

2024 -2025

QUEENSLAND BUDGET SUBMISSION

Forging a resilient and robust
future for Far North Queensland



**ADVANCE
CAIRNS**

THE COMMITTEE FOR
TROPICAL NORTH QUEENSLAND

Foreword

This submission marks the first phase of Advance Cairns' advocacy ahead of the 2024-25 Queensland Budget. Here, we outline priorities central to the continued diversification of our regional economy, which will forge a robust and more resilient future for Far North Queensland. This paper highlights the need for substantial new investment in our region's General Aviation sector as well as accelerated investment in marine, health and roads. This investment will not only unlock material economic growth but will create employment opportunities and establish definitive career trajectories.

A subsequent series of updated priorities will be developed in early 2024, drawing insights from key ongoing initiatives, including the Australian Government's Infrastructure Investment Program

review, the formulation of a business case for the Cairns Health and Innovation Centre, and the current development of the Far North Queensland Regional Infrastructure Plan.

Collectively, these projects make a compelling case for unlocking the unrealised potential of the region. We thank the Queensland Government for its support thus far and commend these priorities to your attention. We look forward to your ongoing engagement in our advocacy for the region.

	Project	Investment	Opportunity	Pg.
General Aviation	Cessna Caravan Training Simulator	\$8m required.	Australia-first Cessna Caravan (Type-D) flight simulator, cementing FNQ as a premier aviation training hub.	05
	Common User Hangar	\$45m required. Complement Cairns Airport's \$25m investment.	100 construction jobs. Ongoing skilled job creation, attraction and retention. Double general aviation sector.	06-07
	Short-term Accommodation	\$10m required.	Addressing accommodation shortage.	07
Cairns Marine Precinct	Common User Facility	\$360m committed. Accelerated delivery of project is required.	Accelerated delivery increases capability, solidifying Cairns as a leading maritime MRO destination. 4,600 ongoing jobs.	09
	TAFE Queensland Great Barrier Reef International Marine College	\$16m committed. Shovel ready.	Increased education and training capacity to support increased demand. 37 construction jobs.	11

	Project	Investment	Opportunity	Pg.
FNO Health & Innovation Precinct	Cairns Health and Innovation Centre	Commitment to capital funding for the detailed design and construction of the CHIC as per the DBC findings.	Expand research and education. Enhance service capacity. Investment prospects. Improved health outcomes.	13-15
	Captain Cook Highway, Cairns CBD to Smithfield, upgrade (C2S)	\$225m allocated over three years. Delivery of master plan finalised by end of 2023.	Improve regional connectivity and accessibility. Improve safety, reducing number and severity of crashes. Encourage use of active and public transport.	17
Road Connectivity	Cairns Western Arterial Road, Redlynch Connector to Captain Cook Highway Duplication (CWAR)	\$190m allocated over three years. Accelerated delivery of project is required.	Contributes to regional economic growth. Increase network reliability, and improve overall efficiency. Encourage and facilitate the use of public and active transport options.	19
	Kuranda Range Road	\$20m required for detailed business case. Amendment of the <i>National Land Transport Act 2014</i> .	Increased economic and social expansion. Enhanced supply chains, improving region's freight network. Improved connectivity and safety.	20
	Savannah Way (Gulf Section)	Allocation of funds distributed to LGA's over 10 years.	Enhance economic and social advancement. Improve safety, resilience and connectivity. Support local workforce development and retention.	21



GENERAL AVIATION

Fuelling connectivity across the region and expanding a skilled workforce

Cairns Airport's thriving General Aviation Precinct is a major contributor to the regional economy, home to over 100 businesses including major maintenance, repair and overhaul organisations, education and training providers (Cairns Aviation Skills Centre and CQUniversity), freight consolidation services, and rescue and charter flights. Far North Queensland's maintenance, repair and overhaul sector (MRO) is vital to the region's connectivity, servicing fixed wing and rotary aircraft that ply the Cape, Torres Strait, Papua New Guinea and the wider Asia-Pacific. These services ensure emergency and humanitarian aid as well as FIFO flights remain in air and provide critical connectivity to areas where it matters most.

With Jet Aviation the only and largest independent heavy maintenance provider for large turboprop and regional jet aircraft in Australia, with Skytek the only independent MRO for fixed and rotary wing on the East Coast of Australia and with an early-stage proposal for an advanced fibre and composites manufacturing and repair facility underway, the precinct has significant opportunity waiting to be unlocked.

Cessna Caravan Simulator

The Cessna Caravan (C208) light aircraft is ideally equipped for versatile, remote operations in demanding conditions and is widely used across the region by a number of commercial operators. It is the most commonly used aircraft by Far North Queensland-based MAF International (MAF), the world's largest humanitarian airline and the proponent of the simulator.

The C208 aircraft provides critical access to remote communities which would otherwise be isolated. There are just under 130 registered in Australia.

Pilot training currently takes place within aircraft, allowing little room for pilot error in treacherous and remote terrain and unpredictable climactic conditions. A number of crashes have occurred in this aircraft type with the simulator providing for a risk-free training experience.

A Cessna Caravan simulator would be the first of its kind outside the United States and would provide a steady stream of new pilots prepared in a safe environment for unique regional conditions. It would also ensure that current pilots are upskilled on an ongoing basis. Together with the Cairns Aviation Skills Centre (CASC) and Aviation Australia, Australia's only Cessna Caravan simulator would cement Cairns as a national flight training

hub, complementing the pilot training offered through CQUniversity's aviation school.

