

Economic Development Highlights

CONFIRMED MAJOR PROJECTS TO BE DEVELOPED IN THE REGION

- AGL Energy and Arrow Energy are partnering to construct the \$220 million Central Queensland Gas Pipeline, a 440km high pressure coal seam gas link from Moranbah to Gladstone.
- Construction is underway on a \$100 million 275 kV transmission line between Broadsound and Nebo substations as part of a three stage solution to reinforce the high voltage supply of electricity to North Queensland
- Lake Lindsay is a \$516 million open cut coal mine currently under construction adjacent to German Creek Mine. Peak mining capacity is expected to be reached in 2009, with saleable coal production reaching 4 Mtpa



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Leading Regional Economic Development

The Isaac Region Economic Report augments the full Mackay Whitsunday Regional Economic Report and provides a summary of statistical information on the sub-region's economy. This report represents a comprehensive coverage and analysis of economic and business conditions for the Isaac Regional Council Area. The aim of the report is to provide timely and accurate economic data to be used by government and business organisations for planning and decision-making purposes, as well as to promote the region as a place in which to invest, live and do business.

The Isaac Region

The Isaac Region is situated West of Mackay, approx 803 kilometres north of Brisbane. The Isaac Regional Council covers an area from "Coal to the Coast" in Central Queensland, incorporating the towns of Clermont, Dysart, Glenden, Middlemount, Moranbah, Nebo, Coppabella, St Lawrence, Carmila, Clairview, Greenhill and Ilbilbie.

The traditional economic base of the Isaac Region has been in sugar, beef, agriculture, and mining, however aquaculture, fruit and vegetable growing and goat farming activities are under development in the region. Aside from rural industries, employment in the western localities is largely associated with the coal industry, while coastal areas of the Shire depend on service industries for a large portion of employment opportunities.

In March 2008, the Belyando, Broadsound and Nebo Shire councils amalgamated to form the new Isaac Regional Council.

Demographics

The Isaac Region boasts a median age younger than the Mackay Whitsunday Region average (35 years), and younger than the Queensland average (36 years). Belyando reported the youngest median age of 30 years. Median ages for Broadsound and Nebo were 32 and 33 years respectively.

The median age in the Isaac Region has remained relatively stable since 1996, despite a small spike in age (34 years) in Broadsound in 2001.

The median age of Isaac's population has remained at levels lower than the Queensland and Mackay Whitsunday Regions since 1996.

Key Demographic Characteristics, Isaac Region

	Median Age (yrs)		
	2006	2001	1996
Belyando	30	32	30
Broadsound	32	34	31
Nebo	33	33	31
Mackay Whitsunday Region	35	36	33
Queensland	36	36	34

Source: ABS 2006, 2001 & 1996 Census

Population

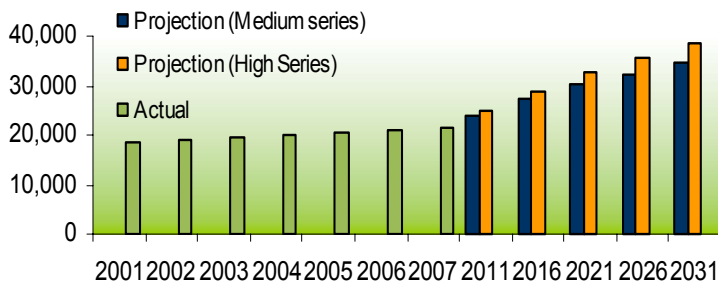
There were an estimated 21,534 persons in the Isaac Region in 2007, representing growth of 1.7% since 2006. This was slightly lower than the population growth rate recorded in Queensland for the same period (2.1%). Belyando (1.9%) recorded the highest growth, followed by Nebo (1.7%). Broadsound recorded the lowest growth in population of 1.3%.

