



**REGIONAL
AUSTRALIA
INSTITUTE**



RAPAD REGION ECONOMIC BENCHMARKING AND PROMOTION

FINAL REPORT

JULY 2021

ABOUT THE REGIONAL AUSTRALIA INSTITUTE

Independent and informed by both research and ongoing dialogue with the community, the Regional Australia Institute (RAI) develops policy and advocates for change to build a stronger economy and better quality of life in regional Australia – for the benefit of all Australians. The RAI was established with support from the Australian Government.

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INTRODUCTION

ABOUT RAPAD AND THE REGION

The Central Western Queensland Remote Area Planning and Development Board (RAPAD) is a regional development organisation which aims to foster, facilitate and promote the sustainable growth and development of its region. RAPAD has been in existence since 1992 and it consists of seven member councils:

- Barcaldine Regional Council
- Barcoo Shire Council
- Blackall-Tambo Regional Council
- Boulia Shire Council
- Diamantina Shire Council
- Longreach Regional Council
- Winton Shire Council

The RAPAD region covers a total area of 396,609 square kilometres, about 23 per cent of Queensland's total land area.



PROJECT SCOPE

RAPAD engaged the Regional Australia Institute (RAI) to:

- Benchmark the RAPAD region's key economic metrics against Queensland as a whole and other selected Queensland regions
- investigate local investment opportunities.

The benchmarking and investigation provides key material for RAPAD to use on its website that promotes the region as place in which to live, work and invest.

The benchmarking is included in Stage 1 of the project, while the investigation of local investment opportunities is included in Stage 2.

This final report includes all elements of the scope – Stage 1 (parts A, B and C) and Stage 2. The three separate parts of Stage 1 are as follows:

PART A: BASELINE DATA AND COMPARISONS

Part A of Stage 1 of the project provides an overview of the RAPAD region's key economic indicators and situates these in the context of the broader Queensland Economy. This section shows local economic indicators against Queensland indicators and where relevant provides the local share of total Queensland. This section of the report is focused on highlighting how important the region is to the State and supports the region's advocacy with the State government and other investors.

PART B: PEOPLE MOVEMENTS AND LOCAL LABOUR MARKET

Part B of the project provides analysis of the data from the 2011 and 2016 Censuses to show from where people are moving into and out of the region – by age, sex and by occupation.

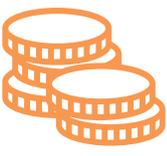
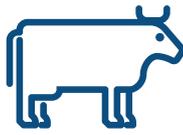
This part of the project also provides an overview of the local labour market – including the number and types of jobs demanded (being advertised) as well as the results of a survey of local employers that highlights particular areas of need.

PART C: COMPARISON TOOL

Part C of Stage 1 uses the findings from Part B as the basis for a comparison tool. This tool compares a number of liveability metrics in the RAPAD region against the key identified regions – the regions from which people move into the RAPAD region.

