

Economic Development Highlights

CONFIRMED MAJOR PROJECTS TO BE DEVELOPED IN THE REGION

- The new \$75 million Whitsunday Aviation Village Estate: 57 hanger homes for small aircraft owners.
- The \$770 Stage 3 expansion of the Abbot Point Coal Terminal to increase capacity to 50Mtpa.
- Whisper Bay: a \$282 million residential development comprising 98 study villas and 6 penthouses.
- \$600 million development at the Bowen Marina to include residential village, tavern, retail, offices, floating berths and marine industrial precinct.
- \$700 million Whitsunday Springs development to include a mixed density dwelling complex, hotel, golf course and other resort-type facilities.



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Leading Regional Economic Development

The Whitsunday 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 Whitsunday 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 Whitsunday Region

The Whitsunday Region lies midway along Australia's Queensland coast, 1,125 kilometers north of Brisbane and 725 kilometers south of Cairns. The region comprises Bowen on the north coast, inland Proserpine and Collinsville, coastal Airlie Beach and Shute Harbour in the south.

It is also home to 74 islands and is surrounded by one of the world's seven natural wonders, the Great Barrier Reef.

The region contains substantial national parkland, providing a vital life support system for ancient rainforests and exotic wildlife. The local economy is driven by tourism, mining, sugarcane, farming and cattle grazing.

In March 2008, the Bowen and Whitsunday Shire Councils amalgamated to form the new Whitsunday Regional Council.

Demographics

The median age of population in the Bowen Region (41 years) is significantly higher than both the Mackay Whitsunday Region average (35 years) and the Queensland average (36 years). Bowen's population has increased steadily from a median of 36 years in 1996 to 41 years in 2006.

The median age in Whitsunday has remained relatively stable since 1996 at 36 years, however it did spike to a median of 42 years in 2001 before leveling out again.

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

Key Demographic Characteristics, Whitsunday Region

	Median Age (yrs)		
	2006	2001	1996
Bowen	41	40	36
Whitsunday	36	42	36
Mackay Whitsunday Region	35	36	33
Queensland	36	36	34

Source: ABS 2006, 2001 & 1996 Census

Population

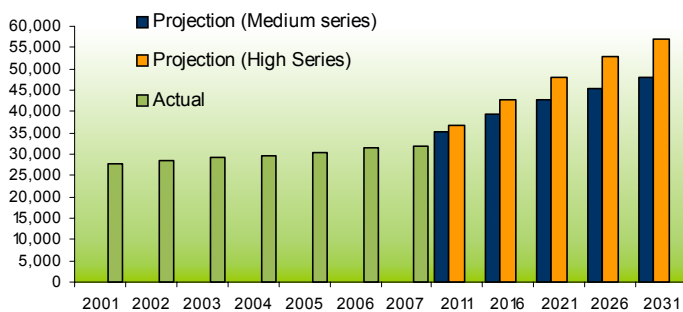
There were an estimated 31,980 persons in the Whitsunday Region in 2007, representing growth of 2.1% since 2006. This was in line with the population growth recorded in Queensland for the same period. Whitsunday (2.4%) recorded growth higher than the State (2.1%) and Bowen's growth (1.7%) was slightly lower than the State average.

Estimated Resident Population, Whitsunday Region

	2007	2006	% change
Bowen	13,370	13,142	1.7
Whitsunday	18,610	18,177	2.4
Whitsunday Region	31,980	31,319	2.1
Queensland	221,233	216,750	2.1

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

Estimated Resident Population



Population in the Whitsunday Region is projected to grow at an average annual rate of 1.7% to 48,041 persons by 2031. This is lower than the average annual growth predicted for the Mackay Whitsunday Region (1.9), but equal to that for Queensland.

There is a significant difference in the high and low series population projections for the Whitsunday Region. The high series average annual growth rate is 2.4%, on par with the Mackay Whitsunday Region and above the Queensland rate, while the low series average annual growth rate is 1.3%, below the Mackay Whitsunday Region and Queensland rates. This difference may be due to the current uncertainty around some very significant projects proposed for the region.

