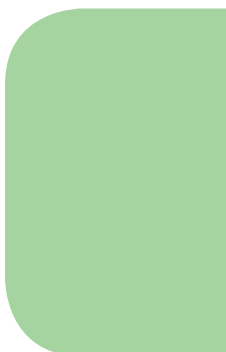


# Queensland Boundaries Commissioner Report

Proposed Livingstone De-amalgamation



Published by the Queensland Boundaries Commission



November 2012

The Queensland Boundaries Commission, Department of Local Government (the Commission), supports and encourages the dissemination and exchange of information. However, copyright protects this publication. Except for purposes permitted by the *Copyright Act 1968*, no part may be reproduced by any means without the prior written permission of the Queensland Boundaries Commission.

**Disclaimer:** While every care has been taken in preparing this publication, the Commission accepts no responsibility for decisions or actions taken as a result of any data, information, statement or advice, expressed or implied, contained within. To the best of our knowledge, the content was correct at the time of publishing. Any references to legislation are not an interpretation of the law. They are to be used as a guide only. The information in this publication is general and does not take into account individual circumstances or situations. Where appropriate, independent legal advice should be sought.



# Contents

<b>Queensland Boundaries Commissioner ~ background and overview of report ..</b>	<b>1</b>
<b>Key points and recommendations .....</b>	<b>2</b>
Key points .....	2
Recommendation .....	2
<b>Moving forward .....</b>	<b>2</b>
<b>Livingstone ~ Rockhampton Regional Council de-amalgamation background...</b>	<b>4</b>
<b>Summary of information provided .....</b>	<b>5</b>
Capricorn Coast Independence Movement proposal.....	5
Rockhampton Regional Council .....	5
Consultation with stakeholders .....	6
<b>Financial viability and sustainability.....</b>	<b>7</b>
QTC financial analysis .....	7
<b>Queensland Treasury Corporation summary .....</b>	<b>8</b>
<b>1.1 Financial impact of de-amalgamation.....</b>	<b>8</b>
1.1.1 De-amalgamation costs .....	8
1.1.2 Incremental annual recurring costs.....	9
1.1.3 Summary of Proponent Council costs .....	9
<b>1.2 Assessment of financial viability – using QTC’s Base Case .....</b>	<b>10</b>
1.2.1 Sustainability ratings – Base Case forecasts.....	11
<b>1.3 Financial effect per rateable property.....</b>	<b>12</b>
1.3.1 Base Case average annual rates per rateable property .....	12
<b>Regional planning.....</b>	<b>13</b>
Shared services.....	13
Waste disposal .....	13
Water and sewerage.....	13
Disaster management .....	13
<b>Journey to work profile ~ Rockhampton Region .....</b>	<b>15</b>
Sankey Chart ~ Journey to work data .....	16
<b>Economic development.....</b>	<b>17</b>
Growth.....	17
Tourism .....	18
<b>Map ~ current Rockhampton Regional Council area .....</b>	<b>19</b>
<b>Map ~ former Livingstone Shire Council area.....</b>	<b>20</b>
<b>Map ~ remaining Rockhampton Regional Council area .....</b>	<b>21</b>



# Queensland Boundaries Commissioner

## ~ background and overview of report

The Queensland Boundaries Commissioner Col Meng (the Commissioner) was appointed to his role on 29 June 2012 by The Honourable David Crisafulli MP, Minister for Local Government.

The Commissioner was appointed to investigate the viability of former shires wishing to de-amalgamate from larger regional councils. The Minister received 19 proposals, five of which were referred to the Commissioner.

The Commissioner reviewed local government de-amalgamation proposals referred to him in an open and logical way and undertook targeted public consultation.

This report gives the Minister information including:

- a summary of the proposal from the proponent group and information provided by the council
- a summary of the detailed financial analysis provided by Queensland Treasury Corporation (QTC) (contracted as an independent third party specialist to holistically analyse the viability and sustainability elements of the submission)
- a summary of the consultation process
- an outline of the possible impacts of de-amalgamation on economic development
- an outline of the possible impacts of de-amalgamation on regional planning issues
- information demonstrating communities of interest in the region
- maps showing the boundaries of the current council and the former shire.

The Commissioner has reviewed, evaluated and analysed all information and has made recommendations accordingly.

The Commissioner has no past or current associations with the Rockhampton Regional Council (RRC) or proposed Livingstone Shire Council (LSC) that might create a conflict of interest.



## Key points and recommendations

The Commissioner would like to extend his thanks to the Capricorn Coast Independence Movement (CCIM) and all stakeholders for their participation in this process. The level of engagement has been high.

The Commissioner would also like to extend his thanks to RRC for their efforts. The Commissioner would like to acknowledge that participating in this process has taken a toll on human resources and the high level of cooperation given to both the Queensland Boundaries Commission (QBC) and QTC is appreciated.

### Key points

- According to projections by QTC, ratepayers of the proposed LSC will have to contribute a minimum increase of \$429 in the first year, and a minimum of \$194 over the following four years adjusted for inflation.
- According to projections by QTC, the proposed LSC will be rated as Moderate (neutral) and the remaining RRC will be rated as Weak (negative).
- De-amalgamation will result in a number of diseconomies of scale.
- There are considerations other than financial sustainability at play such as social and cultural issues (including but not limited to perceived loss of identity). This was evident in the high level of engagement by both the council and proponent group.

