



# Great Keppel Island

REVITALISATION PLAN

# 1. INTRODUCTION





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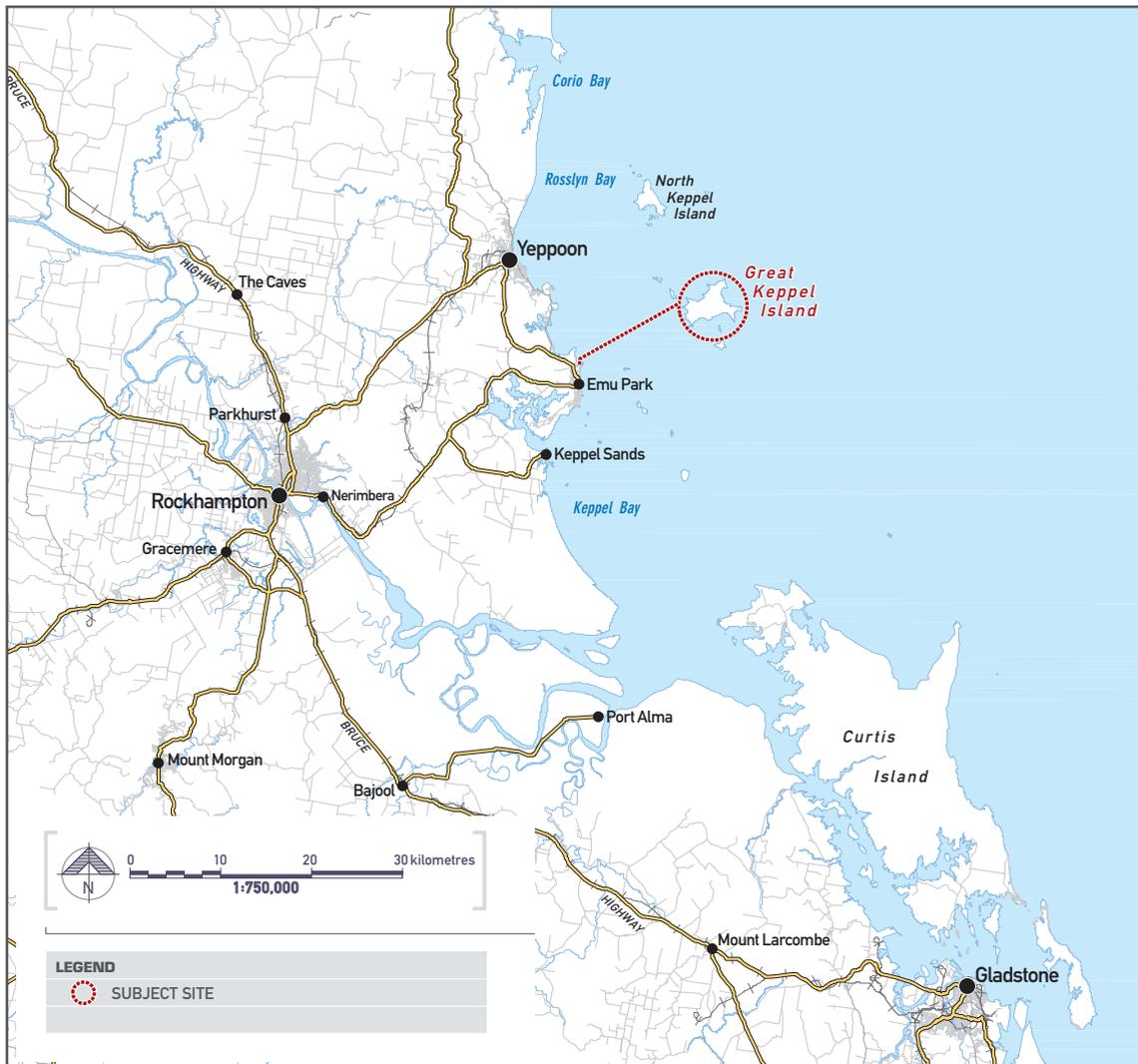
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# 1. INTRODUCTION

GKI Resort Pty Ltd (the Proponent) is proposing the revitalisation and expansion of the former Great Keppel Island Resort (hereafter “GKI Revitalisation Plan” or “Project”) located approximately 12 kilometres off the Central Queensland Coast, within the Great Barrier Reef World Heritage Area (GBRWHA) (refer **Figure 1.1**). The development includes a hotel, apartments and villas, a marina, new airstrip and a golf course.

**Figure 1.1 LOCATION MAP**





The Proponent engaged a number of national and international specialists managed by local environmental consultancy firm CQG Consulting to identify the existing environmental, social and cultural heritage values on the Island and to assist with the design of the 'reduced scale proposal' to ensure minimal impacts.