STAGE 1: THE IMPORTANCE OF THE RAPAD REGION

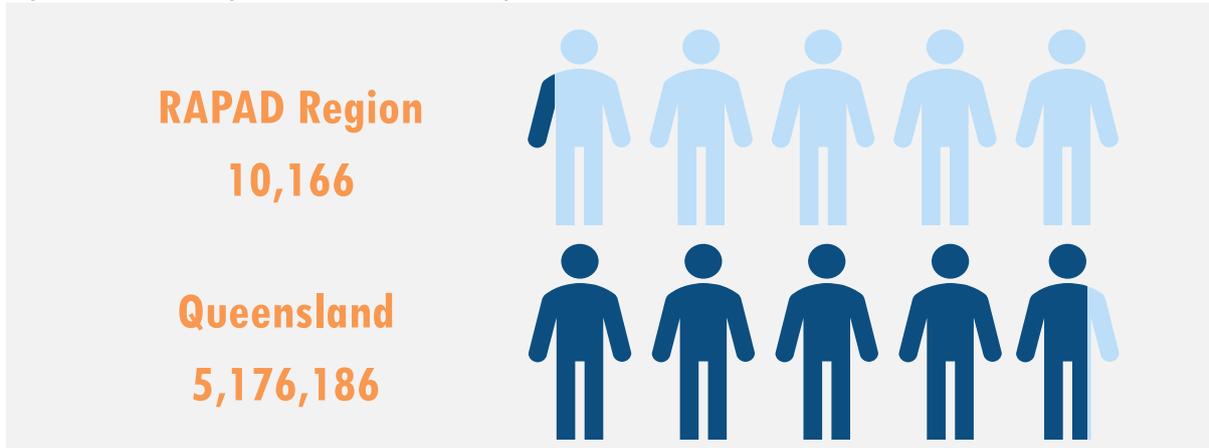
PART A: BASELINE DATA AND COMPARISONS: SUMMARY

Economic overview				
REGIONAL UNEMPLOYMENT  RAPAD 3.3% QLD 5.9%	TOTAL REGIONAL OUTPUT PER CAPITA  RAPAD \$148,246 QLD \$157,154	GROSS REGIONAL PRODUCT PER CAPITA  RAPAD \$79,042 QLD \$78,790	TOTAL REGIONAL VALUED ADDED PER CAPITA  RAPAD \$73,642 QLD \$73,524	
Agriculture industry				
TOTAL AGRICULTURE  RAPAD 5.0% OF QLD GROSS VALUE 2018/19	LIVESTOCK PRODUCTS - WOOL  RAPAD 32.3% OF QLD GROSS VALUE 2018/19	LIVESTOCK SLAUGHTERED AND OTHER DISPOSALS - CATTLE AND CALVES  RAPAD 10.2% OF QLD GROSS VALUE 2018/19	LIVESTOCK SLAUGHTERED AND OTHER DISPOSALS - SHEEP AND LAMBS  RAPAD 32.3% OF QLD GROSS VALUE 2018/19	CHANGE IN VALUE OF COMMODITIES DERIVED FROM SHEEP  RAPAD 21% QUEENSLAND 5.2% 2015/16 - 2018/19
Housing				
ASKING RENTS  RAPAD \$295 PER WEEK BRISBANE \$440	COST TO BUY  RAPAD \$252,500 BRISBANE \$607,969	RENTAL YIELD  RAPAD 6.1% BRISBANE QLD 3.8%	SHARE OF INCOME ON MORTGAGE REPAYMENTS  RAPAD 18% REGIONAL QLD 31%	NO. INCOMES TO SERVICE MORTGAGE  RAPAD 0.5 BRISBANE 1.3

POPULATION

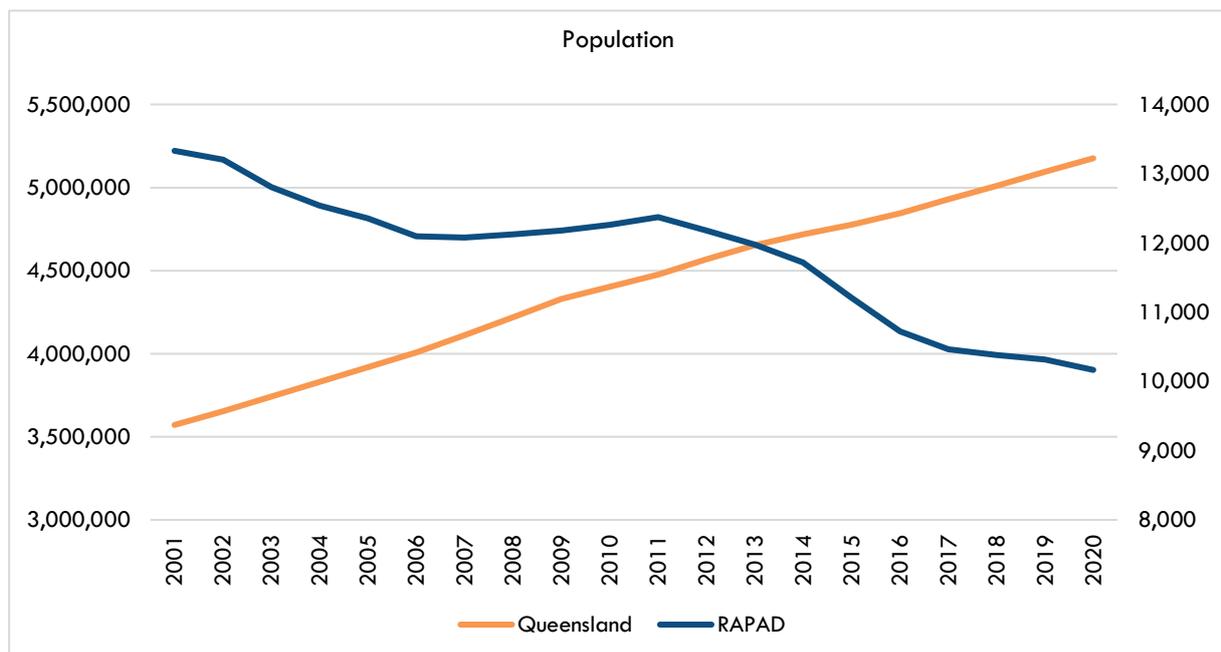
The population of the RAPAD Region (based on the Estimated Residential Population (ERP) data from the ABS) is 10,166 (at June 2020), representing 0.2% of the Queensland population (5,176,186). This data indicates that the RAPAD Region has been experiencing population decline between 2001 and 2020, losing on average 167 people per year.

