Central Highlands Economic Profile

January 2012

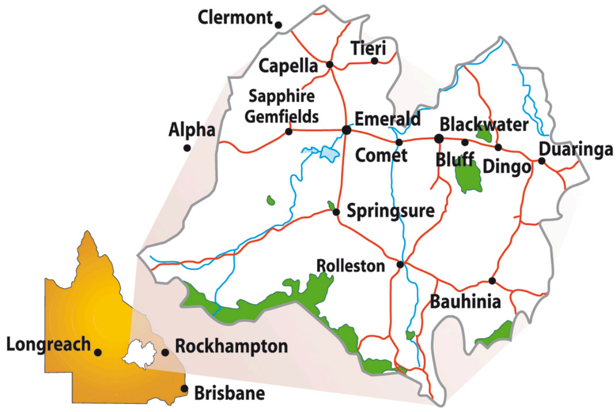
CHDC

Introduction

The Central Highlands region is located in Central Queensland and includes the major townships of Emerald, Springsure, Rolleston, Duaringa, Blackwater, Capella, Tieri and the four townships in the Sapphire Gemfields – Anakie, Sapphire, Rubyvale and Willows Gemfields. The region covers a significant section of the Bowen Basin, an area of coal reserves and mining related communities that extends just under 60,000 square kilometres of Central Queensland. The Bowen Basin is the largest coal reserve in Australia, extracting over 100 million tonnes annually and representing Queensland's most important export commodity.

The Central Highlands is rich in minerals and agriculture, and boasts the largest sapphire producing fields in the Southern Hemisphere. The region produces cattle, cotton, grain, citrus and, more recently, table grapes, thanks to irrigation from Fairbairn Dam on the Nogoa and Comet Rivers. The Central Highlands region contains major freight routes, including the north-south link between Charters Towers and northern New South Wales, which has been identified as an inland alternative link between Cairns and Melbourne.

Central Highlands Snapshot		
	Central Highlands	Queensland
Population, 2010	31,078	4,513,850
Population growth, 2005-10	2.5%	2.5%
Population projection, 2031	50,742	6,592,857
Annual population growth, 2010-31	2.4%	1.8%
Average age, 2010	31.9 years	36.7 years
Gross regional product, 2010/11	\$5.2 billion	\$266.6 billion
Average wages income, 2008/09	\$60,705	\$44,501
Employment growth, yr to Sep Qtr 2011	6.4%	2.0%
Unemployment rate, Sep Qtr 2011	2.5%	4.9%
Participation rate, 2010	78.9%	66.1%
Dependency ratio, 2010	42.7%	48.2%



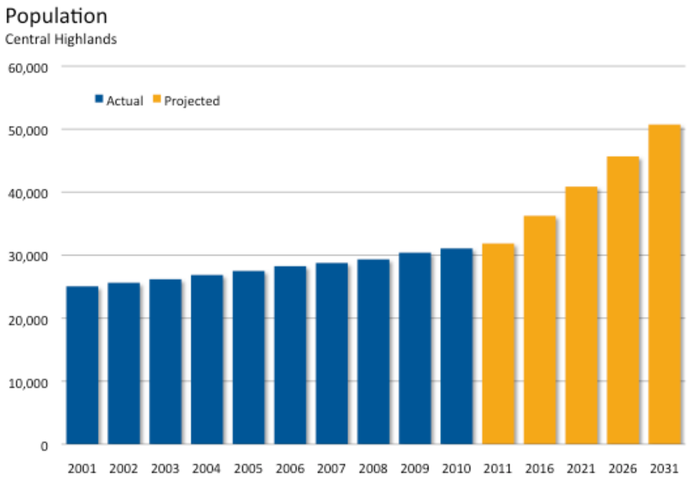
Major Projects

Central Highlands Development Register			
Project	**Investment**	**Timing**	**Status**
Community Infrastructure	**\$35.1 million**		
Emerald Airport Terminal Upgrade	\$6.3 million	2011	Completed
Opal Street Sports Precinct – Emerald Aquatic Centre, Netball & Tennis Court upgrades	\$15.0 million	2011/12	In progress
Retail Construction	**\$45.5 million**		
Emerald Homemakers Centre – Site Development	\$5.5 million	2012	Construction of site works underway
Central Highlands Marketplace	\$40 million	Opening March 2012	Under construction
Manufacturing & Industrial			
Shepton Quarry	\$12 million	2011	Completed
Rail			
Blackwater line power upgrade	\$190 million	To be completed Dec 2012	Under construction
Roads			
Central Highlands Roads & Infrastructure	\$83.0 million	2012	In progress
Central Highlands Regional Council Flood Restoration Roadworks	\$40.0 million	2012	In progress
Energy	**\$78.0 million**		
Blackwater CSQ Power Station	\$50 million	2012	Under construction
Mining	**\$6,772.0 million**		
Kestrel Coal Underground Expansion	\$2 billion	2013	Under construction
Curragh Opencut Expansion	\$286 million	2012	Under construction
Ensham Central B&P Underground	\$166 million	2012	Under construction
Yarrabee Opencut	\$150 million	2013	Under construction
Water & Sewerage	**\$8.2 million**		
Land			
Central Highlands Regional Council Land Acquisition & Development	\$6.7 million		
Central Highlands Subtotal	***\$7,270.5 million***		
Mining (outside region – Galilee Basin)	**\$19,600.0 million**		
Energy (partial investment in region)	**\$16,775.0 million**		
Blackwater to Gladstone gas pipeline	\$300 million	2015	Under study; EIS commenced
Central Queensland gas pipeline	\$475 million	2014	Under study
Gladstone LNG	\$16,000 million	2015	Under construction
Total	***\$43,645.5 million***		

Population

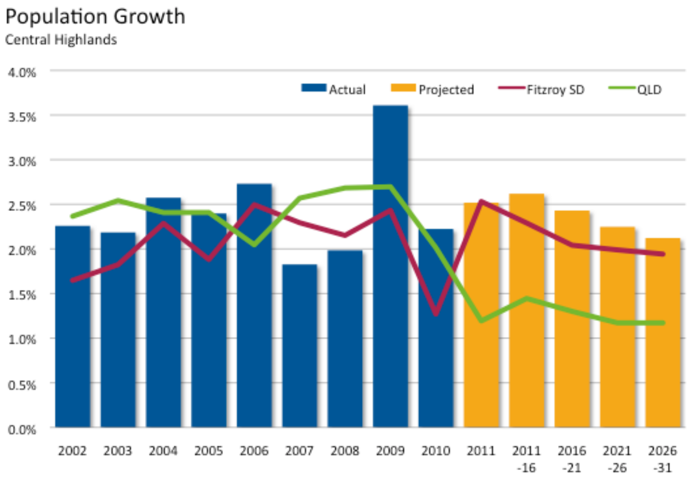
Population

The estimated resident population of the Central Highlands region was 31,078 in 2010, representing an annual population increase of 676 persons, or 2.2% from the level recorded in 2009. The full-time equivalent (FTE) population of the Central Highlands also includes approximately 3,225 non-resident workers, or those who work in the region for extended periods of time.



Source: ABS 3218.0, OESR

Over the past five years, the population of the Central Highlands has increased at an average annual rate of 2.5%.



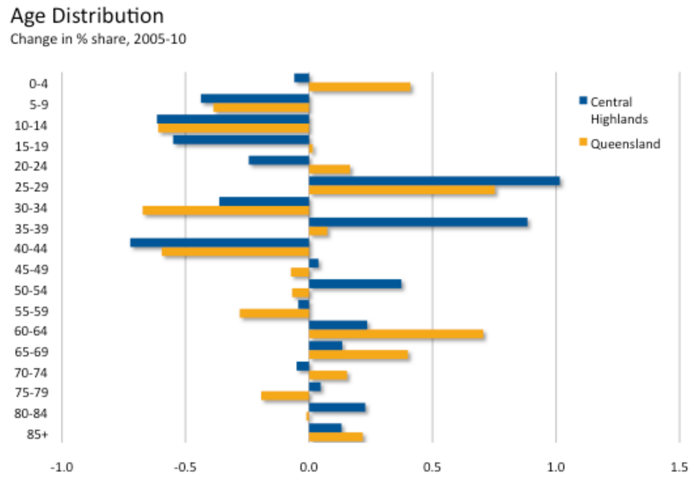
Note: Changes are average annual % changes for 2010-2031
Source: ABS 3218.0, OESR

Projections to the year 2031 show that the population of the Central Highlands is expected to increase by 2.4% per annum to approximately 50,742 persons, higher than the forecast growth rates for the Fitzroy statistical division (2.1%) and Queensland (1.6%) over the same period.

