

Mackay City offers a diverse range of natural attractions amongst a cosmopolitan atmosphere. Situated at the mouth of the Pioneer River, 400 kilometres north of the Tropic of Capricorn and 803 kilometres north of Brisbane, the region boasts spectacular rainforest, national parks, pristine islands, and coastal beaches.

The region offers a range of tourist activities and is home to a number of desirable destinations such as Brampton, Keswick, St. Bees and Lindeman islands.

Mackay City is the largest sugar producing area in Australia and boasts a number of sugar mills, one of only four sugar refineries in Australia, and the largest bulk sugar terminal in the world. There are also significant employment opportunities in the engineering and mining support industry, and service industries in the region.

Mackay City amalgamated with Sarina and Mirani Shires on 17 March 2008 following the local government election to form the Mackay Regional Council.

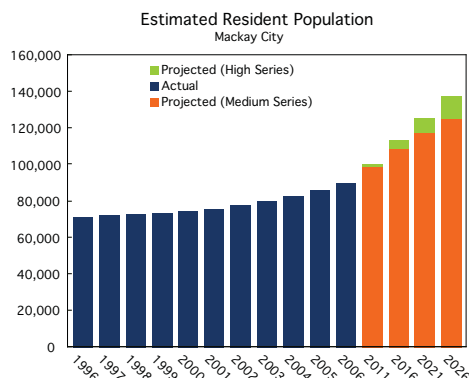


Population

There were an estimated 90,303 persons living in Mackay City in 2006, 4.2% more than in 2005. Mackay City accounted for 56.5% of the Mackay Whitsunday Region population in 2006.

Between 2006 and 2026, the population of Mackay City is projected to increase at an average annual rate of 1.7% to 125,613 persons by 2026. This translates to an extra 1,766 persons in Mackay City each year between 2006 and 2026.

However, if current high growth experienced by the Mackay Whitsunday Region continues over the next 20 years, Mackay City is expected to experience a higher growth rate of 2.1% per annum to 138,139 persons by 2026.



Source: ABS 3218.0, QDLGP Population Projections 2006

Employment

Mackay City's trend labour force was 46,073 persons in the September Quarter 2007, 1.6% more than the September Quarter 2006. The estimated number of trend employed

persons also increased over the year by 2.8% to 45,079 persons, while the number of unemployed persons declined by 34.8% to 1,004 persons in the September Quarter 2007.

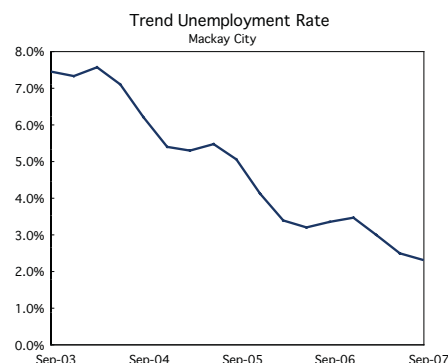
Trend Employment Indicators, Mackay City

	Sep Qtr 2007	% Change on Sep Qtr 2006
Labour Force (no.)	46,073	1.6%
Employed (no.)	45,079	2.8%
Unemployed (no.)	1,004	-34.8%
Unemployment Rate (%) ^(a)	2.3%	-1.1%

Note: This data is derived through trending the unsmoothed series from DEWR, thus the trend labour force does not necessarily equal trend employed persons plus trend unemployed persons. (a) The change in the unemployment rate is in percentage point terms.

Source: DEWR Small Area Labour Market Surveys, AECgroup

The trend unemployment rate in Mackay City continued to decline over the year to the September Quarter 2007, by 1.1 percentage points to 2.3%.



Source: DEWR Small Area Labour Market Surveys, AECgroup

Housing

Mackay City recorded 908 residential building approvals in the 2007 calendar year, 2.9% more than the previous year. Growth in residential building approval numbers was attributable to a 7.2% increase in new house approvals, which more than offset an 11.6% decline in other dwelling approvals in 2007.

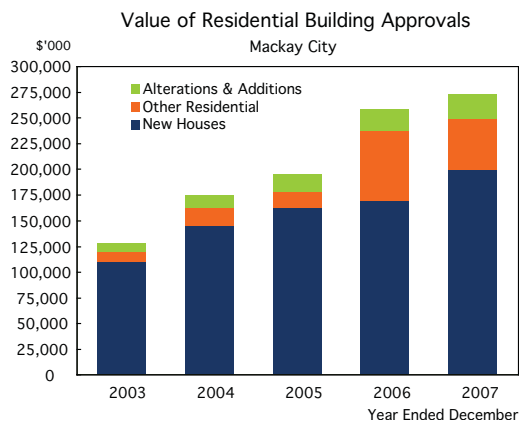
Building Approvals, Mackay City

	Year Ended DEC 07	% Change on Year Ended DEC 06
Number		
New Houses	732	7.2%
Other Dwellings	176	-11.6%
Total Residential	908	2.9%
Value (\$'000)		
New Houses	191,497	17.8%
Other Dwellings	46,531	-28.6%
Alterations & Additions	23,439	16.6%
Total Residential	261,467	5.5%
Non-Residential	104,460	19.1%
Total Building	365,928	9.1%

Note: Other dwellings includes flats, units and apartments.

