



Queensland Marina Berths Research Report
September 2022

Prepared for Shute Harbour Marina Development Consortium



Executive Summary

Boating Demand

- Over the past decade, registrations for boating vessels located in Queensland have achieved average annual growth of 1.4%.
- During 2021, registrations for boating vessels located in Queensland outperformed the longer term average, with annual growth of 2.9% being recorded.
- To put this strong growth in context, population growth in Queensland during 2021 was only .82%, compared to 2.9% growth for boating vessel registrations; Queensland's boating growth was over three times greater than its population growth in 2021.
- This recent strong uplift in demand for boats in Queensland was driven in part by the COVID-19 pandemic given discretionary spend was put towards the purchase of items such as boats for recreational activities, as opposed to overseas holidays.
- Future boating demand in Queensland is forecast to remain strong in consideration of an ageing population with increased time for leisure activities such as boating, the Olympic and Paralympic Games set for Brisbane in 2032 and a State Government with a vision to *"Grow Queensland's share of the Australian superyacht sector to 90% by 2028 so Queensland is world recognised as the major superyacht hub in the Asia-Pacific region"*.

Marina / Marina Berths Supply and Demand

- High occupancy rates, waiting lists and limited berths available for sale indicates that current demand is already exceeding current supply for marinas located in Queensland.
- This existing imbalance between the supply and demand environment is only set to intensify in the future based on the following:

- Continued demand for boats as previously highlighted.
- Increased demand for boats to be stored safely at marinas permanently when not operational in light of climate change, unpredictable weather patterns and structural changes in the marine insurance industry who have become increasingly risk averse.
- Constrained supply due to heightened challenges in delivering financially viable marina projects based on increased design and construction costs resulting from greater risks associated with climate change and unpredictable weather patterns.
- Constrained supply due to heightened challenges in attaining project certainty in a timely manner through meeting added environmental and bureaucratic requirements in order to gain approval.

Whitsunday Region's Growth Drivers

- The current population for the Whitsunday Regional Council area is around 38,000 persons and the region has achieved average annual population growth of 1.5% from 2007 to 2021.
- Over the past five years, which has included the uncertain times of COVID-19, the Whitsunday Regional Council area has outperformed the long term historical average annual population growth figure in achieving 1.7% growth per annum.
- The Australian Bureau of Statistics migration data from July 2016 to June 2021 substantiates the anecdotal evidence that the COVID-19 pandemic resulted in residents from southern States moving to more open, lifestyle driven locations like the Whitsundays.

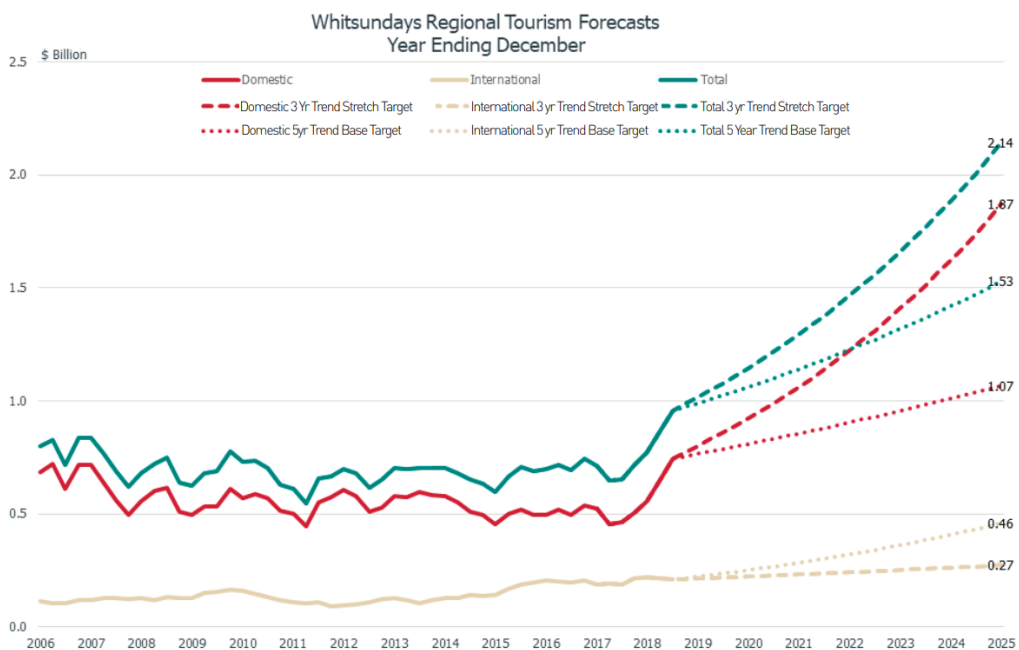
- If a balance between the Queensland State Government's medium and high series population forecasts for the Whitsunday Regional Council area come to fruition, it will represent future average annual population growth of 1.6%, which is slightly above the existing population growth long term historical average and bodes well for the future of the Whitsunday Regional Council area.
- The Whitsunday Regional Council area's unemployment rate has declined suddenly in recent years and was recorded at only 2.8% during the March quarter 2022.
- When considering that a labour market is traditionally viewed as balanced when the unemployment rate is around 5%, the Whitsunday Regional Council area is now facing a labour shortage across many industries.
- In the post COVID-19 environment, greater interstate and international travellers will be required to rectify this labour shortage challenge which will also drive increased tourism and economic growth in the region.