Age Distribution

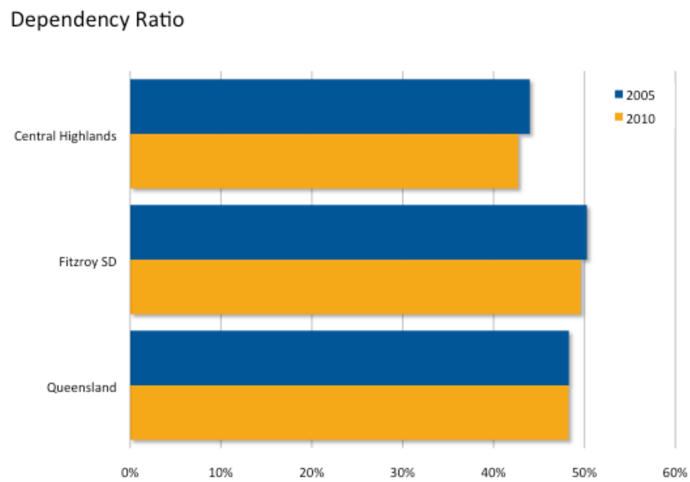
Between 2005 and 2010, the average age of the population of the Central Highlands increased by 0.7 years to 31.9 years. By comparison, the average age for Queensland rose by 0.3 years to 36.7 years in 2010.

There was an increase in the total population share of the Central Highlands between 2005 and 2010 in the 25-29 years, 35-39 years, 45-49 years, 50-54 years, 60-64 years, 65-69 years, 75-79 years, 80-84 years and 85 years and older age brackets.



Source: ABS 3218.0, OESR

The dependency ratio – i.e. the ratio of the economically dependent proportion of the population (aged under 15 years and over 64 years) to the productive part (aged between 15-64 years) – for the Central Highlands was 42.7% in 2010, which was well below the average for Queensland (48.2%). Between 2005 and 2010, the dependency ratio for the Central Highlands decreased by 1.3 percentage points.



Source: ABS 3218.0, OESR

Population									
	Level 2010	Ann % chg	Avg ann % chg (2005-10)	Level 2031	Avg ann % chg (2010-31)	Avg age (yrs) 2005	Avg age (yrs) 2010	Dependency ratio (%) 2005	Dependency ratio (%) 2010
Central Highlands	31,078	2.2	2.5	50,742	2.4	31.3	31.9	44.0	42.7
Fitzroy SD	223,516	1.3	2.1	344,938	2.1	35.0	35.3	50.3	49.6
Queensland	4,513,850	2.0	2.5	6,273,885	1.6	36.4	36.7	48.3	48.2

Source: ABS 3218.0, ABS 3235.0, OESR

Business Activity

Gross Regional Product

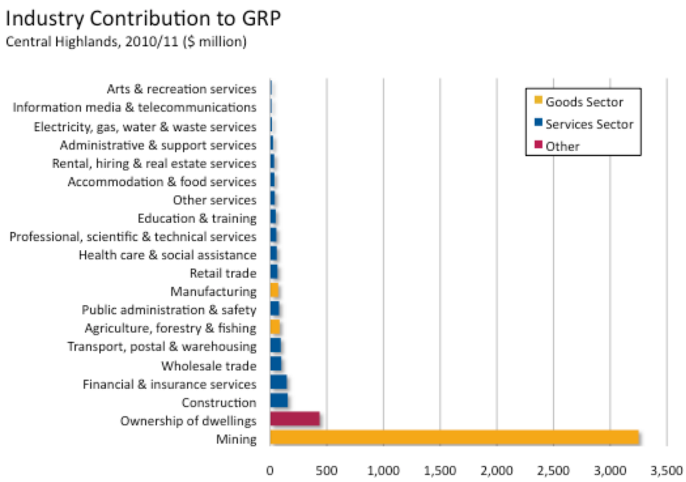
The estimated Gross Regional Product (GRP) for the Central Highlands was $5.2 billion in 2010/11. The region experienced a significant annual decrease of 17.1% in real GRP in 2010/11 – due specifically to the effects of flooding – although over the past five years, the average annual growth in GRP was 0.7%. The Central Highlands contributed 1.9% to the gross state product of Queensland ($266.6 billion) in 2010/11.

Source: Lawrence Consulting

With regard to industry, by far the largest contribution was made by the Mining industry, with approximately $3.3 billion, or 63.0% of the total GRP for the Central Highlands. Other significant contributors were Construction (3.0%), Financial & Insurance Services (2.9%) and Wholesale Trade (1.9%).

The Financial & Insurance Services industry experienced the highest annual increase in real GRP in 2010/11, rising significantly by 79.1%, followed by Information Media & Telecommunications (up 25.4%), Rental, Hiring & Real Estate Services (up 11.1%) and Health Care & Social Assistance (up 6.6%).

Over the past five years, the Financial & Insurance Services industry also recorded the highest average annual growth rate in real GRP (18.7%), followed by Health Care & Social Assistance (5.9%) and Wholesale Trade (5.8%).



The Central Highlands received a relatively higher industry contribution to total GRP from the Mining sector than Queensland in 2010/11.

Gross Regional Product								
Industry	**Central Highlands**				**Queensland**			
	Level ($m) 2010/11	**% of total**	**Ann % chg**	**Avg ann % chg last 5 yrs**	**Level ($m) 2010/11**	**% of total**	**Ann % chg**	**Avg ann % chg last 5 yrs**
Agriculture, forestry & fishing	83.2	1.6	-24.2	-12.2	7,993	3.0	9.8	5.6
Mining	3,250.8	63.0	-23.0	0.8	24,009	9.0	-17.7	-0.9
Manufacturing	70.9	1.4	-10.5	-0.3	20,710	7.8	-3.1	-3.2
Electricity, gas, water & waste services	15.1	0.3	-7.5	-4.7	5,985	2.2	0.2	3.7
Construction	155.5	3.0	-2.7	0.4	22,272	8.4	12.0	5.5
Wholesale trade	98.6	1.9	15.3	5.8	12,866	4.8	-0.3	1.2
Retail trade	65.3	1.3	-7.4	-3.2	13,534	5.1	1.5	3.1
Accommodation & food services	37.2	0.7	5.4	-2.4	6,325	2.4	-2.6	-4.4
Transport, postal & warehousing	93.6	1.8	-9.5	-0.6	16,691	6.3	3.8	4.4
Information media & telecommunications	8.0	0.2	25.4	-8.4	5,160	1.9	4.0	2.5
Financial & insurance services	147.5	2.9	79.1	18.7	17,208	6.5	2.9	7.0
Rental, hiring & real estate services	35.5	0.7	11.1	1.8	6,417	2.4	-2.1	0.1
Professional, scientific & technical services	55.1	1.1	-13.0	3.5	14,616	5.5	-2.8	3.6
Administrative & support services	25.6	0.5	4.2	5.4	5,063	1.9	8.3	1.3
Public administration & safety	79.2	1.5	0.2	0.6	14,094	5.3	2.6	2.7
Education & training	48.6	0.9	-10.2	-5.9	10,651	4.0	3.0	3.0
Health care & social assistance	58.6	1.1	6.6	5.9	16,153	6.1	2.2	4.6
Arts & recreation services	1.0	0.0	-22.7	-13.8	1,544	0.6	3.3	6.3
Other services	41.5	0.8	-23.2	2.6	4,453	1.7	-8.4	2.0
Total Industry Value Added	*4,370.8*	*84.7*	*-17.2*	*0.6*	*225,744*	*84.7*	*0.1*	*2.3*
Ownership of dwellings	436.4	8.5	-15.0	1.1	22,540	8.5	2.8	3.2
Taxes less subsidies on production and imports	340.9	6.6	-16.2	-0.8	17,605	6.6	1.3	1.0
Statistical discrepancy (I)	13.5	0.3			698	0.3		
Gross Regional Product	**5,161.6**	**100.0**	**-17.1**	**0.7**	**266,585**	**100.0**	**0.2**	**2.6**

