Regional Report Card & Regional Profile

2nd May 2013

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REDC Objectives

Objective	Regional Report Card	Regional Profile
Get the Region Noticed & Heard	✓	✓
Increase Investment in the Region	✓	✓
Support Economic Stability	✓	✓

Regional Report Card

- ✓Economic Baseline Audit compiled in 2007
- ✓Regional Report Card tracks the changes from 2007 to 2012
- ✓Divided into 3 sections
  - ✓Socio-Economic Review (DSDIP)
  - ✓Infrastructure Review (Councils, Providers, Industry Bodies)
  - ✓Industry Sector Review
- ✓Provides the most comprehensive analysis of the region

How to Use the Report

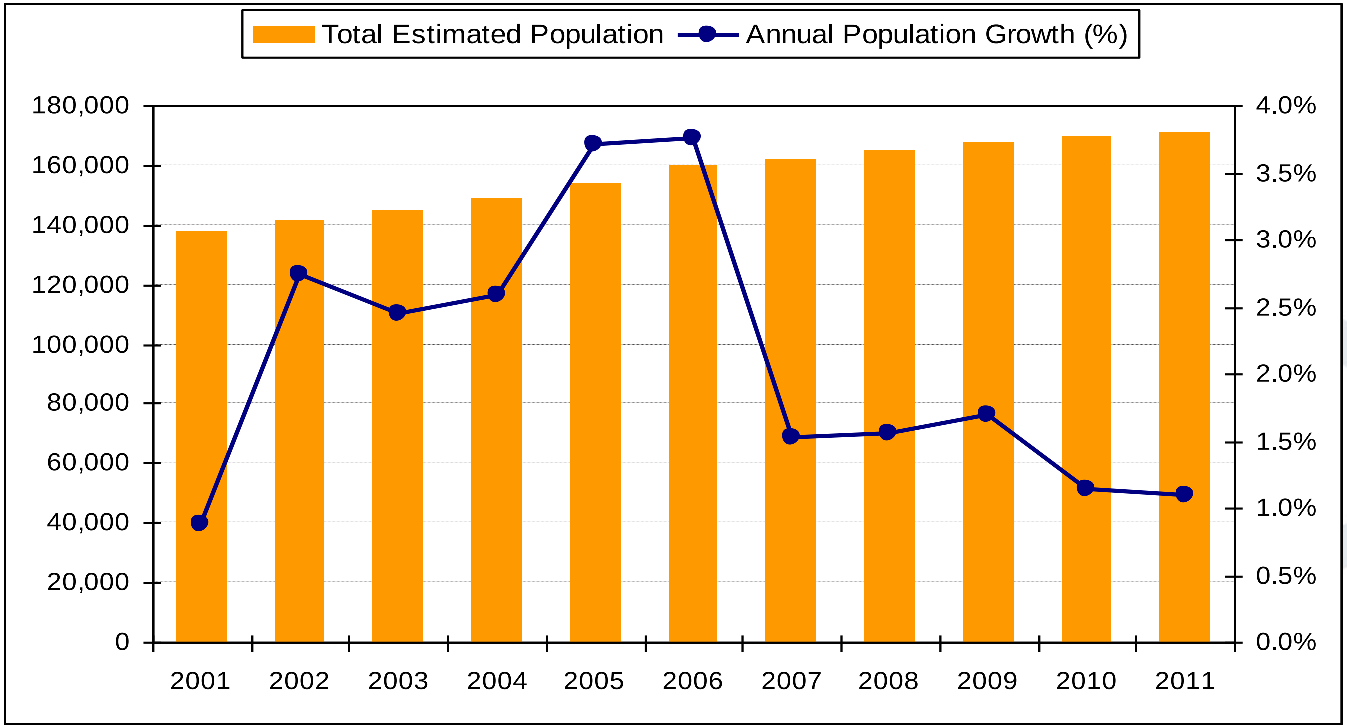
- ✓Funding Applications
- ✓Investment Interest
- ✓Regional Presentations
- ✓Government Advocacy