Whitsunday Region's Tourism Outlook

- The Whitsundays regional economy is heavily reliant on tourism with approximately 3,000 people being directly employed in the industry; it provides approximately 40% of jobs which is the highest in Queensland, and one of the highest in Australia.
- Tourism and Events Queensland's recent *Whitsundays Regional Snapshot - Year Ending March 2022* report indicated that total annual overnight visitor expenditure (OVE) for the Whitsundays increased by 11.8% to a record \$1.1B on average over the past three years; this was due to spend per night increasing 15.5% to \$299 per night on average.

- This result was also achieved with borders closed to interstate and international travellers for a significant period due to the COVID-19 pandemic; this bodes well for the future outlook for the tourism industry in the Whitsunday’s region when all borders fully open again.
- The *Whitsundays Destination Tourism Plan 2019 – 2024* was released in 2021 and included the chart below that tracks historical and forecast tourism sector performance in the Whitsundays; given forecast targets haven’t been set as yet for 2030, results to 2018 have been graphed and extrapolated out to 2025.
- The following two scenarios were forecast:
 - The first is the base target of \$1.53B with a “business as usual” approach and no new tourism initiatives being undertaken.
 - The second is a stretch target of \$2.14B which will depend on the take up of initiatives and actions indicated in the Destination Tourism Plan and a continuation of market conditions.

2025 Growth Targets





- To achieve the above stretch target in 2025, the Whitsunday's region will need emerging tourist attractions that can attract new high-yield markets that consequently extend the length of tourists stay and their daily spend.

Such attractions, activities and tourism events proposed are noted as follows:

- Whitsunday Skyway Project (\$79 million).
- Lake Proserpine Barramundi Fishing and Interactive Nature Recreational Precinct.
- Bowen Catalina Flying Boat display.
- Reef Education and Training Facility (possible location Grubby Bay).
- Development of Mountain Bike tracks around the region to increase land-based activity.
- Maritime Education and Training Facilities in Bowen.
- Enhanced Maritime Education & Training Facilities in Airlie Beach at the Whitsunday Sailing Club.
- Water park or a wave pool in Airlie Beach.
- Establishment of fishing facilities and piers in Airlie Beach.
- Dive wreck in the Whitsunday Marine Park.
- Completion of Flagstaff Hill Interpretive Centre.
- Mine tour in Collinsville.
- Solar farm tour in Collinsville.



- Paddock to plate centre in Bowen.

1. General Boating Demand

The following table outlines registration's for boating vessels located in Queensland over the past decade.

Year	Total Vessels	Annual Growth
2011	237,066	1.5%
2012	241,216	1.8%
2013	245,390	1.7%
2014	250,231	2.0%
2015	253,144	1.2%
2016	256,151	1.2%
2017	258,340	0.9%
2018	259,832	0.6%
2019	261,291	0.6%
2020	264,547	1.2%
2021	272,189	2.9%

Source: QLD Department of Transport and Main Roads

Please note the following key insights:

- Over the past decade, registrations for boating vessels located in Queensland have achieved average annual growth of 1.4%.
- During 2021, registrations for boating vessels located in Queensland outperformed the longer term average, with annual growth of 2.9% being recorded.
- To put this strong growth in context, population growth in Queensland during 2021 was only .82%, compared to 2.9% growth for boating vessel registrations.
- This recent strong uplift in demand for boats in Queensland was driven in part by the COVID-19 pandemic given discretionary spend was put towards the purchase of items such as boats for recreational activities, as opposed to overseas holidays.



In November 2021, IBIS World released the research report titled *“Boatbuilding and Repair Services in Australia Sail away: COVID-19 lockdowns have boosted demand for industry service”*. Some of the key findings from this report are documented below:

- Revenue for the boatbuilding and repair services industry in Australia has increased over the past five years with industry revenue anticipated to have increased at an annualised rate of 2.0% over the five year period ending 2021-22.
- The overall industry is forecast to continue growing over the next five years, albeit at a lesser pace, with slower growth in discretionary income predicted as elements such as overseas travel return.
- Overall, industry revenue is forecast to increase at an annualised 0.6% over the next five years through to 2026-27.
- As a stand-alone element of the industry, domestic demand for boats in Australia is forecast to rise over the next five years, especially in consideration of the following:
 - Australia's ageing population will likely boost demand for boats, as retirees generally have more time for leisure activities such as boating.
 - Business confidence is forecast to increase over the next five years generally, making businesses such as tourism operators more likely to invest in new boats and associated infrastructure.

2. Superyacht Demand

The *2022 Global Order Book* tracking superyacht project trends was released in December 2021. This unique research noted the following key insights:

- Despite some initial concerns in 2020 with regard to the COVID-19 pandemic, the superyacht industry has largely shrugged off any perceived challenges to record a third year of consistent order book growth.
- As at 2022, 1,024 superyacht projects were currently being built or on order; this represents an increase of 24.7% on the previous year's result (821 superyacht projects).
- These superyacht projects range in size from 24m in length to greater than 70m in length.
- It is forecast that in excess of 40km of superyachts will be built, launched and delivered between now and 2026, the result of unprecedented demand on shipyards.
- It is now a challenge for interested parties to find a semi-custom project available for purchase before 2024; higher levels of demand are also reported for full-custom projects with even longer delays before delivery.

