Action Plan. The Action Plan includes four interventions designed to mitigate against future flood risk.

While a range of small flood resilience initiatives have been delivered as part of the Action Plan, the major required intervention – the Bundaberg East Flood Levee – is yet to commence construction.

In 2020 the state government committed 50% (or \$42.5 million) towards the total cost of establishing the Bundaberg East Flood Levee. Council along with the state government urge the federal government to fund the remaining 50% of this critical, well overdue, project which is vital for community safety.



**Budget Item 3: Restore Federal Financial Assistance Grants for Local Government back to 1% of tax revenue**

**Budget cost estimate\*: \$2 B (Australia wide) and \$400 M (for Queensland)**

\*Source: Local Government Association of Queensland (LGAQ) estimate, 2019.

- *Federal Financial Assistance Grants restored to 1% of federal tax revenue.*

Federal Financial Assistance Grants (FAGs) to Local Government have been declining as a percent of tax revenue for 25 years. In 1996 FAGs were 1% of tax revenue, falling to 0.78% in 2006 and 0.55% in 2018.

If services for local Australian communities are to be maintained, federal funding cannot be discretionary, or delivered to a small number of councils through competitive programs.

Proposed changes to the distribution formula in Queensland mean that Bundaberg Regional Council will have its total Financial Assistance Grants reduced by \$54 million over 10 years. This will have a significant adverse impact on local services.

FAGs provide Councils with unique opportunities to promote economic development, upgrade facilities, and improve liveability through road maintenance, enhanced footpaths, parks, and open spaces. FAGs should be restored back to their historic levels of 1% of federal tax revenue.

Modelling by the Australian Local Government Association shows this will create 16,242 jobs and contribute \$2370 million to annual Gross Domestic Product.

**Budget Item 4: Bundaberg Hydrogen Hub**

**Budget cost: \$10 M**

- *That a further Federal Hydrogen Hub be identified and funded for the Bundaberg Region.*

The Federal Government recently identified several national hydrogen hubs. While existing hydrogen hubs focus on long-term hydrogen export opportunities, domestic hydrogen opportunities present a more immediate and tangible opportunity for Australian industry.

Domestic hydrogen supply chain opportunities should be supported in regional areas such as Bundaberg that is emerging as a leader in the application and use of hydrogen technologies such as mobility.

Declaration and funding of Bundaberg as a federally recognised Hydrogen Hub will directly support a variety of private sector hydrogen investment opportunities currently developing in the region.

**Budget Item 5: New Cane Rail Bridge over the Burnett River**

**Estimated cost: \$20 – 30 M (preliminary estimate)**

- *That a sugarcane industry assistance grant be made available to fund construction of a new cane rail bridge over the Burnett River in Bundaberg.*

Over the last two years the Wide Bay saw the closure of two sugar mills. Despite this trend, the region has a good future in sugar production, particularly as the local sugar industry transitions into other value-added and related products.

To support the industry, the federal government recently provided Isis Central Mill with a \$2.5 million grant to allow cane from Maryborough to be processed at the Isis Central Sugar Mill. This grant went towards construction of a transloader facility to offload cane onto rail before final transportation to the mill.

Similarly, following the recent closure of Bingera Mill, industry assistance is now required to transport sugar cane to the closest alternative mill located at Millaquin.

The solution proposed by Bundaberg Sugar Limited to transport sugar cane to Millaquin is a new cane rail bridge to be erected over the Burnett River, at Strathdees Road. Significant planning has been advanced for this priority project, with funding the remaining issue.

**Budget Item 6: Inland Rail extension connecting Port of Bundaberg**  
**Budget cost: \$10 M (reallocated from Gladstone)**

- *Feasibility into an Inland Rail extension connecting the Port of Bundaberg.*

The Australian Inland Rail project will link Melbourne and Brisbane with a new dedicated freight railway. Given the purpose of the Inland Rail to link Australia's richest farming basins with a modern network of railways and ports, combined with the potential costs of the final Acacia Ridge to Port of Brisbane section, a rethink of Queensland's options linking Toowoomba to the Port of Brisbane should be considered.

