



**Canberra  
Business  
Chamber**

# ACT Budget 2018-19

Submission to the ACT Government

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## FORWARD

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The Canberra Business Chamber thanks the ACT Government for this opportunity to contribute to the 2018–19 budget priorities.

Critically, the 2018–19 budget must prioritise and resource the foundational elements of our economy which have been established under previous budgets and maintain the Region’s commitment to driving towards the priorities outlined in *Destination 2030: A Vision for Canberra*. These foundational elements include the City Renewal Authority, Light Rail, the West Basin initiative and the Major Events fund.

In 2016, the ACT Government went to an election with a plan for renewal across the city and its suburbs. The ACT Government was successful in its re-elected on a platform of city renewal and light rail. The 2017–18 budget began to deliver on the Government’s election platform by putting important foundational elements in place. Now that these elements have been established, the 2018–19 budget is one for action and delivery.

A proactive budget is critical to the ACT economy which continues to show signs of both optimism and caution. Whilst tourism to the Capital continues to rise, and the expansion of the renewable energy sector is positive for the community and business alike, we are still vulnerable to the funding swings and roundabouts of Government spending as well as broader economic conditions as evidenced by the Belconnen MYER closure.

This economic vulnerability is most evident in the Federal Government’s decentralisation agenda which seeks to tear a significant component of the economy out of the Region. Decentralisation is the most serious risk to the ACT economy and the Canberra Business Chamber calls on the ACT Government to act to protect the economy from this potential outcome.

To this end, economic diversity, as a key pillar of the Chamber’s *Destination 2030 Vision*, remains critical to insulating the ACT economy from Federal Government spending fluctuations. Additional capital investment is required and structural issues impacting investment such as the Government’s ability to respond to unsolicited proposals need to be addressed.

The Canberra Business Chamber positions that the priorities and recommendations made in this 2018–19 budget submission are critical to the ongoing economic development of the Canberra Region. The Canberra Business Chamber calls on all parties to support the ACT economy and urges the ACT Government to take a leadership role by promoting the following priorities and recommendations through its 2018–19 budget.

## PRIORITIES

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Signalling the ongoing commitment to *Destination 2030*, the Canberra Business Chamber has identified five key priorities which need to be addressed through the 2018–19 budget. The Canberra Business Chamber acknowledges that not all priorities can be addressed through a single budget. To help anchor priorities and achievable outcomes, specific recommendations for this budget period have been made against each of the priorities identified below.

### *City Centre Renewal*

Rejuvenation of the Canberra City Centre remains the highest priority for the ACT. A vibrant City Centre supports tourism, community engagement, business activity, and is reflective of Canberra's status as the Nation's capital. The current state of the City Centre is not fit for purpose and could only be described as haphazard at best with pockets of dilapidated and unused infrastructure. A working City Centre attracts investment, creates jobs and effectively diversifies the economy whilst simultaneously representing Canberra's brand to visitors and the local community.

### *Transport Infrastructure*

Notwithstanding the impact on local businesses during construction, stage 1 of the Light Rail project appears to be progressing well. However, the Chamber recognises that a single tram line does not make a city's transportation network. Acknowledging the Government's commitment to Light Rail stage 2, the ACT transportation network needs to address all areas of Canberra, not simply the Northbourne Avenue and extended Woden corridors. Additionally, consideration needs to be given to all components of Canberra's transportation mix and a clear integration strategy (which includes the local transport network as well as the air services, Bus and Rail transportation) is required so that Canberra's arteries support effective connectivity to its economic and business centres as well as with its regional partners.

### *Non-transport Infrastructure*

Intrinsically linked to the priorities of renewing the City Centre, non-transportation infrastructure needs greater consideration in the 2018–19 budget. The Canberra Business Chamber has long lobbied for significant investment in a new Convention Centre for the ACT and has on a number of occasions identified the positive economic impacts that such an investment would have on the Canberra Region.

The 2018–19 budget needs to promote non-transportation infrastructure through the prioritised investment into 1) A new Convention Centre, 2) Canberra Theatre Expansion and 3) A new sporting stadium. Each of these priorities delivers positive economic dividends to the local community and the visitor economy.

### *Economic Diversity*

Economic diversity remains a key priority to ensure external threats to the ACT economy are minimised. An opportunity to drive economic diversity exists by more aggressively pursuing the Government's well supported policies of zero net new emissions by 2050 which build on the good progress made towards 100 per cent renewable energy by 2020. The 2018–19 Budget can work to diversify the ACT economy by continuing to incentivise the renewable energy sector supply chain and expand this to industries working on reduced emission technology more broadly.