### Recommendation

In the Commissioner's view, the social and cultural issues raised by CCIM do not outweigh the significant financial impost a de-amalgamation of RRC would have on the local community.

**The remaining RRC has been evaluated as unsustainable. A de-amalgamation would result in an unwarranted financial burden on ratepayers. In this case, a poll is not recommended.**

## Moving forward

An undivided council would foster regional over divisional decision making and would better suit the Rockhampton situation. The Commissioner recommends that RRC move to an undivided basis at the 2016 quadrennial elections.

However this is a long-term solution. In the short term, RRC needs to proactively address the issues raised by the proponent group in the following way:

- That RRC establish a standing committee titled RRC Service and Consultation Committee. This committee should provide written three-monthly reports to the Council on key milestones for delivery of its terms of reference until the 2016 quadrennial elections. The terms of reference should at a minimum specifically deal with:
  - tourism – support with both brand and tourism specific infrastructure
  - land use planning – appropriate to the local area
  - rates and charges – reasons for equalisation and other increases.



The reports should be published on RRC's website for all RRC residents to consider.

The Commissioner recommends that councils (existing councils, remaining councils as well as any successful de-amalgamating councils) work closely with QTC to address key issues and risks identified by QTC in its reports regarding de-amalgamation. In addition to this, the Commissioner recommends that councils embrace the opportunity to participate in a QTC credit and financial sustainability review at least every two to three years. To facilitate the credit and sustainability review process by QTC, the Commissioner recommends that all councils maintain an up to date version of the QTC 10-year local government financial forecasting model at all times.



# Livingstone ~ Rockhampton Regional Council de-amalgamation background

- In July 2007, the Local Government Reform Commission concluded its report on the examination of local government area boundaries, classes, names and electoral arrangements. In March 2008, the structured changes of Queensland local governments took place.
- The RRC was established from the amalgamation of Rockhampton City Council, Livingstone Shire Council, Fitzroy Shire Council and Mount Morgan Shire Council.
- The former LSC expressed strong opposition to the amalgamation.
- Prior to amalgamation, the Financial Sustainability Review by QTC rated Livingstone Council as Moderate (developing), and the other three pre-amalgamated councils of Rockhampton City as Moderate (developing), Fitzroy Shire as Weak (developing) and Mount Morgan Shire as Very Weak (developing).
- On 29 August 2012, the Minister referred a de-amalgamation proposal from the Livingstone proponent group to the Queensland Boundaries Commissioner for review.
- The proposal from the former Livingstone Shire was coordinated by CCIM.



# Summary of information provided

## Capricorn Coast Independence Movement proposal

The proposal outlines reasons for de-amalgamating including:

- a large proportion of the community would prefer a separate council
- services to the area have declined since amalgamation while rates have increased
- the community needs a stronger voice in decision making
- a smaller local government model would deliver better outcomes for business, industry and primary producers
- a smaller local government model would create growth in the region and be better placed to deal with that growth
- the Livingstone area is underrepresented in the current local government
- Rockhampton and the Capricorn Coast are distinctive communities with different economic bases.

The proposal includes a standard service delivery model. However, the proposal strongly endorses a model of working in partnership with RRC.

## Rockhampton Regional Council

The RRC does not support de-amalgamation of the former LSC.

The following resolution was passed unanimously on 9 October 2012 at the council meeting:

*That in consideration of the issue of de-amalgamation of the Capricorn Coast from Rockhampton Regional Council:*

- 1. That Rockhampton Regional Council advises the Boundary Commissioner that it does not support de-amalgamation for the former Livingstone Shire*
- 2. Further Rockhampton Regional Council provide whatever information is required by the Boundary Commissioner and make all such information available to the general public*
- 3. That Rockhampton Regional Council not use staff nor general rates funds to pursue the “no” case should there be a referendum.*

The RRC provided QTC with five-year financial forecasts and potential de-amalgamation costs estimates.

In addition to the financial forecasting, the RRC identified a number of regional efficiencies and issues that could be at risk including:

- attracting and retaining skilled staff
- assessment of development proposals
- co-ordination of delivery of infrastructure
- natural resource management





- social, economic and environmental planning
- fuel and electricity contracts
- common regulatory services
- standard development application policies and procedures
- disaster management coordination
- Information and Communication Technology (ICT) platforms and applications
- records management
- asset planning and management
- regional local laws
- pest management.

The RRC has published further information on their website, [www.rockhamptonregion.qld.gov.au](http://www.rockhamptonregion.qld.gov.au).

## Consultation with stakeholders

The Queensland Boundaries Commissioner consulted with:

- CCIM
- RRC
- Tourism Queensland
- Capricorn Tourism & Economic Development Ltd.

Each organisation expressed views on possible de-amalgamation and the potential impact on specific areas of interest.



# Financial viability and sustainability

## QTC financial analysis

QTC has had a long-standing relationship with local governments in Queensland. Of particular note was QTC's major review of the financial sustainability of 109 of Queensland's local governments in July 2007. QTC has also undertaken regular credit reviews of local governments.

