

## Economic Development Highlights

### CONFIRMED MAJOR PROJECTS TO BE DEVELOPED IN THE REGION

- New 3 storey, 318 bed Mackay hospital to be built on existing site
- The \$250 million Eastpoint Mackay Pty Ltd project will include hotel accommodation, resort villas, apartments, retirement community, shopping, cultural centre and residential lots.
- Plantation Palms is a \$1.5 billion project by Excel Properties which will include 2,000 homes where 60% of the land will be set aside for natural landscape.
- \$128 million replacement of the Forgan Bridge over the Pioneer River.
- Construction of a \$154 million Mackay Waste Water Recycling Plant



## this issue

Population Projections **P.2**

Labour Market Overview **P.3**

Housing Trends **P.4**

Tourism Statistics **P.6**

## Leading Regional Economic Development

The Mackay Regional Economic Report augments the full Mackay Whitsunday 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 Mackay 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 Mackay Region

The Mackay Region is situated at the mouth of the Pioneer River, 400 kilometres north of the Tropic of Capricorn and 803 kilometres north of Brisbane. The Mackay Region boasts spectacular rainforest, hinterlands, gorges, mountains, lowlands, island and coastal beaches.

The Mackay Region is the largest sugar producing area in Australia and is home to a number of sugar mills and one of only four sugar refineries in Australia and the largest bulk sugar terminal in the World. The region also offers significant business and employment opportunities in the engineering, mining support and service industries.

In March 2008, the Mackay City, Sarina and Mirani Shire Councils amalgamated to form the new Mackay Regional Council.

### Demographics

The median age of population in the Mackay Region is slightly above the Mackay Whitsunday Region average, and on par with that of Queensland. The median age in Mackay City (35 years) and Sarina (37 years) have remained relatively stable since 1996.

The population in Mirani (38 years) is older than both the Mackay Whitsunday Region and Queensland median ages. It has been steadily increasing from 33 years in 1996, to 38 years in 2006.

The median age in Queensland in 1996 was 34 years and has increased slightly to 36 years in 2006.

#### Key Demographic Characteristics, Mackay Region

	Median Age (yrs)		
	2006	2001	1996
Mackay	35	34	33
Mirani	38	35	33
Sarina	37	36	34
Mackay Whitsunday Region	35	36	33
Queensland	36	36	34

Source: ABS 2006, 2001 & 1996 Census

## Population

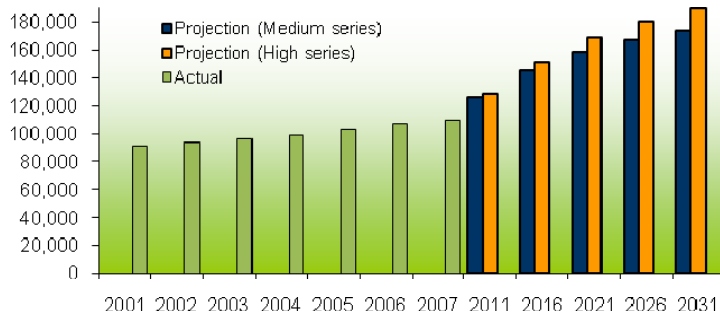
There were an estimated 109,613 persons in the Mackay Region in 2007, representing growth of 2.1% since 2006. This was in line with the population growth recorded in Queensland for the same period. Mackay City (2.1%) recorded growth in line with the state and Sarina's (0.7%) was lower than the State average. Mirani (4.9%) recorded the highest growth rate, significantly higher than that of the State.