Source: ABS 8731.0

In line with a rise in the number of residential building approvals, the value of residential building approvals grew by 5.5% in annual terms to \$261.5 million in 2007.



Source: ABS 8731.0

Additionally, the value of non-residential building approvals grew by 19.1% to \$104.5 million in 2007.

Industry

Agriculture - The sugar industry has traditionally been the largest industry for both the region and Mackay City. While other industries have grown in importance in Mackay, sugar continues to be a major contributor to the region's economy.

In 2007, there were an estimated 6,633,960 tonnes of cane crushed at the Mackay Sugar Mill, producing 910,179 tonnes of sugar with an estimated value of \$313.1 million. The Mackay Sugar Mill accounted for 67.5% of total sugar production in the Mackay Whitsunday Region in 2007.

Tourism - Tourism is a vibrant industry in Mackay, boasting popular destinations such as Brampton, Keswick, St. Bees and Lindeman Islands. In the year ended September 2007, there were a total of 407,595 guest arrivals to the Mackay Tourism Region, with a total of 885,689 guest nights.

Takings from accommodation in the year ended September 2007 was \$72.4 million, 21.8% more than in the year ended September 2006. This growth was in part driven by the increases in accommodation demand such as guest arrivals and guest nights (up 3.0% and 3.1%, respectively).

Major Projects

Mackay Water Recycling Project - The Mackay City Council is currently constructing a \$150 million upgrade to the Bucasia Water Treatment Plant, which will allow for 90% of Mackay's wastewater to be recycled for use on agricultural properties.

East Point - At an estimated cost of \$250 million, Eastpoint Mackay Pty Ltd is currently developing an integrated project comprised of hotel accommodation, apartments, resort villas, a retirement community, shopping, a cultural centre, and residential lots.

Ocean Isles - A \$100 million beachside and lakeside development on a total of 7.7 hectares that will include a mixture of apartments, villas, boutique retail/office space and residential lots.

The Beach - Pacific Coast and Noon Breeze Developments are currently constructing the first stage of a four stage, \$200 million development. The first stage includes the subdivision of 33 lots, and the construction of two residential/resort style buildings.

Hastings Deering Complex - This FKP project is currently under construction and will include a new workshop and repair shed, a heavy industrial work shed, and a parts shed. The complex will total an area of 8 hectares, at an estimated cost of \$50 million.

Expansion of the Northern Beaches Central Shopping Centre - The \$20 million project will expand the sub-regional retail and commercial complex to 6,400 square metres in order to service the rapidly growing northern beaches suburbs.

Mackay Convention Centre Precinct - The Mackay City Council has announced the new \$30 million, purpose built, meeting auditorium with a capacity to seat 1,500 persons in theatre style or 900 for a dinner function.

Jagabara Championship Golf Course - This \$25 million golf course has been designed by Karrie Webb and is under construction as part of the \$100 million expansion plan for the Laguna Whitsundays facility.

Shoal Point Waters - A \$50 million project that involves the development of a small tourism precinct with commercial facilities, and high and low-density residential developments, with over 1,000 allotments.

Lanai Apartments - Features 80 luxury apartments over 12 storeys in a resort setting with views of the Pioneer River. Estimated cost of the development is \$45 million and units will range in price from \$395,000 to \$2.4 million.

Bluewater Trail including Blue Water Lagoon - This \$32 million project by the Mackay City Council is comprised of four stages, including the development of the Pioneer Promenade along the Pioneer River, an aquatic lagoon with a children's play area, the Bluewater Quay public open space, roofed market structure, boardwalks, and themed riverfront public art.

Alfred Street, Mackay CBD - This \$64.7 million project will encompass a 5 star precinct which will include retail space, 4,500 m² of professional space, and 166 hotel rooms. It will be located in the heart of the Mackay CBD.

Bowen Range Estate Q - This master planned, \$72 million estate will be comprised of 240 residential lots, an aged care facility, and 24,000 m² of prime bulky goods and retail/convenience space, with the aim of meeting mature aged residential needs.

Glenella and Glenrowan Residential Estates - Morvale Pty Ltd has committed a total of \$87 million to the construction of two residential subdivisions in Mackay. The Glenella estate will cost an estimated \$60 million and will include the constructing of a residential subdivision. The Glenrowan estate will include 340 lots and will be built in separate stages with a total estimated cost of \$27 million.

Plantation Palms - Xcel Properties has committed \$1.5 billion to the development of 2,000 homes in which 60% of the land will be set aside for natural landscape. Lot sizes will range from 430 m² to 890 m². Prices will start at \$153,000.

Forgan Bridge Duplication - The Department of Main Roads has committed \$74.9 million to replacing the existing Forgan Bridge over the Pioneer River.

Energy Supply Mackay Northern Suburbs - Ergon Energy will spend an estimated \$40.6 million to reinforce energy supply to Mackay's northern suburbs, which will involve the construction of a new substation at Glenella.

Mackay Marina Expansion - Mackay Marina Pty Ltd will expand the existing Mackay Marina facilities to provide an additional 150 yacht berths over the next two years, at an estimated cost of \$14 million.

For More Information

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