**Table 1.1** lists the various organisations involved in the EIS and their respective roles.

**TABLE 1.1 EIS PROJECT TEAM AND PROJECT SPECIALISATION**

| Company  | PROJECT SPECIALISATION   |
|--|--|
| CQG Consulting                                     | Project Management / EIS Writing / Environmental Management Plan / Community Consultation / Land Contamination / Government Liaison / Aerial Photography / Land Management |
| Cardno HRP   | Legislative Approvals and Permits / Town Planning / EIS Compilation / Master Plan / Tenure Advice  |
| WATG   | Design / Architecture  |
| OPUS International Consultants (Australia) Pty Ltd | Wastewater / Traffic / Infrastructure / Construction / Climate Change / Utilities / Waste  |
| Cardno Chenoweth                                   | Terrestrial Ecology / Visual Analysis / World Heritage   |
| frc environmental                                  | Marine Ecology / Aquatic Ecology / MNES  |
| Ec3 Global   | Sustainable Development  |
| ARUP   | Carbon Footprint   |
| Water Technology                                   | Marine Hydrodynamics / Coastal Engineering   |
| AECOM  | Energy / Power   |
| Douglas Partners                                   | Geology / Groundwater / Spills / Wastewater Modelling  |
| ASK Consulting Engineers                           | Acoustic Analysis / Air Quality Analysis / Greenhouse  |
| RANDL PTY Limited                                  | Aviation / Airport Design  |
| International Marina Consultants                   | Marina / Waterfront Facilities   |
| Converge Heritage + Architecture                   | Indigenous / Non-Indigenous Cultural Heritage  |
| Foresight Partners Pty Ltd                         | Economic Impact Assessment   |
| IMPAXSIA   | Social / Community Impact Assessment   |
| Schlencker Surveying Pty Ltd                       | Land Tenure Analysis / Survey  |
| Generate Public Relations                          | Public Relations and Graphic Design  |
| SMR Advertising                                    | Public Relations   |
| UNIDEL   | Vegetation Offset Strategy   |
| Dr Richard Kenchington                             | World Heritage Adviser   |
| Marine and Earth Sciences Pty Ltd                  | Submarine Cable Ecology Studies  |
| Bennet and Bennet                                  | Bathymetry   |

This team worked closely with the Proponent to identify the “no go” areas on the Island through a ‘constraints mapping exercise’ that resulted in significant changes to the original plans proposed for the Project. These modifications included a significant reduction in the Project’s footprint, a modified marina design, shortened entrance channel, wastewater reuse on the golf course, relocation of the airstrip and avoidance of Woppaburra Land Trust land. The EIS presents the findings of environmental, social, cultural and economic assessments undertaken to determine the potential impacts (negative and positive impacts) of the GKI Revitalisation Plan. It recommends mitigation measures to avoid or minimise impacts and lists management commitments made by the Proponent for the construction, operation and decommissioning phases of the Project. The EIS is the primary source of information on the GKI Revitalisation Plan for the public and on which the Australian and Queensland State Governments will base their respective decisions as to whether the Project is acceptable and can proceed and if so under what approval conditions.

**Chapter 1** provides:

- an introduction to the Project Proponent, GKI Resort Pty Ltd;
- an overview of the GKI Revitalisation Plan, including the Project objectives, relationships to other projects and alternatives to the Project;
- an outline of the parallel EIS process under the Australian Government’s *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act) and Queensland Government *State Development and Public Works Organisation Act 1971* (SDPWO Act); and
- a program of stakeholder consultation and community engagement.

The EIS addresses the requirements of the Queensland State Government EIS Terms of Reference (TOR) (June 2011) (refer **Appendix A**) and the Australian Government EIS Guidelines (February 2011) (refer **Appendix B**).

Cross-reference tables detailing how the State Government TOR and Australian Government Guidelines have been addressed in the EIS are provided in **Appendix C** and **Appendix D** respectively.

## 1.1 Project Proponent

The Proponent of the GKI Revitalisation Plan is GKI Resort Pty Ltd which is wholly owned by Mr Terrence Agnew whose principal trading company is Tower Holdings.

Tower Holdings is a 100 percent privately Australian owned property investment and development company which has been operating for over 30 years in New South Wales, Queensland and Victoria. Tower Holdings has a proven track record in commercial, residential, hotel and accommodation property development and investment. **Table 1.2** identifies core assets of the Proponent’s property portfolio (excluding GKI Resort).

**TABLE 1.2 TOWER HOLDINGS PROPERTY PORTFOLIO**

| PROPERTY                     | LOCATION   | DEVELOPMENT                               |   | Value (\$mil) |
|------------------------------|--|---|---|---------------|
|                              |  | TYPE                                      | DESCRIPTION   |               |
| Apartments                   | 185 Macquarie Street, Sydney, New South Wales    | Residential                               | Tower Holdings successfully completed this residential project in 2006 which comprises 42 luxury apartments.  | 100           |
| Republic Serviced Apartments | 375 Turbot Street, Spring Hill, Queensland       | Short-term Accommodation                  | Tower Holdings successfully completed the development of the Republic Serviced Apartments in 2002. The building contains 89 fully furnished hotel-type apartments above the Spring Hill Shopping Centre in the Brisbane CBD.  | 25            |
| Tribeca Serviced Apartments  | 292 Boundary Street, Spring Hill, Queensland     | Short-term Accommodation                  | Tower Holdings successfully completed the development of the Tribeca Serviced Apartment building in 2003. With Brisbane CBD views, Tribeca Apartments Brisbane provides short term accommodation for the corporate business guest or leisure traveller.                           | 20            |
| Northpoint                   | 100 Miller Street, North Sydney, New South Wales | Office (A-grade) / Retail Shopping Centre | Tower Holdings purchased the Northpoint office building in 2008. Northpoint is the tallest building in the North Sydney CBD and comprises approximately 36,000m <sup>2</sup> of floor area over 42 levels comprising A-grade commercial office space, and retail shopping centre. | 300           |

The Proponent is seeking government approval for the GKI Revitalisation Plan as detailed in **Section 1.2**.