The *Queensland Superyacht Strategy 2018-23* was recently updated in May 2022. This strategy document declares its vision as, "*Grow Queensland's share of the Australian superyacht sector to 90% by 2028 so Queensland is world recognised as the major superyacht hub in the Asia-Pacific region*".

Some of the key opportunities for Queensland in relation to the superyacht industry and outlined within the strategy document are listed as follows:

- The superyacht industry is already playing an important role in diversifying Queensland's economy and creating the high-skilled jobs of the future; especially given the State's proximity to Asia where rapidly growing levels of personal wealth are expected to drive even further demand for superyachts.
- The superyacht industry creates strong flow-on economic benefits, for instance, across Queensland, it has the potential to contribute more than \$2b to the economy and support more than 5,360 new full-time jobs between now and 2025.
- The core season for superyacht activity in Australia generally occurs between September to March and during the 2019-20 superyacht season, there were around 364 superyachts operating in Australian waters.
- Approximately 75% of these superyachts were domestic vessels, with an average length of 30 to 35 metres.
- Around 66% of domestic superyacht owners in Australia spend more than 10% of their vessel's value on maintenance each year and most of this national maintenance expenditure occurs in Queensland (around 80%).
- The Brisbane 2032 Olympic and Paralympic Games presents an excellent opportunity to showcase Queensland as an ideal superyacht tourism destination and highlight the State's capability to build, refit and maintain superyachts.
- The Brisbane 2032 Olympic and Paralympic Games are anticipated to attract at least 200 additional foreign flagged vessels to Australia over and above existing activity, plus an increase in chartering activity across Australia; Queensland is forecast to realise around 49% of this additional activity.



- To add further context to the above future growth opportunity business case for superyachts in Queensland, plans have recently been approved for a major expansion of Rivergate Marina and Shipyard in Brisbane.
- Rivergate is within easy cruising distance to the Great Barrier Reef and other iconic destinations much favoured by superyacht owners.
- The Rivergate Marina and Shipyard expansion is proposed to contain the following:
 - Construction of a \$35 million ship lift capable of lifting superyachts of up to 3,000 tonnes, or around 90 metres, for inspections, maintenance, repairs and refits.
 - A hardstand with capacity for multiple superyachts, three large refit sheds, two in water service berths, a 5-storey Trade Centre with offices, training rooms, café, crew accommodation and recreation facilities.
- Rivergate's Director Tom Hill stated, *"The world is experiencing a superyacht building boom and the average size of these vessels is also increasing, so the expansion of Rivergate is ideally timed to capitalise on this growth and capture a larger share of the market for Australia"*.

3. Marina Berth Trends and Supply

Exiting Marina Berth Trends

The first *Health of the Australian Marina Industry (HAMI) Survey* was conducted in September / October 2011. The survey provides an important perspective and overview of the economic, social and environmental performance of Australian marinas. The 2021 HAMI survey results were released in June 2022.

The 2021 survey identified that there were 298 marina businesses operating in Australia. A total of 137 marinas, representing 46% of the known marinas in Australia, completed the 2021 HAMI survey. In Queensland, 28 marinas participated in the survey; representing 28.4% market share. No marinas from the Northern Territory or ACT participated in the 2021 survey.

The following key insights were derived from the 2021 HAMI survey:

- The COVID-19 pandemic confirmed both the resiliency and the value of marinas in Australia, as in addition to providing recreational opportunities to millions of Australians, marinas also produce significant economic and fiscal benefits.
- During 2020-21 FY, marinas in Australia:
 - Directly employed about 3,300 persons with a payroll of nearly \$149 million.
 - Paid approximately \$95 million in taxes and lease payments.
 - Invested approximately \$183 million in upgrading marina facilities and services.
 - Rented space to 1,900 businesses and engaged nearly 8,700 independent contractors.

- Marinas were substantially buffered from the financial impacts of the COVID-19 pandemic due to the continued high demand for boat storage spaces; many marinas were almost completely occupied and a high percentage of the respondents also had waiting lists.
- The findings from the marinas that participated in all five HAMI surveys (2013, 2015, 2017, 2019 and 2021, a.k.a. same-same marinas) show that occupancy rates at Australian marinas have remained relatively constant since 2013, even as the number of storage spaces have increased slightly.
- These findings, and the results of the previous HAMI surveys, continue to indicate there is a need for additional marina boat storage capacity, especially on-water storage spaces, in many locations across Australia.
- The total number of all boat storage spaces at the same-same marinas has increased by only 1.2% since 2013, largely resulting from the difficulties, challenges and high costs associated with obtaining the necessary permits to build new marina berths/pens.
- The trend of up-sizing to very large berths continues, and this has resulted in fewer berths of smaller sizes being made available; it is anticipated that this up-sizing trend will continue in the future due to projected growth in a demand for larger boats.
- In summary:
 - The number of berths shorter than 10 meters in length continues to decline; there were 8% fewer berths of this size in 2021 as compared to 2013.
 - The count of berths sized between 20 meters to 24 metres in length were also down by 6% over the same time period.
 - In contrast, the number of berths sized over 24 meters in length increased 35% over the same time period.