QTC was engaged to assist in conducting a comprehensive, objective analysis of both the proposed LSC and remaining RRC. The full report *De-amalgamation Analysis of Rockhampton Regional Council* is attached (Appendix 1).

During this process, QTC participated in the consultation process with representatives of CCIM to clarify details of the financial model provided. QTC also engaged with the RRC to understand the allocation of revenue, costs, assets and liabilities the proposed LSC and remaining RRC. QTC gave broad guidance on what may constitute de-amalgamation costs, however each proposal was considered on a case-by-case basis.

It was assumed from the outset there would be disparity in the figures provided by the CCIM and the RRC. QTC made adjustments to the assumptions proposed where they were not considered to be complete and/or reasonable.

For the purpose of this review, a five-year timeframe was used to create financial forecasts, and also included consideration of the impact of the de-amalgamation from service, community, financial and economic perspectives.

A sustainability rating was provided by QTC on the Base Case scenario. The Base Case scenario indicates how a council is expected to perform against key performance indicators in the coming years taking into account revenue, service delivery levels and the operational environment.

The sustainability rating also takes into account de-amalgamation costs (both one-off and fixed asset costs) and incremental annual recurring costs. Incremental annual recurring costs are not strictly de-amalgamation costs, but are expected to be incurred to operate a new LSC.

A new LSC is expected to have significant operating deficits for the five-year forecast period (Appendix 1, table 14 – page 22). Long-term operating deficits are unsustainable. A break-even budget scenario is provided to ensure completeness of information (Appendix 1, table 3 – page 6).

Rating figures provided by QTC do not take into account the differential rating systems used by Queensland councils. This was deliberate and ensures the effective comparison between the proposed LSC and the proposed remaining RRC.



# Queensland Treasury Corporation summary

Rockhampton Regional Council (RRC or the Existing Council) was formed in March 2008 following the amalgamation of the Rockhampton City, Livingstone Shire, Fitzroy Shire and Mount Morgan Shire Councils. It covers an area of approximately 18,300 km<sup>2</sup> and has a current population of approximately 112,000. Prominent industries in the region include agriculture (particularly beef), military (facilities and staff), education (Central Queensland University), retail and support services to the Bowen Basin mining sector.

A proposal has been lodged by the Capricorn Coast Independent Movement (the Proponent) for the de-amalgamation of the former Livingstone Shire Council (Proponent Council). If successful, a new Livingstone Shire Council would be formed along its former boundaries, which includes an area of approximately 11,800 km<sup>2</sup> and a population of 33,000.

QTC has been engaged by the Department of Local Government to provide advice and assistance to the Queensland Boundaries Commission (the Commission) about the financial aspects of this de-amalgamation proposal. QTC's review includes a financial analysis of both the proposed de-amalgamating council (the Proponent Council) and what would become the remaining Rockhampton Regional Council (the Remaining Council) to:

- determine the costs of de-amalgamation for both the Proponent Council and the Remaining Council, and
- assess the financial viability of the Proponent Council and the Remaining Council on the basis that de-amalgamation was successful, and compare this to the financial viability of the Existing Council.

## 1.1 Financial impact of de-amalgamation

### 1.1.1 De-amalgamation costs

De-amalgamation costs include all costs incurred from the date of a successful poll for de-amalgamation of the Proponent from an Existing Council to the date of de-amalgamation (i.e., election of Proponent councillors, which is likely to be approximately 12 months after the poll). QTC has identified the costs of de-amalgamation to include:

- **one-off costs.** These relate to implementation and due diligence, community and staff engagement, and information and communication and technology (ICT). They will have the greatest direct impact on the cost to ratepayers because they will be expensed in full during the first year of de-amalgamation, and
- **fixed asset costs.** These relate to the cost of purchasing new ICT equipment and any other new plant and equipment required for the Proponent Council to maintain service delivery standards. These assets will be expensed over the term of their useful life, therefore impacting ratepayers more subtly over time than one-off costs.



Successful Proponent Councils will be required to pay their own de-amalgamation costs as well as the de-amalgamation costs of the Remaining Council.

### 1.1.2 Incremental annual recurring costs

Incremental annual recurring costs incurred by either the Proponent Council or the Remaining Council are not considered a cost of de-amalgamation. QTC has identified these for the Proponent Council in order to highlight the ongoing extra costs associated with operating as a separate council.

Successful Proponent Councils will be required to pay their own incremental annual recurring costs but will not be responsible for paying costs of this nature for the Remaining Council. Incremental annual recurring costs incurred by the Remaining Council should be small in comparison to those of the Proponent Council, but may include costs associated with lower purchasing power and other operating inefficiencies. These costs, where applicable, have been considered by QTC in the forecasts determined for the Remaining Council. To the extent that they exist, these costs may impact QTC's sustainability rating for the Remaining Council when compared to the Existing Council and the average rates per rateable property of the Remaining Council when compared to the Existing Council.

### 1.1.3 Summary of Proponent Council costs

Table 1 shows the estimated cost of de-amalgamation, including incremental annual recurring costs, to the Proponent Council (column 1). It also shows how these costs translate into a cost per rateable property (columns 2 and 3).