It is anticipated that the establishment of the simulator in the city could lead to a CASA mandate requiring pilots across the nation to undertake training in Cairns. The simulator would align with the training offered at the Queensland Government's Cairns Aviation Australia's facility within the industry led CASC and also attract pilot trainees from across the region, helping build capacity in the Pacific, particularly in Papua New Guinea (PNG). MAF currently trains pilots in East Arnhem Land and hopes to further expand its Indigenous training program.

Opportunity

- Australia-first Cessna Caravan (Type-D) flight simulator, cementing the Far North as a premier aviation training hub.
- Significant potential to establish Cairns as the national hub for pilot training for the Cessna Caravan, in partnership with the Queensland Government's Aviation Australia at the CASC.
- Introduce new standards of safety and enhanced pilot training for pilots who typically service rural and remote parts of Australia, PNG and the Pacific.
- Free up aircraft for commercial, humanitarian and emergency use in the region.
- Train and build capacity throughout Indigenous communities, as well as PNG and the Pacific (adopting a model similar to the current Pacific Maritime Security Program conducted in Cairns at the TAFE Great Barrier Reef International Marine College).

Project Status

The lack of access to simulator training for Cessna Caravan pilots is limiting critical commercial and humanitarian services, and creating material safety risks. Investment of \$8m required.

Recommendation

The Queensland Government invests \$8m capital cost to establish Australia's first Cessna Caravan simulator (to be operated on a common user model) to ensure safe training across commercial and humanitarian sectors, establishing the city as the only such centre for specific pilot training across Australia and the wider Asia-Pacific.



Image: Cessna Caravan (C208) simulator images for illustrative purposes. Courtesy Mission Aviation Fellowship International

Common User Hangar

While demand for turboprop maintenance in Cairns continues to grow, another significant opportunity is regional jet maintenance, with about half of the fleet currently maintained overseas.

Although regional jets are capable of long ferry flights to access cheaper international maintenance providers, airlines with high asset utilisation prefer to have their jets maintained domestically to reduce downtime.

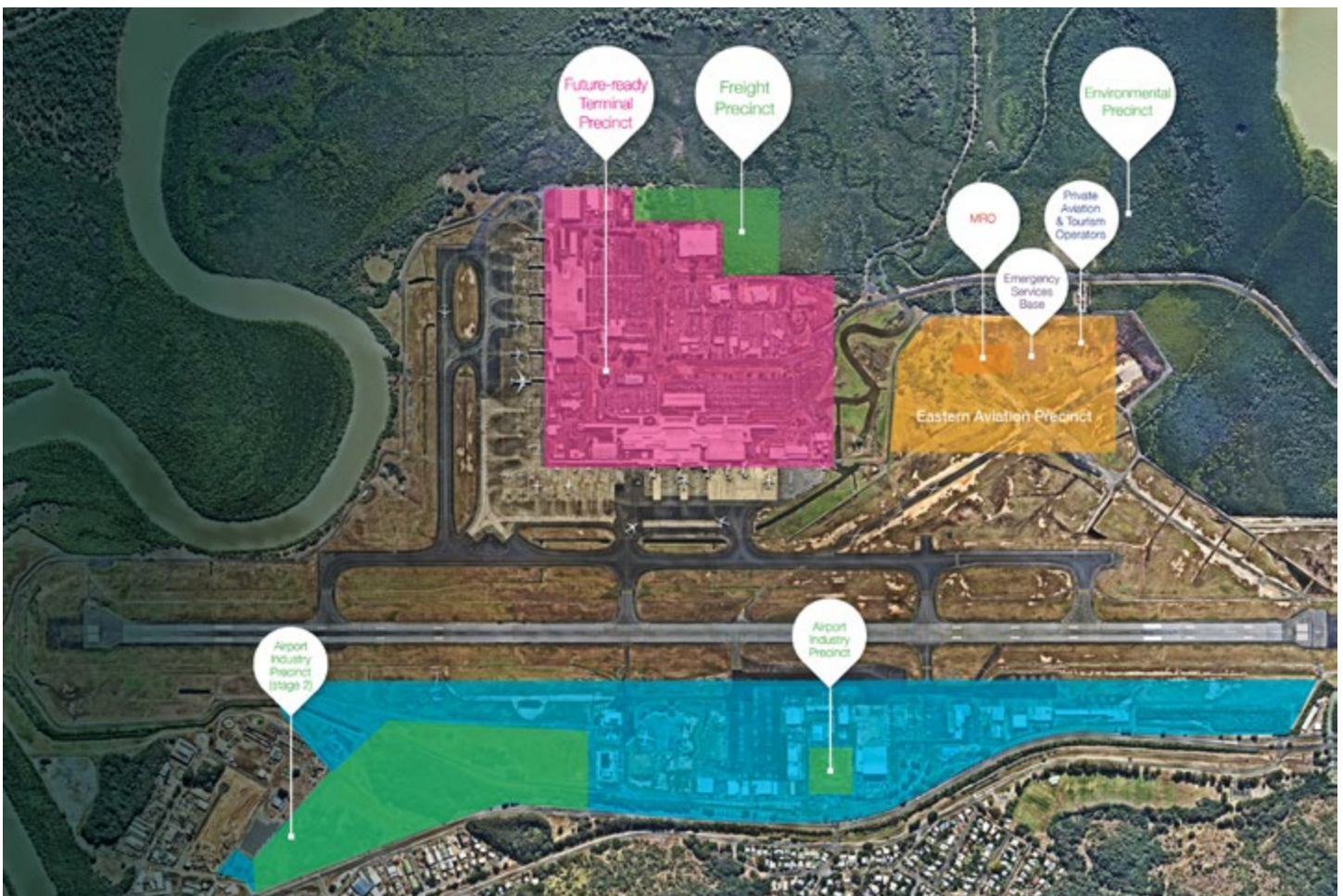
Cairns is the only regional airport in Australia with international capacity to attract new customers to the region with two highly-capable MROs working at close to capacity but willing and able to expand if infrastructure were available.