Labour Market Overview

There were an estimated 17,870 employed persons in the Whitsunday Region in the March Quarter 2008, 6.7% more than the number of persons employed one year ago. The labour force experienced an annual increase since the March Quarter 2007 (up 7.3%). The number of unemployed persons also increased significantly (up 27.4%).

Labour Market Summary, Whitsunday Region

	March Qtr 2008	March Qtr 2007	Annual % chg
Bowen			
Labour Force (no.)	7,376	6,877	7.3%
Employed (no.)	6,817	6,446	5.8%
Unemployed (no.)	559	431	29.7%
Unemployment Rate (%)	7.6	6.3	1.3pp
Whitsunday			
Labour Force (no.)	11,053	10,305	7.3%
Employed (no.)	10,653	9,983	6.7%
Unemployed (no.)	400	322	24.2%
Unemployment Rate (%)	3.6	3.1	0.5pp
Total Whitsunday Region			
Labour Force (no.)	18,429.0	17,182.0	7.3%
Employed (no.)	17,870.0	16,751.0	6.7%
Unemployed (no.)	959.0	753.0	27.4%
Unemployment Rate (%)	5.2	4.4	0.8pp

Source: DEWR Small Area Labour Markets

Population Projections, Whitsunday Region

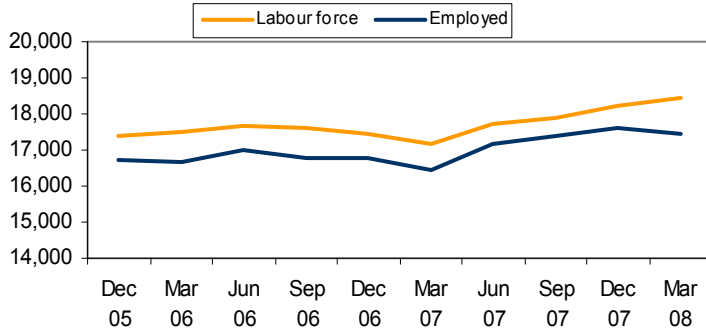
	Projected Resident Population						Average annual growth (06 to 31)	
	ERP 2006	2011	2016	2021	2026	2031	no	%
High Series	31,355	36,891	42,799	48,104	52,692	57,115	1,030	2.4
Medium Series	31,355	35,303	39,389	42,840	45,551	48,041	667	1.7
Low Series	31,355	34,340	37,512	40,065	41,919	43,589	489	1.3
Medium 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 Force & Employment

Labour force and employment growth in the Whitsunday 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, Whitsunday Region



Income

The individual median weekly income in Whitsunday was higher than the median for Mackay Whitsunday Region. It was also higher than the median for Queensland, Australia and the nearby Statistical Divisions of Northern and Fitzroy.

Incomes in Bowen did not compare so favourably, being lower than all of the above. Future prospects for significant development around Bowen are expected to improve this median in future reporting periods.

Median Weekly Income, Whitsunday Region

	Individual \$/week	Household \$/week	Family \$/week
Whitsunday Regional Council			
Bowen	417	826	1,077
Whitsunday	542	1,065	1,162
Mackay Whitsunday Region	521	1,138	1,299
Northern Statistical Division	499	1,054	1,178
Fitzroy Statistical Division	481	1,067	1,202
Queensland	476	1,033	1,154
Australia	466	1,027	1,171

Source: ABS (2006)

Housing

The median house price in Bowen grew in the year ended March 2008, by 21.0% and the median house price in Whitsunday dropped slightly (down 3.7%). Median house prices were highest in Whitsunday at \$395,000, followed by Bowen at \$325,000.

Unit/townhouse prices increased significantly between March Quarter 2007 and March Quarter 2008 (up 18%), as did vacant land prices (2.4%).

Median Property Prices, Whitsunday Region

	March Qtr 2008	March Qtr 2007	% change
Houses			
Whitsunday	\$395,000	\$410,000	-3.7%
Bowen	\$325,000	\$268,500	21.0%
Units / Townhouses			
Whitsunday	\$350,000	\$296,695	18.0%
Land			
Whitsunday	\$192,500	\$188,000	2.4%

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 both the Bowen and Whitsunday LGAs. The highest increase was seen in Whitsunday where average monthly home loan repayments increased by 60.4% to \$1,300 in line with the State average. Bowen's monthly home loan repayments increased modestly by 25% to an average of \$953 per month, remaining below the Queensland average (\$1,300 per month).