### 1.1.1 GKI Resort Pty Ltd Policy

The Proponent has developed an environmental policy (refer **Appendix I**) with the clear intent to protect and enhance the natural environmental and cultural heritage values of this unique island within the GBRWHA.

The environmental policy will be reviewed prior to the commencement of construction activities with input from the local conservation groups, the Island residents and environmental and cultural heritage specialists and annually thereafter.

### 1.1.2 Environmental Record

Section 88R(j) of the GBRMP Act requires applicants proposing works within the GBRMP to supply details of their current environmental record.

Tower Holdings Pty Ltd nor GKI Resort Pty Ltd have any current or former proceedings under a law of the Commonwealth or a State for the protection of the environment or the conservation and sustainable use of natural resources.

Tower Holdings was awarded a Federal Government sustainable building grant in 2010 for undertaking significant and innovative environmental upgrades to its Northpoint office building in Sydney.

Tower Holdings is currently in the design stages of developing a solar panel façade concept to re-clad its 42 level North Sydney commercial office building. Once completed, this will represent the first high rise office building in Australia to be clad with solar panels resulting in a significant decline in the building's power consumption and carbon emissions.

GKI Resort Pty Ltd currently hold three GBRMPA permits including (G08/25817.1), (G07/22093.2) and (G07/21853.1).

The executive officers of the GKI Resort Pty Ltd have a satisfactory history in relation to environmental matters. GKI Resort Pty Ltd is part of the Tower Holdings Group whose executive officers have a satisfactory history in relation to environmental matters.

There are no overdue or late payments outstanding with GBRMPA. There are no unpaid fines for GBRMPA.



## 1.2 Project Description

The GKI Revitalisation Plan is a proposed low rise, eco-tourism resort located predominantly on the site of the former GKI Resort (hereafter “former resort”) and on land previously disturbed by historic grazing activities.

The Proponent recognises the importance of protecting the OUV of the GBRWHA and Great Barrier Reef Marine Park (GBRMP) (refer **Appendix F**) and the need to ensure impacts associated with the GKI Revitalisation Plan are minimised in this sensitive area.

The Proponent has been working with its architects, town planners, world heritage specialists, engineers and environmental scientists for a number of years on various design options for the GKI Revitalisation Plan to develop the current resort concept that could be considered suitable on an island within the GBRWHA. Detailed environmental assessments have identified constraints and informed the Project design and EIS process to determine the potential impact of the proposed development, on the Island’s ecological processes and the surrounding marine environment. The GKI Revitalisation Plan has been significantly scaled back in comparison to prior iterations.

The GKI Revitalisation Plan seeks to ensure that the biodiversity of the GBRWHA is not adversely affected by the Project and that any identified environmental impacts are low risk and capable of being avoided, minimised, mitigated or offset.

The GKI Revitalisation Plan will meet all relevant environmentally sustainable tourism practices and aims to set a new benchmark for environmental management on island resorts in the GBRWHA.

The GKI Revitalisation Plan includes the following elements (refer to **Figure 1.2** and **1.3**):

- approximately 575 hectares of Environmental Protection Areas (approximately 65 per cent of Lot 21) to be rehabilitated and managed as part of the Resort operation;
- construction of a new hotel at Fisherman’s Beach comprising 250 suites, restaurants, reception, conference rooms, day spa and a range of resort recreation activities;
- marina at Putney Beach comprising 250 berths, emergency services facilities, ferry terminal, yacht club and dry dock storage. The marina is to be supported by an active mixed-use hub comprising resort apartments, cafes, restaurants and shops;
- dredging of approximately 300,000 cubic metres of sand for construction of the marina and renourishment of Putney Beach using dredge sand;
- golf club and 18 hole golf course designed by Greg Norman Golf Course Design, integrated with essential habitat and ecological corridors. The golf course will form a critical part of the wastewater re-use and treatment system;
- relocation of, and extension to, the existing airstrip;