Latest economic data shows Cairns' aircraft manufacturing and repair services sector contributed \$36m value added to the regional economy, supporting more than 372 jobs¹. Overall, the MRO and training facilities at the Cairns Airport consists of about 700 employees, as well as a steady stream of apprentices (two MROs alone offer 25 apprenticeships annually) providing critical training and career pathways in trades as well as highly skilled professional roles. Overall, the general aviation sector contributed over \$88m and 913 jobs¹.

Steadily increasing demand has seen MROs outgrow ageing hangar and maintenance facilities in the Cairns Airport General Aviation Precinct, leaving aircraft grounded and resulting in the precinct turning away an estimated \$15m in business in the past 12 months due to lack of adequate infrastructure.

There is a pressing need to develop a new, fit-for-purpose common user hangar facility. This will offer economies of scale in construction and will enable MROs to meet urgent demand while ensuring the continuation of critical services as well as growth and expansion of the sector.

A commitment towards the common user hangar complements Cairns Airport's current plans to significantly expand capacity to support growth in the general aviation sector. As part of its Eastern Aviation Precinct development, Cairns Airport is investing (\$25m for Stage 1) to create new infrastructure (taxiways, aprons, roads and services) to support the growth of its aviation partners onsite. This infrastructure will unlock opportunities for a new aeromedical precinct, a new MRO precinct with capability for larger aircraft and dedicated heliport infrastructure that will remove any conflict with runway operations, and will lead to an increase in the frequency of scenic reef flights.



Cairns Airport is committed to be net zero (Scope 1 and 2) by 2025, and more broadly is supporting the transition of the aviation industry where possible. By 2025 all airport tenants will be supplied by 100% renewable power from a local renewable project. The airport is also working with industry to facilitate sustainable aviation fuel (SAF) on site and will seek to provision for new infrastructure within the new Eastern Aviation Precinct to accommodate this initiative. Dedicated spaces to support aeromedical and emergency activities in addition to a specific helicopter precinct which would reduce delays and boost runway capacity for all air services including passenger and cargo.

Opportunity

- Expansion of Far North Queensland's general aviation sector.
- 100 jobs supported throughout construction.
- Skilled and non-skilled job creation, attraction and retention; creation of additional apprenticeships and career pathways.
- Investment attraction across the general aviation sector, as well as downstream industries.
- Common user model will allow for maximum commercial uptake and will complement Cairns Airport's initial \$25m investment in the new Eastern Aviation Precinct.

Project Status

Existing Cairns MRO operators are severely constrained, operating at capacity and turning work away. Investment of \$45m required to develop a common user hangar.

Recommendation

The Queensland Government invests \$45m to deliver a 10,000m² hangar within the Cairns Airport Eastern Aviation Precinct which is to be owned and operated under a common user model incorporating commercial general aviation partner engagement.

A critical element of the expansion of the sector is the need for quality short-term accommodation within the airport precinct. This is needed to support professional, skilled and contract workers as the region grows, and ultimately, to provide much-needed affordable purpose-built housing for students.

Opportunity

- An existing parcel of land within the Cairns Airport precinct with full utilities connected offers a material opportunity to meet accommodation needs of students from across the university, aviation and trades sector.
- There is currently an estimated shortage of 2000 beds to meet the demand of international students wishing to study in Cairns with university accommodation at one lodge at 125% capacity for 2024.

Project Status

Plans to develop a quality short-term accommodation project within the Cairns Airport precinct are rapidly advancing. A key element of this project is the provision of student accommodation which is a lower yielding component and requires Government support.

The next iteration of this submission will include further details of this development which are currently being finalised.

Recommendation

The Queensland Government invests \$10m towards development of quality short-term accommodation within the Cairns Airport precinct to address critical demand, specifically for students, as part of a broader accommodation development project.

Advance Cairns will submit an updated recommendation to the Queensland Government informed by the findings of this business case.

¹ Cairns Airport. *Economic Assessment & Airport Census, September 2022*
Image left: Cairns Airport Precinct. Courtesy Cairns Airport



CAIRNS MARINE PRECINCT

The Cairns Marine Precinct is a critical enabler of the Far North Queensland economy. A leading maritime maintenance, repair and overhaul destination for vessels nationally and internationally, the precinct is home to a large and diverse marine sector including Defence and Border Force, a world-renowned tourism-reef fleet, commercial fishing and shipping, specialist boat builders and an active cruising yacht squadron, while also playing host to superyachts and cruise liners visiting the region.

With education and training pathways supported by the TAFE Queensland Great Barrier Reef International Marine College, the Cairns Marine Precinct is of significant economic importance to the continued growth and diversification of the region.

Marine Common User Facility

The Cairns Marine Precinct (CMP) has continued to face rapidly growing demand domestically and globally, with maintenance, repair and overhaul (MRO) providers operating at or near capacity and struggling to meet market demand¹.

Federal and state governments have committed \$360m towards the delivery of a maritime Common User Facility (CUF) to increase the capacity and capability of the CMP, allowing the precinct to deliver on future defence and maritime industry business. Given the work that is currently being turned away, it is now vital federal and state governments work together to accelerate delivery of the CMP CUF whilst, critically, ensuring sufficient funding to deliver on the project is allocated. The importance of this project becomes even more apparent in the context of the current geopolitical environment and increased focus on engagement with the Indo-Pacific.