Estimated Resident Population, Isaac Region

	2007	2006	% change
Belyando	11,399	11,185	1.9
Broadsound	7,407	7,311	1.3
Nebo	2,728	2,682	1.7
Isaac LGA	21,534	21,178	1.7
Queensland	221,233	216,750	2.1

Note: Population estimates are for 30th June
Source: ABS 3218.0

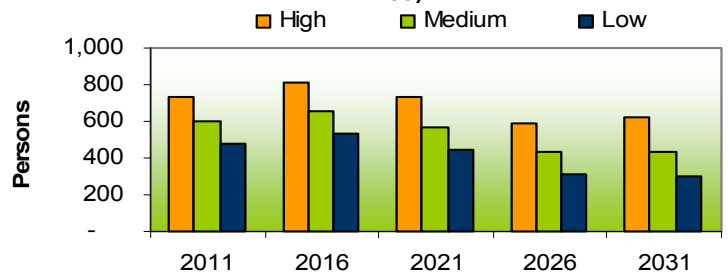
Estimated Resident Population



Population Projections

Isaac Region is projected to grow at an average annual rate of 2.0% to 2031. This medium series projection suggests that there would be an additional 13,467 persons in Isaac Region over the next 25 years. This growth is not spread evenly over that period. Strong growth is projected to 2021, with a slight easing after this.

Average Annual Projected Change (5 Years to June 30)



The high series projection for the region forecasts a significant average annual growth rate of 2.4% to 2031 and even the low series projection is a strong 1.6% per year.

Isaac Region's projected growth rate is higher than the Mackay Whitsunday Region rate and well above the overall Queensland rate.

The Planning Information and Forecasting Unit's 2008 Population Projections for the Isaac Region are lower for 2011 but higher for all other periods than the projections in the previous (2006) series.

Population Projections, Isaac Region

	ERP		Projected Resident Population				Average annual growth (06 to 31)	
	2006	2011	2016	2021	2026	2031	no	%
High Series	21,113	24,786	28,840	32,487	35,425	38,514	696	2.4
Medium Series	21,113	24,131	27,436	30,289	32,432	34,580	539	2.0
Low Series	21,113	23,496	26,172	28,415	29,958	31,444	413	1.6
Medium series comparisons								
Mackay Whitsunday Region	159,800	185,103	211,289	231,658	244,941	255,614	3,833	1.9
Queensland	4,090,908	4,567,713	5,040,325	5,478,715	5,884,439	6,273,885	87,319	1.7

Source: PIFU Population Projections 2008 (Department of Infrastructure and Planning)

Labour Market

There were an estimated 12,081 employed persons in the Isaac Region in the March Quarter 2008, 7.3% more than the number of persons employed one year ago. The labour force also experienced an annual increase since the March Quarter 2007 (up 7.3%). The number of unemployed persons also increased (up 6.8%).

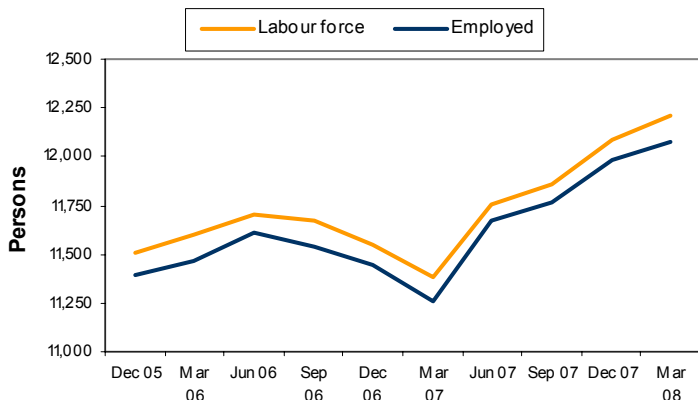
Labour Market Summary, Isaac Region

	March Qtr 2008	March Qtr 2007	Annual % chg
Belyando			
Labour Force (no.)	6,474	6,036	7.3%
Employed (no.)	6,405	5,964	7.4%
Unemployed (no.)	69	72	-4.2%
Unemployment Rate (no.)	1.1	1.2	-0.1pp
Broadsound			
Labour Force (no.)	4,342	4,048	7.3%
Employed (no.)	4,295	4,005	7.2%
Unemployed (no.)	47	43	9.3%
Unemployment Rate (no.)	1.1	1.1	-
Nebo			
Labour Force (no.)	1,390	1,296	7.3%
Employed (no.)	1,381	1,294	6.7%
Unemployed (no.)	9	2	350.0%
Unemployment Rate (no.)	0.6	0.2	0.4pp
Total Isaac Regional Council			
Labour Force (no.)	12,206.0	11,380.0	7.3%
Employed (no.)	12,081.0	11,263.0	7.3%
Unemployed (no.)	125.0	117.0	6.8%
Unemployment Rate (%)	1.0	1.0	-

Source: DEWR Small Area Labour Markets

Labour force and employment growth in the Isaac Region has recovered from the temporary downward turn experienced in the March Quarter 2007, resuming their respective upward trends exhibited since June 2007.