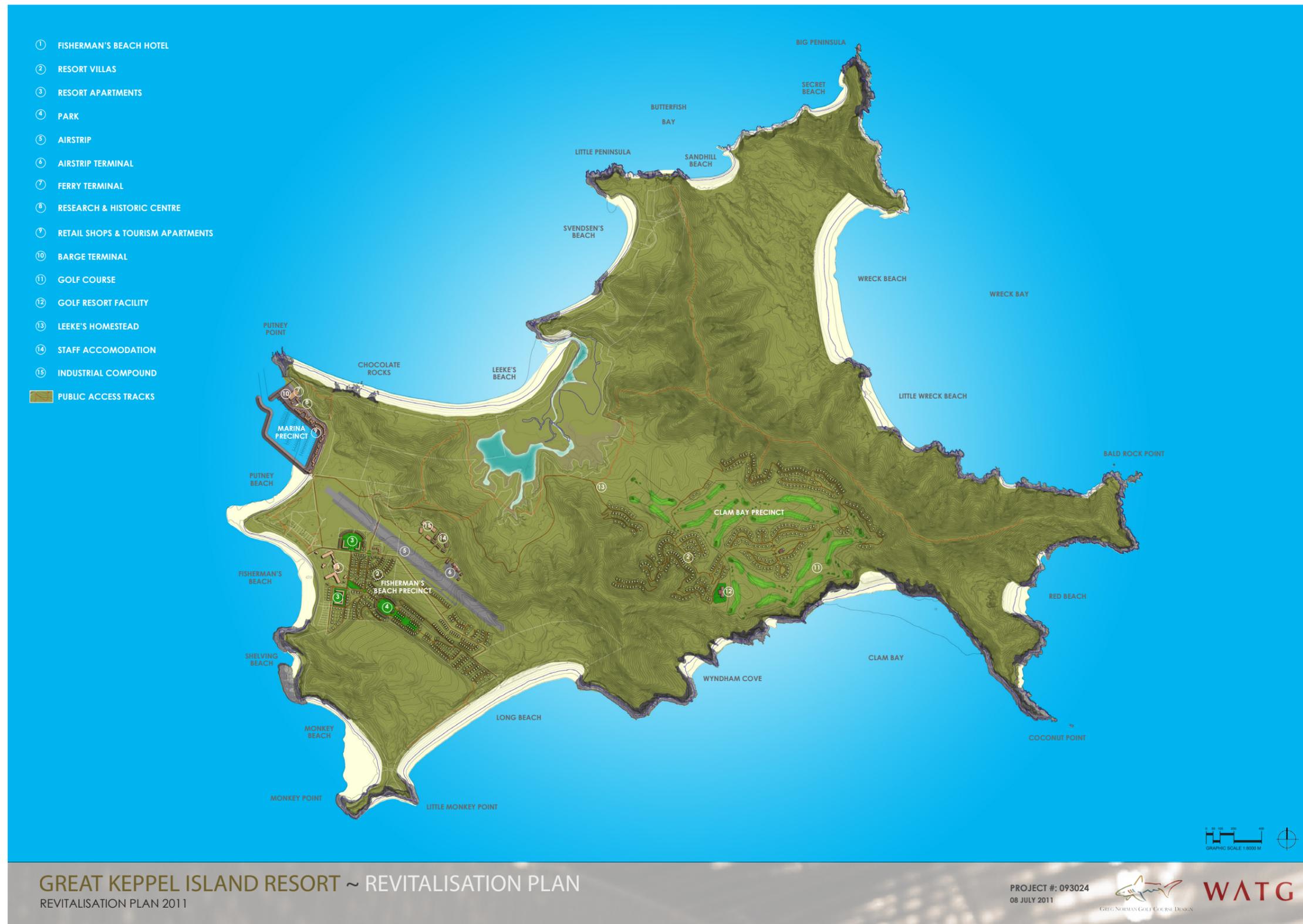




- 750 Eco Resort Villas incorporating sustainable building design, rooftop solar panels and water tanks;
- 300 Eco Resort Apartments incorporating sustainable building design, rooftop solar panels and water tanks;
- submarine connection between the Island and mainland comprising electricity, water and telecommunications infrastructure services;
- utility and services area including a waste collection facility, equipment service area, A+ Class wastewater treatment facilities, solar electricity generation and emergency backup electricity plant (and associated fuel storage);
- emergency service facilities for fire-fighting and police;
- resort worker accommodation;
- establishment of buffer zones to ensure protection of habitats;
- establishment of the GKI Research and Heritage Centre which will aim to deliver a better understanding of the surrounding marine and terrestrial environments and to actively undertake conservation works to enhance the natural environment;
- an accessible location for the proposed GKI Research and Heritage Centre in which to present the World Heritage Area values of the Keppel Island Group;
- recreation areas which can be used by resort guests and other GKI residents and visitors;
- preservation of Indigenous sites of significance (in consultation with Traditional Owners); and
- restoration of the original Leeke's Homestead.

Refer to **Chapter 2** for a full Project Description.