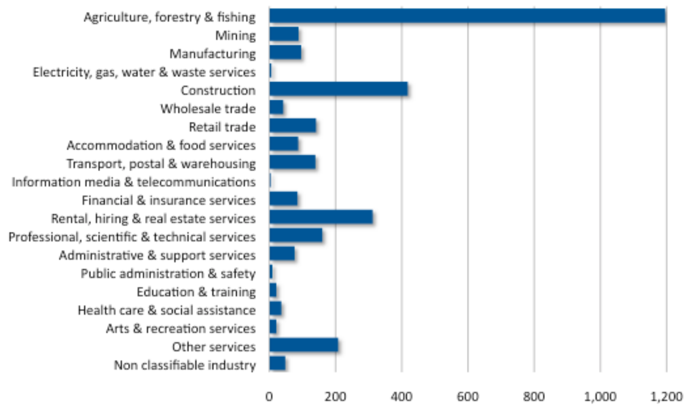
Note: All values are in current prices, whilst percentage changes represent growth in chain volume measures.
Source: Lawrence Consulting

Business Activity

Business Turnover

The most recent ABS Australian Business Register indicated there were an estimated 3,192 business entities registered in the Central Highlands in June 2009. Agriculture, Forestry & Fishing is the largest industry in terms of business numbers in the Central Highlands, accounting for 37.5% of the total number of businesses, followed by Construction (13.1%) and Rental, Hiring & Real Estate Services (9.8%).

Businesses by Industry
Central Highlands, June 2009

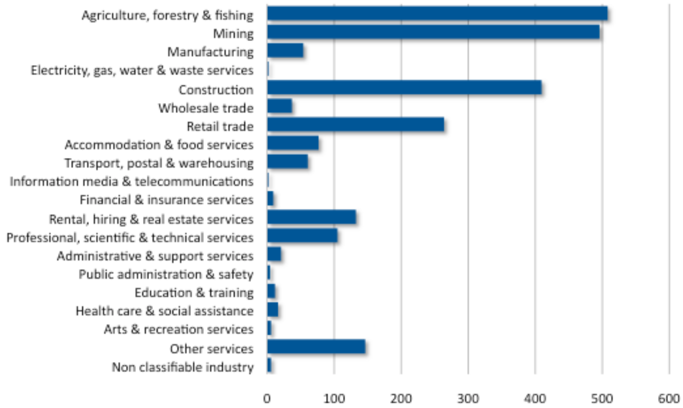


Source: ABS Australian Business Register – June 2009

The estimated total turnover of all industry in the Central Highlands was $2.4 billion in 2008/09, with the largest contributions made by the Agriculture, Forestry & Fishing ($508.1 million), Mining ($495.8 million), Construction ($409.4 million) and Retail Trade ($264.0 million) sectors.

The average turnover of all businesses in the Central Highlands was approximately $740,400 in 2008/09, with the Mining sector recording the highest average industry turnover ($5.6 million), followed by Retail Trade ($1.9 million), Construction ($979,400), Accommodation & Food Services ($882,300) and Wholesale Trade ($879,500).

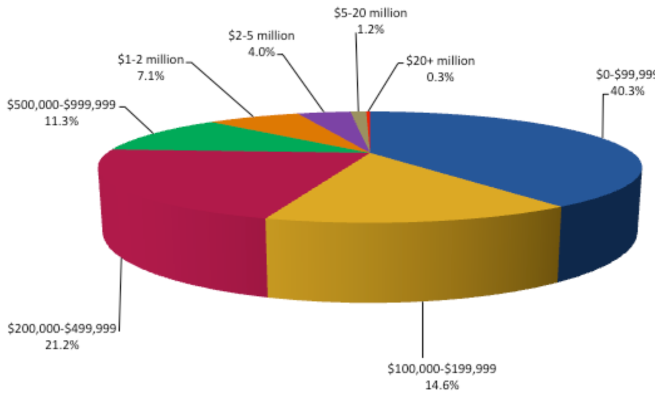
Estimated Industry Turnover
Central Highlands, 2008/09 ($ million)



Source: ABS Australian Business Register – June 2009

The largest proportion of businesses (40.3%) recorded annual turnover in the $0-$99,999 range, followed by the $200,000-$499,999 (21.2%) and $100,000-$199,999 (14.6%) turnover ranges.

Businesses by Turnover
Central Highlands, 2008/09



Source: ABS Australian Business Register – June 2009

Businesses by Industry					
Industry	**Count June 2009**	**% of total**	**Estimated total turnover ($m)**	**% of total**	**Avg turnover ($'000)**
Agriculture, forestry & fishing	1,196	37.5	508.1	21.5	424.8
Mining	88	2.8	495.8	21.0	5,634.1
Manufacturing	96	3.0	54.0	2.3	562.1
Electricity, gas, water & waste services	6	0.2	0.2	0.0	25.0
Construction	418	13.1	409.4	17.3	979.4
Wholesale trade	42	1.3	36.9	1.6	879.5
Retail trade	141	4.4	264.0	11.2	1,872.3
Accommodation & food services	87	2.7	76.8	3.2	882.3
Transport, postal & warehousing	139	4.4	60.6	2.6	436.2
Information media & telecommunications	3	0.1	0.0	0.0	12.5
Financial & insurance services	85	2.7	9.2	0.4	108.2
Rental, hiring & real estate services	312	9.8	132.4	5.6	424.5
Professional, scientific & technical services	160	5.0	104.9	4.4	655.9
Administrative & support services	76	2.4	20.8	0.9	273.0
Public administration & safety	9	0.3	4.4	0.2	483.3
Education & training	21	0.7	11.7	0.5	555.4
Health care & social assistance	36	1.1	16.2	0.7	451.0
Arts & recreation services	21	0.7	5.9	0.2	280.4
Other services	208	6.5	146.3	6.2	703.5
Non classifiable industry	48	1.5	5.9	0.2	121.9
Total	**3,192**	**100.0**	**2,363.4**	**100.0**	**740.4**

Source: ABS Australian Business Register – June 2009

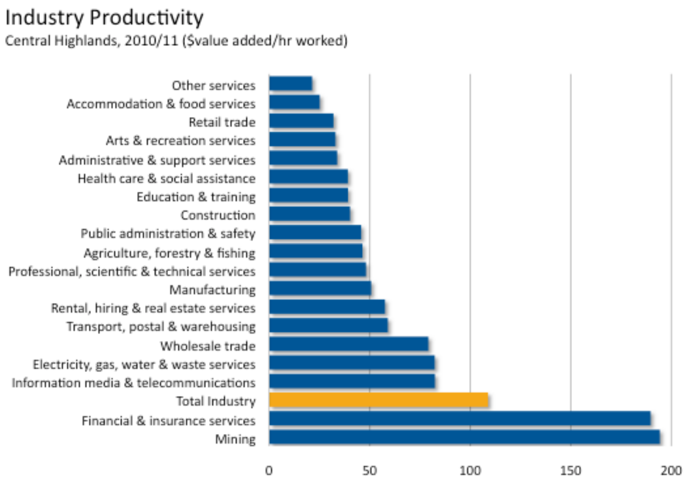
Business Activity

Productivity

Productivity is a key component of economic growth and is a measure of the efficiency of production within a region. Dividing the GRP of a region by total hours worked will measure the labour productivity within that region, i.e. the average amount of output produced by an hour worked by a person within that region.

The Central Highlands recorded total industry productivity (or industry value added per hour worked) of approximately $108.83 in 2010/11, which was significantly higher than the average for Queensland ($54.36).

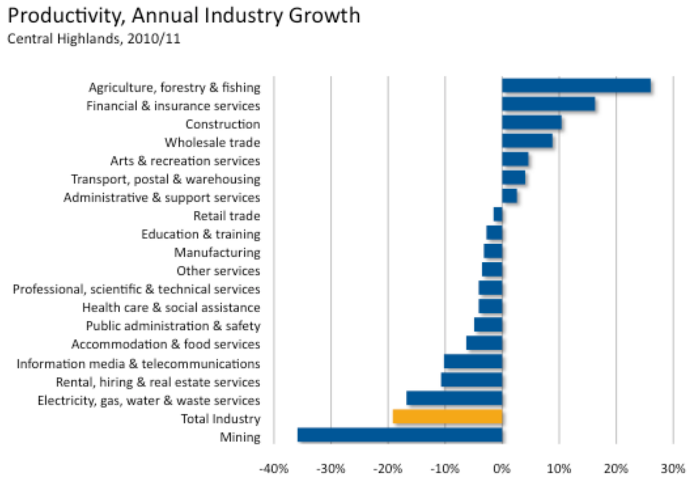
Real industry productivity in the Central Highlands decreased significantly by 19.2% from the level recorded in 2009/10, which was also greater than the decline across Queensland (down 2.0%).