Additionally, the 2018–19 budget should offer similar operating incentives to cyber security, space and ICT organisations which leverage the ACT’s proximity to Government and Defence markets by establish operations in Canberra.

As the ACT economy diversifies we will have increased demand for appropriately skilled professionals across existing and emerging markets. Under a collaborative model between Government, education providers and business, the ACT needs to work harder to educate, attract and retain appropriate skills/expertise in the Canberra market. The ACT and Region needs to be overt about the opportunities available and demystify Canberra as a place to work by clearly highlighting careers paths and opportunities.

Building on the above, Canberra based Universities continue to attract International students which provide an additional diversification to the Canberra economy. Out of the success associated with this investment, an opportunity exists to better leverage the intersection between education and employment for the betterment of the ACT economy. Similarly, additional funding should also be targeted towards the Canberra Institute of Technology and the Vocational, Education and Training (VET) sector more broadly to encourage an injection of job ready VET graduates entering the Canberra job market.

### *Tourism*

Driven by tactical promotional and marketing efforts in Singapore and New Zealand, the rise in international visitors to Canberra is evidence of the benefits associated with strategically targeting key inbound tourism markets. Direct flights have exposed Canberra internationally and the 2018–19 Budget needs to capitalise on this exposure to realise the benefits of the visitor economy and the ongoing investment in Brand Canberra.

Notwithstanding the good work achieved by Brand Canberra and Visit Canberra, the ACT Government lacks a policy arm to develop and coordinate an overarching tourism strategy. The Canberra Business Chamber recommends the establishment or expansion of a dedicated tourism arm to develop a strategic plan for the visitor economy including product development, planning, infrastructure and visitor services investments to complement existing private industry investment and public investment through Visit Canberra. This policy arm should be supported by an increased investment in Visit Canberra to leverage opportunities associated with Qatar Airlines entering the Canberra market.

## CITY CENTRE RENEWAL – RECOMMENDATIONS

<p><b>1) Commit funds to establish shared green zones in Garema Place and City Walk</b></p>	<p>The Canberra Business Chamber has followed the ACT Government’s consultation process on micro-parks and positions that this initiative should be extended to more permanent structures within the Garema Place/City Walk precinct.</p> <p>Micro-parks represent an opportunity to encourage greater use of the City Centre’s shared spaces and act as draw cards for elevated foot traffic through the city. Green zones or micro-parks should be established within proximity to restaurant and commercial premises.</p>
<p><b>2) Explore how existing work such as the Urban Sounds and space/district activation can be tied together to promote the deliberate creation of a vibrant City Centre</b></p>	<p>Successful City Centres require flexible zoning to promote the ‘organic’ yet deliberate and curated development of commercial and public spaces. Deregulation of the Sydney CBD has worked to revitalise and stimulate the development of niche commercial and restaurant space with flow on effects positively impacting the vibrancy of the city.</p> <p>The Canberra Business Chamber recommends that funding be allocated to explore how existing work such as the Urban Sounds and space/district zoning and activation can be tied together to promote the deliberate curation of a vibrant City Centre.</p>
<p><b>3) Fully fund a project to enliven and renew the City Bus Interchange and support the rejuvenation and redevelopment the Sydney and Melbourne buildings</b></p>	<p>The City Bus Interchange and Sydney and Melbourne building precinct sits at the heart of the City Centre and as the Light Rail stage 1 works approach completion, will increasingly become an important Canberra City focal point.</p> <p>The Canberra Business Chamber recommends that funds be allocated to rapidly update this precinct to enhance its vibrancy and commercial application. This precinct will increasingly become a hub for tourists and to promote the visitor economy, it is important this area is reflective of Canberra’s preferred brand and international image.</p>
<p><b>4) Commit funds to ensure that the development of the city’s theatre district maintains pace with neighbouring developments</b></p>	<p>In light of the new Government office blocks, associated hotel and commercial retail space currently under construction in close proximity to Canberra’s theatre and cultural district, it is important that the development of the theatre district maintains pace with its surrounding infrastructure to mitigate against the creation of underdeveloped pockets in the heart of Canberra’s city and reflect the quality of the Brand Canberra.</p> <p>Development of a new Theatre and expansion of the Canberra Museum and Gallery are two essential elements of Canberra’s cultural hub. The Canberra Business Chamber recommends that funds be committed to progress the development of the theatre and cultural district in line with neighbouring developments</p>

**5) *Ensure West Basin development maintains pace with City Centre renewal and does not dilute City Centre vibrancy***

The Canberra Business Chamber supports the development of the West Basin area under the caveat that this area be appropriately zoned for commercial opportunities appropriate for the location. However, it is important that West Basin development maintains pace with City centre renewal to mitigate against inadvertently drawing activity away from the City Centre’s economic hub and creating a two-tier quality standard across the city.