Figure 1.2 REVITALISATION PLAN



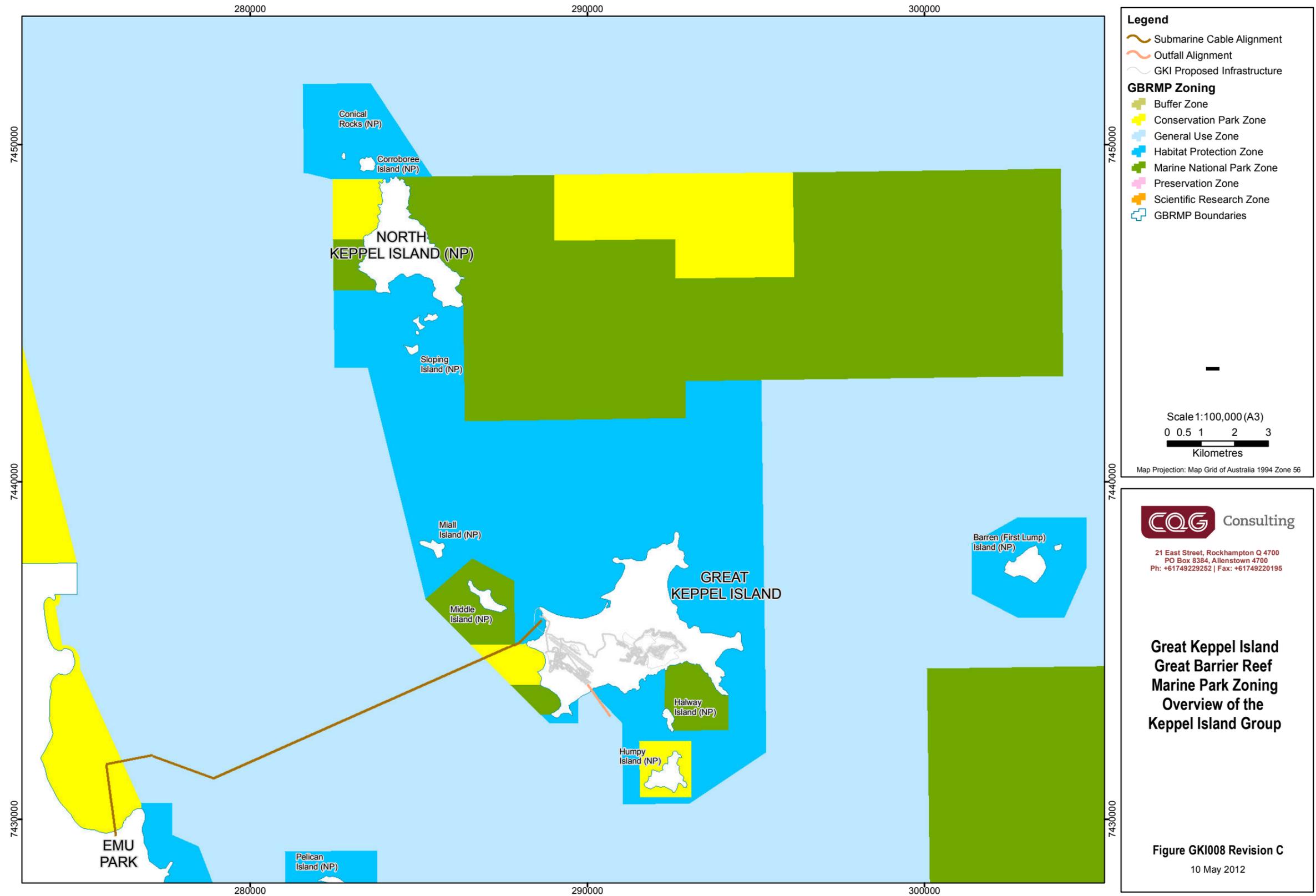
GREAT KEPPEL ISLAND RESORT ~ REVITALISATION PLAN  
REVITALISATION PLAN 2011

PROJECT #: 093024  
08 JULY 2011



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Figure 1.3 SUBMARINE CABLE



## 1.3 GKI Context

### 1.3.1 Overview of European Settlement on GKI

European settlement of GKI commenced in the 1860s with Mr Robert Ross who reportedly transported beef cattle and approximately 4,000 sheep to the Island.

Grazing and agricultural activities were carried out over the entire island involving the clearing of vegetation and construction of dams. The main area which supported the grazing activities was in the central valley of the Island between Clam Bay and Leeke's Beach.

Grazing leases over the Island were continually renewed and sold to a number of parties including Robert Lyons, James Lucas, Micahel Cyril O'Neil, Lizzie Leeke, Charles Tompson and John Nott. Grazing activities continued on the Island until 1971.

Tourism activities on the Island commenced as far back as 1935 by James Morris with the construction of four basic cabins located at Fisherman's Beach. Morris and his brothers constructed a jetty at Fisherman's Beach around 1960, which was later destroyed by a cyclone and never rebuilt. Around the same time light planes were introduced to the Island using Long Beach as a landing strip. The early resort suffered from a lack of water supply and poor accessibility to and from the mainland. Consequently, Morris was forced to sell the Resort to Tom Green in 1966. Green expanded the Resort to 21 units and negotiated with Trans Australian Airlines (TAA) to construct the airstrip which was completed in 1967 and is still in place today. At this time, the Resort was closed to day visitors and as a result Livingstone Shire Council set aside a recreation reserve on the Island for the public.

In 1971, the Resort was sold to a consortium of John van der Borgh, John Moore and John Nathan who increased the Resort's capacity to 60 guests and 30 staff. They also bought the grazing lease enabling the Resort to have access to the entire island.

Between 1973 and 1975, TAA acquired the Resort and specifically targeted the youth market with an extremely successful advertising campaign, "Get Wrecked on Great Keppel Island". The Resort was upgraded to accommodate 250 guests. Day visitation to the Island also increased significantly during this period and by mid 1975, the Island was attracting up to 1,000 day visitors per day during peak periods.

In 1982, a change in marketing strategy sought to broaden the target market to include families and the Resort capacity was upgraded to accommodate 360 guests.

Qantas acquired TAA and the GKI Resort in 1992. Around the year 2000, the Resort was sold to two private investors, Ron Hancock and Bevan Whitaker and was managed by Accor Asia Pacific under the Mercure resort brand. The Resort was later acquired by Conitiki which once again focussed on the youth market and discouraged local day visitors. At this point, the direct involvement with an airline operator into the Resort ceased and combined with the lack of new infrastructure investment the Resort's viability began to decline.