Source: Lawrence Consulting

The Mining sector recorded the highest industry productivity level ($194.28/hr) in the Central Highlands in 2010/11, followed by the Financial & Insurance Services ($189.68), Information Media & Telecommunications ($82.43), Electricity, Gas, Water & Waste Services ($82.32) and Wholesale Trade ($79.18) industries.

The Agriculture, Forestry & Fishing sector recorded the highest real industry productivity growth rate of 26.0% in 2010/11, followed by Financial & Insurance Services (up 16.3%), Construction (up 10.4%), Wholesale Trade (8.8%) and Arts & Recreation Services (4.6%).



Source: Lawrence Consulting

The Central Highlands recorded higher industry productivity in the Financial & Insurance Services; Education & Training; Health Care & Social Assistance; and Arts & Recreation Services sectors than Queensland in 2010/11.

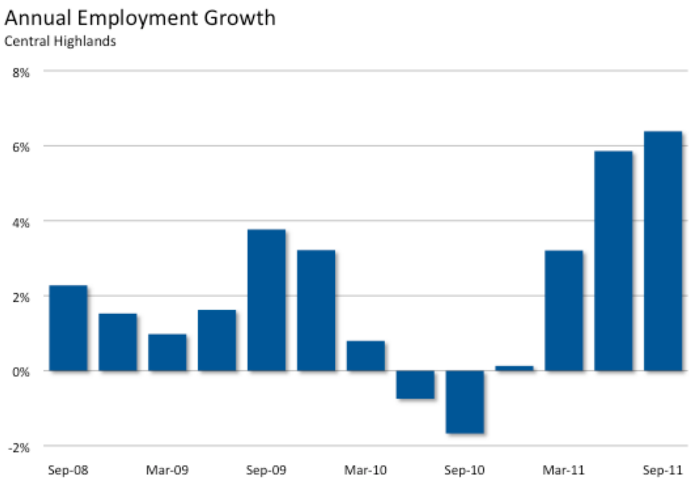
Productivity						
Industry	**Central Highlands**			**Queensland**		
	Level 2010/11 ($value added/hr)	**Annual change ($)**	**Annual % change**	**Level 2010/11 ($value added/hr)**	**Annual change ($)**	**Annual % change**
Agriculture, forestry & fishing	46.39	8.96	26.0	50.89	9.91	26.3
Mining	194.28	-85.54	-35.9	195.36	-86.46	-36.0
Manufacturing	50.71	-1.58	-3.2	54.83	-1.52	-2.9
Electricity, gas, water & waste services	82.32	-16.05	-16.8	84.83	-15.84	-16.2
Construction	40.25	3.94	10.4	46.06	4.75	11.0
Wholesale trade	79.18	6.16	8.8	86.65	6.91	9.1
Retail trade	31.97	-0.48	-1.5	33.44	-0.46	-1.4
Accommodation & food services	25.14	-1.60	-6.3	26.36	-1.52	-5.7
Transport, postal & warehousing	59.02	2.22	4.0	64.43	2.69	4.5
Information media & telecommunications	82.43	-9.64	-10.2	84.63	-9.11	-9.5
Financial & insurance services	189.68	26.59	16.3	181.54	25.25	16.1
Rental, hiring & real estate services	57.61	-5.80	-10.7	61.32	-6.05	-10.5
Professional, scientific & technical services	48.13	-1.97	-4.1	51.01	-1.99	-3.9
Administrative & support services	33.81	0.81	2.6	37.24	0.97	2.8
Public administration & safety	45.77	-2.24	-4.9	52.41	-1.19	-2.4
Education & training	39.20	-1.08	-2.8	38.26	-1.21	-3.2
Health care & social assistance	39.12	-1.58	-4.1	38.10	-1.47	-3.9
Arts & recreation services	32.97	1.49	4.6	25.86	0.61	2.3
Other services	21.36	-0.73	-3.5	26.90	-0.14	-0.6
Total Industry	**108.83**	**-21.52**	**-19.2**	**54.36**	**-1.07**	**-2.0**

Note: All values are in current prices, whilst annual changes represent growth in chain volume measures.
Source: Lawrence Consulting

Employment

Labour Market

The estimated number of employed persons in the Central Highlands region was 18,798 in the September Quarter 2011, representing an increase of 1,128 persons, or 6.4% from the level recorded in the September Quarter 2010. This was also the fifth consecutive quarter of positive employment growth for the region.

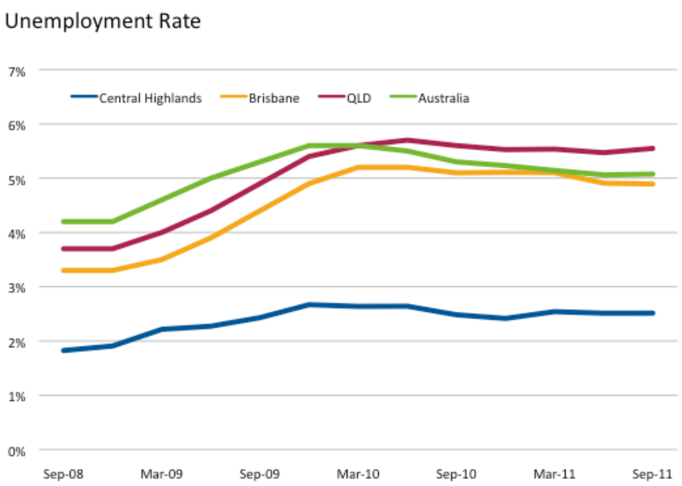


Source: DEEWR, Lawrence Consulting

Labour Market		
	Level Sep Qtr 2011	Ann % chg
Employed persons (no.)	18,798	6.4
Unemployed (no.)	485	7.7
Unemployment rate[(a)] (%)	2.5	0.0
Labour force (no.)	19,283	6.4

Note: (a) Unemployment rate changes are percentage point changes.
Source: DEEWR, Lawrence Consulting

The unemployment rate in the Central Highlands was 2.5% in the September Quarter 2011, which was unchanged from the level recorded in the September Quarter 2010.



Source: DEEWR, Lawrence Consulting

Unemployment in the Central Highlands is significantly lower than the averages for Brisbane (4.9%), Queensland (5.5%) and Australia (5.1%).

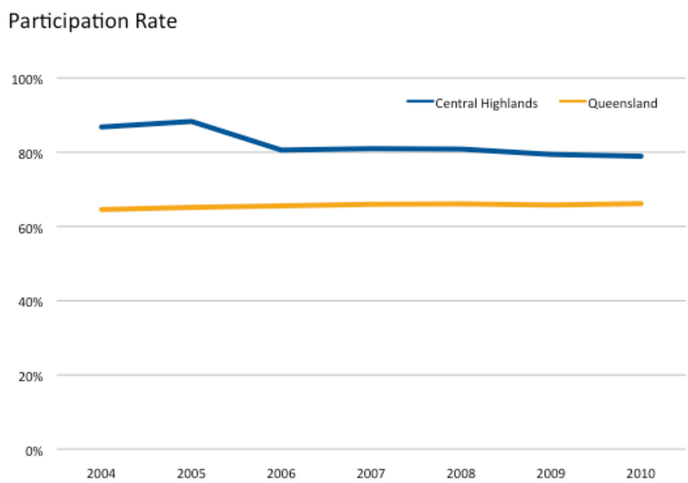
Source: DEEWR, Lawrence Consulting

The annual growth in employed persons contributed to a similar increase of 6.4% in the size of the labour force in the Central Highlands, to a level of approximately 19,283 persons in the September Quarter 2011. There was also an annual rise of 7.7% in the number of unemployed persons in the region.

Participation Rate

The participation rate (i.e. the proportion of the resident population aged 15 and over in the labour force) in the Central Highlands was estimated at 78.9% in 2010, which was significantly higher than the rate for Queensland (66.1%).

The participation rate in the Central Highlands fell annually by 0.5 percentage points from the level recorded in 2009 (79.4%), in contrast to an increase of 0.4 percentage points for Queensland.