Socio-Economic Review

Key Changes from 2007 – 2012

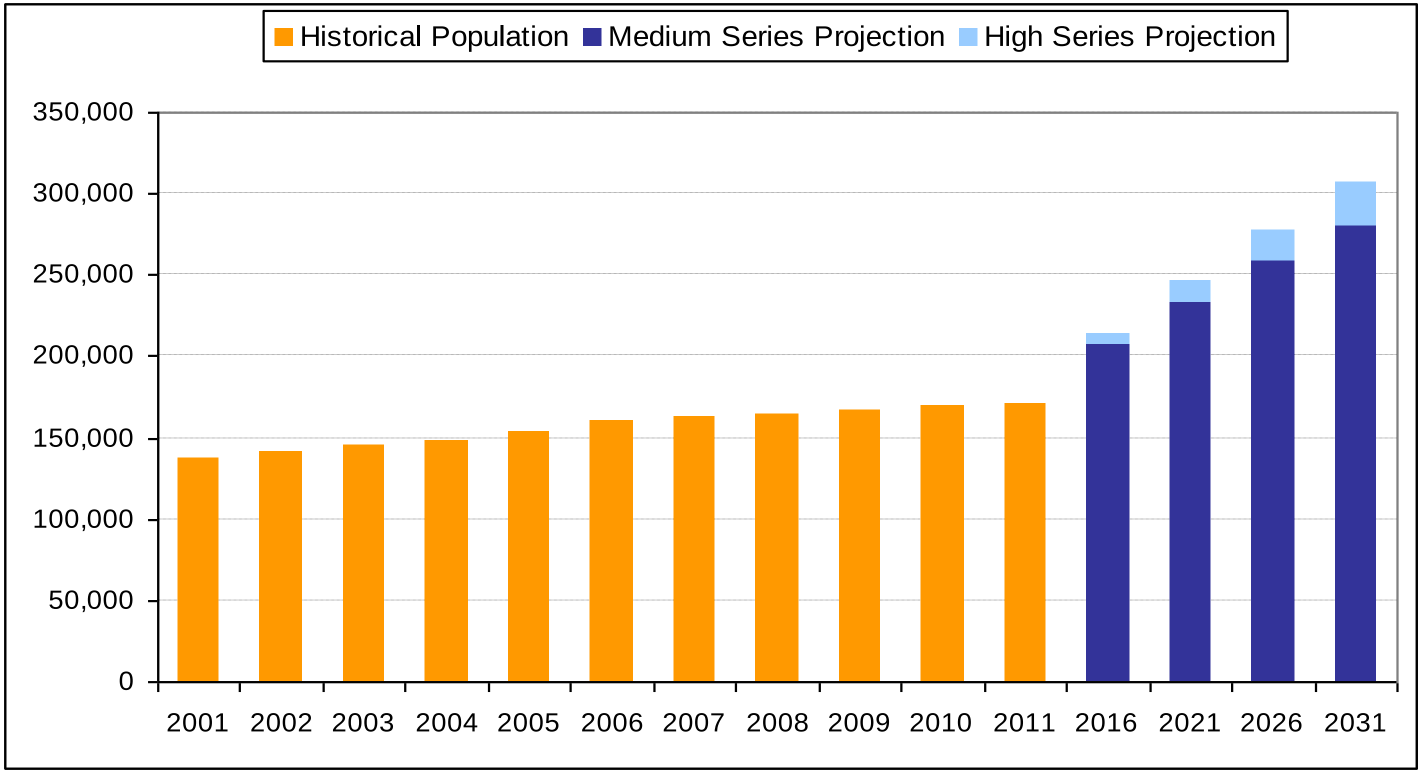
- ✓ 7.2% population growth in the 5 year period
- ✓ High percentage of families with children, which has not changed
- ✓ People choosing to rent has increased from 31.9% to 42.2%
- ✓ Housing affordability during the period has declined with only 27.4% of people comfortably able to purchase housing.
- ✓ GRP increased by $7.3 billion in the period
- ✓ The labour force increased by 21.9%
- ✓ Consistent growth across all industry sectors other than Agriculture (15.1% decline)
- ✓ Post-school qualifications have increased by 6%, but remains under the Qld average.