The increasing infrastructure costs and declining occupancy rates lead to a continuation of the decline in the Resort's viability.

In 2007, the Resort was sold to GKI Resort Pty Ltd (the Proponent) who continues to own the Resort and lease the majority of land on the Island from the State Government. At this point in time, the Resort relied on diesel generators, desalinated water treatment and an ageing wastewater treatment plant. Access to the Island was by way of beach landings for the ferries and light aircraft utilising the existing airstrip. Millions of dollars in capital expenditure and marketing was spent by the Proponent on upgrading the Resort within the first six months of ownership to improve its performance. This included a full renovation to the staff accommodation, installation of new IT equipment throughout the Resort, opening of a sales and marketing office in Brisbane, acquisition of a barge and barge site at Rosslyn Bay and general upgrades throughout the Resort. However, as a result of the very poor standard of accommodation throughout the Resort and the difficult access to the Island, the occupancy rate remained low and unviable. In addition, the infrastructure costs of operating existing infrastructure in addition to the high costs of operating the desalination plant resulted in significant financial losses being incurred by the Resort. As a result the Resort was closed in February 2008.

A detailed historical overview of the European settlement on GKI is contained in **Appendix AF**.

### 1.3.2 Current State of GKI

The former resort, located at Fisherman’s Beach comprised 190 guest rooms, 200 staff accommodation units, swimming pools, bars and golf course (refer **Photograph 1.1 – 1.4**). The former resort facilities are in a state of disrepair and are currently security fenced to prohibit public access.

**Photograph 1.1 OLD RESORT VILLAS - WHITE ROOFED IN FOREGROUND**



**Photograph 1.2 FORMER RESORT GOLF COURSE (IN ITS OPERATIONAL STATE)**



**Photograph 1.3 AERIAL VIEW OF FORMER RESORT (HOTEL)**



**Photograph 1.4 AERIAL VIEW OF FORMER RESORT FACILITIES (STAFF ACCOMMODATION)**



There are currently two budget-tourist accommodation facilities (owned and operated by others) adjacent to Fisherman’s Beach that continue to operate on the Island. These facilities along with the following developments are located outside of the Project area:

- nine premises located on the northern part of Fisherman’s Beach which are privately owned freehold title properties. These premises include a mix of residential, and commercial/retail operations and holiday accommodation facilities;
- approximately 10 premises located on the southern part of Fisherman’s Beach which are also privately owned freehold title properties. These properties include a mix of residential housing and holiday accommodation facilities. All of these properties rely on diesel and solar generated electricity and bore water and rainwater for potable water supply;
- a private residence and accommodation facility located on Svendsen’s Beach; and
- approximately 190 hectares of land on the Island that was transferred by the State Government to the Woppaburra Land Trust in 2007.

Access to and from the Island is currently available by ferry from Rosslyn Bay Harbour. There is currently no jetty facility on the Island, requiring all water transport to land on the beach for passenger and vehicle boarding and disembarkment and goods transfer (refer **Photographs 1.5 to 1.6**).

**Photograph 1.5 FERRY LANDING (FISHERMAN’S BEACH)**



**Photograph 1.6 BARGE LANDING (FISHERMAN'S BEACH)**



There is also an existing airstrip on the Island which can accommodate small light aircraft (refer **Photograph 1.7**).

**Photograph 1.7 EXISTING AIRSTRIP (BETWEEN FISHERMAN'S BEACH AND LEEKE'S BEACH)**



Roads on the Island consists of a series of tracks and trails linking the key facilities in proximity of Fisherman's Beach. There is limited vehicle access across the Island, being accessible only by four wheel drive vehicle or by bushwalking (refer **Photograph 1.8**).

**Photograph 1.8 GKI TRACK**



The central part of the Island is occupied by the State Heritage listed Leeke's Homestead, which is set at the fringe of an expansive cleared area subject to historical agricultural operations (refer **Photograph 1.9 to 1.10**).

**Photograph 1.9 CLEARED CENTRAL PART OF ISLAND**



**Photograph 1.10 CLEARED CENTRAL PART OF ISLAND**



A full description of the existing environmental condition of the Island and surrounding marine waters is contained in **Chapter 3**.

## 1.4 Project Rationale

*“Tourism is the lifeblood of many regional areas, it creates jobs where people live. Tourism is a source of employment for many people including hospitality professionals, uni students, travellers, Indigenous workers and older Australia’s looking for part-time employment.”* Minister for Tourism, Martin Ferguson

Tourism is one of Australia’s most important industries. In 2010, tourism contributed \$33 billion (2.6 percent) to Australia’s Gross Domestic Product (GDP) and directly employed in excess of half a million people or 4.5 percent of the total labour force. Tourism is also Australia’s largest services export industry, generating around \$23 billion in exports each year. In Queensland alone, the tourism industry employs some 118,000 people directly and a further 120,000 people indirectly, which accounts for almost 10 percent of the entire State’s labour force.