Average Monthly Home Loan Payment, Whitsunday Region

	2006	% change since 2001
Bowen	\$953	25.0%
Whitsunday	\$1,300	60.4%
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, Bowen has the highest percentage of households that fully own their home (37.9%), followed by Whitsunday (26.8%).

Household Tenure, Whitsunday Region			
	Fully Own Home	Purchasing Home	Renting
Whitsunday	26.8%	25.0%	32.0%
Bowen	37.9%	19.3%	28.9%

Source: ABS 2006

Median Weekly Rents

Median weekly rents in the Whitsunday Region 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 (15.2% increase) and 2 bedroom houses (12.0%).

Median Weekly Rent - Whitsunday			
	Rents June Qtr 08	Rents June Qtr 07	Annual % chg
1 Bedroom Flat	\$220	\$200	10.0%
2 Bedroom Flat	\$280	\$250	12.0%
3 Bedroom Flat	\$380	\$330	15.2%
2 Bedroom House	\$280	\$250	12.0%
3 Bedroom House	\$390	\$360	8.3%
4 Bedroom House	\$480	\$470	2.1%

Note: Data not available for other regions.

Source: Residential Tenancies Authority

Dwelling Approvals

There were 115 residential building approvals in Bowen in the 2007-08 financial year, representing an annual increase of 12.7%. However, the number of approvals in Whitsunday decreased by 48.1% in the same period to a total of 202.

Dwelling approvals for both new houses and other dwellings in Whitsunday dropped by 49.1% and 47.2% respectively, as reflected in a decrease in the total value of residential building approvals to \$57,317,100 for the year (down 53.4%).

Dwelling Approvals - Whitsunday

	YE June 08	YE June 07	% Change
Number			
Total	202	389	-48.1%
New houses	89	175	-49.1%
Other dwellings	113	214	-47.2%
Value (\$'000)			
Total	57317.1	123006.8	-53.4%
New Houses	33006.8	79267.5	-58.4%
Other dwellings	20879.6	38792.6	-46.2%
Alterations & additions	3430.8	4946.7	-30.6%

Source: ABS 8731.0

In Bowen, the number of building approvals for new houses in the 2007-08 financial year declined slightly (down 2.2%), however the number of other dwellings approved increased dramatically (up 150%) on the previous year.

The total value of residential building approvals in Bowen increased by 10.4% to a total of \$27,434,400.

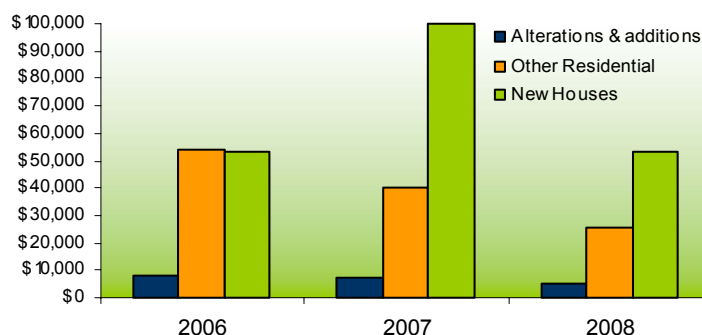
Dwelling Approvals - Bowen

	YE June 08	YE June 07	% Change
Number			
Total	115	102	12.7%
New houses	90	92	-2.2%
Other dwellings	25	10	150.0%
Value (\$'000)			
Total	27434.4	24847.4	10.4%
New Houses	20458.2	20715.3	-1.2%
Other dwellings	5019.8	1713.7	192.9%
Alterations & additions	1956.4	2418.3	-19.1%

Source: ABS 8731.0

In annual terms, the value of approvals for alterations and additions has remained stable, whilst the value of approvals for new houses and other residential has fluctuated.