### Estimated Resident Population, Mackay Region

	2007	2006	% change
Mackay	92,183	90,303	2.1
Mirani	5,990	5,709	4.9
Sarina	11,440	11,360	0.7
<b>Mackay Region</b>	<b>109,613</b>	<b>107,372</b>	<b>2.1</b>
<b>Queensland</b>	<b>221,233</b>	<b>216,750</b>	<b>2.1</b>

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

### Estimated Resident Population

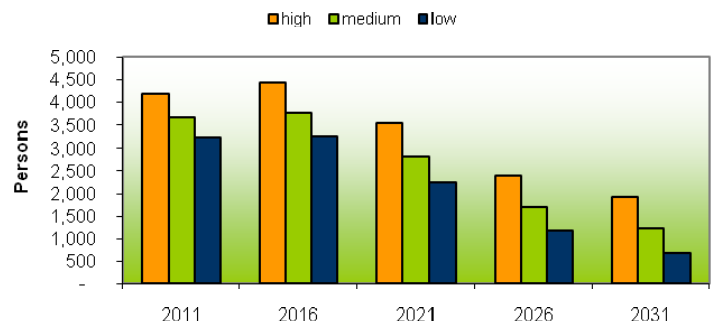


## Population Projections

Population in the Mackay Region is projected to grow at an average annual rate of 1.9% to 172,993 persons by 2031. This is higher than the average annual growth predicted for Queensland (1.7%) and equal to the Mackay Whitsunday Region projected growth rate.

The number of new residents arriving in the Mackay Region each year is expected to peak in the five years to June 30 2016. After this time, growth is expected to slow.

### Average Annual Projected Change (5 Years to June 30)



Should population growth in the Mackay Region trend according to the high series projections, an additional 82,000 people would reside in the region by 2031. Just over 43,000 of these people would arrive in the next 8 years.

Mackay Region's share of total population in the Mackay Whitsunday Region is projected to remain in the vicinity of 67-68%.

### Population Projections, Mackay Region

	ERP		Projected Resident Population				Average annual growth (06 to 31)	
	2006	2011	2016	2021	2026	2031	no	%
High Series	107,332	128,214	150,345	168,066	179,982	189,497	3,287	2.3
Medium Series	107,332	125,669	144,463	158,529	166,958	172,993	2,626	1.9
Low Series	107,332	123,341	139,485	150,719	156,542	159,878	2,102	1.6
Medium series comparisons								
<b>Mackay Whitsunday Region</b>	<b>159,800</b>	<b>185,103</b>	<b>211,289</b>	<b>231,658</b>	<b>244,941</b>	<b>255,614</b>	<b>3,833</b>	<b>1.9</b>
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 Overview

There were an estimated 54,105 employed persons in the Mackay Region in the March Quarter 2008, 6.9% 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 significantly (up 17.1%).

### Labour Market Summary, Mackay Region

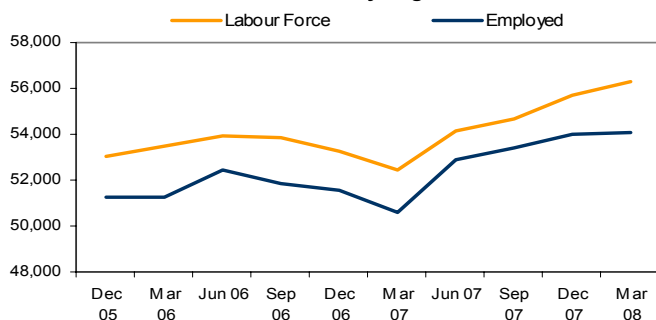
	March Qtr 2008	March Qtr 2007	Annual % chg
<b>Mackay</b>			
Labour Force (no.)	47,601	44,380	7.3%
Employed (no.)	45,801	42,866	6.8%
Unemployed (no.)	1,800	1,514	18.9%
Unemployment Rate (%)	3.8	3.4	11.8%
<b>Mirani</b>			
Labour Force (no.)	3,070	2,862	7.3%
Employed (no.)	2,980	2,766	7.7%
Unemployed (no.)	90	96	-6.3%
Unemployment Rate (%)	2.9	3.4	-14.7%
<b>Sarina</b>			
Labour Force (no.)	5,602	5,223	7.3%
Employed (no.)	5,324	4,981	6.9%
Unemployed (no.)	278	242	14.9%
Unemployment Rate (%)	5	4.6	8.7%
<b>Total Mackay Region</b>			
Labour Force (no.)	56,273.0	52,465.0	7.3%
Employed (no.)	54,105.0	50,613.0	6.9%
Unemployed (no.)	2,168.0	1,852.0	17.1%
Unemployment Rate (%)	3.9	3.5	11%