In April 2023, the Australian Government's *Defence Strategic Review* (DSR) outlined the force structure, posture and capability of the Australian Defence Force (ADF) over the coming decades. Key to this and one of six key priority areas identified by the Albanese Government was the need to improve the ADF's ability to operate from Australia's northern bases. As Australia's most northern naval base on the eastern seaboard, HMAS Cairns plays a key strategic role in the nation's defence capability, currently undergoing a \$240m upgrade to accommodate at least four of the 12 Arafura-class Offshore Patrol Vessels.

In addition to HMAS Cairns, the precinct is also home to the first of four strategically located Regional Maintenance Centres (RMC) established under Defence's *Plan Galileo*. RMCs are tasked with the ongoing maintenance and sustainment of multiple classes of Royal Australian Navy surface fleet which are expected to be significantly larger and more complex as a result of the continuous naval shipbuilding program. While the tonnage of the fleet is expected to increase by 132% across Australia from 2010-2048, Cairns' RMC North-East will see the largest increase of 200%². Fast-tracked delivery of the CUF is critical to attracting further home ported vessels, ensuring regional sovereign sustainment capability and benefit to local industry.

This expedited delivery would also see Queensland support and strengthen Australia's strategic, partnerships, alliances and dialogues such as AUKUS and the QUAD. Cairns' strategic importance and longstanding status as the premier maintenance and sustainment destination for the region has seen a significant increase in visitation from foreign Defence and border force vessels with this trend only expected to escalate.

In order to meet growing demand and capitalise on these time sensitive defence and maritime opportunities while supporting local industry, it is vital the Queensland Government work with the Australian Government to ensure expedited delivery of the CMP CUF as well as ensuring sufficient funding is provided to deliver the project.

In the interim, the Queensland Government is urged to accelerate allocation of \$12m (matched funding) for the city's three shipyards pledged as part of the Industry Partnership Program. These upgrades are the latest phase of government investment in building sovereign capability in the yards - with ongoing investment required given the significance of the assets in the region.

Opportunity

- Strengthen and diversify FNQ economy.
- Increase capability, capacity and competitiveness.
- Solidify Cairns as a leading maritime MRO destination.
- Boost job creation and secure future of 4,600 jobs supported by the Cairns maritime industry.
- Attract investment and re-investment.
- Progresses the *Queensland Defence Industries 10-year roadmap*.
- Progresses the *Queensland Superyacht Strategy 2018-2028*.
- Progresses the *Defence Strategic Review*.

Project Status

\$360m committed (50:50 funding split). Works are set to commence in late 2023, weather and other circumstances permitting. Accelerated delivery is required.

Recommendation

To meet rapidly growing demand and realise full economic benefit, the Queensland Government works with the Australian Government to expedite delivery of the Cairns maritime Common User Facility and commit to having an operational shiplift by 2027.

¹ PricewaterhouseCoopers (2022). *Cairns Marine Precinct Infrastructure Investment Detailed Business Case*
² <https://www.defence.gov.au/business-industry/naval-shipbuilding/plan/galileo>



HMAS Cairns Royal Australian Navy Base

- Undergoing \$240m upgrade to accommodate at least four of the 12 Arafura-class Offshore Patrol Vessels
- Regional Maintenance Centre
- 900 Navy and civilian personnel
- Home port of seven Navy Vessels

Common User Facility

- 5,000 tonne shiplift
- Two blast and paint facilities
- Additional wet berth capacity
- 92m wharf
- Three hardstand areas for vessels up to 120m in length

TAFE Queensland Great Barrier Reef International Marine College

- 20m commercially registered vessel
- Desktop simulators
- Engineering workshops
- Full mission bridge simulator
- Multi-purpose Emergency Response Training Simulator (MERTS)
- Sea survival training immersion pool
- Tug optimised bridge

	Cairns Marine Precinct	1.a/b	HMAS Cairns Royal Australian Naval Base
	Common User Facility	2.a/b	Common User Facility
	TAFE Queensland Great Barrier Reef International Marine College	3.	Tropical Reef Shipyard
	HMAS Cairns Royal Navy Base	4.a/b	Austal
	Key stakeholders	5.	NORSTA Maritime
		6.a/b	Sea Swift
		7.a/b	Norship
		8.	TAFE Great Barrier Reef International Marine College
		9.	Ports North is a key stakeholder and major land holder

TAFE Queensland Great Barrier Reef International Marine College

The TAFE Queensland Great Barrier Reef International Marine College continues to expand its range of industry-leading marine training capabilities, offering domestic and international students specialised maritime training, including the delivery of Defence's Pacific Maritime Training Services.

The provision of mandatory training for mariners across commercial and defence vessels, a material maritime skills shortage and the anticipated training required to support Regional Maintenance Centre North East, combine to see the current campus unable to meet growing demand.

In the 2023-24 Queensland Budget, the government committed \$16m to deliver an extra 2,675m² for a new workshop, additional classrooms, staff facilities and a boat shed as well as increased training opportunities.

Opportunity

- Increase education and training capacity, including an expansion of education offerings.
- Enable the delivery of credentials which support future defence sustainment demand.
- Support up to 37 jobs during construction.

Project Status

\$16m committed.

Construction expected to commence in Q1 2024 with completion by mid-2025.