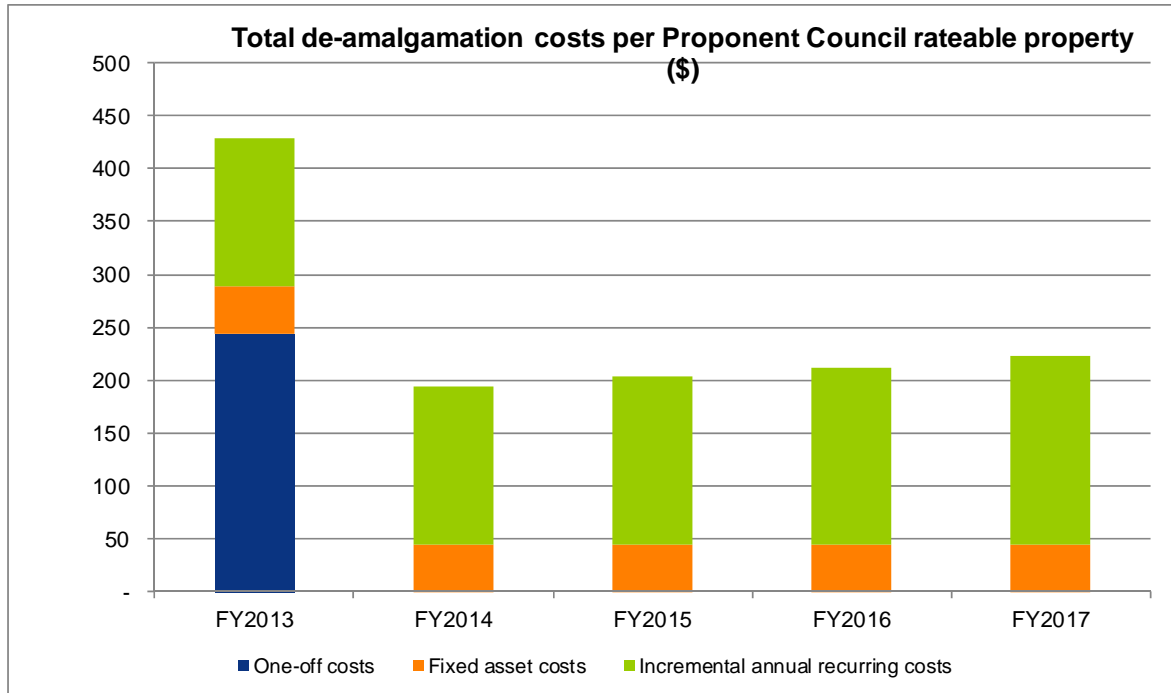
TABLE 1 - SUMMARY OF DE-AMALGAMATION COSTS

	QTC Estimate \$	Average Costs \$	Annualised Costs \$
<b>Total one-off costs</b>	<b>3,900,000</b>		
Average one-off costs per Proponent Council rateable property		243.23	
<b>Total one-off fixed asset costs</b>	<b>3,823,000</b>		
Average fixed costs per Proponent Council rateable property		238.43	
Annualised fixed costs per Proponent Council rateable property			44.91
<b>Total incremental annual recurring costs</b>	<b>2,260,000</b>		
Incremental annual recurring costs per Proponent Council rateable property			140.95

*Annualised fixed asset costs demonstrate the financial effect of spreading the cost of the asset over their useful life (i.e. depreciation expense)*

Table 1 indicates that the one-off costs of de-amalgamation per rateable property will be \$243 while the incremental annual recurring costs will be \$186.

The following graph shows the financial impact of de-amalgamation, including incremental recurring costs, per rateable property over five years.



In the first year, each rateable property in the Proponent Council area will on average<sup>1</sup> need to contribute an extra \$429 in rates to cover the costs of de-amalgamation. In the second year, the extra contribution will drop to \$194 and is then expected to increase each year based on inflation.

## 1.2 Assessment of financial viability – using QTC’s Base Case

The financial viability of the Existing Council, Proponent Council and Remaining Council was assessed by QTC with reference to financial information provided by the Proponent, the Existing Council’s current five-year forecasts as well as RRC’s five-year forecasts for the Proponent Council and Remaining Council.

In order to derive its own Base Case set of 5 year financial forecasts for the Proponent and Remaining Councils, QTC made adjustments to the assumptions of the Proponent Council and Existing Council where they were not considered to be complete and/or reasonable.

QTC’s Base Case financial forecasts for the Proponent Council and Remaining Council included a cost allocation that might occur because of decreased purchasing power with suppliers including insurance, waste management, fleet leasing and other expenses, as well as other inefficiencies.

QTC’s financial forecasts for the Proponent Council also included the items identified in its assessment of de-amalgamation costs. That is:

- the one-off costs of de-amalgamation for itself and the Existing Council
- the additional fixed asset costs, and

<sup>1</sup> Rates per rateable property may bear no direct comparison to actual rates paid by some ratepayers because it is an average figure calculated using total rateable properties. It does not take into consideration that some residential, commercial and industrial rateable properties attract a higher portion of the base rate than others.



- the incremental annual recurring costs of de-amalgamation where they were not already considered to be included.