Source: ABS 3218.0, DEEWR & Lawrence Consulting

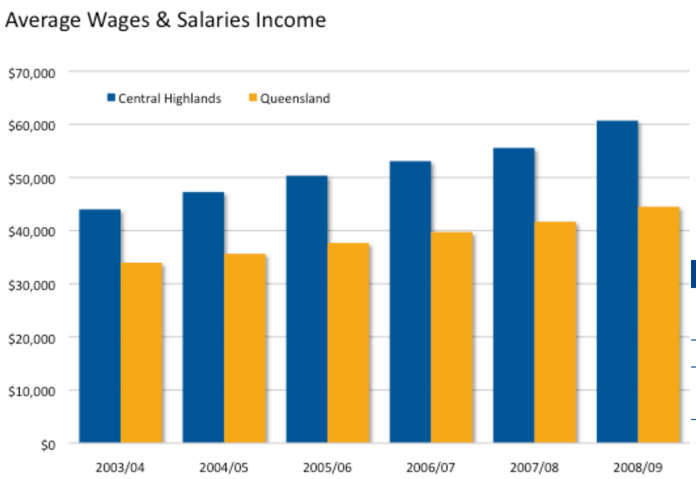
Participation Rate			
	Level 2010	Level 2009	Ann % chg[(a)]
Central Highlands	78.9	79.4	-0.5
Queensland	66.1	65.8	0.4

Note: (a) Changes are percentage point changes.
Source: ABS 3218.0, DEEWR & Lawrence Consulting

Regional Income & Industry

Personal Income

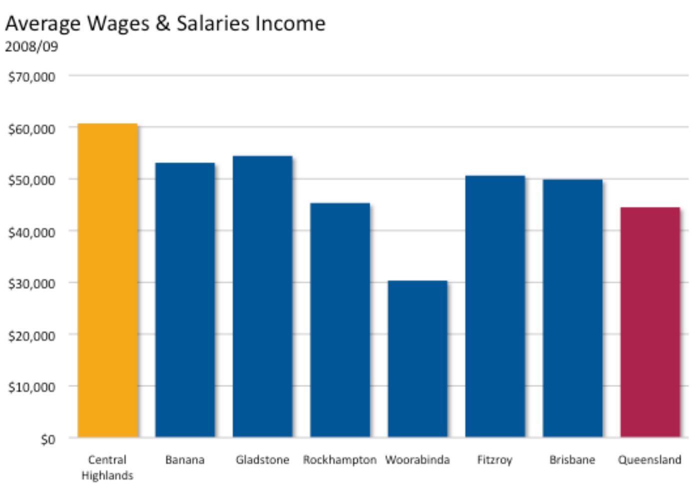
The average personal wages and salaries income for the Central Highlands was estimated at $60,705 in 2008/09, representing a significant increase of 9.2% from the level recorded in 2007/08 ($55,566) and an average annual increase of 6.6% from the level recorded in 2003/04 ($44,007).



Source: ABS 6524.0

Personal Income	Level 2008/09	Annual % change	Average annual % change Last 5 years
Average wage and salary income ($)			
Central Highlands	60,705	9.2	6.6
Queensland	44,501	6.8	5.6
Wage and salary income ($ million)			
Central Highlands	849.5	7.5	9.8
Queensland	88,491.9	3.7	9.4
Average Own Unincorporated Business Income ($)			
Central Highlands	11,347	-26.4	1.3
Queensland	16,904	-3.3	2.0
Average investment income ($)			
Central Highlands	5,670	16.6	9.0
Queensland	7,155	0.6	6.7

Source: ABS 6524.0



Source: ABS 6524.0

Resource Sector

Expenditure data provided by Queensland Resource Council (QRC) full-member companies, comprising over 95% of the sector (by value of production), showed that the resources industry contributed $1,635.4 million in direct spending in the Central Highlands in 2010/11, comprised of the following:

- $586.1 million in wages and salaries to approximately 5,071 fulltime residing employees (not including contractors); and
- $1,049.2 million in voluntary community contributions and purchases of goods and services from local businesses (includes contractors).

Direct Regional Spending by Resource Sector	2009/10	2010/11	Annual % change
Direct fulltime resident employees	4,996	5,071	1.5
Associated salaries ($ million)	650.7	586.1	-9.9
Purchases of goods and services and voluntary community contributions ($ million)	816.8	1,049.2	28.5
Total direct spending ($ million)	**1,519.7**	**1,635.4**	**7.6**

Source: Queensland Resources Council

Compared to 2009/10, the level of direct spending by resource companies in the Central Highlands increased by 7.6%, due to a significant increase in business supply chain purchases (up 28.5%). Direct fulltime employed residents also grew annually by 1.5%, despite the impact of the flood events of 2010/11 on the mining and resource sector in the region.

In 2010/11, the $1,635.4 million in direct spending in the Central Highlands generated additional supply chain and consumption effects of 11,472 fulltime jobs and $1,801.9 million in regional spending. The total economic impact (direct and indirect) from the resources sector in the Central Highlands in 2010/11 amounted to:

- $1,126.9 million in income (wages and salaries);
- $3,437.3 million in output/turnover;
- $2,601.0 million in value added (contribution to gross regional product); and
- 16,543 full-time equivalent jobs, or 91.2% of the entire workforce in the region (18,144 persons).

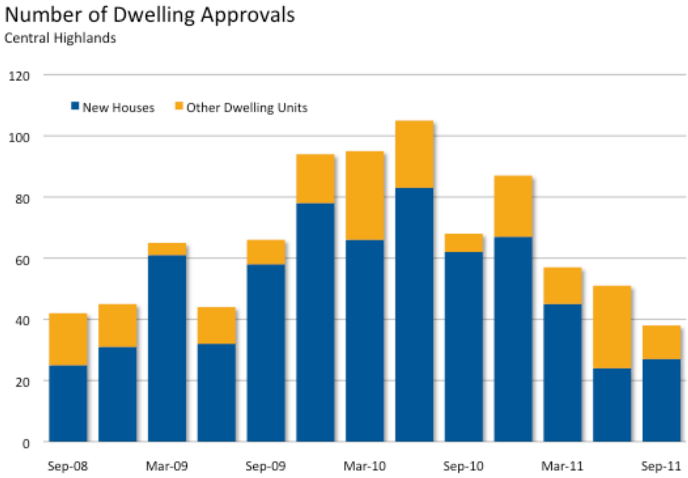
Local businesses in the following sectors benefitted the most from supply chain purchases and consumption spending associated with the direct stimulus from resource companies in 2010/11 (total direct and indirect turnover in parentheses):

- Exploration and mining support services ($250.0 million);
- Wholesale trade ($108.2 million);
- Professional, Scientific and Technical Services ($105.9 million);
- Petroleum and Coal Product Manufacturing ($91.3 million); and
- Construction Services ($76.3 million).

Development

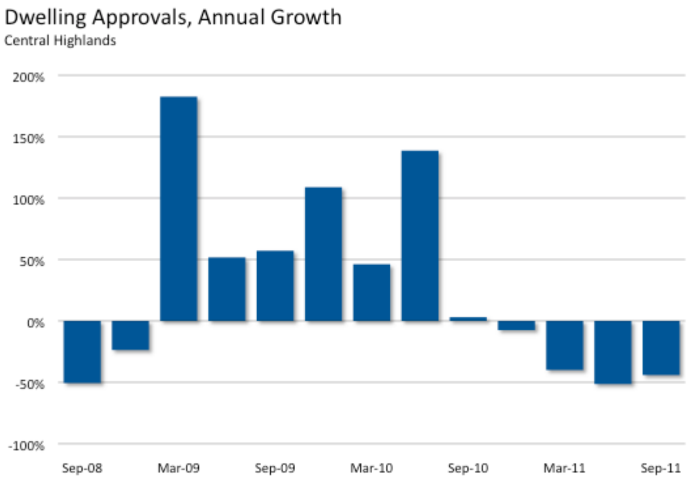
Dwelling Approvals

The number of dwellings approved in the Central Highlands region was 233 in the year to the September Quarter 2011, which represented a decrease of 35.6% from the level recorded in the year to the September Quarter 2010 (362).