Recommendation

The Queensland Government delivers on its \$16m investment to expand the TAFE Great Barrier Reef International Marine College, with construction to commence at the start of 2024 and completion of the project by mid-2025.





FNQ HEALTH & INNOVATION PRECINCT

The Cairns and Hinterland Hospital and Health Service's (CHHHS) operations extend across Far North Queensland (FNQ) to some of the most remote communities in the state, with a population increasingly experiencing complex, chronic conditions above national averages. Cairns Hospital is the only major referral hospital in FNQ, also providing care to patients from Cape York and the Torres Strait. Expanded health services, clinical research, and education are critical to meet the health needs of FNQ's growing population.

CHHHS, supported by the Northern Queensland Primary Healthcare Network, James Cook University (JCU), CQUniversity, TAFE Queensland and other tertiary institutions, are ensuring that Cairns grows its own medical, nursing and allied health workforce, to expand its clinical services and to translate research into practice to improve health outcomes for FNQ communities. Embedding research and expanding education will enable CHHHS to provide best-practice healthcare and support Cairns Hospital's transition to university hospital status.

JCU offered its first full medical degree in Cairns from this year (2023) allowing students to undertake the full six-year degree locally following investment from the Australian Government. Construction of JCU's Cairns Tropical Enterprise Centre (CTEC) is also now underway with the building adjacent to the planned Cairns Hospital surgical centre, part of the Queensland Government's \$250m Cairns Hospital Expansion project. Following its expected completion in late 2024, CTEC will provide facilities for clinical teaching, training and research for medicine, allied health and related disciplines.

The Cairns and Hinterland Hospital and Health Service must support a growing population whose demand for healthcare services consistently outstrips population growth. The CHHHS annual report for 2022-2023 highlighted that Cairns Hospital supports an estimated resident population of 289,000, including the regular provision of acute medical services for residents of the Cape and Torres region, an area larger than Victoria¹. Cairns Hospital continues to see increased demand on its Emergency Department with more than 88,000 presentations to the Cairns Hospital Emergency Department alone in 2022, a 2.2% increase on 2021.

Combined with an estimated population growth of 2.13% (compound annual growth rate) per annum and an ageing population, it is estimated that by 2032 an additional 67,000 people will reside in the catchment area with more than one in five residents aged over 60 – a third more than the national average².

Expanded health services, clinical research and education are critical to meeting the needs of FNQ's large and growing population. Cairns Hospital faces a number of sustainability challenges, including:

- Short- and long-term infrastructure capacity – Cairns Hospital is now at capacity across all bed types with no hospital bypass option. By 2036-37, this gap is predicted to be more than 360 beds. Capacity is a critical risk and immediate planning is needed for a new acute clinical services building to ensure sustainable health service delivery for the medium term.
- Site constraints and resilience – Cairns Hospital is the smallest block of developable land for comparable hospitals, and the waterfront location creates service continuity risk (through flooding and storm surge exacerbated by climate change).
- Workforce and innovation – CHHHS needs to increase its locally grown health workforce to enable it to deliver expanded services closer to home. Innovation, continuing education and translational research is the key to attracting and retaining the appropriately skilled workforce that is required to meet the growing health demands of the Far North.

Transitioning Cairns Hospital to a university hospital will allow it to deliver world-class, high-quality care to address the critical current and future health challenges facing FNQ. This will result in more complex medical and surgical services, with more skilled and highly trained clinicians servicing a growing population which includes a cohort from the Cape and Torres Strait living with material health

and wellbeing deficits. In addition to this, developing region specific research and innovation capability will result in preventative medicine and interventions that are fit for purpose for the population and environmental conditions unique to the Far North.

To ensure a successful transition, an expansion of bed capacity and selected specialty services is required over coming years, such as high specialty needs for older persons, paediatrics, adolescent mental health and other medical and surgical specialties. This will also include new expanded clinical and professorial roles. This will be delivered through strong partnerships, the right infrastructure, and expanded provision of safe and sustainable clinical services for FNQ.

Opportunity

- Increased service capacity, ensuring better service delivery across FNQ.
- Enhance research and education opportunities.
- Greater investment opportunities.
- Capacity to capitalise on global tropical medicine and rural generalist niche.
- Attract and retain skilled clinicians.
- Increased climate resilience.
- Improved health and wellbeing outcomes for Queenslanders.

Project Status

The Cairns Health and Innovation Centre detailed business case is underway and is expected to be completed shortly.

Recommendation

The Queensland Government commits to capital funding for the detailed design and construction of the Cairns Health and Innovation Centre as per the detailed business case findings.

Advance Cairns will submit an updated recommendation to the Queensland Government informed by the findings of this business case.

¹ The State of Queensland (Cairns and Hinterland Hospital and Health Service). *Annual Report 2022-2023*
² The State of Queensland (Cairns and Hinterland Hospital and Health Service). *Annual Report 2020-2021*

Cairns Health and Innovation Centre

Phase 1 (2022-26)		Phase 2 (2022-36+)
Capacity Expansion Program Funded	Cairns Health and Innovation Centre (CHIC) Pending funding commitment	New acute clinical services building (Transform) Pending funding commitment
<ul style="list-style-type: none"> Relocate subacute care offsite to free up capacity for acute services at Cairns Hospital (by June 2023). Develop the Cairns Surgical Centre to enable increased surgical capacity and to increase bed capacity at Cairns Hospital for additional acute care beds. 	<ul style="list-style-type: none"> Invest in construction of new Health and Innovation Centre. Deliver new, innovative care models – virtual health, ambulatory care, clinical trials (reducing bed pressures at Cairns Hospital). Facilitate the partnering of third party domestic and international investors to develop a Far North Innovation, Research and Education precinct. 	<ul style="list-style-type: none"> Invest in an expanded hospital footprint to meet projected services demand (360+ beds by 2036). New Acute Services Building to meet critical care needs – expanded emergency dept, theatres, ICU, imaging, wards and helipad. Expanded sub-acute services.