Population

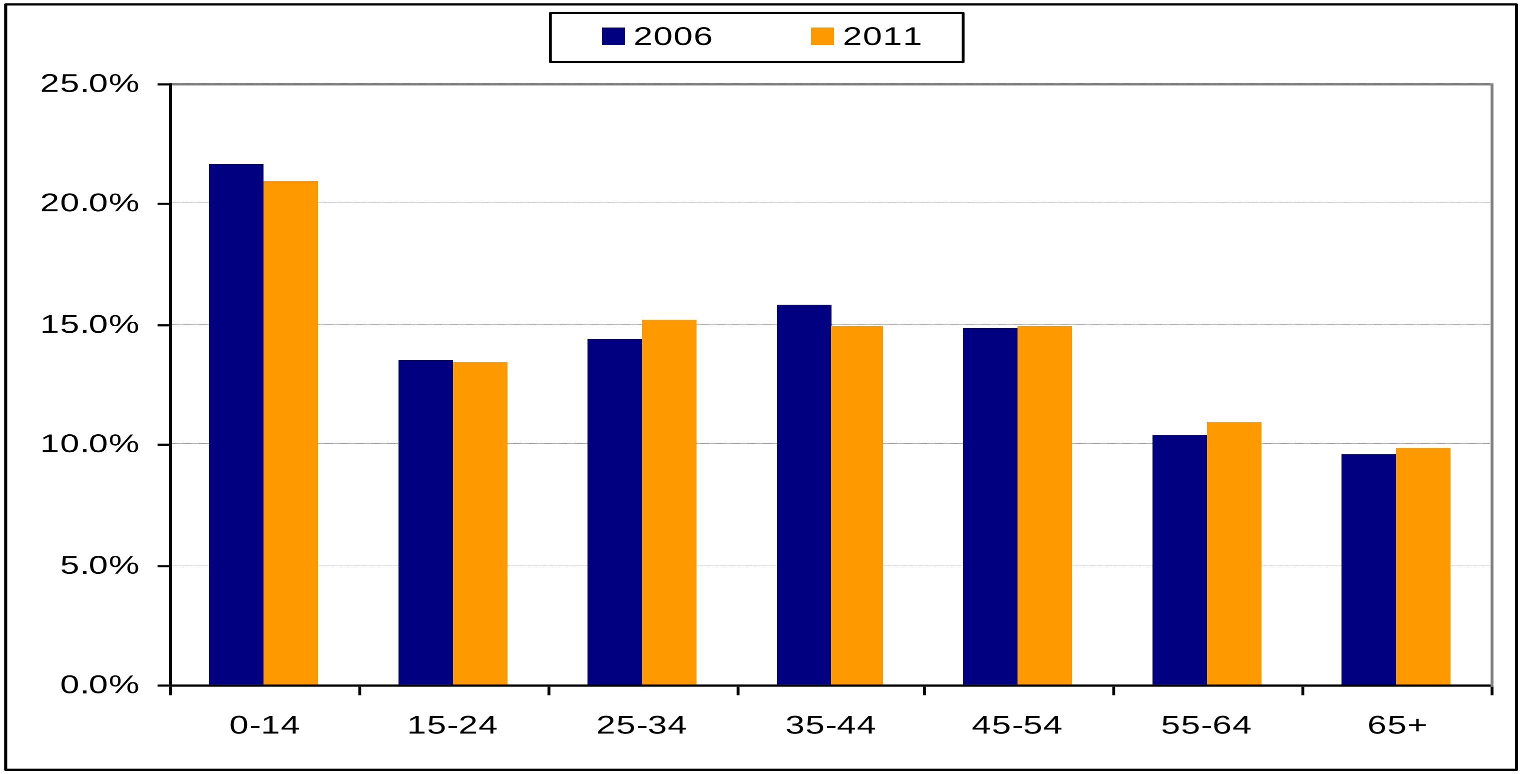


Total Estimated Population
Annual Population Growth (%)
180,000
160,000
140,000
120,000
100,000
80,000
60,000
40,000
20,000
0
4.0%
3.5%
3.0%
2.5%
2.0%
1.5%
1.0%
0.5%
0.0%
2001
2002
2003
2004
2005
2006
2007
2008
2009
2010
2011