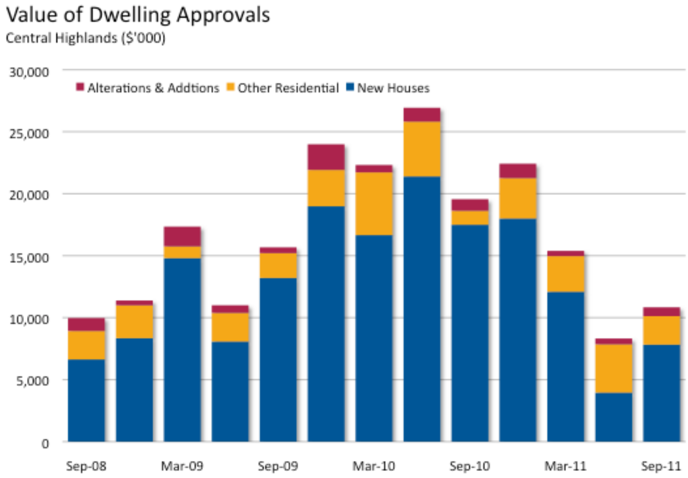
Source: ABS 8731.3

The number of new house approvals fell annually by 43.6% to 163 in the year to the September Quarter 2011, whilst the number of other dwelling approvals (i.e. units/townhouses) recorded a small decrease of 4.1%.



Source: ABS 8731.3

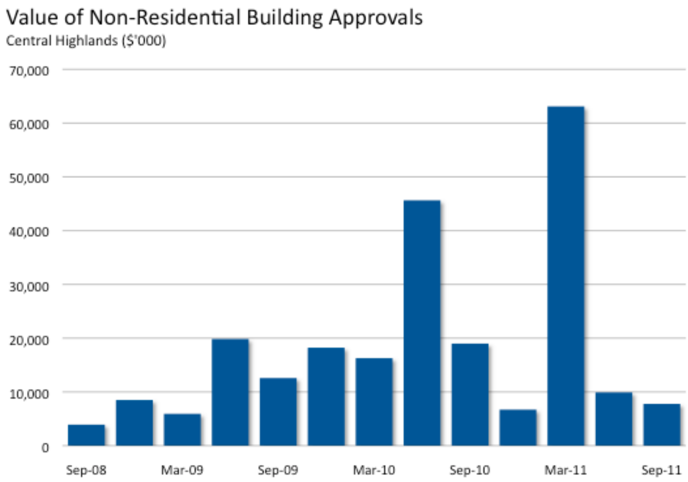
The total value of residential buildings approved in the Central Highlands was $60.0 million in the year to the September Quarter 2011, representing an annual increase of 38.6%.



Source: ABS 8731.3

Construction

The value of non-residential building approvals in the Central Highlands was $87.5 million in the year to the September Quarter 2011, which represented an annual decrease of 11.7% from the level recorded in the September Quarter 2010 ($99.1 million).



Source: ABS 8731.3

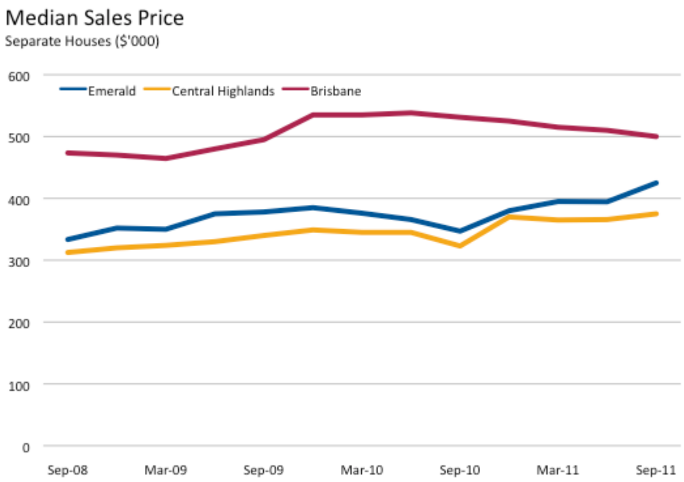
Building Approvals			
	Level Yr to Sep Qtr 2011	**Level Yr to Sep Qtr 2010**	**Annual % change**
Number			
Dwellings:	233	362	-35.6
New houses	163	289	-43.6
Other dwellings	70	73	-4.1
Value ($'000)			
Dwellings:	56,972	92,799	-38.6
New houses	41,869	74,521	-43.8
Other dwellings	12,340	13,555	-9.0
Alterations & additions	2,762	4,722	-41.5
Non-residential	87,506	99,116	-11.7
Total building	144,476	191,914	-24.7

Source: ABS 8731.3

Property Market

Property Sales

The median house price for the Central Highlands was $375,000 in the September Quarter 2011, representing an increase of 16.1% from the figure recorded in the September Quarter 2010 ($323,000). The median sales price for units / townhouses and vacant urban land in the Central Highlands was $285,000 and $150,000, respectively, in the September Quarter 2011.



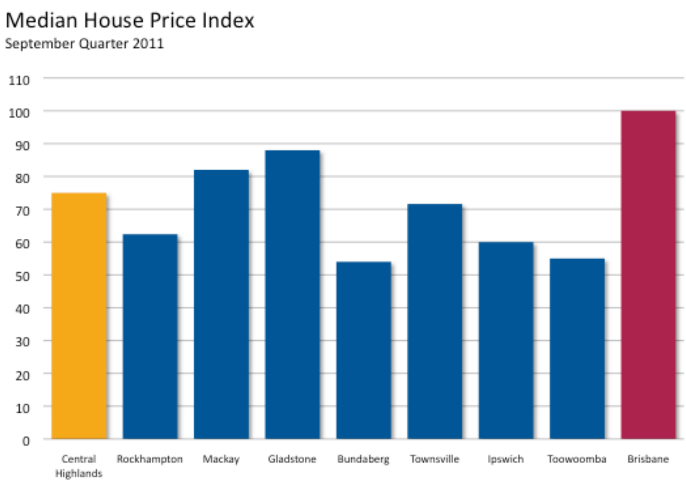
Source: REIQ

Median Sales Prices				
	Central Highlands		Brisbane	
	Level Sep Qtr 2011	Ann % chg	Level Sep Qtr 2011	Ann % chg
Separate houses	375,000	16.1	500,000	-5.9
Units/townhouses	285,000	-11.6	392,250	-3.9
Vacant urban land	150,000	15.4	264,000	-16.2

Source: REIQ

Median House Price Index

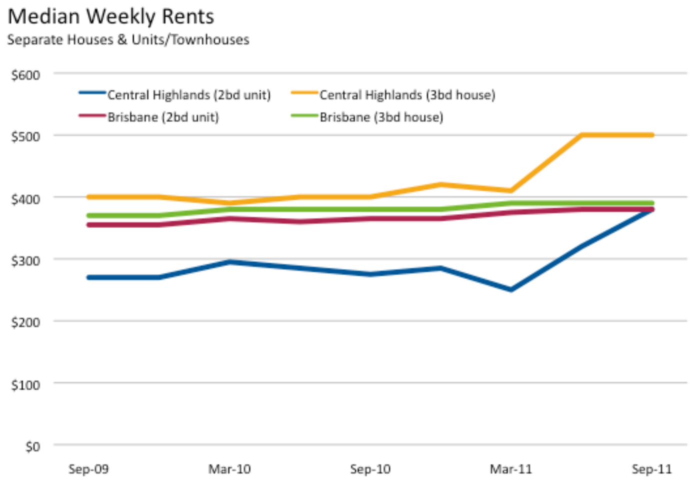
The median house price index for the Central Highlands in the September Quarter 2011 was 75.0 when compared to Brisbane (index of 100), indicating that house prices were approximately 25.0% below those in the capital city. The median house price index for the Central Highlands fell annually by 14.2 percentage points over the year to the September Quarter 2011.



Note: Brisbane = 100
Source: REIQ, Lawrence Consulting

Weekly Rents

Median weekly rents for two bedroom units and three bedroom houses in the Central Highlands increased substantially by 38.2% and 25.0%, respectively, over the year to the September Quarter 2011.