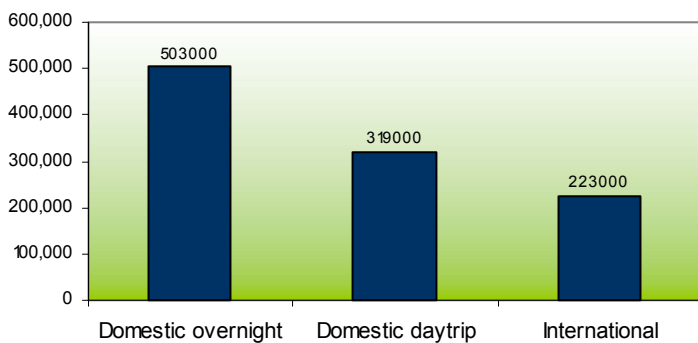
Value of Residential Building Approvals Whitsunday Region (\$'000)



Tourism

There were a total of 1,045,000 visitors to the Whitsunday Tourism Region in the year ended March 2008. Domestic overnight visitors accounted for 48% of this total, domestic day trippers accounted for 31% and International visitors made up 21%. There were a total of 224,000 international visitors to the Whitsunday Tourism Region in the year ended March 2008.

**Visitors to Whitsunday Tourism Region by Type
YE March 2008**



Purpose of Visit (Overnight Visitors)

Holiday/leisure is overwhelmingly the most common reason for staying overnight in the Whitsunday Region (96%).

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



Tourism Supply and Demand

In the year ended March Quarter 2008, there were 48 accommodation establishments, 2,988 guest rooms and 10,400 bed spaces in the Whitsunday Tourism Region.

There was a small increase (2.1%) in the number of room nights in the year ended March Quarter 2008, compared to the same period in the previous year.

There was also a significant increase in the average room rate which increased from \$300.60 per night in the year ended March 2007 to \$338.50 per night in the year ended March 2008.

Total takings from accommodation in the year ended March Quarter 2008 were \$130,766,659 a modest increase of 4.4% on the previous year.

Tourism Accommodation Supply and Demand, Whitsunday Tourism Region

	YE March Qtr 2008	YE March Qtr 2007	Annual % chg
Supply			
Establishments (No)	48	47	2.1%
Guest Rooms (No)	2,988	2,972	0.6%
Bed Spaces (No)	10,400	10,405	-0.1%
Demand			
Room Nights (No)	659,374	673,612	1.9%
Guest Nights (No)	1,482,650	1,535,207	-3.4%
Guest Arrivals (No)	486,191	474,713	2.4%
Avg. Length of Stay (nights)	3.15	3.175	-0.8%
Room occupancy rate (%)	60.3	62.1	-1.8
Avg. Room Rate	\$198.32	\$185.96	6.6%
Takings from Accommodation	\$130,766,659	\$125,268,171	4.4%

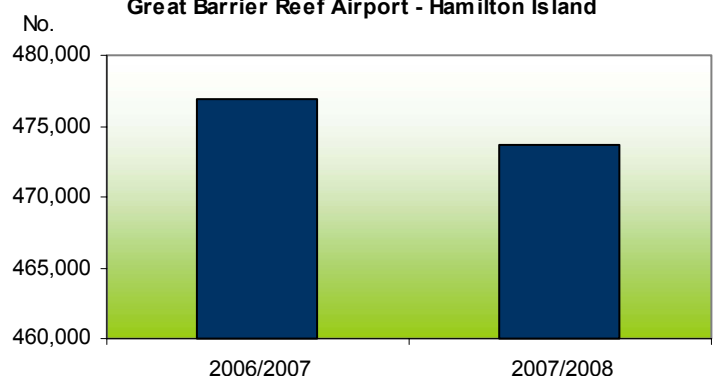
Note: The change in room occupancy rate is in % point terms. The data is for hotels, motels and serviced apartments with five rooms or more by small area.

Source: ABS 8365.3

Airport Statistics

Passenger movements at the Great Barrier Reef Airport decreased in the 2007-08 financial year. There were 473,611 passenger movements in the 2007-08 year compared to 476,917 in the 2006-07, a decrease of 0.7%.

**Total Airport Passengers,
Great Barrier Reef Airport - Hamilton Island**



Domestic Capacity

There are 2 airlines that make regular flights in and out of the Whitsunday Region.