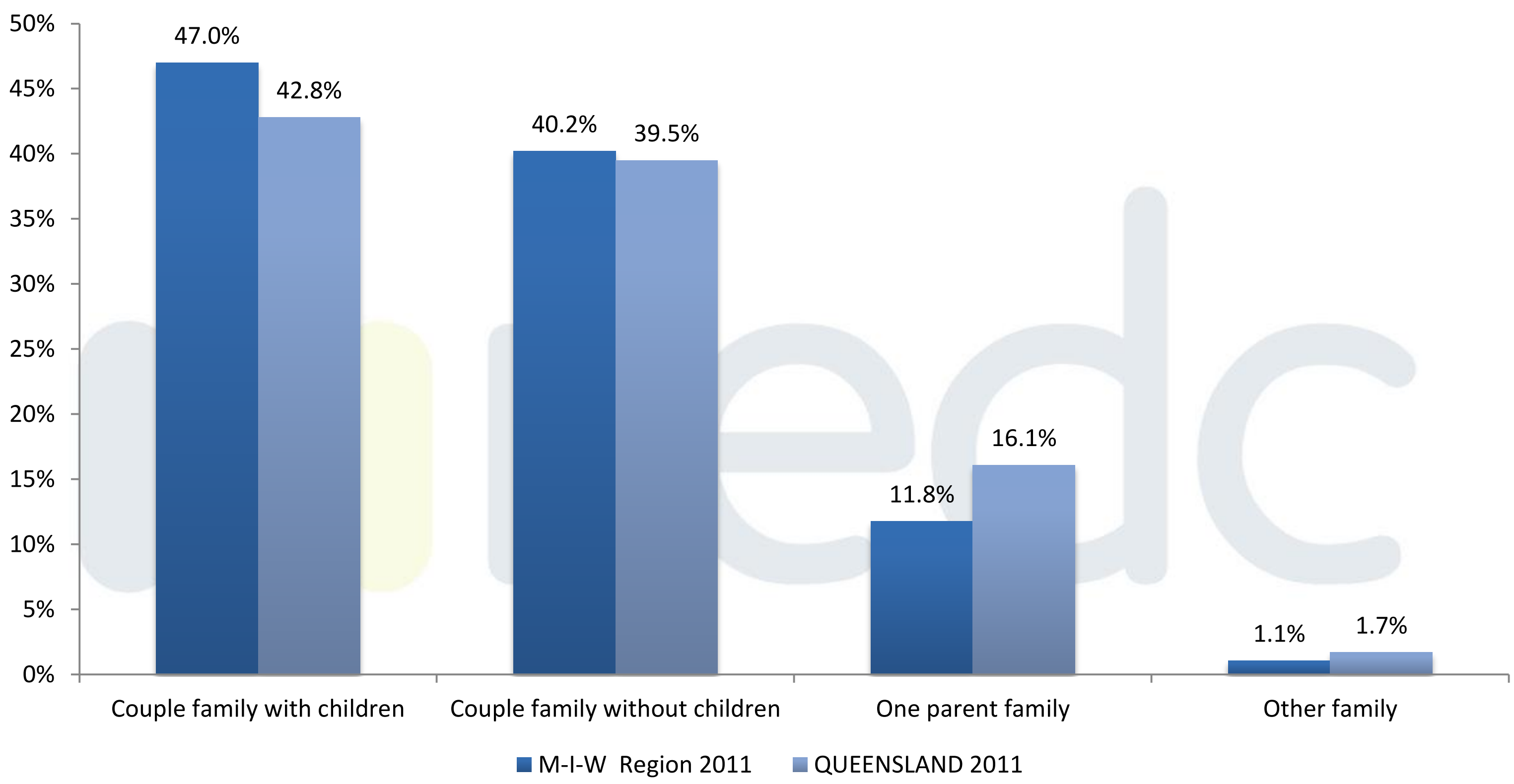
Projected Population



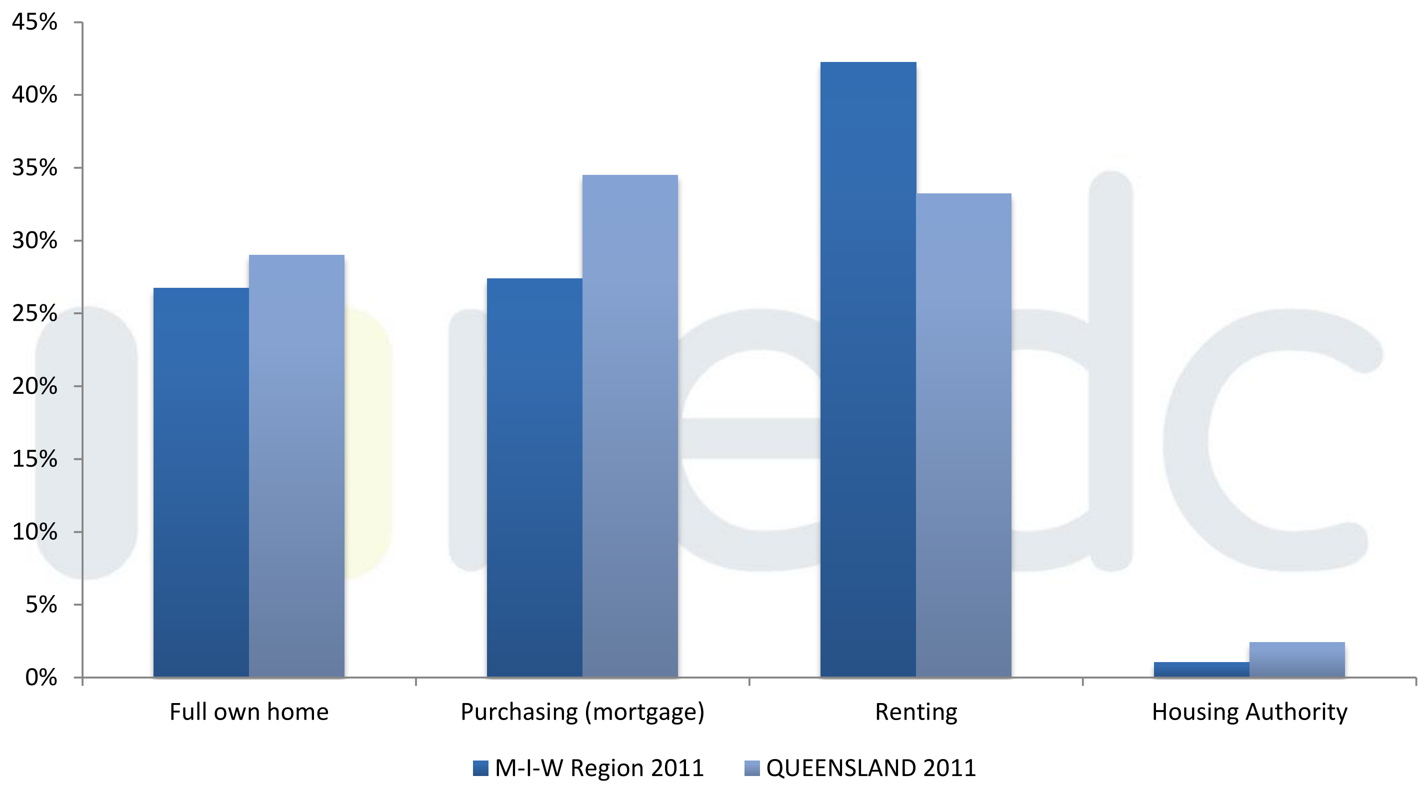
Age Demographics



Household Structure



Housing Tenure



Household Finances

	Median Weekly Home Loan Repayment	% Change	Median Weekly Rent*	Median Weekly Household Income	% Change
Mackay (R)					
2011	$500	n/a	$460	$1,578	n/a
Isaac (R)					
2011	$440	n/a	$500	$2,579	n/a
Whitsunday (R)					
2011	$408	n/a	$350	$1,165	n/a
M-I-W Region					
2006	$300	n/a	n/a	$1,138	n/a
2011	$464	↑54.7%	n/a	$1,572	↑38%
QUEENSLAND					
2006	$300	n/a	n/a	$1,033	
2011	$426	↑42%	n/a	$1,235	↑19.6%