Source: DEWR Small Area Labour Markets

## Labour Force & Employment

Labour force and employment growth in the Mackay 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, Mackay Region



## Income

Individual and families in Mackay recorded a median weekly income higher than the median for the Mackay Whitsunday Region, the State and nation. Households and families in Mirani also achieved comparably high incomes, however individuals in Mirani and Sarina and families and households in Sarina reported receiving a slightly lower median weekly income than those locations.

### Median Weekly Income, Mackay Region

	Individual \$/week	Household \$/week	Family \$/week
<b>Mackay Regional Council</b>			
Mackay	523	1,137	1,303
Mirani	429	1,015	1,118
Sarina	451	1,090	1,179
<b>Mackay Whitsunday Region</b>			
Queensland	476	1,033	1,154
Australia	466	1,027	1,171

Source: ABS (2006)

## Housing

The median house price in Mackay, Mirani and Sarina grew in the year ended March 2008, by 0.7%, 16.8% and 6.2% respectively. Median house prices in Mackay City were the highest at \$386,500, followed by Mirani (\$350,500) and Sarina (\$345,000).

Vacant land in the Mackay City area declined by 5.1% between March Quarter 2007 and March Quarter 2008.

### Median Property Prices, Mackay Region

	March Qtr 2008	March Qtr 2007	% change
<b>Houses</b>			
Mackay	\$386,500	\$383,750	0.7%
Mirani	\$350,500	\$300,000	16.8%
Sarina	\$345,000	\$325,000	6.2%
<b>Units / Townhouses</b>			
Mackay	\$309,000	\$295,000	4.7%
<b>Land</b>			
Mackay	\$185,000	\$195,000	-5.1%

Note: Unit/Townhouse prices not available for other regions

Source: Real Estate Institute of Queensland

### Home Loan Repayments

Average monthly home loan repayments increased in the Mackay City, Mirani and Sarina regions by 60.7%, 45.6% and 48.2% respectively. Mackay City recorded the highest home loan repayments at \$1300 per month, in line with the State average. Home loan repayments in Mirani and Sarina were below State average at \$1200 per month.

#### Average Monthly Home Loan Repayment, Mackay Region

	2006	% chg on 2001
Mackay City	\$1,300	60.7%
Mirani	\$1,200	45.6%
Sarina	\$1,200	48.2%
<b>Mackay Whitsunday Region</b>	\$1,300	56.6%
Queensland	\$1,300	57.8%

Source: ABS 2006 and 2001 Census

### Median Weekly Rents

Median weekly rents have continued to grow strongly in the past year. Significant increases were recorded for all property types in the June Quarter 2008 compared to the same quarter a year ago.

The most significant increases were seen for 3 bedroom flats (17.1% increase) and 2 bedroom houses (15.4%).

#### Median Weekly Rent - Mackay

	Rents June Qtr 08	Rents June Qtr 07	Annual % chg
1 Bedroom Flat	\$220	\$200	10.0%
2 Bedroom Flat	\$270	\$250	8.0%
3 Bedroom Flat	\$410	\$350	17.1%
2 Bedroom House	\$300	\$260	15.4%
3 Bedroom House	\$360	\$350	2.9%
4 Bedroom House	\$450	\$420	7.1%

Note: Data not available for other regions.

Source: Residential Tenancies Authority

### Housing Tenure

According to the 2006 Census, Mirani has the highest percentage of households that fully own their home (39.4%), followed by Sarina (33.8%) and Mackay City (31.0%).