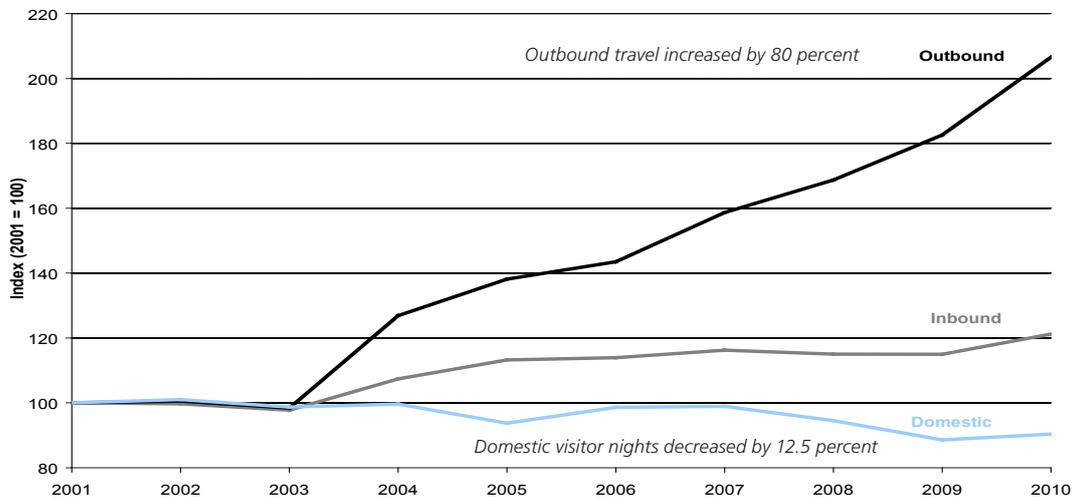
Queensland experienced a significant tourism boom throughout the 1970s and 1980s. It was throughout this time that many of the currently operating tourism resorts in tropical North Queensland, the Whitsundays and South-East Queensland were built. However, over the previous decade Queensland has seen a steady decline in its tourism sector.

Furthermore, according to the data released by Tourism Research Australia in 2010, tourism is diminishing in importance in the overall Australian economy and Australia is losing its share in the global tourism market. Australia’s share of global tourism is in decline, with a 14 percent reduction in global share between 1995 and 2008. From 1997/98 to 2008/09, its share of national GDP has fallen from 3.1 percent to 2.6 percent, tourism’s share of total employment has fallen from 4.9 percent to 4.5 percent and share of total exports has fallen from 11.6 percent to 9.0 percent.

The most concerning issue facing Australia’s tourism industry is the fact that the domestic tourism sector has performed very poorly over the past decade. **In the period between 2001 and 2010, the number of total domestic visitor nights fell by 12.5 percent while over the same period, Australian outbound travel grew by a significant 80 percent.** The reason for this is that Australians are choosing to holiday abroad rather than within Australia at an increasing pace.

The widening disparity between domestic tourism and outbound tourism from 2001 to 2010 is presented in **Figure 1.4**.

**Figure 1.4 INBOUND, OUTBOUND AND DOMESTIC OVERNIGHT TOURISM, 2001 TO 2010**



Source: Australian Bureau of Statistics, Overseas Arrivals and Departures (cat. no. 3401.0); Tourism Research Australia, Travel by Australians.

The Federal Government commissioned the Jackson Report in 2009 which clearly acknowledged this disparity between falling domestic tourism and rapidly increasing outbound tourism. The report concluded that: *“Australia cannot afford to let this tourism decline drift along unchallenged. To do nothing would pose serious risks to national growth, jobs, economic resilience and balance of payments.”* (p.14).

A key reason for the downturn in Queensland’s tourism industry, and the continuing downward trend, is the lack of new investment in Queensland’s tourism infrastructure which has failed to keep pace with the increased competition from South-East Asia. The high dollar, recent floods and Global Financial Crisis have all compounded the problem, however the fundamental issue has been the lack of new tourism investment.

The Jackson Report further acknowledges that: *“to compete in a competitive and rapidly changing environment, Australian tourism must focus on its supply-side and develop destinations that are attractive, intelligently priced, welcoming, easily accessible and well supported by surrounding infrastructure. This will only be achieved through product development”* (p.22).

The Great Barrier Reef (GBR) is undoubtedly Queensland’s premier tourist attraction. Highlighting the fundamental issue of the lack of new investment in Queensland tourism is the fact that there has not been a major new tourism resort project built within or adjacent to the GBR since Hamilton Island and the Sheraton Mirage at Port Douglas. These were both constructed over 25 years ago.