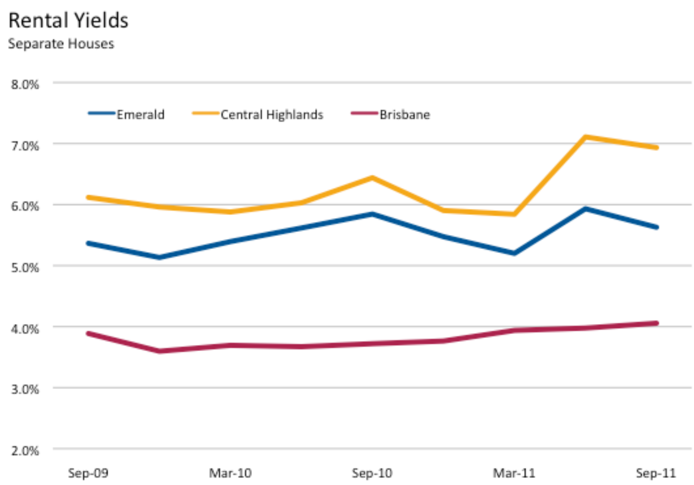
Source: Residential Tenancies Authority

Median Weekly Rents				
	Emerald		Brisbane	
	Level ($) Sep Qtr 2011	Ann % chg	Level ($) Sep Qtr 2011	Ann % chg
Flats / Units				
One bedroom	350	6.1	290	3.6
Two bedroom	400	45.5	380	4.1
Three bedroom	470	20.5	475	10.5
Separate Houses	460	17.9	390	2.6
Three bedroom	600	20.0	470	4.4
Four bedroom				
	470	4.4	400	5.3
Townhouses	350	6.1	290	3.6
Three bedroom	400	45.5	380	4.1

Source: Residential Tenancies Authority

Rental Yields

The average gross rental yield for both houses and units in the Central Highlands was 6.9% in the September Quarter 2011. By comparison, the average yields for houses and units in Brisbane were 4.1% and 5.0%, respectively.

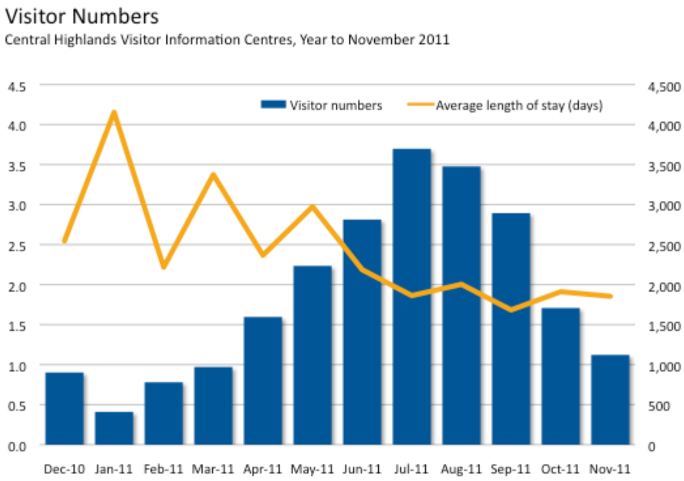


Source: Residential Tenancies Authority

Tourism

Visitor Numbers

Total visitor numbers through Visitor Information Centres in the Central Highlands region were 22,603 in the year to November 2011. There were 49,644 visitor nights in the region over this period, with an average length of stay of 2.2 days.



Source: Capricorn Tourism

The highest proportion of visitors to the Central Highlands region in the year to November 2011 were from Queensland (45.2%), while 42.4% came from interstate locations and 12.4% from overseas.

Visitor Numbers	Level Yr to Nov 2011	% of total
Origin		
Domestic:		
Queensland	10,209	45.2
New South Wales	4,529	20.0
Victoria	2,646	11.7
South Australia	971	4.3
Western Australia	677	3.0
Tasmania	477	2.1
ACT	166	0.7
Northern Territory	126	0.6
Total domestic	19,801	87.6
International	2,802	12.4
Total visitors	**22,603**	**100.0**
Tourist nights in region	49,644	-
Average length of stay (days)	2.2	-
Age Group		
0 - 17	1,602	7.1
18 - 35	3,981	17.6
36 - 50	3,996	17.7
51 - 65	8,041	35.6
66+	4,961	21.9
Reason for Visit		
Visiting friends/relatives	1,780	7.9
Leisure/Holidays	17,582	77.8
Business	3,199	14.2
Mode of Transport		
Private vehicle	9,339	41.3
Hire vehicle	1,471	6.5
Van/Camper	10,961	48.5
Bus	507	2.2
Aircraft	255	1.1
Train	48	0.2

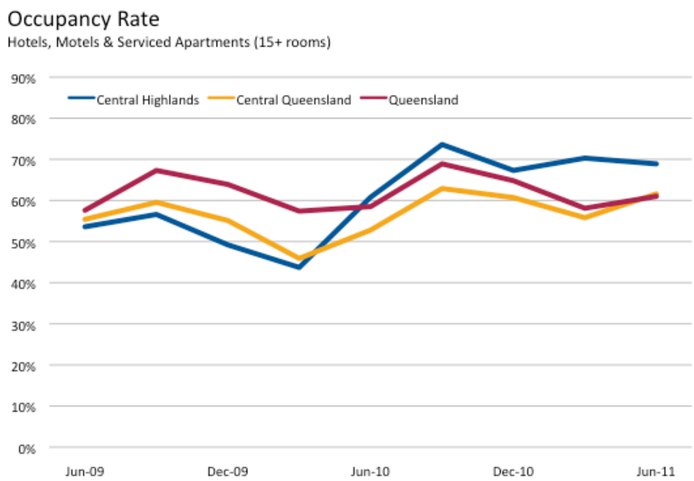
Source: Capricorn Tourism

Tourist Accommodation

The room occupancy rate for establishments with 15 or more rooms in the Central Highlands was 56.5% in the June Quarter 2011, which represented a significant increase of 8.1 percentage points from the rate recorded in the June Quarter 2010 (60.8%).

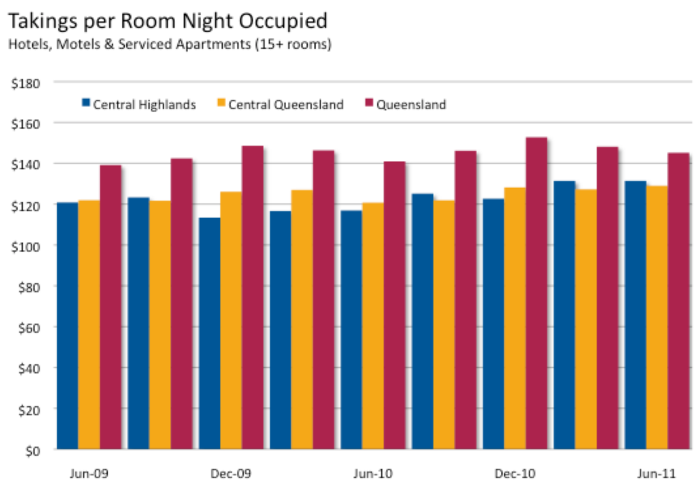
Tourist Accommodation	Central Highlands		Central Queensland	
Hotels, Motels & Serviced Apartments (15+ rooms)	**Level Jun Qtr 2011**	**Ann % chg**	**Level Jun Qtr 2011**	**Ann % chg**
Establishments	20	0.0	106	-0.9
Guest Rooms	762	0.3	4,009	-0.5
Bed Spaces	1,974	-0.1	11,560	-1.5
Employment	293	15.8	1,550	-0.5
Room nights	68.9	8.1	61.6	8.8
Room occupancy (%)[a]	47,790	13.7	224,706	16.1
Guest arrivals	23,920	-12.0	154,160	-0.9
Guest nights	58,490	11.1	334,642	11.4
Average stay (nights)	2.4	26.3	2.2	15.8
Takings from accommodation ($'000)	6,279.1	27.8	28,983.8	24.0
Takings per room night occupied ($)	131.39	12.4	128.99	6.8

Note: (a) Changes are percentage point changes.
Source: ABS Survey of Tourist Accommodation



Source: ABS Survey of Tourist Accommodation

Total takings from accommodation increased annually by 27.8% to $6.3 million in the June Quarter 2011.