Housing Affordability

Income		House price ($ '000)														
Week	**Year**	100	150	200	250	300	350	400	450	500	550	600	650	700	750	800
199	10348															
299	15548	6.4														
399	20748	4.8														
499	25948	3.9	5.8													
599	31148	3.2	4.8													
699	36348	2.8	4.1	5.5												
799	41548		3.6	4.8												
899	46748		3.2	4.3	5.3											
999	51948		2.9	3.9	4.8	5.8										
1249	64948			3.1	3.8	4.6	5.4									
1499	77948			2.6	3.2	3.8	4.5	5.1	5.8	6.4						
1999	103948				2.4	2.9	3.4	3.8	4.3	4.8	5.3	5.8	6.3			
2499	129948						2.7	3.1	3.5	3.8	4.2	4.6	5.0	5.4	5.8	
2999	155948							2.6	2.9	3.2	3.5	3.8	4.2	4.5	4.8	5.1
3499	181948									2.7	3.0	3.3	3.6	3.8	4.1	4.4
3999	207948											2.9	3.1	3.4	3.6	3.8
4499	233948												2.8	3.0	3.2	3.4
4999	259948														2.9	3.1
5499	285948															2.8
% of m-i-w population		7.2 %	14.7 %	7.4 %	13.1%		9.7%	13.6%		7.5%		3.2%	4.7%			

Median house prices (3 bedroom) in Mackay-Isaac-Whitsunday sit in this price range.

- Mackay $455,000
- Isaac $520,000
- Whitsunday $369,500

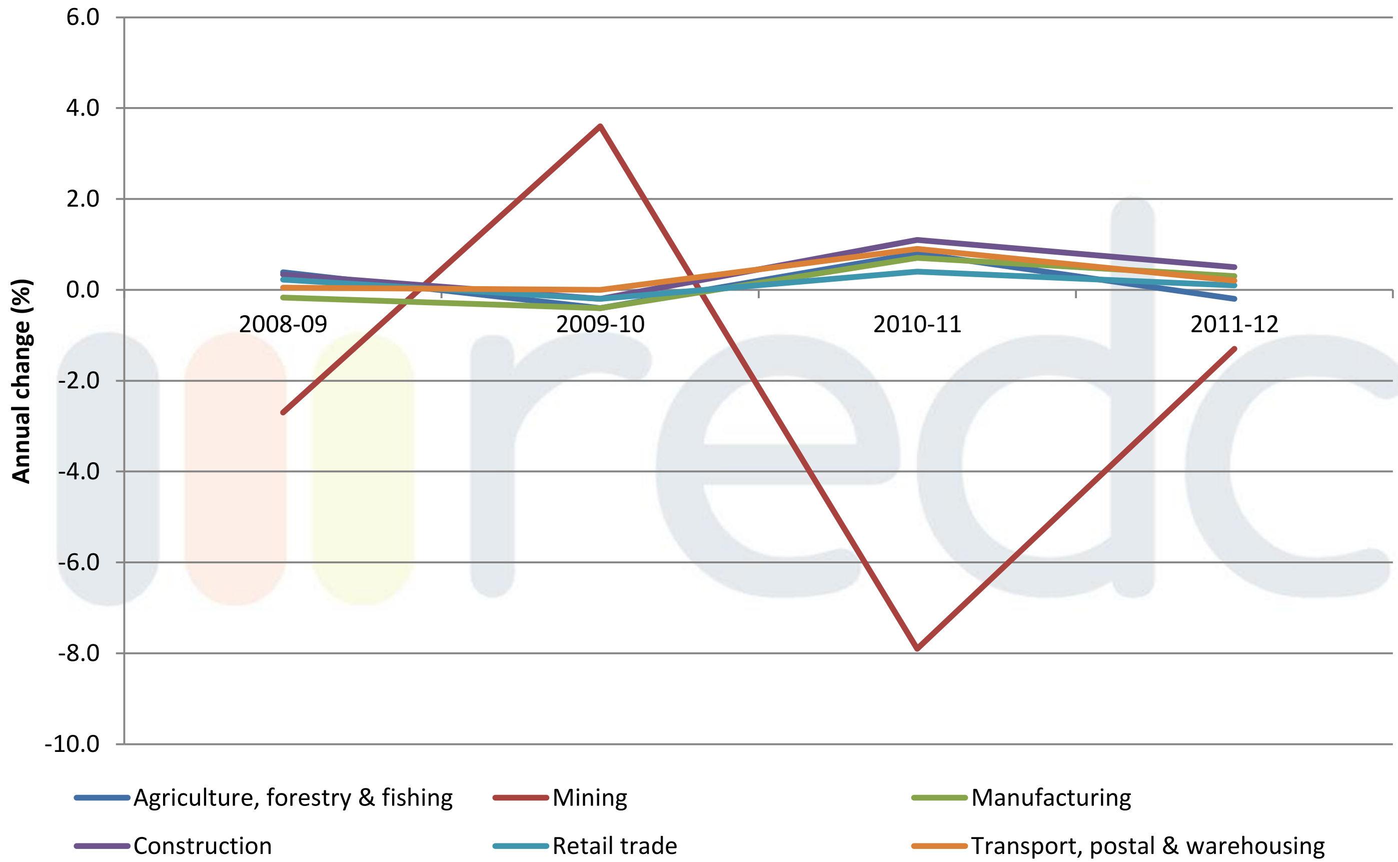
Housing Affordability (Cont)