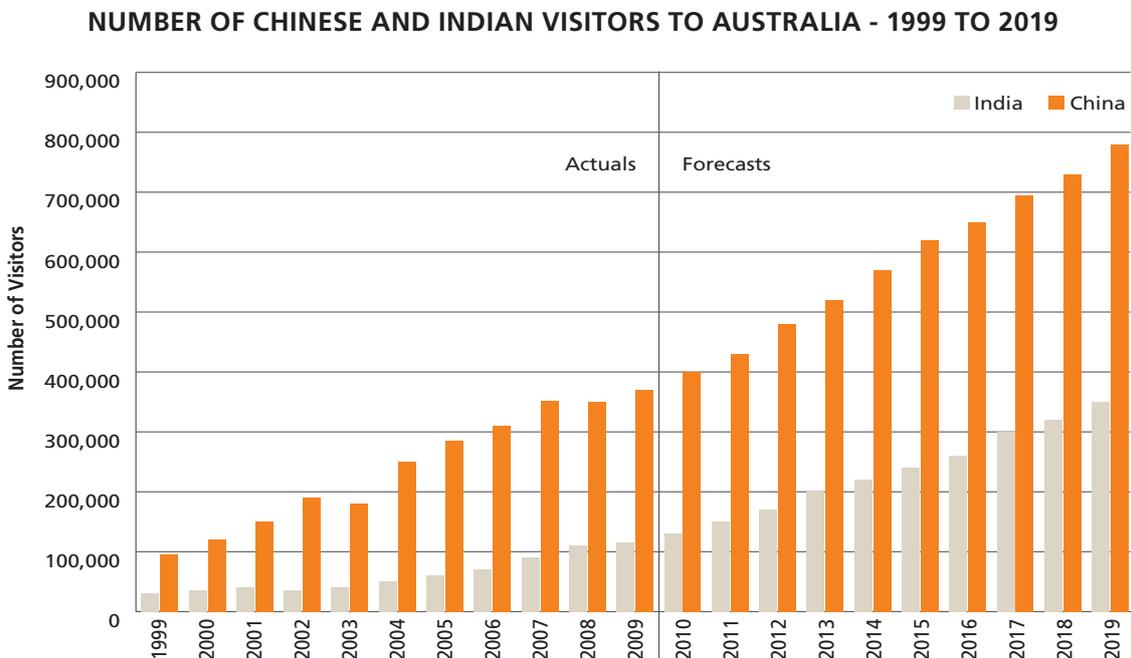
Protection of Australia’s natural assets and in particular the GBR and the GBRWHA has necessitated the requirement for all tourism development projects adjacent to the GBR to undergo a comprehensive environmental impact assessment and approval process. The need for

significant up-front investment by developers and the uncertainty of approval timelines is likely to be a significant contributing factor to the decline in the domestic and foreign investment into Queensland tourism developments.

A positive aspect to the current tourism data is the fact that Australians are continuing to take holidays, however, the problem is that they are increasingly preferring to travel overseas rather than domestically in Australia. In order to reverse this trend and improve the tourism sector, new tourism investment is required in Australia to compete with the international markets and make the case more compelling for Australians to holiday domestically rather than internationally. By improving the available choice and standard of the domestic tourism product, more Australians will choose to holiday in Australia.

Improving the domestic tourism product will not only improve Australia’s domestic tourism but also improve its international tourism arrivals into Australia. In particular, Tourism Australia forecasts that the number of Chinese and Indian visitors to Australia are expected to double over the next decade as shown in **Figure 1.5**. These visitors will possibly compare the available tourism product in Australia with that of nearby South-East Asian tourism destinations which have experienced significant amounts of new tourism product investment over the past decade. Therefore, in order for Australia to compete with these other destinations, the product must be competitive.

**Figure 1.5 NUMBER OF CHINESE AND INDIAN VISITORS TO AUSTRALIA – 1999 TO 2019**



Source: Tourism Australia 2010.



In summary, there is significant pent-up demand for the domestic tourism market looking for new resort product within the GBR. In addition, there is potentially a significant increase in the level of international arrivals looking for a new resort product in Australia.

The proposed GKI Revitalisation Plan will constitute the most significant new tourism investment in Queensland for over 20 years and will provide Australian tourists with a genuine alternative to travelling overseas. The Project will have the potential to re-invigorate the struggling Queensland tourism industry and will create enormous positive benefits to the tourism industry in Central Queensland.

The proposed GKI Revitalisation Plan will add significantly to the variety of Queensland's GBR and coastal island attractions, improving the economic diversity and social opportunities of the region.

The GKI Revitalisation Plan is also forecast to provide the following substantial economic effects to the local Region:

- a direct capital injection in the order of \$592.5 million;
- forecast annual expenditure of \$83 million per annum on the Island by its visitors and employees;
- a substantial increase in total visitor days in the Region;
- provision of a significant number of local business opportunities in the Region;
- diversification of the Capricorn Regional economy through promotion of the regional tourism industry, making the Region less reliant on the commodity price-driven mining and agricultural industries;
- privately-funded infrastructure development provided at no direct cost to Government;
- significant increases in Local and State Government revenue through rates, headworks charges, property transaction duties, land tax and payroll tax; and
- forecast economic impact on the Gross Regional Product (GRP) of the Fitzroy Region of \$458 million from construction, and around \$75 million per year when fully operational.

The GKI Revitalisation Plan is also predicted to provide substantial employment opportunities. It is expected to create approximately 1,055 operational jobs per annum and 427 construction jobs on average over a 12 year construction period, making it one of the largest employment generators in the whole Capricorn Region.

The breakdown of the expected employment creation is as follows:

- average of 263 construction–related jobs each year during the 12 year construction period, with total full-time equivalent jobs generated representing 3,160 person years of employment (refer to **Appendix AC**);
- through flow–on or multiplier effects, the creation of around 164 additional full–time equivalent construction jobs on the mainland, predominantly at Rockhampton and Yeppoon;
- once fully operational, an estimated base of 685 persons employed on the Island in full-time, part-time and casual jobs, equivalent to 485 full-time employees. There will be an additional workforce in periods of high demand; and
- through flow-on and multiplier effects, around 1,055 full-time, part-time and casual jobs generated in the Capricorn Region once the Project is fully operational.

These benefits would be delivered at a time when the number of unemployed persons in this Region is higher than the State average.