Both Jetstar and Virgin Blue make daily trips between Hamilton Island's Great Barrier Reef Airport and Brisbane, with Jetstar flying daily to and from Sydney and Melbourne also.

Flights to Hamilton Island as at August 2008

Airline/Origin	Frequency per week	Total Seats Per Week
Jetstar		
Sydney	7	1,239
Brisbane	7	1,239
Melbourne	7	1,239
Virgin Blue		
Brisbane	7	1,116

Source: Tourism Queensland

Both Jetstar and Virgin Blue have daily services between Proserpine (Whitsunday Coast Airport) and Brisbane. There are no Sydney flights at this time.

Flights to Proserpine as at August 2008

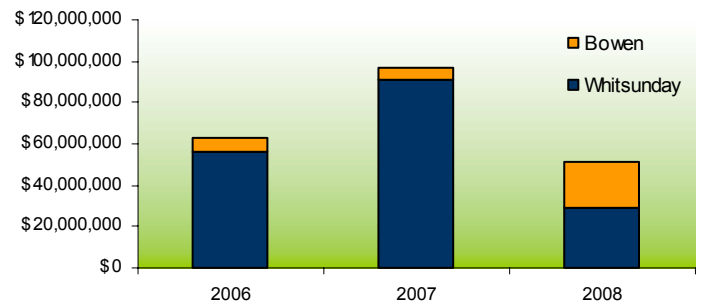
Airline/Origin	Frequency per week	Total Seats Per Week
Jetstar		
Sydney	0	0
Brisbane	7	1,239
Virgin Blue		
Brisbane	7	1,260
Sydney	0	0

Source: Tourism Queensland

Non-Residential Building Approvals

Bowen and Whitsunday recorded \$21,944,000 and \$29,146,000 in non-residential building approvals respectively in the 2007-08 financial year. These figures represent a significant decline in the value of non-residential building approvals for Whitsunday (down 67.9%) and a dramatic increase in the value of non-residential building approvals for Bowen (up 247.4%) since the previous year.

Value of Non-Residential Approvals Whitsunday Region



Industrial Sales

The Whitsunday Region recorded a total of 4 industrial sales in the year ended 2007, 33% more than the previous year.

Total industrial sales recorded for the year ended December 2007 was \$1,465,000. This represents a significant increase in the value of industrial sales compared to the year ended December 2006 (74%).

Industrial Sales, Whitsunday Region

	Year to Dec-07	Year to Dec-06	% change
<i>Industrial sales number</i>			
Whitsunday	0	0	n/a
Bowen	4	3	33.3%
Total	4	3	33.3%
<i>Total industrial sales value</i>			
Whitsunday	-	-	n/a
Bowen	\$1,465,000	\$842,000	74.0%
Total	\$1,465,000	\$842,000	74.0%

Source: RP Data (General & Light Industry categories)

Industrial Precincts

Bowen

Bowen offers 143 hectares of industrial land at the Bowen Future Industry area, located west of the Bowen township. The area contains a number of large lots suited for support industries such as heavy engineering and stockfeed plants.

The Abbot Point Industrial Precinct offers 300 hectares of heavy industrial land close to the port facilities ready for development. The State Government has declared 6,000 hectares of land at Abbot Point a State Development Area for heavy, medium and light industrial use and for food value adding industries, and a precinct for large scale industries.

Bowen has been named as one of the areas to form the emerging Northern Economic Triangle along with Mt Isa and Townsville. The Northern Economic Triangle is a focus area of opportunity and investment that is expected to draw major private investments in minerals processing and industrial development over the next half century to the region.

Redevelopment of the existing Bowen Marina will also result in the development of a specialised marine industrial area at the site.

Whitsunday

Two industrial zoned areas are available in Cannonvale, with smaller industrial precincts in Jubilee Pocket and Proserpine. Development in these areas is suited to manufacturing to support the agricultural, marine, tourism and cane industries.

A total of 8 acres of heavy industrial land is currently under development at Carbo Drive. Also, \$75 million is being invested in the development of the Whitsunday Airport Park (Jeffery Ruddell Developments), that will provide airpark housing both residential and hangers and provide for the expansion of the aviation services of the area.

For More Information

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