QTC's financial forecasts were based on a standard delivery model. However, where existing assets were shared across a region (i.e., landfills), QTC assumed that a commercial arrangement would be negotiated between the councils to continue to share the asset. This was thought to be a more practical assumption than including the cost of replacing the asset.

### 1.2.1 Sustainability ratings – Base Case forecasts

QTC's assessment of financial viability involved determining a sustainability rating for the Existing Council, Proponent Council and Remaining Council. This rating considers each council's five year forecasts against sustainability ratios and benchmarks referred to by both QTC and the Department of Local Government (DLG).

A summary of the sustainability rating assigned by QTC to the Existing, Proponent and Remaining Councils is shown below. It should be noted that these sustainability ratings have been determined based on information and assumptions contained in the Base Case forecasts estimated by QTC.

Sustainability Rating	Existing Council	Proponent Council	Remaining Council
QTC rating (and outlook) – Base Case	Moderate (neutral)	Moderate (neutral)	Weak (negative)

Based on the Base Case forecasts, QTC has rated the Existing Council and Proponent Council as Moderate, while the Remaining Council was rated as Weak.

The moderate ratings are supported by the forecasts that indicate that the Existing and Proponent Councils will satisfy most of QTC's sustainability benchmarks over the forecast period. Both Councils will however experience small operating deficits in some or all of the five forecast years.

QTC has rated the Remaining Council as Weak. The Weak rating is supported by the following observations:

- The Remaining Council is expected to have sustained operating deficits from FY2013 to FY2015 and a level of debt that, while able to be serviced at present, impacts its level of financial flexibility and corresponding ability to respond to unexpected financial shocks.
- Forecasts also show that cash holdings are expected to be severely constrained by FY2017.



## 1.3 Financial effect per rateable property

QTC undertook an assessment of the impact to ratepayers of de-amalgamation by comparing the average net rates and utilities per rateable property that would apply under the Base Case for the Proponent and Remaining Councils, to the average net rates and utilities per rateable property that would apply for the Proponent and Remaining Councils to achieve a balanced operating result (i.e., the Breakeven Case).

### 1.3.1 Base Case average annual rates per rateable property

Table 2 shows the average net rates and utilities per rateable property that would apply using QTC's Base Case for the Proponent and Remaining Councils.

TABLE 2 – BASE CASE AVERAGE ANNUAL NET RATES AND UTILITIES PER RATEABLE PROPERTY

	<b>FY2013</b>	<b>FY2014</b>	<b>FY2015</b>	<b>FY2016</b>	<b>FY2017</b>
Proponent Council (\$)	2,929	3,087	3,255	3,414	3,554
Remaining Council (\$)	3,182	3,372	3,594	3,780	3,937



# Regional planning

## Shared services

The Commissioner requested that proponent proposals include a standard delivery model showing services, systems and governance could be conducted by the new council. There is a risk that outsourcing would come at a cost to ratepayers. Previous de-amalgamations of councils in other states have resulted in stronger councils adding a surcharge to services purchased. The surcharge could cover administrative costs, risks and overheads. Due to the nature of de-amalgamation, cooperation and collaboration between the two councils could be adversely affected.

## Waste disposal

The RRC has been running waste management on a regional basis and currently uses the Yeppoon and Lakes Creek sites. The Yeppoon site has recently had a \$3 million upgrade, extending its life. This site would be within the boundaries of the new LSC. The Lakes Creek site is in the boundary of the remaining council and will reach capacity in a few years.

The CCIM proposal suggests that the regional waste management system remain in place in the case of de-amalgamation.

QTC has assumed that the LSC will agree to an arrangement to use the Yeppoon site with RRC for the purpose of their analysis. RRC is currently looking for a new landfill site in partnership with Gladstone Regional Council. De-amalgamation could jeopardise this venture.

## Water and sewerage

Fitzroy River Water is a commercial business unit of RRC responsible for the operation and maintenance of water and sewerage assets and water and sewerage services to the region. The Fitzroy River barrage (supplying Rockhampton) and newly completed pipeline to Yeppoon are major assets in the region.

CCIM suggests that Water Park Creek can supply a new LSC with 70 per cent of the water required. RRC and LSC would have to negotiate bulk water charges for the remainder required.

## Disaster management

Disaster management is a core responsibility of local government. Local government is well placed to provide first-hand knowledge and understanding when it comes to co-ordinating responses to a disaster.





The CCIM states that Yeppoon currently has a disaster management group functioning under a wider RRC umbrella.

As recent natural disasters across the state have demonstrated, effective disaster management is vitally important to the community. De-amalgamation may not only cause duplication of services but may also affect the ability to respond to and mitigate disasters.



## Journey to work profile ~ Rockhampton Region

This map shows the areas of interest for the following journey to work analysis according to the Australian Bureau of Statistics (ABS) 2011 Census data using Statistical Local Areas (SLAs). Journey to work data is an indicator of communities of interest. The boundaries used by the 2011 Census did not align exactly with the pre-amalgamation local government boundaries. In order to address this issue, a model incorporating additional data from the Australia Post Postal Address File was applied.