The Canberra Business Chamber recommends that funds be committed specifically for City Centre maintenance and upgrades to ensure quality standards are maintained both within the City Centre and at new development sites



## TRANSPORT INFRASTRUCTURE - RECOMMENDATIONS

<p><b>6) Commit funds to fast-track the construction of a Light Rail stop within proximity to the Mitchell Business district</b></p>	<p>The Canberra Business Chamber acknowledges that Light Rail stage 1 is particularly advanced and as such there is limited scope to adjust existing plans.</p> <p>The Canberra Business Chamber recommends that funds be committed to fast-track the construction of a Light Rail stop within proximity to the Mitchell business district to help activate and support this precinct.</p>
<p><b>7) Prioritise, through funding, roadworks designed to decongest main transport arteries to and from Canberra's growth corridors in the Molonglo Valley and Gungahlin and continue to enhance roads connecting Canberra to the Region</b></p>	<p>It is critical that Canberra's transport infrastructure maintains pace with its population growth, particularly in the rapidly expanding Molonglo Valley and Gungahlin areas. Additionally, as stage 2 Light Rail comes to fruition, there will be an increasing need to maintain the Parkes way and Commonwealth Avenue corridors. An integrated and functioning transportation network is critical to the Canberra economy as it supports access to employment hubs in the City, Tuggeranong, Woden and Belconnen centres. An effective mix of transport also supports Canberra's move towards zero net new emissions by 2050.</p> <p>The Canberra Business Chamber recommends that infrastructure funds be prioritised towards major growth corridors and key regional gateways such as the Barton and Kings Highway, with a view to streamlining access to key employment hubs and between Canberra and regional partners.</p>
<p><b>8) Develop an integrated transport plan which incorporates all transport streams including air travel, local community, active transport, rail etc</b></p>	<p>A functional and integrated transport network facilitates efficient commuting and has positive implications for a range of sectors including tourism, freight and housing.</p> <p>The Canberra Business Chamber recommends that funds be allocated to develop an integrated transport plan which ties together air, road, rail and active transport across a range of sectors and sets out a staged plan to improve the holistic transportation network.</p>
<p><b>9) Invest in the expansion of stand-alone and on-road cycling lanes to encourage cycle tourism</b></p>	<p>Transportation infrastructure which seamlessly integrates a mix of transport options is critical to ensuring Canberra remains an integrated city. The increased development of safe and dedicated cycle paths and on-road cycling lanes adds an additional, energy efficient and environmentally friendly transportation option to Canberra's transportation mix. Additionally, enhanced cycling infrastructure supports the promotion of Canberra as a cycling tourism destination of choice which can contribute to Visitor economy.</p> <p>The Canberra Business Chamber recommends that additional funds be allocated to the development of cycling within the ACT. This could include dedicated cycle paths and on-road cycling lanes with a primary focus on promoting Canberra as a centre for cycle tourism.</p>

## NON-TRANSPORT INFRASTRUCTURE – RECOMMENDATIONS

<p><b>10) <i>Assign funds to develop a City Deals proposal which seeks federal funding for new Convention Centre</i></b></p>	<p>The Canberra Business Chamber has long advocated for the development of a new Convention Centre to enhance the Region’s international competitiveness and to stimulate local economic activity.</p> <p>The Canberra Business Chamber recommends that the ACT Government commit funds in this term to support the development of a Federal Government City Deal proposal which includes Federal Government Support for major infrastructure including a new Convention Centre. The proposal should clearly articulate the benefits of a new Convention Centre to Canberra as well as to Australia more broadly.</p>
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## ECONOMIC DIVERSITY – RECOMMENDATIONS