ROAD CONNECTIVITY

An integrated and efficient road transport network is critical for economic stability and growth in Far North Queensland (FNQ), a region of 380,000km² which includes some of the nation's most remote communities. The region's inland roads and Cairns' access to the northern beaches and Tablelands play a vital role in enabling the productivity of northern Australia and the contribution to the national economy through improved connectivity to southern markets.

Growth in population, employment, tourism and freight volumes coupled with the increasing importance of food security, means safety and capacity requirements on these roads will only be exacerbated. Investment in FNQ's road connectivity is crucial to avoid nationally significant productivity losses, to connect rural and remote communities and to ensure continued regional and state economic development.

Captain Cook Highway, Cairns CBD to Smithfield, upgrade (C2S)

An integrated and efficient road transport network is critical for economic stability and growth. Population growth in FNQ and the Cairns northern beaches in particular, calls for an immediate response with this corridor plagued by accidents, lengthy delays and bottlenecks.

The road network provides vital access to the region's resident population of more than 285,000¹ (with up to 50,000 tourists during peak holiday season) ensuring accessibility to health, education, community services, and trade. Due to continued population growth, FNQ's road transport system faces increasing pressure – which is particularly evident on Cairns' northern beaches. Meeting the growing demand for freight has strained existing infrastructure, impacting on transport costs and service levels across the supply chain.

The National Highway A1 was extended by the Australian Government in 2020 to the intersection of Captain Cook and Kennedy Highways and Mount Milman Drive, Smithfield, north of Cairns. In 2019, prior to this road re-classification, the Australian Government announced it would fund the road upgrades to Smithfield together with the Queensland Government on an 80:20 basis. The need to upgrade Captain Cook Highway to enhance connectivity was recognised by the Australian Government in its July 2020 release of the 2019 National Land Transport Network (NLTN) Determination Review.

In January 2023, the Department of Transport and Main Roads (DTMR) released a preliminary master plan for C2S outlining some of the proposed upgrades of stage 1 of the \$359m project and undertook public consultation. DTMR's master planning is expected to be completed by late 2023.

Although early works on the project started in 2023, DTMR has noted planning for C2S is based on a 2046 design horizon. With Cairns' population forecast to grow 43% by 2046², the geographic constraints of a linear city bound by the World Heritage-listed mountains and rainforest to the west and the Great Barrier Reef Marine Park to the east significantly constrains both population expansion and the ability to build new roads. Therefore, it is imperative for the future prosperity and liveability of Cairns that the Captain Cook Highway, Cairns CBD to Smithfield, upgrade be undertaken as a matter of urgency to meet pressing current and future needs.

Opportunity

- Enhance regional connectivity.
- Improve accessibility.
- Decrease travel time, increase road network reliability increasing productivity.
- Improve safety, reducing number and severity of crashes.
- Encourage use of active and public transport.

Project Status

Master planning, including a staged approach for the upgrades is expected to be completed in late 2023.

A detailed program of construction timeframes will be developed by DTMR once the staging options have been identified.

Recommendation

The Queensland Government ensures the master planning for the Captain Cook Highway (Cairns CBD to Smithfield upgrade) be finalised as a matter of urgency by the end of 2023.

The Queensland Government allocates \$225m towards the Captain Cook Highway (Cairns CBD to Smithfield upgrade) over three years from 2024-25 in accordance with the Queensland Transport and Roads Investment Program 2023-24 to 2026-27.

¹ Economy.id, *Economic Profile, Far North Queensland Regional Organisation of Councils*, last updated June 30, 2022, <https://economy.id.com.au/fnqroc>

² Queensland Government population projections, 2023 edition; Australian Bureau of Statistics, *Regional Population, 2021*

Image below: *Captain Cook Highway, Cairns CBD to Smithfield, Upgrade (C2S) alignment map.* Courtesy Department of Transport and Main Roads.





- Cairns Western Arterial Road, Redlynch Connector to Captain Cook Highway Duplication (CWAR)
- Captain Cook Highway, Cairns CBD to Smithfield, upgrade (C2S)
- State Arterial Road
- National Highway A1

Cairns Western Arterial Road, Redlynch Connector to Captain Cook Highway Duplication (CWAR)

The Cairns Western Arterial Road (CWAR) is central to freight, commuter and tourism traffic and supports resilience and connectivity when C2S is flooded.

The effectiveness and safety of the road transport network in and around Cairns will continue to be adversely impacted until the CWAR is fully duplicated from Redlynch to Smithfield and in line with an upgrade of major intersections. A total investment of \$300m has been made by the Australian and Queensland Governments on an 80:20 basis to duplicate from Redlynch Connector Road to Captain Cook Highway.

The CWAR is considered a priority infrastructure project as the road is heavily congested on a daily basis, with about 42,000 vehicles using the road each day¹. Further, when the Captain Cook Highway is flooded during wet season or in the event of a natural disaster, CWAR is the only flood-free access route between Cairns, the northern beaches, and the Kennedy Highway. Increasing extreme weather events make this all the more imperative.