#### Household Tenure, Mackay Region

	Fully Own Home	Purchasing Home	Renting
Mackay City	31.0%	32.8%	27.4%
Mirani	39.4%	29.5%	19.5%
Sarina	33.8%	33.1%	25.7%

Source: ABS 2006

### Dwelling Approvals

There were 1080 residential buildings approved in the 2007-08 financial year, 4.2% less than the previous year. Growth was recorded for the number of new houses approved (7.4%), however this was offset by a drop in the number of other dwellings approved (39.3%).

#### Dwelling Approvals - Mackay Region

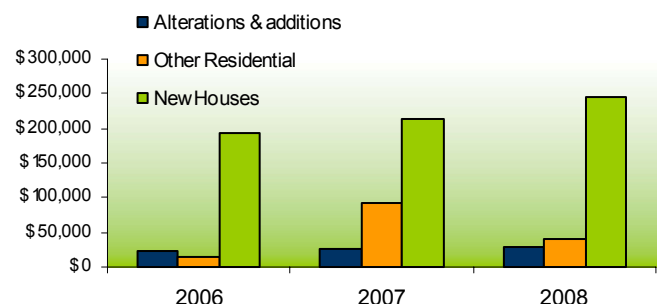
	YE June 08	YE June 07	% chg
<b>Number</b>			
Total	1080	1127	-4.2%
New houses	909	846	7.4%
Other dwellings	170	280	-39.3%
<b>Value (\$'000)</b>			
Total	\$316,170.3	\$334,034.2	-5.3%
New Houses	\$245,550.2	\$213,611.3	15.0%
Other dwellings	\$41,693.4	\$93,492.6	-55.4%
Alterations & additions	\$28,926.7	\$26,930.5	7.4%

Source: ABS 8731.0

The total value of new houses approved in the 2007-08 financial year was \$245.5 million. Other dwellings totaled \$41.6 million.

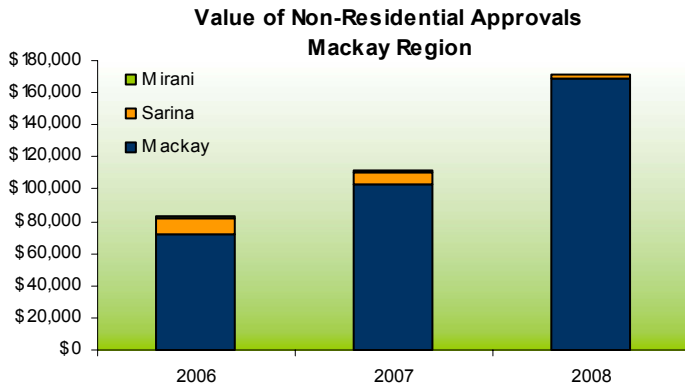
In annual terms, the overall value of building approvals for new houses has increased consistently since 2006. There has also been an increase in the total value of alterations and additions made to existing buildings, with value totaling \$28.9 million in 2007-8, an increase of 7.4%.

#### Value of Residential Building Approvals Mackay (\$'000)



## Non-Residential Approvals

Sarina and Mirani recorded 1983 and 593 non-residential building approvals respectively in the 2007-08 financial year. There were 169,043 non-residential building approvals in Mackay City, representing strong growth over the past three years.



## Industrial Sales

The Mackay Region recorded a total of 45 industrial sales in the year ended 2007, 2.2% less than the previous year. Strongest sales recorded were in Mackay City where the Industrial suburb of Paget is currently experiencing significant growth.

### Industrial Sales, Mackay Region

	Year to Dec-07	Year to Dec-06	% change
<i>Industrial sales number</i>			
Mackay	43	44	-2.3%
Mirani	0	2	n/a
Sarina	2		n/a
<b>Total</b>	<b>45</b>	<b>46</b>	<b>-2.2%</b>
<i>Total industrial sales value</i>			
Mackay	\$41,921,849	\$39,732,162	5.5%
Mirani	-	\$190,000	n/a
Sarina	\$395,000	-	n/a
<b>Total</b>	<b>\$42,316,849</b>	<b>\$39,922,162</b>	<b>6.0%</b>

Source: RP Data (General & Light Industry categories)

## Industrial Precincts

Key industrial precincts in the Mackay Region include:

- Paget Industrial Estate;
- Port of Mackay; and
- Mackay City Centre (light industrial).