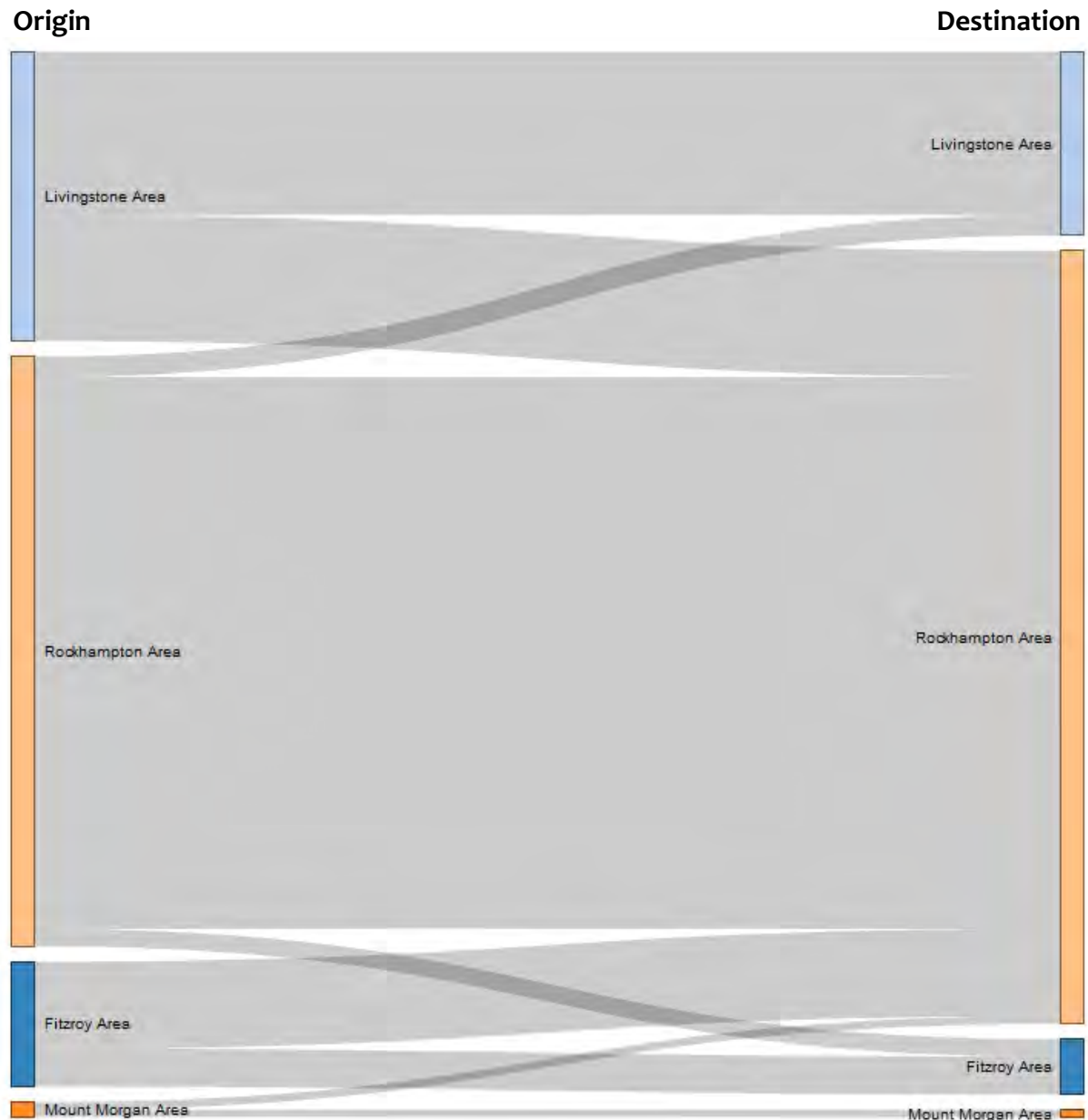


The Livingstone area shows moderate self containment (49 per cent of workers stay within the area). Almost half the workforce from the Livingstone area leave this region to work in the Rockhampton area. The Livingstone area also attracts a small number of workers from the Rockhampton area.



## Sankey Chart ~ Journey to work data

This chart shows journey to work volumes between different origins (left) and destinations (right). The thicker the line, the greater the volume of journeys between origin and destination.



origin/destination	zone name	2006 SLAs in zone
	Livingstone Area	Livingstone Part A and B
	Rockhampton Area	Rockhampton
	Fitzroy area	Fitzroy Part A and B
	Mount Morgan Area	Mount Morgan



# Economic development

Economic development is a concept that generally refers to the actions of government and communities to promote a higher standard of living. Such actions may involve the development of infrastructure and regional competitiveness.

Economic activity in the region is based around primary production, tourism, building, commerce, retail and light industry.

## Growth

Population growth is an important factor and contributes to economic growth. An increasing population in a local government area usually means an increase in the rateable property base. This is the primary source of local government revenue. Without economic growth communities can quickly stagnate. Local government areas with very low, zero or negative growth generally require significant levels of subsidisation from state and federal governments.