	Median price (Sep Qtr 2012)	Weekly repayment*	Income range who can afford (gross annual)	% family households who can afford	% non-family households who can afford	Total % of households who can afford
Mackay LGA						
Unit	320,000	478	$130,000+	34.2	12.8	28.6
House	455,000	680	$156,000+	20.1	2.9	15.6
Isaac LGA						
Unit	n/a	n/a	n/a	n/a	n/a	n/a
House	520,000	777	$182,000+	33.9	6.5	23.9
Whitsunday LGA						
Unit	229,000	342	$78,000+	58.1	22.4	46.9
House	369,500	552	$130,000+	31.7	9.6	24.7

Cost of Living

Region	Cost of Living Index, May 2010	Percentage Point Change from May 2006
Mackay	103.2	1.4%
Whitsunday	100.7	-4.1%
Gladstone	98.0	2.2%
Townsville	99.1	-2.8%

Industry Sector Performance



Labour Market

	Labour Force		Unemployment Rate	
Mackay (R)				
2006	53,622	+ 24.8%	3.5%	+ 0.7 pp
2011	66,905		4.2%	
Isaac (R)				
2006	11,631	+ 19.8%	0.9%	+ 0.2 pp
2011	13,931		1.1%	
Whitsunday (R)				
2006	17,560	+ 14.6%	4.6%	+ 1.8 pp
2011	20,115		6.4%	
M-I-W Region				
2006	82,813	+ 21.9%	3%	+ 0.9 pp
2011	100,951		3.9%	
QUEENSLAND				
2006	2,145,500	+ 15.3%	4.7%	+ 0.8 pp
2011	2,472,900		5.5%	

Educational Qualifications

Region	% With Non-School Qualifications		% With Diploma or Higher		% With Certificate	
	2006	2011	2006	2011	2006	2011
Mackay LGA	n/a*	39.7%	n/a*	14.8%	n/a*	24.9%
Isaac LGA	n/a*	40.2%	n/a*	15.0%	n/a*	25.2%
Whitsunday LGA	n/a*	37.3%	n/a*	13.9%	n/a*	23.4%
M-I-W Region	33.6%	39.3%	12.3%	14.7%	21.2%	24.6%
Queensland	37.6%	43.3%	19.7%	23.4%	17.9%	19.9%

Infrastructure Review

- Change to the original format from 2007
- Many of the challenges and opportunities identified in the 2007 report still remain
- There has been good progress and investment across a number of areas
- Still experiencing an infrastructure lag
- Review includes:
    - Utilities
    - Industry/Resource Infrastructure
    - Transport
    - Available Land
    - Education & Research Infrastructure
    - Health & Care Infrastructure

Infrastructure – Utilities 2007

Electricity

- ✗ Reliance on a single transmission line in and out of region
    - ✓ Powerlink upgrades in increase capacity
- Development of additional power generation to meet capacity
    - ✗ Still no base load power in North Qld
    - ✓ Mackay Sugar Cogeneration Project (2012)
    - ✓ Moranbah CSG Power Station (2009)
    - ✓ Upgrades and new electricity substations across the region.

Water

- ✗ Capacity Constraints on Water Infrastructure
    - ✓ Mackay – Sarina Pipeline
    - ✓ Mirani Wastewater Treatment plant
- Loss of State Government Subsidies

Gas

- ✓ Availability and abundance of gas reserves in Bowen Basin
    - ✓ Announcement of new gas pipeline from Moranbah to Gladstone

Telecomms

- Capacity issues
    - ✓ NBN Rollout

Infrastructure – Utilities 2012

Energy

- ✗ Limited funding for new assets
- ✗ 6% substations nearing constraint, with 12% already constrained.
- ❖ Solar fired power station at Collinsville
- ❖ Long term Energy Strategy for the region

Gas

- ❖ Gas storage facilities located in the region to potentially provide base load power to North Queensland.