The Paget Industrial Estate is considered the prime precinct for engineering services and the manufacturing industry. The precinct is home to a number of international mining and engineering firms. There are approximately 450 hectares of industrial land at the site. Industrial activities suited to this site include the mining services industry, engineering, machining and equipment manufacturing, transport and warehousing. Investigations are currently underway to plan for the expansion of this industrial centre to cater for the estimated growth in industrial activity.

The Port of Mackay offers approximately 300 hectares of serviced industrial land, with lots generally ranging from 4,000 to 7,500 square metres in size. Opportunities at this site include industrial development related to the sugar, grain, fuel and shipping function of the Port, other port related industrial development, marine services activities and cold storage facilities. Development is underway to provide four berths and a bulk raw sugar terminal capable of storing 750,000 tonnes.

Land zoned suitable for industrial use is available in Mirani, Marian, Gargett and Finch Hatton. An area of approximately 32 hectares in size has been identified in Marian for larger scale general industry and will have good access to the Peak Downs and Bruce Highway corridors as well as Mackay City.

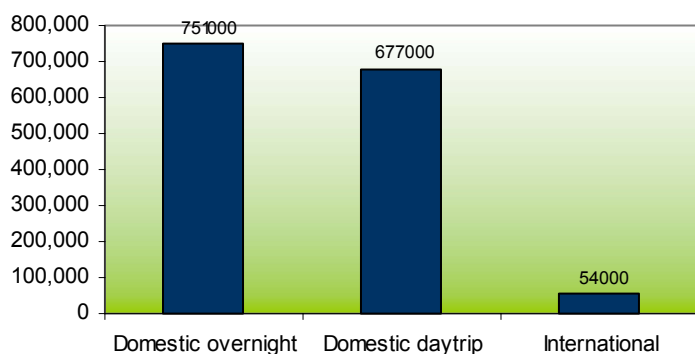
Ports Corporation Queensland own strategically located industrial land at the Port of Hay Point for port related industries, and are currently reviewing the land bank to identify any additional land suitable for support industries in the future. Massland are currently developing a 44 hectare heavy industrial park adjacent to the Port of Hay Point.

Additionally, Ports Corporation Queensland owns 1,300 of land at Dudgeon Point, of which 705 hectares has been earmarked as a potential area for future industrial land estates due to its access to deep water. This land would be suited for heavy manufacturing and bulk storage activities, particularly given its close proximity to the Port of Hay Point.

## Tourism

There were a total of 1,482,000 visitors to the Mackay Tourism Region in the year ended March 2008. Domestic overnight visitors accounted for 50% of this total, domestic day trippers accounted for 46% and international visitors made up 4%.

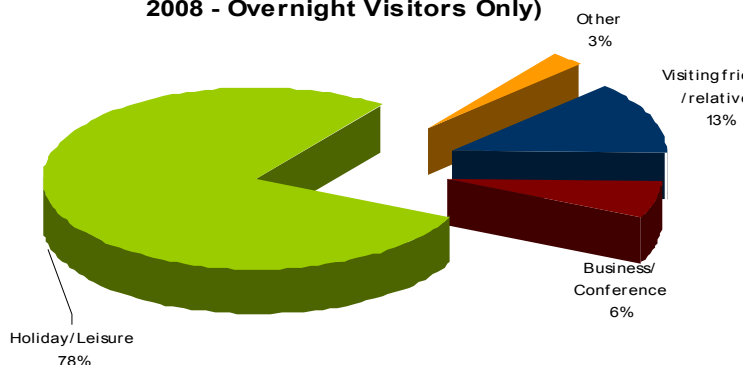
**Visitors to Mackay Region by Type  
YE March 2008**



## Purpose of Visit

Holiday/leisure remains the most common reason for visiting the Mackay Tourism Region (78%), followed by Visiting friends/relatives (13%) and Business/Conference (6%).