Upgrading CWAR is essential to connecting Cairns' freight routes with the region's premier agriculture producing areas (Tablelands, Cape York Peninsula, and Mossman), while also meeting demand for daily commuter traffic. At the 2020 Queensland state election, the Queensland Government pledged \$60m to the CWAR. In the 2021-22 Federal Budget, the Australian Government committed \$240m towards the duplication of the remaining single carriageway section of the road. It is now imperative that the Queensland Government commits to the balance of funding and that planning for the duplication work is completed as soon as possible.



Opportunity

- Contributes to the growth of the regional economy.
- Decreases travel time and increases network reliability and efficiency.
- Improves safety.
- Encourages use of public and active transport.

Project Status

Detailed design is underway with construction of Lake Placid Road to Captain Cook Highway (Stage 1) expected to start in mid-2024.

In the 2023-24 Federal Budget, the Australian Government announced a strategic review of its investments across Australia through its Infrastructure Investment Program (IIP). The CWAR duplication is subject to this review.

Recommendation

The Queensland Government ensures construction of the Cairns Western Arterial Road (Redlynch Connector to Captain Cook Highway duplication) commence no later than mid-2024*.

The Queensland Government allocates \$190m towards the Cairns Western Arterial Road (Redlynch Connector to Captain Cook Highway duplication) over three years from 2024-25 in accordance with the *Queensland Transport and Roads Investment Program 2023-24 to 2026-27**.

Advance Cairns urges the Queensland Government to make appropriate representations to the Australian Government, ensuring the CWAR duplication remains in the pipeline post the IIP review.

** This is subject to the Australian Government's Infrastructure Investment Program Strategic Review.*

¹ Infrastructure Australia, Cairns Western Arterial Road capacity, last updated April 4, 2023, <https://www.infrastructureaustralia.gov.au/map/cairns-western-arterial-road-capacity>

Image left: Cairns Western Arterial Road, Redlynch Connector to Captain Cook Highway concept layout map. Courtesy Department of Transport and Main Roads.

Kuranda Range Road

The Kuranda Range Road (Kennedy Highway, Cairns-Mareeba section) links Smithfield with Kuranda and is the main coastal gateway to the Tablelands, Cape York Peninsula, and the Gulf Savannah. It is a critical link for commuter, commercial, and visitor traffic in FNQ and a vital strategic corridor linking the Atherton Tablelands, North Tropical Coast, and Cape York to the Cairns Airport and seaports. The Kuranda Range Road underpins the commercial viability of primary industry producers and exporters in the region in providing access to markets through the Cairns air and seaports, and road links to southern markets¹. In recent years, there has been a rapid increase in traffic demand due to growth in tourism, freight movement, and residential development on the Tablelands, particularly following the recent opening of Cairns' Regional Trade Distribution Centre (RTDC) at the Cairns Airport. A solution to the Kuranda Range Road would not only address FNQROC's reports that the road is operating beyond capacity with safety and traffic efficiency now at critical levels but would ensure the region capitalises on the full economic potential of the RTDC.

There are other impediments to a safe and efficient transport corridor from Cairns to the Tablelands. The Barron River Bridge on the Kennedy Highway at Kuranda was reduced to one lane and load limited to 50.5 tonnes for one year due to concerns over the safety and stability of the bridge. The bridge remains limited to 50.5 tonne with the Queensland Government currently investigating either rehabilitating or replacing the bridge².

In 2020, the NLTN Determination confirmed the National Highway A1 would be extended from Cairns to Smithfield. The objectives of an integrated land transport network include improving national and regional connectivity for communities and industry; improving national, regional, and international logistics; and trade and consistency with viable, long-term economic and social outcomes³.

Continuing the NLTN from Smithfield to Mareeba, and ultimately to Weipa, would meet these objectives and ensure the continued economic and social development of the Atherton Tablelands region and beyond. It would be the next logical step in the network, with Mareeba being the gateway to the region's agriculture production areas of Atherton Tablelands, Cape York Peninsula, and the Gulf of Carpentaria.

In the meantime, the Australian Government has committed \$210m towards safety and capacity upgrades on the Kuranda Range Road. However, the Queensland Government is urged to work with the Australian Government to ensure that \$20m of this \$210m is used to conduct a preliminary evaluation and detailed business case into preferred alternative routes to the Kuranda Range Road.

There have been 21 years of studies on the Kuranda Range Road with most recommendations not implemented. As a result, safety, capacity, and efficiency issues are now at a

critical point. Failure to address this issue has also resulted in constraints on economic development in the region, as evidenced by the abandoned \$600m KUR-World tourism development project. Continued growth in tourism, agriculture, mining, and population on the Tablelands and beyond mean it is imperative that a solution is developed for access from Cairns to the Tablelands prior to a major crisis.

Opportunity

- Increased economic and social outcomes, opening up potential new dormitory suburbs for a growing and linear city
- Unlock critical supply chains, improving the region's freight network
- Improve safety and security
- Improve national and regional connectivity

Project Status

Installation of Intelligent Transport Systems stations are now underway with construction expected to be completed by early 2024, weather permitting.

Commitment sought towards a preliminary evaluation and detailed business case into preferred alternatives of the Kuranda Range Road.

The current review of the Far North Queensland Regional Plan is nearing completion and early engagement has identified population growth and the linear geographic constraints of Cairns as a major issue. The plan is due to be completed mid-2024.

Recommendation

The Queensland Government commits \$20m of the Australian Government's \$210m investment to undertake a preliminary evaluation and detailed business case for an alternative route.

The Queensland Government works with the Australian Government to amend the *National Land Transport Act 2014* to extend the national highway designation from its current terminus at the intersection of Captain Cook and Kennedy Highways to the intersection of the Kennedy Highway and the Mulligan Highway.