Projected population growth rates in LSC are expected to be 3 per cent and 1.2 in the remaining RRC. The population of a new LSC is estimated at 33,349 with 16,034 rateable properties. An annual increase of about three per cent means about 500 new rateable properties per year for the five-year forecast period. Considering average Australian inflation for 2011 was 3.4 per cent, the proposed LSC has the capacity to service the rates and utility charges required to provide a minimum level of service and capital expenditure.

The issue is that this de-amalgamation would result in the remaining RRC being downgraded from Moderate (neutral) to Weak (negative). The CCIM is correct in maintaining that Livingstone residents subsidise RRC to some degree. Following on from that, RRC as a whole is subsidising the former areas of Fitzroy and Mount Morgan and projects in these areas are being prioritised by RRC. In the future priority may be given to the Livingstone area. This scenario demonstrates why it is important to have a functional whole of region approach to economic development. During the consultation process, the CCIM representatives pointed out how the groups in the region were working well together prior to amalgamation and this collaboration bolstered both areas.

RRC currently owns and operates the local airport. A significant portion of tourists to the Livingstone area transit through the Rockhampton airport. Livingstone relies on tourism as a significant industry. The provision of an airport service by Rockhampton shows that a regional approach will better serve Livingstone and Rockhampton.



## Tourism

Since local government amalgamation in 2008, events such as the global financial crisis and the increasing value of the Australian dollar have had a decisive impact on tourism in Queensland.

Capricorn Tourism & Economic Development Ltd, trading as Capricorn Enterprise, is one of Queensland's official 13 membership-based Regional Tourism Organisations (RTOs) representing Central Queensland from the Central Highlands to the Keppel Islands (including the Sapphire Gemfields, Carnarvon Gorge, Emerald, Mount Morgan, Rockhampton, Capricorn Coast and Keppel Islands).

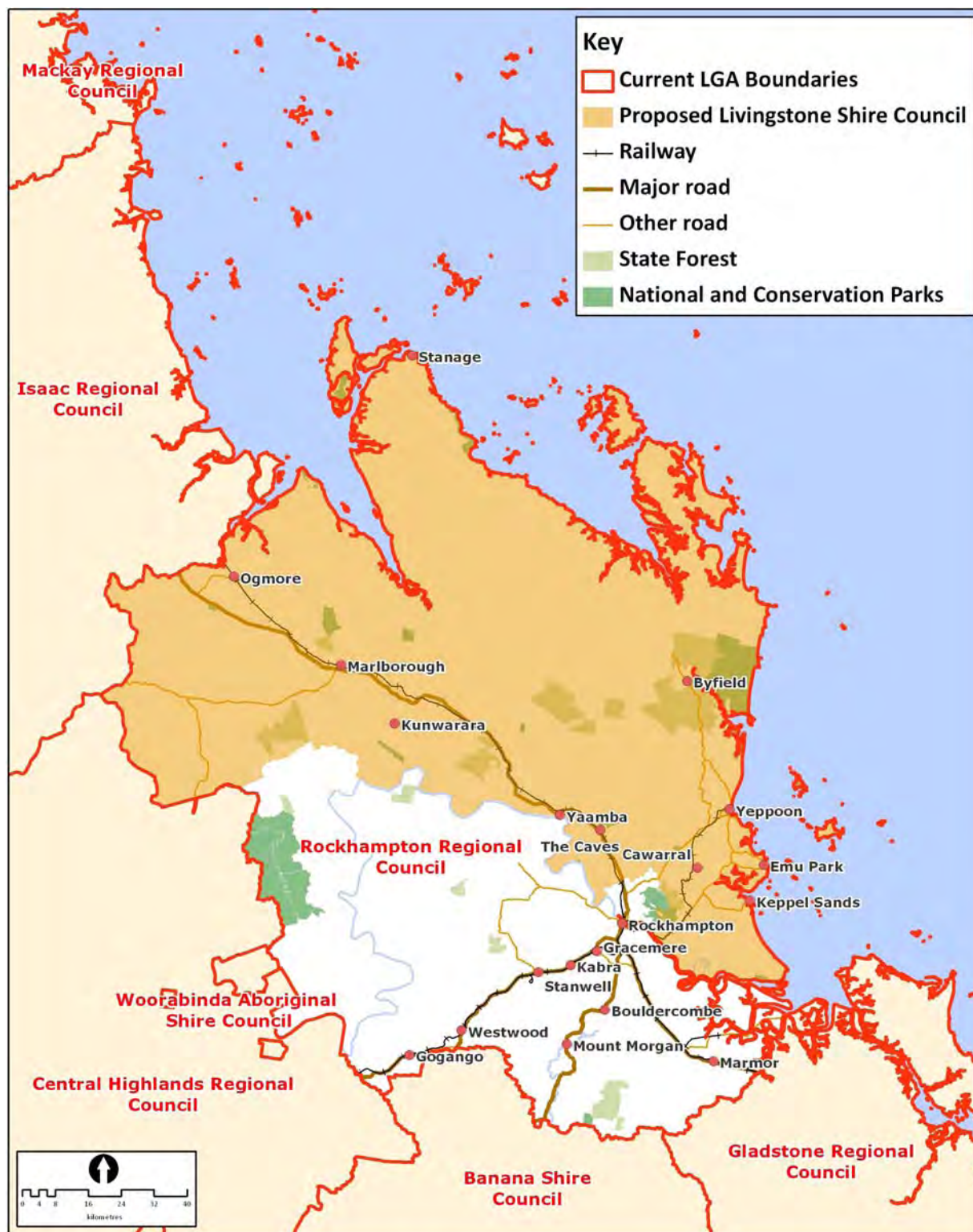
The organisation's economic development footprint is the RRC boundary only (including the Capricorn Coast). Central Highlands has their own economic development organisation—Central Highlands Development Corporation—which is fully funded by the Central Highlands Regional Council.