Source: ABS Survey of Tourist Accommodation

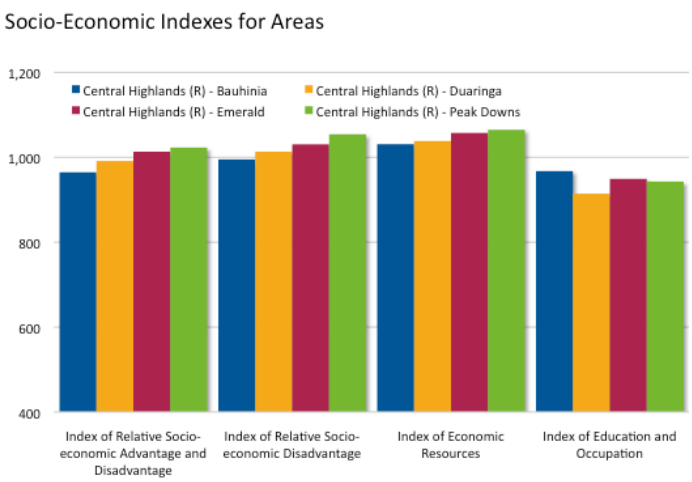
Demographic Profile

Key Demographic Indicators, 2006 Census						
	Central Highlands		Queensland		Australia	
	No.	% of total	No.	% of total	No.	% of total
Person Characteristics						
Total persons (excluding overseas visitors)	26,476		3,904,532	-	19,855,288	-
Males	14,243	53.8	1,935,381	49.6	9,799,252	49.4
Females	12,233	46.2	1,969,151	50.4	10,056,036	50.6
Average age	31.4	-	36.7	-	37.3	-
Selected Characteristics						
Australian citizenship	23,233	87.8	3,362,046	86.1	17,095,569	86.1
Persons born overseas	2,207	8.3	699,446	17.9	4,416,037	22.2
Overseas visitors	212	0.8	72,922	1.9	206,358	1.0
Country of Birth – Australia	22,240	84.0	2,935,260	75.2	14,072,944	70.9
Language spoken at home – English only	24,156	91.2	3,371,684	86.4	15,581,333	78.5
Income (Population aged 15 years and over):						
Average individual income ($/weekly)	826.43	-	602.25	-	611.35	-
Average household income ($/weekly)	1,623.09	-	1,190.60	-	1,211.65	-
Average family income ($/weekly)	1,785.51	-	1,333.00	-	1,377.18	-
Family Characteristics						
Total families	6,583		1,032,034	-	5,219,165	-
Couple families with children	3,511	53.3	446,739	43.3	2,362,582	45.3
Couple families without children	2,410	36.6	403,854	39.1	1,943,643	37.2
One parent families	585	8.9	164,220	15.9	823,254	15.8
Other families	77	1.2	17,221	1.7	89,686	1.7
Dwelling Characteristics						
Total private dwellings (includes unoccupied private dwellings)	12,049	-	1,660,750	-	8,426,559	-
Occupied private dwellings:	10,179	-	1,508,522	-	7,596,183	-
Fully owned	2,772	27.2	458,468	30.4	2,478,264	32.6
Being purchased	2,428	23.9	473,248	31.4	2,448,205	32.2
Rented	4,042	39.7	452,596	30.0	2,063,947	27.2
Other tenure type	176	1.7	14,830	1.0	65,715	0.9

Source: ABS 2006 Census

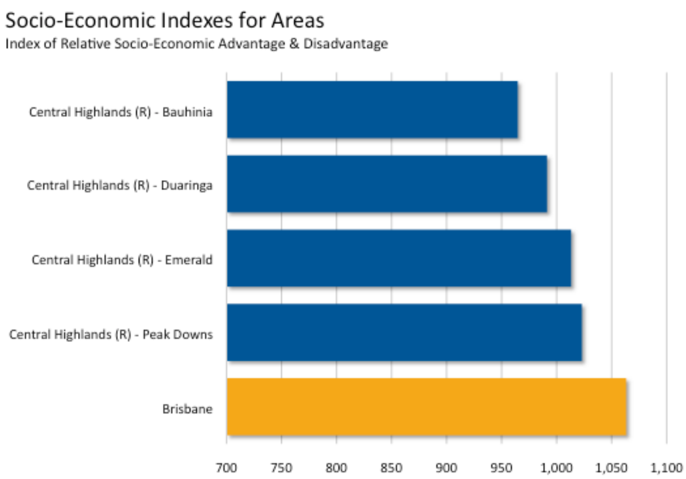
Socio-Economic Indexes

Socio-economic Indexes for Areas (SEIFA) – comprising Relative Socio-economic Disadvantage; Relative Socio-economic Advantage and Disadvantage; Economic Resources; and Education and Occupation – have been constructed to allow comparison of the social and economic conditions of regions across Australia. The reference score for the whole of Australia is set to 1,000, with lower scores indicating lower socioeconomic status.



Source: ABS 2006 Census

Across the Central Highlands, the Index of Relative Socio-economic Advantage and Disadvantage scores ranged from 965 for the Central Highlands (R) – Bauhinia SLA to 1023 for Central Highlands (R) – Peak Downs SLA. SEIFA index scores were highest for the Index of Economic Resources and lowest for the Index of Education and Occupation.



Source: ABS 2006 Census

Summary

Key Economic Indicators, Central Highlands	Period	Level	Level – 12 mths ago	Change	Annual % change
Population					
Estimated resident population	2010	31,078	30,402	+676	2.2%
Projected population	2031	50,742	n.a.	+19,664	2.4%
Employment					
Employed persons (no.)	Sep Qtr 2011	18,798	17,670	+1,128	6.4%
Unemployment rate (%) [a]	Sep Qtr 2011	2.5	2.5	0.0	0.0%
Labour force (persons)	Sep Qtr 2011	19,283	18,120	+1,163	6.4%
Participation rate (%) [a]	2010	78.9	79.4	-0.5	-0.5%
Business Investment					
Gross regional product, nominal ($ million)	2010/11	5,161.6	5,174.2	-12.6	-0.2%
Gross regional product, real ($ million)	2010/11	4,289.5	5,174.2	-884.8	-17.1%
Productivity, nominal ($value added/hr worked)	2010/11	108.83	112.18	-3.35	-3.0%
Productivity, real ($value added/hr worked)	2010/11	90.66	112.18	-21.52	-19.2%
Number of businesses[b]	June 2009	3,192	2,991	+201	6.7%
Total industry turnover ($ million) [b]	2008/09	2,363.4	2,941.2	-577.8	-19.6%
Average industry turnover ($'000) [b]	2008/09	740.4	983.4	-243.0	-24.7%
Value of non-dwelling approvals ($'000)	Yr to Sep Qtr 2011	87,506	99,116	-11,610	-11.7%
Private Consumption					
Average wages & salaries income ($)	2008/09	60,705	55,566	+5,139	9.2%
No. of dwelling approvals	Yr to Sep Qtr 2011	233	362	-129	-35.6%
Value of dwelling approvals ($'000)	Yr to Sep Qtr 2011	56,972	92,799	-35,827	-38.6%
Property Market					
Median sales price – houses ($)	Sep Qtr 2011	375,000	323,000	+52,000	16.1%
Median sales price – units/townhouses ($)	Sep Qtr 2011	285,000	322,500	-37,500	-11.6%
Median sales price – vacant urban land ($)	Sep Qtr 2011	150,000	130,000	+20,000	15.4%
Median weekly rent – 2bd unit ($)	Sep Qtr 2011	380	275	+105	38.2%
Median weekly rent – 3bd house ($)	Sep Qtr 2011	500	400	+100	25.0%
Rental yield (%) – houses [a]	Sep Qtr 2011	6.9	6.4	+0.5	0.5%
Rental yield (%) – units [a]	Sep Qtr 2011	6.9	4.4	+2.5	2.5%
Tourism[c]					
Establishments	Jun Qtr 2011	20	20	0	0.0%
Room occupancy (%)	Jun Qtr 2011	68.9	60.8	+8.1	8.1%
Takings from accommodation ($'000)	Jun Qtr 2011	6,279.1	4,914.0	+1,365.1	27.8%
Transport					
Passenger movements – Emerald Airport	2010/11	165,785	124,063	+41,722	33.6%
Average price of petrol (c/kL)	November 2011	146.9	129.6	+17.3	13.3%

Note: (a) Changes are percentage point changes. (b) Comparison figures for 'Level – 12 mths ago' are for 2006/07. (c) Figures for hotels, motels & serviced apartments with 15+ rooms.

Central Highlands Development Corporation Ltd (CHDC)

VISION…what we want to be…"Taking the Lead"

MISSION…what we exist to do…"Enable Sustainable Regional Growth"

GOALS. . . what has to be accomplished

1. Advocate for sustainable regional growth for the Central Highlands
2. Proactively market and promote the Central Highlands "as a region of choice"
3. Enhance the skills base of the Central Highlands
4. Stimulate business and infrastructure development
5. Sustain, refresh and grow our organization

For More Information

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