¹ FNQROC, *Kuranda Range Road*, August 2019, <https://www.fnqroc.qld.gov.au/files/media/original/004/98d/138/272/FNQROC-Kuranda-Range-Road-August-2019-DIGITAL.PDF>

² Department of Transport and Main Roads, *Kennedy Highway (Cairns – Mareeba), Barron River bridge upgrade, planning*, last updated October 30, 2023, <https://www.tmr.qld.gov.au/projects/kennedy-highway-cairns-mareeba-barron-river-bridge-upgrade-planning>

³ *National Land Transport Act 2014* (Cth)

Savannah Way (Gulf Section)

The Savannah Way traverses northern Australia, linking Cairns in FNQ to Broome in Western Australia's Kimberley. The route is about 3700km long, crossing 15 national parks and five World Heritage areas as it traverses the Top End.

Considered to be in the top 10 road trips of Australia, the self-drive tourism market delivers \$69.8m annually into the Gulf region¹, with 38% of visitors starting the journey in Cairns.

The Gulf section of the Savannah Way takes in 888km from Forty Mile Scrub west of Mt Garnet to the Northern Territory border, with significant sections of the road already sealed. However, there are many substantial sections that require pavement upgrades, bitumen seal, minor realignment of substandard curves, concrete causeways, and four major river crossing upgrades.

Recognising the need to seal the Gulf section of the Savannah Way, in 2019 the Australian and Queensland Governments committed \$62.5m for road upgrades through the *Roads of Strategic Importance – next priorities* initiative. This will be spent across various shire councils, with a prioritised list formulated in 2021. The Garnet to Carpentaria Shire border section is 510km and requires funding to upgrade the road and floodways for reliability and to meet current construction and safety standards for heavy vehicles, tourists and commuters. Burke Shire to the Northern Territory border is about 300km long with less than 50% of the road sealed.

Upgrading the remaining sections is estimated to require at least \$39.8m annually over 10 years (including the \$62.5m already committed). Completing the project over 10 years with annual investments to local councils will allow for incremental improvements on this road and ensure the retention of a local roads workforce.

The project will extend across north-west Queensland, travelling along the Gulf of Carpentaria from Forty Mile Scrub to the Northern Territory border, passing through remote towns including Croydon, Burketown, and Doomadgee in Queensland and connecting to Wollongorang in the Northern Territory.

Opportunity

- Increased economic and social outcomes
- Improved safety and resilience
- Improved regional connectivity particularly in isolated and remote communities
- Supports local workforce development

Project Status

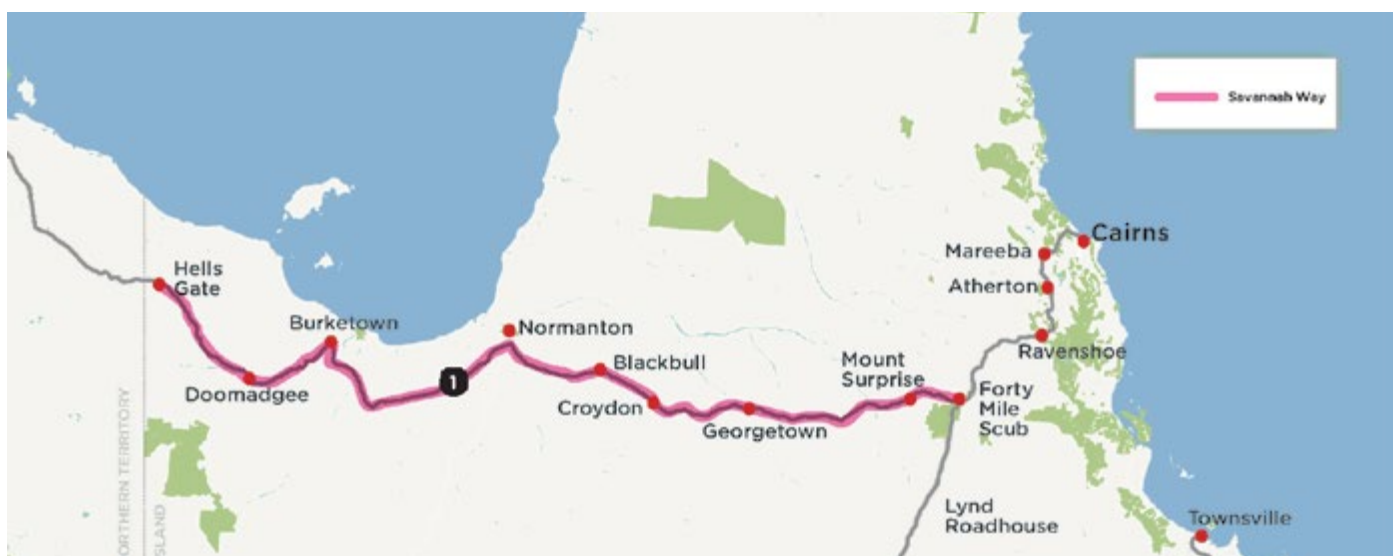
Some works underway.

Further commitment required to complete the project.

Recommendation

The Queensland Government supports the sealing and improved flood resilience of the Gulf section of the Savannah Way by providing project funding, and that allocation of funds be distributed to the controlling Local Government Authorities in equal portions over a 10-year period from 2024-25 onwards.

¹Gulf Savannah Development, *Tourism Survey Report*, March 2018, <https://www.burke.qld.gov.au/downloads/file/522/gsd-tourism-report-2018>





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