- For the purposes of the HAMI survey, occupancy is defined as a percentage of nights all marina's boat storage spaces were occupied during all nights all marina's boat storage spaces were available during 2020-21 FY.
- Occupancy is a key measure of marina performance, and it, along with waiting lists, indicates the adequacy of the supply of marina storage spaces; in super summary, the supply of existing storage spaces was not adequate to accommodate the demand in context of marinas participating in the survey.
- Even with the COVID-19 pandemic, marina occupancy averaged 86% during 2020-21 FY; this result was very strong, especially in comparison to hotel occupancy rates in Australia during the same period.
- Anecdotal evidence and perceptions that suggested an increase in marina waiting lists was verified from the 2021 HAMI survey; over half (57%) of the marinas had a waiting list for boat storage spaces during their peak seasons, while 47% had waiting lists during their off-peak seasons.
- Different climates, economies, regulations, and markets have contributed to dissimilarities in the sizes and characteristics of marinas across States; for instance, over half (57%) of the Queensland marinas participating in the 2021 HAMI survey were large, having more than 250 storage spaces.
- The marinas surveyed in Queensland and Victoria during 2021 had more total boat storage on average than the national average; this trend helps contextualise why an occupancy rate of 82.3% was recorded in Queensland during the survey period, slightly below the national average of 85.7%.
- The following tables sourced from the 2021 HAMI survey highlight the favourable environment for existing marinas and marina berths located in Queensland where demand is currently outstripping supply:

Number of marina employees in high and low season, by state (2020-21 FY)

	Mean number of permanent marina employees in low/off season	Mean number of permanent marina employees in peak/high season	Mean number of casual marina employees in low/off season	Mean number of casual marina employees in peak/high season
QLD	8.7	8.7	2.0	2.5
All Other States Average	6.5	6.6	4.6	6.7

Marinas' occupancy-related matters, by state (2020-21 FY)

	QLD	All Other States Average
Change in boat storage fees in 2020-21 FY as compared with 2019-20 FY		
No change	35.7%	51.8%
Yes, dropped the fees by less than 3%	0.0%	1.5%
Yes, dropped the fees between 3% and 6%	0.0%	0.0%
Yes, dropped the fees by more than 6%	0.0%	0.0%
Yes, raised the fees by less than 3%	17.9%	19.0%
Yes, raised the fees between 3% and 6%	35.7%	17.5%
Yes, raised the fees by more than 6%	10.7%	10.2%
Marinas anticipating an increase in boat storage fees in 2021-22 FY		
Yes	78.6%	76.6%
No	21.4%	23.4%

Source: Australian Marina Industry (HAMI) Survey 2021

Existing Marina Berth Supply for Sale

According to primary research undertaken on marina berths located in Queensland, a total of around 10,678 wet berths currently exist, further to this:

- 6,561 of these berths were located south of, and including, Maryborough; this equates to 61% of total supply which is located predominately in South East Queensland.
- 4,117 of these berths were located north of, and including, Bundaberg; this equates to 39% of total supply which is located predominately in North Queensland.
- 149 of these berths are currently listed for sale (not lease) across all of Queensland; this equates to 1.4% of total supply.



- These berths listed for sale in Queensland also contained:
 - An average size of 13.5m in length.
 - An average time period remaining for using the berth of 18.4 years.
 - An average price of \$84,739.
- 100 of these berths currently listed for sale (not lease) were located in the region south of, and including Maryborough; which equates to 1.5% of this regions total supply only.
- 49 of these berths currently listed for sale (not lease) were located in the region north of, and including Bundaberg; which equates to 1.2% of this regions total supply only

Future Marina Berth Supply

The table below highlights future marina berth supply proposed for Queensland. The supply has been segmented into three separate categories as identified as follows:

- Orange represents future marina berth supply that is all approved and construction has either commenced, or is imminent; the following provides further important context around this segmented supply:
 - It is highly likely that a sizeable proportion of this supply will remain in ownership of the developer with berths only being made available to the open market for lease (not sale) given the current investment proposition strength for marina berths where demand is out stripping supply.
 - It is highly likely that a sizeable proportion of this supply will only be made available for sale to the market if accompanying real estate is also purchased that is attached to a berth in some manner.

- The Shute Harbour Marina appears to be the only supply that is genuinely available for sale to the wider market and not contingent on other pre requisites being met like purchasing accompanying real estate.
- Green represents future marina berth supply that is approved, but not yet being delivered to the market for a variety of reasons; increased design and construction costs resulting from greater risks associated with climate change may slow, or ultimately stall, the delivery of such supply.
- Blue represents future marina berth supply that is proposed given a development application has been lodged, but a final approval is yet to be granted; recent approval evidence would indicate it is becoming increasingly difficult to attain project certainty in a timely manner for marina developments in the face of added environmental and bureaucratic requirements.