In 2018 Bundaberg Regional Council raised the idea of extending the Queensland section of the Inland Rail from Toowoomba to the North Coast Line, as opposed to the current route proposed through Acacia Ridge.

If the Inland Rail extended from Toowoomba to the North Coast Line, north of the Sunshine Coast, the project would connect the Port of Brisbane, the Port of Bundaberg, and the Port of Gladstone through upgrades to the existing North Coast Line.

In 2017 the federal government completed a pre-feasibility study into extension of the Inland Rail to the Port of Gladstone. The report quickly, and rightly, dismissed the idea of the \$3 billion proposal due to cost and only marginal economic benefits being associated with the project.

The pre-feasibility also analysed levels of known coal deposits within the Surat basin that could be shipped to the Port of Gladstone. This analysis concluded that known coal deposits within the Surat were not adequate to justify the project.

Despite these clear pre-feasibility findings, in 2021 the federal government announced commissioning of a new \$10 million business case to re-examine the extension of the Inland Rail to the Port of Gladstone.

Bundaberg Regional Council seeks that the federal government examines the feasibility of a Toowoomba to North Coast Line Inland rail option, in preference to the proposed \$10 million business case examining the extension of the Inland Rail to the Port of Gladstone.

**Budget Item 7: Funding to enhance Moore Park Beach**  
**Budget cost: \$5 M**

- *Funding to deliver the Moore Park Beach Spaces and Places masterplan.*

In 2021 Council completed a masterplan along the foreshore of Moore Park Beach. Titled, 'Moore Park Beach Spaces and Places', this masterplan was co-designed by hundreds of local residents, the Moore Park Beach Surf Life Saving Club, and various technical design experts.

Council has established a Community Reference Group to help progress the detailed design of the following aspects of the masterplan. Many of the above aspects of the masterplan will be delivered when matching state and federal funding is secured.

**Budget Item 8: Kendall Flat enhancement for AFL and Cricket**  
**Budget cost: \$8 M**

- *Funding to deliver enhanced AFL and Cricket facilities at Kendall Flat.*

The Bundaberg Sport and Recreation Strategy prioritises Kendall Flat as a key regional sporting asset requiring further planning and investment to capitalise on the site's role as a shared AFL and Cricket facility.

Kendall Flat provides a unique opportunity to continue the strong growth of AFL, Cricket, and general sporting participation in our region. Council is currently working with AFL Queensland and Queensland Cricket to complete detail design and costings to deliver enhanced facilities at Kendall Flat.

**Budget Item 9: Challenger Learning Centre Bundaberg**  
**Budget cost: \$5 M**

- *Funding to establish Australia's first Challenger Learning Centre in Australia*

On board the 1986 NASA Challenger space shuttle disaster was a small piece of Bert Hinkler's hand-made glider, first flown at Mon Reops in 1912.

Following the 1986 disaster, families of the NASA astronauts established the Challenger Centre organisation with a mission to inspire kids in pursuing careers in science, technology, engineering, and maths (STEM). Today, over 40 Challenger Learning Centres operate around the world providing simulated space missions that teach and inspire K-12 students to participate in STEM.

Bundaberg Regional Council has been working closely with the Challenger Centre organisation to establish a Bundaberg Challenger Learning Centre. This has included a range of design and cost planning with partners to advance the project that features new partnerships with Education Queensland, TAFE Queensland, and the Queensland University of Technology, among others.

In 2021 Council conducted an expression of interest to identify STEM leaders to govern and operate the Centre. It is expected that the Centre will be funded through a mix of Council, state, and federal grants. Opportunity also exists for philanthropy to play a role in funding the project.