The Capricorn Coast is the predominant leisure destination within the region. Rockhampton tourism is predominantly corporate as well as sporting events and military rest and recreation. The brand hierarchy in partnership with Tourism Queensland is 'Southern Great Barrier Reef', followed by 'Capricorn Coast'. Tourism Queensland's statistical regional snapshot data for the year ending June 2012 showed an increase in domestic visitors of 13 per cent from the previous year to the Southern Great Barrier Reef destination.

A possible de-amalgamation would have a detrimental effect on levels of service to tourism and levels of service in general which would affect the attraction of the region to tourists.



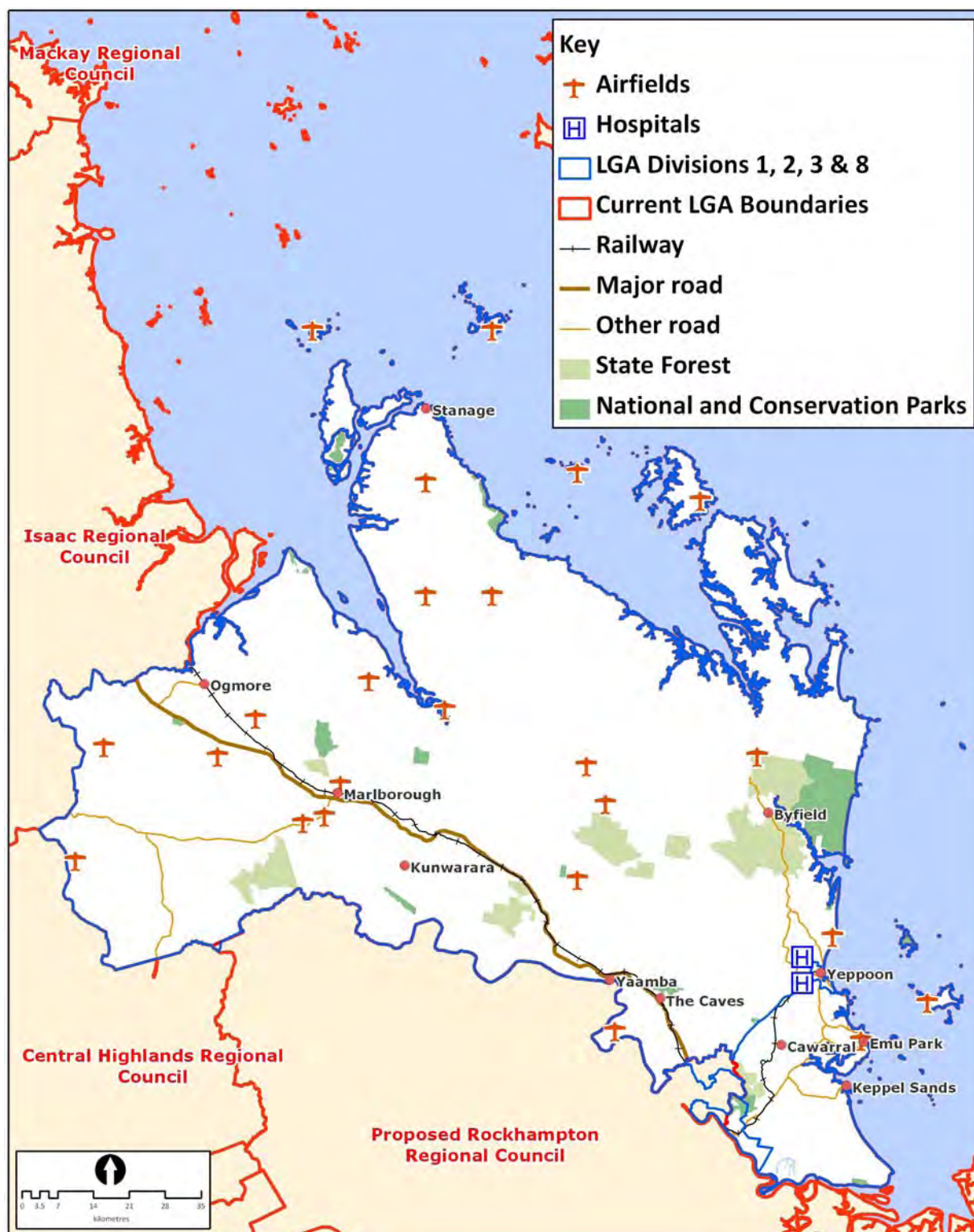
## Map ~ current Rockhampton Regional Council area







## Map ~ former Livingstone Shire Council area





## Map ~ remaining Rockhampton Regional Council area