Marina / Project Name	Address	Suburb	Council Area	Number of Berths	Project Status
SHUTE HARBOUR MARINA	267 Shute Harbour Road	SHUTE HARBOUR	WHITSUNDAYS SHIRE	395	Building Approval
CALYPSO BAY MARINA STAGE 3	Calypso Bay	JACOBS WELL	GOLD COAST CITY	54	Building Approval
PELICAN WATERS SOUTHERN LAKES MARINA	Lot 1005 Coral Sea Drive	PELICAN WATERS	SUNSHINE COAST REGIONAL	125	Building Approval
GATEWAY MARINA - PART ONE	67 Harbour Esplanade	BURNETT HEADS	BUNDABERG REGIONAL	140	Building Approval
20-24 OATLAND ESPLANADE PRIVATE MARINA	20-24 Oatland Esplanade	RUNAWAY BAY	GOLD COAST CITY	12	Development Approval
COVA PONTOON MARINA STAGE 2	55-81 Cova Boulevard	HOPE ISLAND	GOLD COAST CITY	23	Development Approval
MARINA QUAYS PRECINCT 4 MARINA DEVELOPMENT	5-27 Grant Ave & Marina Quays Blvd	HOPE ISLAND	GOLD COAST CITY	52	Development Approval
GRANT AVENUE RESIDENTIAL SUBDIVISION & MARINA	59 & 72 Grant Avenue	HOPE ISLAND	GOLD COAST CITY	33	Development Approval
HOPE ISLAND TOWNHOUSES & MARINA STAGES 1-3	1-12 Sickle Ave, 35, 41 & 49 Crescet Ave	HOPE ISLAND	GOLD COAST CITY	15	Development Approval
MARINA SHORES UNITS & MARINA	14 Sickle Avenue	HOPE ISLAND	GOLD COAST CITY	40	Development Approval
SEAHAVEN MARINA	65 Coquette Point Road	INNISFAIL	CASSOWARY COAST REGIONAL	56	Development Approval
GATEWAY MARINA - PART TWO	67 Harbour Esplanade	BURNETT HEADS	BUNDABERG REGIONAL	178	Development Application
MARINERS COVE MARINA PROJECT	60-64 Seaworld Drive	MAIN BEACH	GOLD COAST CITY	67	Development Application
LOT 503 SEAWORLD DRIVE - GORDON CORP	Lot 503 Seaworld Drive	MAIN BEACH	GOLD COAST CITY	64	Development Application
NORTH HARBOUR MARINA PRECINCT	Buckley Road & Fraser Drive	BURPENGARY	MORETON BAY REGIONAL	400	Development Application
TOONDAH HARBOUR PRECINCT REDEVELOPMENT	1 Emmett St	CLEVELAND	REDLAND SHIRE	200	Development Application

Source: CoreLogic Cordells, Primary Research

4. Climate Change and Resultant Impacts on the Marine / Boating Industry

In recent years, climate change and subsequent rising sea levels, plus storm activity intensity, have started to impact on the marine industry in an adverse manner. Given marinas, boatyards and yacht clubs are all located along the water, and as waters rise, plus more frequent severe storm events occur, the challenges and risks being faced by the marine industry, especially where to store boats safely, have increased.

The damage being sustained is staggering; breaches in breakwaters, crumpled fixed and floating docks, seawalls being overtopped, bulkheads being undermined and tiebacks being pulled out. These impacts are being experienced by inland boat storage facilities, especially those on larger river systems, just as extensively as those located on the coast.

Consequently, the marine industry is having to invest capital more extensively to ensure storage infrastructure is planned, designed, developed and maintained to a level that adequately protects expensive boating assets in an increasingly riskier environment. Deeper, higher, and longer piling in marinas is just one element of increased design and infrastructure costs required to mitigate inevitable shifting weather patterns.

Further to this, the marine insurance market has also changed considerably as a result of climate change. It has become increasingly difficult, and more expensive, to insure boats; especially in north Queensland since severe Tropical Cyclone Debbie crossed the coast at Airlie Beach on 28 March 2017 after wreaking havoc on the Whitsunday Islands.

Anecdotal evidence suggests that the market for insurers still available to take on marine risk has declined by around 40% and low risk individuals with good boats are facing an increase in premiums on average of around 15%.



Insurers that have remained in the market to take on marine risk have become increasingly stringent with compliance and expectations of the individuals they choose to insure, for instance, in the face of an unlikely weather event, a significant level of responsibility now rests with the insured to meet certain criteria, prior to damage being sustained, if they are to successfully receive their full payout value.

Recent severe tropical storms have provided the evidence to demonstrate that vessels will not survive on a swing mooring, consequently, these types of storage options have become an unacceptable risk to insurers.

Therefore, the new reality is that vessels of a certain size that can't be stored on land, should now be safely and securely moored in an appropriately designed and constructed marina to withstand potentially damaging weather conditions at all times when they are not being utilised.

5. Local Whitsunday Demographic and Economic Overview

The Whitsunday Regional Council area is located in North Queensland, about 1,100 km north of the Brisbane CBD, and 600 km south of the Cairns CBD. The Whitsunday Regional Council area is bounded by Burdekin Shire in the north, the Coral Sea in the east, the Mackay Regional Council area and the Isaac Regional Council area in the south, and the Charters Towers Regional Council area in the west.