Water

- ✗ Capacity Constraints
- ❖ Demand management
- ❖ Funding assistance for new and upgraded assets
- ✓ New Bowen & Proserpine Water Treatment Plants in progress

Telecomms

- ❖ NBN Rollout for whole region
- ❖ Improved speed and reliability

Infrastructure – Industry 2007

Coal/Gas/Other

- Available Water for industry expansion
  - ✗ Connors River Dam withdrawn
- 21 operating coal mines in 2007
- ✗ Shale Oil deposit in Condor is the largest in Queensland – Government moratorium on Shale Oil.
- Abundant gas deposits
  - ✓ Pipeline from Moranbah to Gladstone.
  - ✓ Moranbah CSG Power Station (2009)

Agriculture (Sugar, Livestock, Horticulture, Aquaculture)

- Prevailing drought in prior report changed to increased floods & cyclones
- ✗ Loss of productive agricultural land / Peri-urban encroachment on agricultural land
- ✓ Cogeneration Plant at Racecourse Mill

Infrastructure – Industry 2012

Coal/Gas/Other

- ✓ 32 operating coal mines in 2012
- ✗ 2 mine closures
- ❖ Development of Coal Seam Gas
- ❖ Development of Clean Coal Technology
- ✗ Rising costs and declining productivity

Agriculture

- ✗ Reliance on road transport
- ❖ Multi cargo port facilities for Agriculture in Central Queensland
- ❖ Inland freshwater aquaculture
- ❖ Processing & distribution facilities for horticulture
- ❖ Upgrade of Whitsunday Coast Airport to increase export freight capacity.

Infrastructure – Transport 2007

Road

- ✗ Future capacity constraints
  - ✓ Significant upgrades
  - ✗ Infrastructure lag remains
- Reliance on Bruce & Peak Downs Highway (lack of alternative routes)

Rail

- ✗ Capacity to meet industry needs
  - ✓ Northern Missing Link completed
  - ✓ Galilee Basin rail corridor announced

Ports

- ✗ Future capacity constraints
  - ✓ Upgrades to all three Ports
  - ✗ Withdrawal of Multi-cargo port facility at Abbot Point

Airports

- Development of additional air freight capacity from regional airports
  - ✓ Upgrades to Whitsunday Coast and Mackay airports

Infrastructure – Transport 2012

Road

- ✗ Ability to fund infrastructure to meet current and future demands
- ✗ Burden on road network from significant increase in heavy industry
- ✓ Mackay Ring Road funding announced
- ✓ $171.8m of projects in progress, with $52.1m in future projects
- ✗ Alpha to Clermont Road / Proserpine to Collinsville Road

Rail

- ✗ Rising Costs of infrastructure
- ✗ Limited capacity for industries outside of mining
- ❖ Transfer of commodities from road to rail

Ports

- ✓ Financial commitment from resource houses
- ✗ Environmental limitations surrounding Great Barrier Reef
- ❖ Container Port in the region

Airports

- ❖ Creation of a multi-modal freight transport and logistics hub

Infrastructure – Education 2007

University/TAFE

- ✗ Consistency & frequency of communication with industry
  - ✓ This is now a strength – CQU Engagement strategy
- ✗ Limited Course Offerings & Facilities
  - ✓ New programs in Nursing, Medical Imaging, Sonography, Mutimedia etc at CQU
  - ✓ New programs in Dentistry and Allied Health from JCU
  - ✓ JCU Research & Education facility at Base Hospital
  - ✓ New Student residential accommodation and Library at CQU

Development of specialised training & education services for key industry sectors

- ✓ New Trade Training facilities across the region (Mackay, Dysart, Clermont, Moranbah, Bowen etc)

Schools & Pre-Schools

- ✗ Number and skills of teachers and carers
- ✗ Expansion of schools in line with population growth
- ✓ North Mackay High School
- ✗ Insufficient Child Care Facilities across the region

Infrastructure – Education 2012

- ✓Two universities within the region
- ✓Dual Sector merge between CQU and CQIT
- ✓Strong industry partnerships
- ✗ Funding cuts for vocational education
- ✗ Low uptake of research
- ❖Strong need for special education units or facilities across the region.
- ✗ Lack of kindergarten places
- ✗ Risk of school closures in smaller communities

Infrastructure – Health 2007

Hospitals

- Investment in infrastructure & capacity to service expanding population
  - ✓ New Mackay Base Hospital
  - ✓ Upgrades in progress for Bowen, Proserpine & Sarina Hospitals
  - ✓ New services at Base Hospital including Urology
- Attracting and retaining staff
  - ✓ Has eased since 2007 due to new hospital and new nursing courses in the region.
  - ✓ JCU training facilities at Base Hospital
- Quality of health infrastructure in mining communities

Aged Care

- Future capacity issues
- Adequate investment across the full aged care continuum
  - ✓ Good Shepherd Lodge - new facility at Northern Beaches

Infrastructure – Health 2012

Health

- ✗ Funding cuts to aged care
- ✗ Mental health facilities are not adequate to service demand
  - ✓ New youth mental health facility (Headspace)
- ❖ Introduction of E-Health services and facilities in line with NBN rollout
- ❖ Need for more aged care facilities in Isaac and Whitsunday.

