

4 September 2017

Queensland Productivity Commission  
PO Box 12112  
George St QLD 4003

To Whom It May Concern,

As Chair and on behalf of Councils as members of the Wide Bay Burnett Regional Organisation of Councils (WBBROC) I write regarding the Queensland's Productivity Commission's (PCA) *Manufacturing in Queensland Draft Report*.

By way of background, the Wide Bay Burnett Region has a resident population of around 300,000 and comprises six local government areas. In a Queensland context, it has the largest population outside south-east Queensland and includes Bundaberg Regional, Cherbourg Aboriginal Shire, Fraser Coast Regional, Gympie Regional, North Burnett Regional and South Burnett Regional Councils.

The Wide Bay Burnett's economy has historically been based on agriculture, timber, traditional manufacturing, mining and fishing. In recent years, this has been supplemented by growth in horticulture, tourism, aviation, value-added/advanced manufacturing, aquaculture, food processing, marine, construction and service industries.

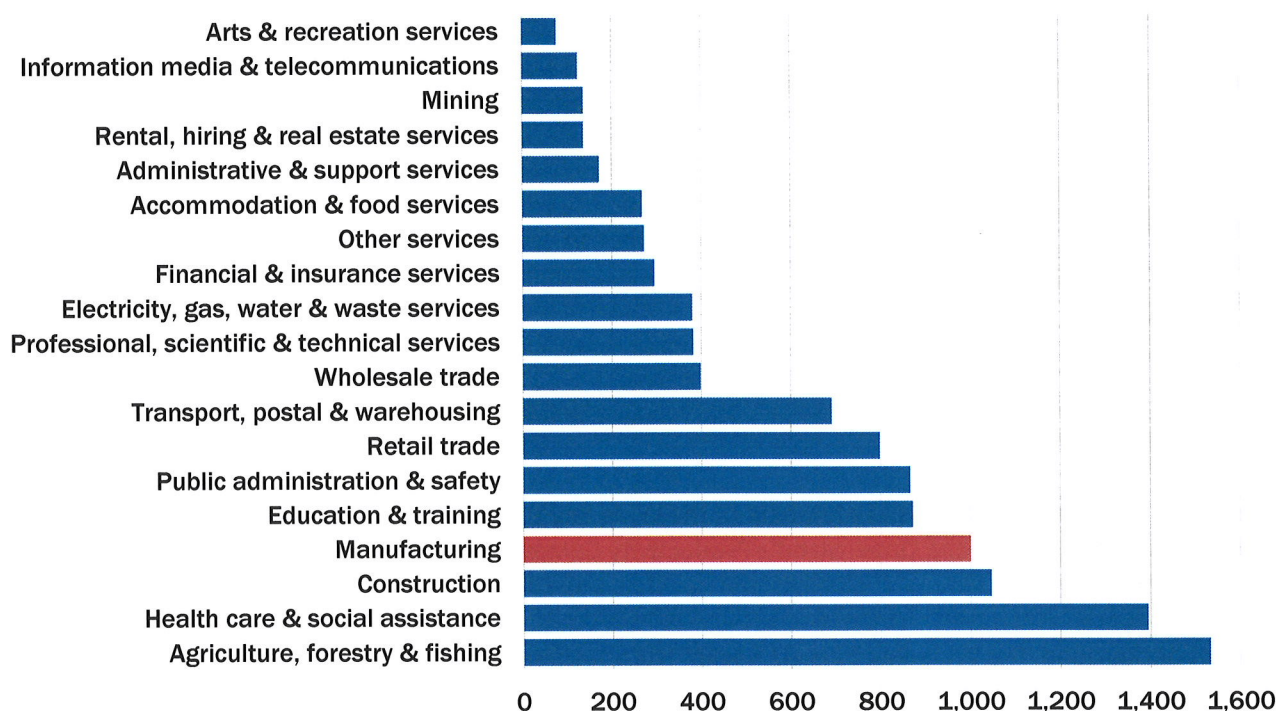
The Wide Bay Burnett Region has a relatively diverse and resilient economy comprising \$12.7 billion in Gross Regional Product (GRP) for 2015/16. This represents annual increase of 1.8% which is comparable to Queensland's GRP annual increase of 2.0%.

While the region's main industry sector is agriculture a broad range of goods and services across industry sectors has developed, with manufacturing the fourth largest sector representing a gross value of \$1 billion in 2015/16 (refer following graph).

**Member Councils:** Bundaberg Regional Council, Cherbourg Aboriginal Council, Fraser Coast Regional Council, Gympie Regional Council, North Burnett Regional Council, South Burnett Regional Council

## Gross Regional Product

Wide Bay-Burnett, 2015/16 (\$ million)



It should be noted that the total turnover and contribution to the regional economy associated with manufacturing would be significantly higher given the intrinsic link between manufacturing and other sectors.

As the fourth main industry sector, in 2015/2016 manufacturing in the Wide Bay Burnett region contributed 7.9% of total GRP, which is greater than the state contribution of 6.3%. Furthermore, regionally the \$1B attributed purely to manufacturing represents an annual positive change of 16.5% in comparison to the state's negative growth of -3.3%.