<p><b>11) <i>Continue measures to incentivise investment in renewable energy infrastructure and reduced emissions technology</i></b></p>	<p>Renewable energy, reduced emissions technology and cyber security are areas where Canberra has advantages in comparison to regions already investing in the development of these sectors. In the renewable energies sector, Canberra’s natural topography and open space makes it a viable option for energy producers. Similarly,</p>
<p><b>12) <i>Adopt measures to incentives investment in cyber security</i></b></p>	<p>Canberra’s proximity to Government, intelligence community and higher education and research institutions make it well placed to support a strong cyber security industry.</p>
<p><b>13) <i>Offer incentives to companies who partner with local research and education institutions in identified emerging markets such as reduced emissions technology and cyber security</i></b></p>	<p>The Canberra Business Chamber recommends that the ACT Government continue to proactively incentivise the development of these industries within the Region by offering and promoting concessions for renewable energy, reduced emissions technology and research and cyber security businesses investing in Canberra. Incentives should be targeted to infrastructure investment and for demonstrated partnerships with Canberra’s higher education and research institutions.</p> <p>In the context ensuring energy security, the Chamber further recommends that the ACT Government work collaboratively through COAG to ease upward pressure on energy prices, support measures to increase energy generation and proactively pursue policies which deliver reliable and affordable energy.</p>
<p><b>14) <i>Fund cyber security training for ACT businesses</i></b></p>	<p>As Canberra positions as a centre for cyber security, it is important to recognise that ICT networks are only as strong as their weakest link and as a result it is critical that all businesses are appropriately supported and educated to protect themselves from cyber threats.</p> <p>The Canberra Business Chamber recommends that the ACT Government fund and establish an ICT security awareness and training program for local businesses. The Chamber is well placed to deliver this training through its Business Point program.</p>



## ECONOMIC DIVERSITY – RECOMMENDATIONS Cont.

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15) ***Develop initiatives to help provide clear pathways for graduates and specialists entering the Canberra job market***

The Canberra Business Chamber conducts a regular Small and Medium Enterprise Business Survey. Over the past three editions of this survey, access to skilled and experienced employees has consistently been identified as a barrier to business growth in the ACT.

The Canberra Business Chamber recommends that funds be allocated for the ACT Government and the Chamber to collaboratively develop clear pathways for graduates and specialists entering the Canberra job Market. This work should be preceded by Business, VET and University collaboration to fully understand the needs of the job market as well as existing and potential pathways to employment.

<p><b>16) Fund (walking) signage from the City Centre to tourist destinations such as the old and new Parliament House, Questacon, National Museum of Australia et al</b></p>	<p>Canberra's steadily increasing tourism numbers and recently awarded 3<sup>rd</sup> place in Lonely Planet's 'top cities that are ready for prime time' necessitate greater investment in the visitor experience. Foot traffic supported by clear signage between a revitalised City Centre and tourism destinations of choice represents an opportunity for the ACT Government to simultaneously enhance the visitor experience, promote commercial opportunities along tourist walking routes and promote Canberra as a tourist friendly city.</p> <p>The Canberra Business Chamber recommends that the ACT Government fund walking signage from the City Centre to tourist destinations and explore whether these signs should include foreign language direction. The Canberra Business Chamber also recommends that investment in Canberra as a tourist friendly city be promoted through existing Brand Canberra and Visit Canberra avenues.</p>
<p><b>17) Commit funds to refurbish Jolimont centre</b></p>	<p>Canberra's Jolimont centre is the primary arrival point for domestic and international tourists arriving to Canberra by bus or shuttle. As a result, the Jolimont centre is often the first look visitors have of Canberra and informs their first impressions of the city. Currently the Jolimont centre is not fit for this role and does not reflect Canberra's desired brand and international reputation.</p> <p>The Canberra Business Chamber recommends that the ACT Government work with the business owner to fully upgrade the Jolimont centre to make it an attractive first impression of Canberra.</p>
<p><b>18) Establish a fund to promote business and tourism connections with regional partners</b></p>	<p>Canberra is situated within a Region which is rich with business and tourism opportunities. Some infrastructure exists, such as Pelican Air linking Canberra with regional partners in Dubbo and Newcastle, however scope exists to better promote these regional connections both within Canberra and towards Canberra's regional partners such as Merimbula.</p> <p>The Canberra Business Chamber recommends that the ACT Government establish a regional connections fund to be used to promote business and tourism opportunities with regional partners. The proposed fund could also be extended to include research into visitor behaviour whilst in Canberra.</p>
<p><b>19) Fund the establishment of a Tourism arm within Government to develop a holistic strategic plan for tourism</b></p>	<p>The Canberra Region boasts a range of high-end tourism products spanning environmental, cultural and industry based attractions. However, Canberra lacks a consolidated and coordinated policy approach to tourism to link together initiatives under the Brand and Visit Canberra and to identify and develop policy to resolve market gaps in the tourism sector.</p> <p>The Canberra Business Chamber recommends that the ACT Government fund the establishment of a dedicated tourism arm of the Economic Development Directorate to oversee tourism policy and to develop a strategic plan which economy includes investment in product development, planning, infrastructure and visitor services.</p>



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