**Budget Item 10: Funding the Bundaberg Jobs Commitment**  
**Budget cost: \$1 M (over 3 years)**

- *Fund the Bundaberg Jobs Commitment.*

The Wide Bay region has one of the highest youth unemployment rates in Australia. This problem isn't caused by a lack of jobs or access to education and training facilities. In fact, the region has thousands of unfilled job vacancies and great education and training facilities.

The region's challenge of youth unemployment is caused by complex social and economic factors that have left youth disengaged from education, work, and future opportunity. Youth unemployment is a symptom of disengagement.

Most approaches to addressing youth unemployment fund programs supporting youth transition into employment or further education when they near the end of school, or immediately thereafter. However, by this age, youth have become disengaged, hence traditional programs lack effectiveness.

The Bundaberg Jobs Commitment is a proven approach that ensures all disengaged youth (aged 12-24) in the Bundaberg community have the best opportunity to be engaged.

Research shows if disengaged youth have a minimum of four positive exposures with employers, that their chances of remaining disengaged after they leave school, falls from approximately 50%, to just 10%.

Brokered entirely by Bundaberg Regional Council, the Bundaberg Jobs Commitment connects local employers with High Schools. The aim is to ensure that every identified disengaged student has a minimum of four positive exposures with local employers.

In 2020 the Bundaberg Jobs Commitment recruited over 110 local employers who offered over 3,000 additional exposures to youth, across all nine High Schools.

While the role of a 'school and industry broker' is not a typical function of local government, Council has played this missing role as it is arguably the most important role required to break local multi-generational cycles of youth unemployment.

More funding is required to expand this successful model of reducing youth unemployment.

**Budget Item 11: Restoration of Moneys Creek catchment**  
**Budget cost: \$10 M (preliminary works)**

- *Funding to support Burnett Mary Regional Group deliver region-wide measures to improve water quality in Moneys Creek catchment and lagoon.*

Moneys Creek flows into the Pacific Ocean at Bargara, with currents flowing to the southern part of the Great Barrier Reef, making it an environmentally sensitive catchment of national significance.

In 2019 the state government provided funding to the Burnett Mary Regional Group (BMRG) to commission a report into addressing several long-standing environmental issues related to Moneys Creek catchment and lagoon. While this report was completed in early 2020 implementation of its recommendations has not yet commenced.

The catchment includes a large number of private landowners who would be required to make necessary investments and changes to practices to reduce run off and the transport of sediment and nutrients that eventually end up in the ocean.

The challenge of coordinating such a task is essentially a task of natural resource management. As BMRG is the region's lead natural resource management agency, subject to funding, Council supports plans by BMRG to restore the Moneys Creek catchment and lagoon.

### **Budget Item 12: Coastal Sewer infrastructure**

**Budget cost: \$27.5 M**

- *Funding to assist with connecting unsewered properties in Bundaberg's coastal corridor.*

The Bundaberg Region is at the southern end of the Great Barrier Reef and our coastal waters are in the Great Sandy Marine Park.

Bundaberg Region's coastal corridor, particularly between Bargara and Elliott Heads, has been experiencing strong population growth. About 40% of Bundaberg's growth occurs in this corridor. The area is currently serviced by Bargara Wastewater Treatment Plant (WWTP) which is nearing its capacity.

In addition to the new developments, there are about 2,900 existing properties in the coastal corridor between Burnett Heads to Elliott Heads that are currently serviced by on-site septic systems. Approximately half of these properties are located between Innes Park and Elliott Heads. To connect these properties to the reticulated sewer network would cost in excess of \$73 million, with \$51 million of this contributed by the benefitted property owners under a co-contribution arrangement.

To ensure continued servicing of the coastal growth corridor and to provide for connection of the unsewered properties, flow from Bargara WWTP will need to be diverted to the Rubyanna treatment plant by 2024 at an estimated cost of \$5.5m. The total cost to Council of providing sewer connections to the unsewered properties in the coastal corridor is \$27.5 million.