Trend Employment and Labour Force, Isaac Region



Income

The Isaac Region recorded median incomes well above the Mackay Whitsunday Region, Northern and Fitzroy Statistical Divisions, the state and the country.

Individual weekly income was highest in Nebo at \$809, compared to the Queensland median of \$476 per week.

The highest household income (\$1,910/week) was recorded in Belyando, as was the highest family income (\$2,131/week).

Median weekly incomes in Broadsound were also very high, with median weekly household income 78% higher than the Australian median.

Median Weekly Income, Isaac Region

	Individual \$/week	Household \$/week	Family \$/week
Isaac Regional Council			
Belyando	711	1,910	2,131
Broadsound	705	1,828	1,907
Nebo	809	1,744	1,834
Mackay Whitsunday Region			
Northern	499	1,054	1,178
Fitzroy	481	1,067	1,202
Queensland	476	1,033	1,154
Australia	466	1,027	1,171

Source: ABS (2006)

House Prices

The median house price in the Broadsound grew in the year ended March 2008, by 8.7% to \$331,000. Median house prices in Belyando declined slightly by 1.4% to \$345,000.

Median house prices in Belyando were highest at \$345,000. Prices were not available for the Nebo region. There was also no data available on vacant land prices.

Median Property Prices, Isaac Region

	March Qtr 2008	March Qtr 2007	% change
Houses			
Broadsound	\$330,000	\$303,500	8.7%
Belyando	\$345,000	\$350,000	-1.4%

Note: House prices not available for other regions

Source: Real Estate Institute of Queensland

Home Loan Repayments

Average monthly home loan repayments increased in the Belyando, Broadsound and Nebo regions between 2001 and 2006.

Belyando recorded the highest increase in home loan repayments, an increase of 53.2% to \$1,136 per month. Nebo's average home loan repayments increased by 26.6% to \$1,196 per month and Broadsound increased by 13.7% to \$867 per month.

Despite significant percentage increases since 2001, the average monthly home loan repayments throughout the Isaac Region remain significantly below the Mackay Whitsunday (\$1300/month) and Queensland (\$1300/month) averages.

Average Monthly Home Loan Repayment, Isaac Region

	2006	% change since 2001
Belyando	\$1,136	53.2%
Broadsound	\$867	13.7%
Nebo	\$1,196	26.6%
Mackay Whitsunday Region	\$1,300	56.6%
Queensland	\$1,300	57.8%

Source: ABS 2006 and 2001 Census

Housing Tenure

According to the 2006 Census, Broadsound has the highest percentage of households that fully own their home (32.1%), followed by Belyando (27.9%) and Nebo (13.0%).

Household Tenure, Isaac Region

	Fully Own Home	Purchasing Home	Renting
Belyando	27.9%	19.8%	43.7%
Broadsound	32.1%	7.6%	47.8%
Nebo	13.0%	7.2%	57.2%

Source: ABS 2006

Dwelling Approvals

There were 115 residential buildings approved in the Isaac Region for the 2007-08 financial year, 4.2% less than the previous year. There was a significant decrease in the number of building approvals for new houses (down 53.4%), however approvals for other residential dwellings rose significantly (up 55.9%).

The total value of residential building approvals in 2007-08 was \$39,252,800, a decrease of 19.9% since 2006-07. There was a decrease in the total value of new houses (down 46.6% to \$19,180,500) and other dwellings (down 11.8% to \$8,560,000).

The total value of building approvals for alterations and additions increased significantly however, jumping 240.2% to \$11,512,400 in 2007-08.