Population Growth

The table below highlights actual population growth for the Whitsunday Regional Council area from 2007 to 2021.

Year	Number	Growth in Persons	Growth in %
2007	30,759	-	-
2008	31,337	578	1.9%
2009	31,838	501	1.6%
2010	32,140	302	0.9%
2011	32,416	276	0.9%
2012	33,397	981	3.0%
2013	34,113	716	2.1%
2014	34,362	249	0.7%
2015	34,509	147	0.4%
2016	34,538	29	0.1%
2017	35,099	561	1.6%
2018	35,680	581	1.7%
2019	36,310	630	1.8%
2020	37,175	865	2.4%
2021	37,660	485	1.3%

Source: Australian Bureau of Statistics

Please note the following key insights:

- The current population for the Whitsunday Regional Council area is around 38,000 persons and the region has achieved average annual population growth of 1.5% from 2007 to 2021.
- Over the past five years, which has included the uncertain times of COVID-19, the Whitsunday Regional Council area has outperformed the long term historical average annual population growth figure by achieving 1.7% growth per annum.

- Taking an average of the Queensland State Government's medium and high series population forecasts for the Whitsunday Regional Council area indicates the region will contain a population base of 49,591 persons by 2041.
- If the above mentioned forecast comes to fruition, it will represent future average annual population growth of 1.6%, which is slightly above the existing population growth long term historical average and bodes well for the future of the Whitsunday Regional Council area.

Migration

The table below highlights the top ten Australian Local Government Areas (LGA's) for net migration gains, and bottom ten for net migration losses, relative to the Whitsunday Regional Council area from July 2016 to June 2021.

LGA	State	In Migration	Out Migration	Net Migration
Isaac	QLD	586	329	257
Central Coast	NSW	138	72	66
Charters Towers	QLD	98	50	48
Toowoomba	QLD	175	130	45
Bundaberg	QLD	181	139	42
Sutherland Shire	NSW	69	29	40
Wingecarribee	NSW	36	7	29
Mornington Peninsula	VIC	51	23	28
Cloncurry	QLD	48	21	27
Central Highlands	QLD	197	170	27

LGA	State	In migration	Out migration	Net migration
Burdekin	QLD	204	231	-27
Cairns	QLD	353	399	-46
Ipswich	QLD	176	239	-63
Gold Coast	QLD	655	721	-66
Rockhampton	QLD	164	233	-69
Fraser Coast	QLD	167	258	-91
Sunshine Coast	QLD	469	639	-170
Mackay	QLD	1107	1364	-257
Townsville	QLD	898	1247	-349
Brisbane	QLD	781	1139	-358

Source: Australian Bureau of Statistics

Please note the following key insights:

- In terms of the top ten LGA's for net migration gains to the Whitsunday Regional Council area, it was interesting to note that three New South Wales regions, and one Victorian region, were ranked highly.
- In contrast, all of the bottom ten LGA's for net migration losses from the Whitsunday Regional Council area were located in Queensland.
- This migration data, and the time period for which it relates, substantiates the anecdotal evidence that the COVID-19 pandemic resulted in residents from southern States moving to more open, lifestyle driven locations like the Whitsundays.

Employment

The table below tracks the unemployment rate for the Whitsunday Regional Council area from 2011 to 2022 year to date.

Year	Whitsunday	Regional QLD	Queensland	Australia
2011	5.3%	5.9%	5.5%	5.1%
2012	5.3%	5.9%	5.6%	5.2%
2013	6.5%	6.0%	5.9%	5.5%
2014	6.4%	6.2%	6.1%	5.9%
2015	9.4%	6.8%	6.4%	6.1%
2016	7.4%	6.6%	6.1%	5.8%
2017	5.4%	6.3%	6.2%	5.7%
2018	3.5%	6.1%	6.1%	5.4%
2019	5.5%	6.0%	6.1%	5.2%
2020	6.1%	6.6%	6.7%	5.9%
2021	4.8%	6.0%	6.4%	5.9%
2022	2.8%	4.7%	4.9%	4.6%

Source: Australian National Skills Commission



Please note the following key insights:

- Like most regions in North Queensland, the Whitsunday Regional Council area's unemployment rate has declined suddenly in recent years and was recorded at only 2.8% during the March quarter 2022.
- When considering that a labour market is traditionally viewed as balanced when the unemployment rate is around 5%, the Whitsunday Regional Council area is now facing a labour shortage across many industries.
- While it may not happen quickly, this labour shortage challenge will begin to improve over time as more interstate and international travel occurs post the COVID-19 pandemic; this will ultimately increase the supply of workers available to fill roles in industries that often sit outside the desires of local residents.

