

ECONOMIC DEVELOPMENT

Introduction

The Shire is heavily dependent upon agricultural/primary production for its economic prosperity. Efforts to diversify income sources are underway to improve the Shire's economic resilience, and to provide greater opportunity and employment.

News

Progress was ongoing for an 'Economic Strategic Plan for Johnstone Shire' by the Council. The plan will be finished in 2003.

The implementation of the Great Green Way Regional Tourism Strategy proceeded in 2002. The Strategy aims to integrate tourism by developing a regional approach between the Johnstone, Cardwell and Hinchinbrook Shires. Funding was achieved in 2002 under the Regional Assistance Program, State Development, Tourism Queensland and from contributions by each of the Shires. The project aims to identify areas of tourism potential and to market tourism for the region. Completion of the strategy is expected in late August 2003.

Tourism in the region continued to grow, with a 6% increase in International visitors and a 2.4% increase in Domestic visitation. Additional volunteers at the Information centres are helping to guide tourists to opportunities around the Shire.

Promotion of Innisfail as the Art Deco Town has continued, with the aim of attracting tourism. A grant was organised for colour bands to be created from the town's buildings. These colours will help assist development and Council's town planning decisions to retain the Art Deco feel of the town.

Tropical Art Deco



The development of Innisfail's Town Walk occurred and opened in March.

River Cruises are now running along the river and will provide another attraction for tourism.

The Mamu Canopy Walk Innisfail has progressed along all developmental lines, and is now awaiting State Government approval. Economic viability studies show that upon completion the Mamu Canopy Walkway will bring high rewards to the Shire through the attraction of tourism spending.

The development of the Mamu Bush tucker Garden at Warrina Lakes has provided an attraction for tourism and community education., as well as providing an alternate source of income to the indigenous community. The Council has been responsible for encouraging and helping to facilitate the program.

A wider business plan is under development by the Mamu people to market bush tucker crops. The FNQ consultation committee is also running similar marketing cooperatively with the Mamu.

Work continued on the development of a frogarium as a tourist attraction for Warrina lakes.

Another alternate industry being developed was the marketing of specialist local sewing and design.

Agricultural production continued to diversify, with the tropical fruit industry having an excellent year. There is some concern that indefinite growth in this sector may flood the domestic market.

The region's Sugar Industry continued to face challenges in 2002 with the downturn of sugar prices. No dramatic improvement is expected in the near future. Due to greater investment outlays, big corporatised farms are presently suffering more than many smaller scale farms.

The industry is presently undergoing a major restructuring affecting all stakeholders. Another shake up in 2002 was the closure and subsequent purchase of South Johnstone Mill by Bundaberg

Sugar. Agropolitics in relation to this have consumed both time and energy.

On the positive side, 2002 was a record year for sugar cane yield, due to clement dry conditions. Cane beetle populations were low, leading to minimal grub damage, and research has been conducted to expand knowledge of pest control and cane varieties.

Projects are also underway to diversify sources of income from cane. A current example is a proposal to incorporate fibreboard production from bagasse and farm forestry into Mill production. Both farmers and the Mill stand to benefit.



Cane and Banana Farming

The cattle industry had a slow year due to the dry conditions. Many farmers were and will continue to hold stock back for breeding, in order to rebuild their herds.

The Fishing industry has faced additional challenges with increasing restriction on harvesting from areas defined by the Great Barrier Reef Marine Park.

However, this has in turn increased the demand for aquaculture. The DPI and EPA has conducted research work into making the industry more sustainable.

No additional trade opportunities have yet been found for Mourilyan Harbour.

2002 saw the opening of The Warehouse in Innisfail, and new buildings for Taylor West Holden and John Cole Toyota.

Indicators

Mourilyan Harbour exported—
533,130 tonnes of sugar (up 19.4% on the previous year)
77,376 tonnes of molasses (up 4.4%)
2,248 head of cattle (down 60%)



Mourilyan Harbour

Industry Values 2002—

Sugar - \$70 million (up)
Tropical Fruit - \$140 million (up)
Tourism - \$50 million (up)
Fishing - \$32 million (up)

Tourists at the Information Centres	2001	2002
Innisfail	10 476	12 066
Mission Beach	26 276	26 332

Spending by the Council towards economic development was geared principally towards the development of tourism. Significant spending in 2002 was mainly through the hiring of consultants, and through grants or contributions.

—\$49,500 was spent on annual funding for the Cassowary Coast development Bureau.

—\$3,500 was contributed to the Coconuts outrigger canoe club.

—\$2,900 was contributed to the Johnstone Shire Cultural Association.

—\$21,500 was spent on the development of a tourism strategy by consultancy.

—\$7,500 was used to subsidise the annual regional economic development strategy.

—The Council received \$63,000 in grants through the Regional Solutions Program, and the Great Green Way Tourism Strategy.

The budget projected for economic development by the Council was \$195,600, but the lack of an economic development officer for most of 2002, the driver for development programs, meant that only \$113,000 was spent.

Report Card for Economic Development

Criteria	Grade	Recommendation Group	Explanation
Action on recommendations 17 of 22 recommendations actioned to date	B	-Tourism -Retail -Primary Production	-Tourism has been promoted with development of further opportunities. -Plans are underway to increase retail opportunity in Innisfail. -Diverse industries are growing.
Filling deficiencies in data	B-	- Tourism	- A survey of accommodation around the Shire occurred.
State of the Shire	B	-Tourism -Retail -Primary Production	-Tourism grew. -A few new retail outlets emerged. -Cane continued to suffer but other agricultures grew.
Goal Achievement	B	-Council - Diversification	- Council's Economic Strategic Plan progressed towards completion. - Tourism development continued.
Community Awareness	B	- All	- No website. - Active promotion by the Chamber of Commerce and other societies.

Overall Grade B

Conclusion

The Shire has continued to experience difficult economic times in many of the traditional sectors. Downturns and fluctuation in the sugar industry continue to hurt the Shire's financial state. Economic development has attempted to counter these trends by expanding the number of income sources. Some progress has been made, but most are still in their early stages. Most of these projects have a reliance on continued support and a critical mass being attained—to attract infrastructure and a sustainable customer base.

Tropical Art Deco



Future Direction

The completion of the Economic Development Strategy by Council in 2003 will integrate efforts towards strengthening the financial state of the Shire. Continued diversification of economy will help to protect the Shire from financial downturns in particular sectors. The Shire must rethink its strengths, and focus collaboratively to reinforce the new avenues of economic development undertaken.