### **Budget Item 13: Gin Gin Rail Trail**

**Budget cost: \$9.5 M (to match state contribution)**

- *Funding to support delivery of the Gin Gin Rail Trail*

In 2020 Bundaberg Regional Council was successful in securing \$9.5 million under the Queensland Government's Rail Trail Local Government Grants Program to deliver the Gin Gin Rail Trail project.

As part of pre-construction planning, a Detailed Business Case (DBC) and preliminary engineering design is being prepared to provide greater certainty in the scope, merit, and total cost of the project. This work is particularly important given the project involves, in some locations, quite historic infrastructure.

Notwithstanding the state government's contribution towards the project, the Council is unlikely to be able to deliver the full scope of the project. Federal funding support, similar to the state's contribution, \$9.5 million is sought from the federal government to allow this exciting project to be delivered.

**Budget Item 14: District Disaster Management Centre (DDMC)**

**Budget cost: \$7.5 million (preliminary estimate)**

- *Funding towards a new Bundaberg Local and District Disaster Management Centre (DDMC).*

Currently when Bundaberg's Local Disaster Management Group (LDMG) advances to 'Stand Up' during a disaster event, emergency service agencies will coordinate responses from Council's main civic administration building. Use of Council facilities as a Local Disaster Co-ordination Centre (LDCC) is not ideal.

In partnership with local emergency service providers, an opportunity exists to establish a dedicated District Disaster Management Centre (DDMC). This is also the preferred arrangement of the current District Disaster Coordinator (DDC) Inspector and the District Disaster Management Group (DDMG). This arrangement would include permanent office space for Council's disaster management staff in addition to operational space to be occupied when the LDMG is activated.

Several purpose-built disaster coordination centres have been built in recent years in regional Queensland including Townsville, Livingstone, Central Highlands, and North Burnett.

**Budget Item 15: International Rowing and Kayak Facility**

**Budget cost: \$12 M (preliminary estimate)**

- *Funding to establish an international rowing and kayak facility*

Bundaberg's current rowing facility at Bucca has the potential to develop as a major international rowing and kayak facility. To increase local participation and attract national and international level competitions to Bundaberg it requires significant upgrades and investment in new infrastructure at the Bucca facility.

Feasibility, concept designs and delivery of required upgrades and infrastructure are estimated to cost \$12 million.

**Budget Item 16: Feasibility for Bargara Water Park Facility**

**Budget cost: \$0.25 M**

- *Funding for a feasibility into establishing a Bargara water park facility*

As a coastal holiday community of the Bundaberg region, Bargara is a short trip to the southern end of the Great Barrier Reef. Similar to other coastal communities in Queensland, a water park/play facility would add to the attractiveness of the region as a growing holiday destination.

Bargara has several attributes that make it the perfect location for a new water park/ play facility. To investigate this opportunity further, funding is sought to conduct a feasibility into the development of a Bargara water park tourism facility.

**Budget Item 17: Bargara Road widening**

**Budget cost: \$60 M (includes road upgrades and cycle path)**

- *Funding to widen Bargara Road and expand cycle path network*

The state government's Principal Network Cycle Plan, along with Council's Active transport Strategy both identify a range of options and indicative routes to establish a cycle path linking Bundaberg CBD with Bargara, and other coastal communities.

At the same time, upgrades to the state-controlled Bargara Road would be required to ensure elements of a cycle path could be delivered. Conceptual planning work undertaken by the Queensland Transport and Main Roads indicates that a cycle path associated with upgrades to Bargara Road would cost in the order of \$60 million.

For further information regarding this submission please feel free to contact myself directly on [jack.dempsey@bundaberg.qld.gov.au](mailto:jack.dempsey@bundaberg.qld.gov.au) or my Executive Assistant, Robyn Silcox on 07 4130 4264.

Yours sincerely



Jack Dempsey  
**Mayor - Bundaberg Regional Council**