Tourism

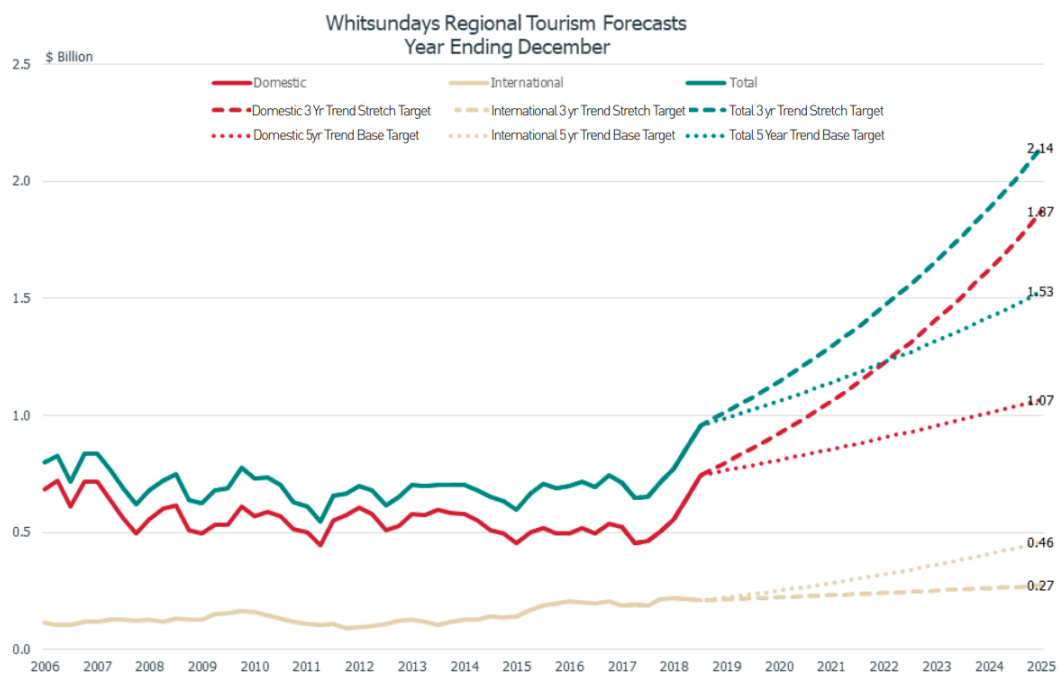
The *Whitsundays Destination Tourism Plan 2019 – 2024* was released in 2021 and was an update of the original 2014 to 2020 plan. The following represents a summary of the key insights contained in this plan.

The Whitsundays region incorporates both mainland communities and 74 islands. The regional economy is heavily reliant on tourism with approximately 3,000 people being directly employed in the industry. Tourism provides approximately 40% of jobs which is the highest in Queensland, and one of the highest in Australia.

The chart below tracks historical and forecast tourism sector performance in the Whitsundays. Given forecast targets haven't been set as yet for 2030, results to 2018 have been graphed and extrapolated out to 2025. The following two scenarios were forecast:

- The first is the base target of \$1.53B with a “business as usual” approach and no new tourism initiatives being undertaken.
- The second is a stretch target of \$2.14B which will depend on the take up of initiatives and actions indicated in the Destination Tourism Plan and a continuation of market conditions.

2025 Growth Targets



In an eco-destination such as the Whitsundays, the focus should not be solely based on increasing visitor numbers to improve the performance of the overall tourism industry. For instance, to achieve the above stretch target in 2025, the destination will need emerging tourist offerings that can attract new high-yield markets that consequently extend the length of tourists stay and their daily spend.



To achieve the above, it is recognised that there is a strong need for more events, increased mainland offerings that can cater to families and the drive market, while also providing important alternatives in the outcome of poor weather.

Such attractions, activities and tourism events proposed are noted as follows:

- Whitsunday Skyway Project (\$79 million).
- Lake Proserpine Barramundi Fishing and Interactive Nature Recreational Precinct.
- Bowen Catalina Flying Boat display.
- Reef Education and Training Facility (possible location Grubby Bay).
- Development of Mountain Bike tracks around the region to increase land-based activity.
- Maritime Education and Training Facilities in Bowen.
- Enhanced Maritime Education & Training Facilities in Airlie Beach at the Whitsunday Sailing Club.
- Water park or a wave pool in Airlie Beach.
- Establishment of fishing facilities and piers in Airlie Beach.
- Dive wreck in the Whitsunday Marine Park.
- Completion of Flagstaff Hill Interpretive Centre.
- Mine tour in Collinsville.
- Solar farm tour in Collinsville.



- Paddock to plate centre in Bowen.

Tourism and Events Queensland also recently released the *Whitsundays Regional Snapshot - Year Ending March 2022*. In summary:

- Total annual overnight visitor expenditure (OVE) for the Whitsundays increased by 11.8% to a record \$1.1B on average over the past three years; this was due to spend per night increasing 15.5% to \$299 per night on average.
- The growth in spending trend was primarily due to increased expenditure on accommodation which has also been recorded on a broader State-wide basis.
- Although borders reopened in January 2022, the closure for most of the previous year meant that the domestic market accounted for 99% of visitation and 100% in OVE.
- Holiday visitation accounts for 69% of domestic visitors to the Whitsundays and increased by 15.5% to a record 581,000 on average over the past three years.
- Most of the increase in visitation was due to the intrastate market, with borders closed to interstate travellers for a significant period due to the COVID-19 pandemic.