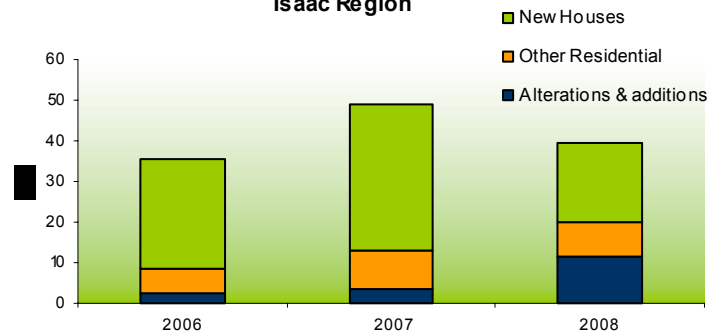
Dwelling Approvals - Isaac Region

	YE June 08	YE June 07	% Change
Number			
Total	115	167	-31.1%
New houses	62	133	-53.4%
Other dwellings	53	34	55.9%
Value (\$'000)			
Total	39252.8	49028	-19.9%
New Houses	19180.5	35944.1	-46.6%
Other dwellings	8560	9700	-11.8%
Alterations & additions	11512.4	3383.9	240.2%

Source: ABS 8731.0

In annual terms, the overall value of building approvals for new houses has fluctuated since 2006. There has been a consistent increase in the total value of alterations and additions made to existing buildings, with value totaling \$11.5 million in 2007-8, an increase of 240.2%.

Value of Residential Building Approvals, Isaac Region



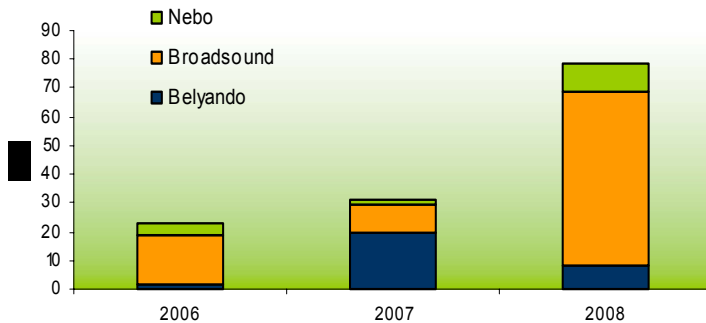
Commercial Investment

There were \$78,24400 in non-residential building approvals in the Isaac Region for the 2007-08 financial year, an increase of 152.4% on the previous year.

The value of non-residential building approvals was highest in Nebo at \$91,470,000, followed by Broadsound (\$60,855,000) and Belyando (\$8,242,000).

The value of non-residential building approvals in Belyando has fluctuated over the past three years, with current year values lower than the previous year (\$19,959,000).

Value of Non-Residential Approvals, Isaac Region



Industrial Precincts

Land in Moranbah and Clermont is zoned suitable for industrial uses, with development opportunities associated with expansion of the existing mining services industry. The second stage of the Moranbah Heavy Industrial Estate provides an extra 18 hectares of industrial land.

Industrial land is available in Dysart and Middlemount, with development opportunities primarily relating to the expansion of the mining services industry. Council is currently investigating the addition of heavy industrial land in the region, particularly in Middlemount as there has been a steady uptake of industrial land, leading to it being in relatively short supply in the area.

Nebo and Glenden offer industrial zoned land suitable for general industry, light industry and warehousing.

Industrial Sales

The Isaac Region recorded a total of 9 industrial sales in the year ended 2007, 52.6% less than the previous year.

The only industrial sales recorded were in Belyando, where value totaled \$5,083,250.

Industrial Sales, Isaac Region

	Year to Dec-07	Year to Dec-06	% change
<i>Industrial sales number</i>			
Belyando	9	8	12.5%
Broadsound	0	10	n/a
Nebo	0	1	n/a
Total	9	19	-52.6%
<i>Total industrial sales value</i>			
Belyando	\$5,083,250	\$2,030,800	150.3%
Broadsound	-	\$932,740	n/a
Nebo	-	\$334,000	n/a
Total	\$5,083,250	\$3,297,540	54.2%

Source: RP Data (General & Light Industry categories)

For More Information

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