Industry Sector Reviews

- ✓ Strong growth in nearly all sectors in this period
- ✓ Many of the challenges have not been addressed
- ✓ Many of the opportunities have not been capitalised on
- ✓ There remains a large disparity between economic contribution of mining and all other sectors
- ✓ Major sectors still include (% of GRP):

✓ Mining	50.3%
✓ Construction	4.4%
✓ Manufacturing	4.1%
✓ Transport	3.6%
✓ Wholesale Trade	3.4%
✓ Agriculture	2%

Local Expenditure

Sector m	Local Expenditure	Sector	Local Expenditure
Mining	$2.3 billion	Professional Services	$186.7 million
Manufacturing	$1.2 billion	Other Services	$148.4 million
Construction	$1.1 billion	Utilities	$104.4 million
Transport	$359.2 million	Public Admin	$102 million
Agriculture	$353.6 million	Administration	$97.7 million
Wholesale/Retail Trade	$327 million	Education	$56.6 million
Real Estate/Rentals	$280.2 million	Info Technology	$54.3 million
Accom/Food	$220.3million	Health	$51.2 million

Local Expenditure (cont)

Sector	Mining	Construction	Manufacturing	Transport	Wholesale Trade	Agriculture
Mining	20.5%		12.5%		8.6%	
Construction	8.1%	38.0%				
Manufacturing	20.6%	24.1%	39.7%	13.0%	10.0%	13.3%
Transport	12.3%	4.8%	8.0%	23.1%	26.3%	7.2%
Wholesale Trade			7.2%			9.2%
Agriculture			16.1%			45.3%
Other	38.5%	33.1%	16.5%	63.9%	55.1%	25.0%

Industry Sector Opportunities

- ✓ Development of Bio-Commodities
- ✓ Clean Tech development
- ✓ Expanded Agriculture industry particularly around horticulture and niche markets
- ✓ Skills development strategies for new and expanding industries
- ✓ Diversification of tourism offering, including accommodation and dining precincts.
- ✓ Multimodal transport hubs for freight and tourism
- ✓ Attraction of ICT skills to complement NBN rollout and industry opportunities

Regional Profile

- ✓ Compiled Annually at both Regional Level as well as LGA Level
- ✓ Economic “Snapshots” are done in the interim
- ✓ Provides a good economic overview of the region and the LGA and can be used for:
  - ✓ Presentations to stakeholders and regional visitors
  - ✓ Investor information
  - ✓ Banks
  - ✓ Local businesses
  - ✓ Industry groups

Overview & Comparison

Data Set	M-I-W	Qld	Detail
GRP	$20.6 billion	$283.6 billion	M-I-W contributes 7.3% of GSP
Productivity	$97.24	$58.32	People in the M-I-W region contribute 62% more economic value per hour worked than the Qld average.
Population	171,297	4,474,098	3.8% of the Qld population live in the region.
GRP per Capita	$120,394	$63,388	The M-I-W GRP per capita is 1.9 times higher than the Qld average (90% more productive).
Population Predictions	279,818 (2031)	6,592,857 (2031)	4.2% of the Qld population by 2031 will live in the region.

Overview & Comparison

Data Set	M-I-W	Qld	Detail
Median Age	35.4 yrs	36.6 yrs	Slightly younger than Qld average
Family Composition	47% Couple with Children	42.8% Couple with Children	Higher than Qld average
Labour Force	101,926	2,480,700	M-I-W has 4.1% of the Qld Labour Force.
Median Weekly Income	$1,572	$1,235	M-I-W is 27% higher than Qld average
Household Tenure - Renting	42.23%	33.2%	The percentage of people renting in the region is higher than state average.
Home Loan Repayments	$464 pw	$426	Housing repayments are higher in the region.

Overview & Comparison

Data Set	M-I-W	Qld	Detail
Rental Yield	5.9	4.1	Rental returns in Mackay are slightly lower than State average. There was a 0.1 increase from the previous year.
Residential DA’s	1,543	14,358	65% of Residential DA’s were generated from Mackay.

Non-Segregated Statistics

- ✓ Workforce by Industry
- ✓ Workforce by Occupation
- ✓ Income by Industry
- ✓ Major Developments
- ✓ Tourism
- ✓ Export
- ✓ Export Facilities
- ✓ Commercial Developments
- ✓ Housing Tenure
- ✓ Housing Affordability Matrix

Other Projects

- ✓ Liveability Audit - Update from 2008 (June 2013)
- ✓ Regional Development Register Update (June 2013)
- ✓ Regional Showcase (10th to 11th October 2013)
- ✓ Affordable Housing
- ✓ Food Security Project
- ✓ Cost of Living Project
- ✓ Regional Supply Chain Cluster Development

www.mwredc.org.au