**Purpose of Visit, Mackay Tourism Region (March 2008 - Overnight Visitors Only)**



## Tourism Supply and Demand

In the year ended March Quarter 2008, there were 67 accommodation establishments, 2,155 guest rooms and 6,003 bed spaces in the Mackay Tourism Region. There was an increase (9.1%) in the number of room nights in the year ended March Quarter 2008, compared to the same period in the previous year.

The room occupancy rate increased by 3.3 percentage points to 74% over the year to March 2008. There was an increase in the average room rate by 15.2% to \$140.34 over the same period.

Total takings from accommodation in the year ended March Quarter 2008 were \$81,940,726, an increase of 25.6% on the previous year.

**Tourism Accommodation Supply and Demand,  
Mackay Tourism Region**

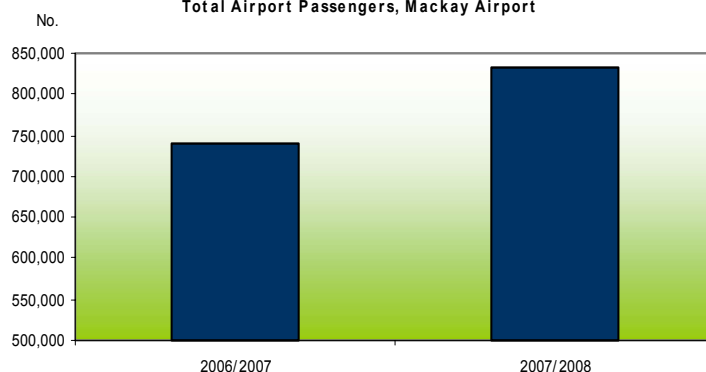
	YE March Qtr 2008	YE March Qtr 2007	Annual % chg
<b>Supply</b>			
Establishments (No)	67	68	-1.5%
Guest Rooms (No)	2,155	2,073	4.0%
Bed Spaces (No)	6,003	5,933	1.2%
<b>Demand</b>			
Room Nights (No)	583,889	535,172	9.1%
Guest Nights (No)	897,908	890,130	0.9%
Guest Arrivals (No)	394,125	417,375	-5.6%
Average Length of Stay (nights)	2.15	2.25	-4.4%
Room occupancy rate (%)	74.0	70.7	3.3
Avg. room rate	\$140.34	\$121.87	15.2%
Takings from Accommodation	\$81,940,726	\$65,223,643	25.6%

Note: The change in room occupancy rate is in % point terms. The data is for hotels, motels and serviced apartments with five rooms or more by small area. Source: ABS 8365.3

## Airport Statistics

Passenger movements at Mackay Airport increased in the 2007-08 financial year. There were 832,072 passenger movements in the 2007-08 year compared to 740,787 in the 2006-07, an increase of 12.3%.

**Total Airport Passengers, Mackay Airport**



## Domestic Capacity

There are 4 airlines that make regular flights in and out of Mackay. Qantas, Jetstar and Virgin blue fly between Brisbane and Mackay regularly each week, providing 27, 21 and 34 flights respectively.

### Flights to Mackay as at August 2008

Airline/Origin	Frequency per week	Total Seats Per Week
<b>Qantas</b>		
Brisbane	27	2,264
<b>Jetstar</b>		
Brisbane	21	3,717
<b>Virgin Blue</b>		
Brisbane	34	4,592
Sydney	7	612
<b>Tiger Airways</b>		
Melbourne	4	720

Source: Tourism Queensland

Virgin Blue travels between Sydney and Mackay a total of 7 times each week, and Tiger Airways make 4 flights each week between Melbourne and Mackay.

### For More Information

#### REDC—Regional Economic Development Corporation, Mackay & Whitsunday

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