Internationally recognised brands such as Bundaberg Rum, Bundaberg Sugar, Hyne Timber, MSF Sugar, Bundaberg Brewed Drinks, Bundaberg Walkers Engineering Ltd., Performax International, Suncoast Gold Macadamias, Nolan Meats and Nestle Australia were founded in and continue to operate in the Wide Bay Burnett region. Following is also a sample list of other manufacturing businesses across the region reinforcing the strength and importance of this industry:

Manufacturing Businesses, Wide Bay Burnett Region	
<b>North Burnett</b>	Biggenden Meatworks
	Biggenden Engineering
	Biggenden Quarry
	Blanchard & Sons Sawmill
	DJ's Steel & Concrete (Lyndarr Constructions)
	Mulgildie Steel & Supplies
	Netz Engineers Design & Manufacture
	Monto Steel Products
	Burnett Construction Materials
	Gayndah Welding Works & Engineering
	Gayndah Packers Co-op Assn

	Slack's Hardwood Pty Ltd (timber mill)
	Orchard Citrus
<b>Bundaberg</b>	Canetec
	Austchilli
	Superior Pak
	Poly Industries
	Seajay Boats
	Jabiru Aircraft
	Bargara Brewhouse
<b>South Burnett</b>	H. Stolzenberg Engineering Works Pty Ltd
	Kingaroy Engineering Works P/L
	South Burnett Machinery Pty Ltd
	Proteco
	Hatchetts Joinery
	Kewpie Rural
	G3 Contracting
	Zelinski Engineering Works
<b>Gympie</b>	CPM Engineering
	Mary Valley Timbers
	Asset Cabins
	Mecano Sheds
	Ag Solutions
	Keba Engineering
	Gympie Blockworks
	Lee Fishing Company
	Watson's Marine
<b>Fraser Coast</b>	Downer Rail
	Wades Timber
	CQMS Razer
	Dale and Myers Timber
	Global Manufacturing Group (GMG)
	Richers Block and Pavers

The continued existence of these brands in a regional centre reinforces not only the strength of the region's manufacturing industries but also the need for Government to dedicate renewed effort on fostering the growth of new fledging businesses which have the potential to be considerable "job creators" for the regional economy.

The fostering and development of regional manufacturing networks has also been demonstrated to be a productive initiative as this fosters networking and information sharing leading to growth across the region.

It is interesting to note that, as detailed in the draft report many businesses have, in part, diversified the focus of their operations which has resulted in a resurgence for ensuring manufacturing skills continue to be



needed. An example of this includes Bundaberg-based Canetec which has established more recently at the Bundaberg Technology Park, taking advantage of the many trade and professional skills in the area and manufacturing a new range of sugar cane planters and harvesters. Having enjoyed the success of finding markets for smaller machines in Thailand and Japan, the company has recently sold its first full size harvester – the AX7500 – to a large scale local sugar producer.



The growth of the nation's leading waste equipment manufacturer Superior Pak, also at the Technology



Park, demonstrates the diversity of medium to heavy engineering and fabrication that can be drawn from with the skill sets and materials of the Bundaberg region. Superior Pak's mission is to provide customers with

tailored products and services to meet their waste collection and handling requirements and is the only supplier of both mobile and static waste equipment who offers a total national service.

Nolan Meats in Gympie have taken advantage of opportunities to streamline their operations while expanding into additional domestic and export markets through their recently completed cold store and processing facility.

It is important to also recognize the region is well placed to be considered for the expansion or establishment of new and/or existing manufacturing businesses given the recently declared State Development Area (SDA) adjacent to the Port of Bundaberg. As you would be aware, Knauf, a Global leader in lightweight wall and ceiling systems has constructed a state-of-the-art plasterboard manufacturing facility located at Bundaberg Port which has created up to 70 new local positions upon commencement with its first delivery of gypsum arriving on 19 July 2017.

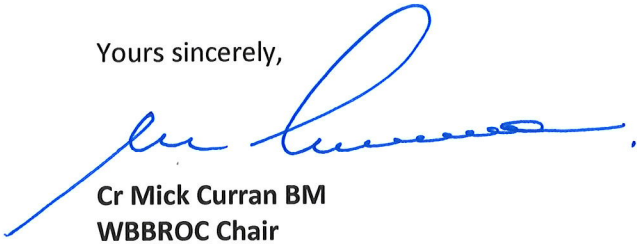
The emergence of Industrial Zones such as the Bundaberg Industrial Park, Bundaberg Technology Park, Avion Fraser Coast Air Port Industrial Estate, Maryborough West Industrial Land, Twin Cities Industrial Estate (St Helens) and potential developments planned as a result of major infrastructure works such as the Bruce Highway upgrade is testament to the strength of the manufacturing sector in the Wide Bay Burnett region. It is likely that through continued investment in innovation and product development, coupled with the growth of value-adding to local agricultural product, the region's manufacturing sector will remain strong and continue to prosper. However, it is also recognised that this industry requires more dedicated support from Government.

In this regard, WBBROC fully endorses the need to address cost pressures, increase productivity levels and ensure government programs are more targeted to the manufacturing sector. This is particularly important given the demand for more traditional manufactured goods has diminished as the market supporting value added/advanced manufacturing develops.

In relation to the recommendations included in the Draft Report, WBBROC seeks to reinforce the need to ensure development of an action plan (as per recommendation 1) centered on broad-based policy reform is inclusive and cognoscente of the varying needs of both traditional and value-added/advanced manufacturing.

WBBROC looks forward to being advised of the State Government's considerations of the PCA's inquiry and please contact Peta on 0400131669 or [peta.jamieson@wbbroc.org.au](mailto:peta.jamieson@wbbroc.org.au) to discuss this matter further.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Mick Curran', with a long horizontal flourish extending to the right.

**Cr Mick Curran BM**  
**WBBROC Chair**

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