6. Greater Whitsunday Region Economic Overview

The Queensland Department of State Development, Infrastructure, Local Government and Planning has authored a *Regional Snapshot Report on the Greater Whitsunday Region*. The following represents a summary of the key insights contained in this snapshot report.

The Greater Whitsunday region covers 90,354 square km. Comprising of the Mackay, Isaac and Whitsunday Local Government Areas, the Greater Whitsunday Region is encompassed by St Lawrence in the south, Gumlu in the north, to Clermont in the west, and the Great Barrier Reef Whitsunday's group of 74 islands to the east.

The region is one of the most naturally beautiful and resource-rich locations in Australia contributing more than \$46B in economic output to the Australian economy. From the largest coal mining deposits in Australia, the Bowen and Galilee basins, the iconic Great Barrier Reef and Whitsunday Islands and boasting a diverse agricultural industry which provides over \$1.46B to the Queensland economy, the region is an economic powerhouse that is key to Queensland's economy. (REMPPLAN 2020 release 2)

The Greater Whitsunday regions economic strengths are noted as follows:

- One of the world's most diverse economic regions with a gross regional product of approximately \$25.044B, across key industry sectors such as mining, manufacturing, health care and social assistance, tourism and construction.
- Strong forecast of development activity with over \$13.5B worth of construction work across more than 140 projects in the pipeline (Cordell Connect, Jan 2022).
- Key infrastructure includes three regional airports, two deep water seaports, three bulk shipping terminals, and a reliable freight service rail network.
- The largest mining services industrial precinct in the southern hemisphere, the Paget Industrial Estate, is home to over 500 mining and manufacturing businesses.



- Mining projects in the Greater Whitsunday region were valued at \$17.7B in 2021. (REMPPLAN 2020 release 2).
- The majority of Queensland’s prime coking coal is mined in the Bowen and Galilee Basins.
- A strong and diverse agricultural sector:
 - Contains approximately 29% of Australia’s sugar cane, (Australian Sugar Milling 2020).
 - Is the largest horticultural winter produce growing region (\$450 million in value annually, ABC Rural 2021).
- The beef cattle industry represents 11% of market valued at \$613 million. (Growing Greater Whitsunday Agribusiness – Report for Stage 1 – Planting the seed – RDA-MIW 2019).
- A burgeoning prawn aquaculture sector with annual production rates forecast to grow from 5,000 tonnes in 2020, to 20,000 tonnes by 2030. (Tassal 2020)
- Tourism attracts approximately two million domestic and international overnight visitors annually (TEQ, March 2020).
- Areas like the Finch Hatton Gorge, Eungella National Park and Cape Hillsborough are driving innovation and promoting the region as a world-class ecotourism destination.

The Whitsunday Regional Council released the *Regional Economic Development Strategy 2022 – 2025* in 2021. Key stakeholders partaking in this strategy were unanimous regarding the important role that various catalytic projects can play in advancing the Whitsunday region’s economic growth.

The following catalytic projects were identified as critical for propelling the Whitsunday Region economy forward in the future:

- Abbot Point State Development Area (SDA): the Abbot Point SDA is a 16,800-ha industrial precinct surrounding the Abbot Point Port. The area has been designated for a number of large-scale, value-adding industrial development activities.
- Bowen Marine Centre of Excellence: the Marine Centre of Excellence will create significant value for the region, including existing operators in Airlie Beach as well as numerous others from Australia and beyond.
- Gilmour Space Launch Centre: Gilmour Space Technologies intends to establish a rocket launching centre that will launch small satellites into Low Earth orbits from the Abbot Point SDA, creating a significant catalyst for a new industry cluster in the region.
- Heart of the Reef Discovery Centre: the Centre would create a significant land-side marine and reef tourism experience that would focus on research and reef restoration/care. The centre would host university researchers, provide academic training and citizen science experiences as well as an interactive land-side reef experience to educate and encourage visitors to support conservations and sustainability.
- Shute Harbour Restoration: the Shute Harbour Restoration includes a new, modern two-story terminal building (including retail, food and beverage and tourism offering), three new pontoons, various berthing options, a new fuel facility and ancillary areas. It represents a revitalisation of this important asset that can encourage additional economic growth.
- Urannah Dam: the Urannah Dam is a \$2.9B planned dam on the Broken River, including connecting water pipelines and instream distribution and storage of water, an irrigation precinct (of up to 25,000 ha) and a pumped hydro-electric power scheme. The project could create 600 jobs and significantly augment the agricultural sector in the region. (Source: QLD Government- Project EIS)



- Water for Bowen: the project consists of a proposed water transport system that will provide up to 60,000 ML of water per annum from water allocations sourced from the Burdekin Falls Dam. The project could provide water security for the region, enhancing productivity and increasing investment security. The project could generate between, 882 and 1,176 jobs (across the entire project area). (Source: QLD Govt EIS - SunWater)
- Whitsunday Skyway Project: the project consists of a gondola cableway to connect the centre of Airlie Beach to the summit of an adjacent hilltop in Conway National Park, which would provide magnificent scenic vistas over the Coral Sea and Whitsunday Islands. The project would add a significant, onshore visitor attraction and could be linked to additional activities in the Conway National Park (walking trails, mountain biking).