Figure 1 RAPAD region and Queensland Populations



Source: ABS Census of Population and Housing and Estimated Residential Population

Figure 2 RAPAD region and Queensland Population Growth 2001 to 2020



Source: ABS Estimated Residential Population

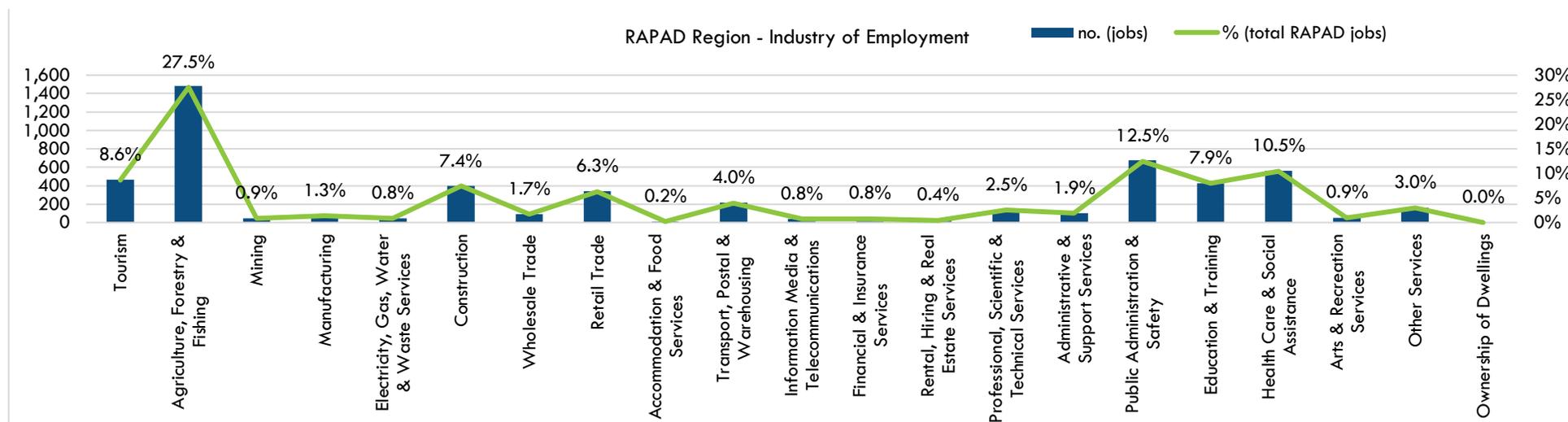
EMPLOYMENT

REMPAN 2019 data on RAPAD-region employment show that 51.2% of the local population is employed (5,392 people), which accounts for 0.3% of the total Queensland labour force. Data from the National Skills Commission shows that local **regional unemployment is 3.3%, in comparison to Queensland's 5.9%.**

REMPPLAN 2019 data on employment by industry – summarised in figures 3 and 4 below – show that easily the largest industry of employment in the RAPAD region is **Agriculture, Forestry and Fishing, accounting for 27.5% jobs** in the region. Importantly, the RAPAD region also accounts for 2.4% of jobs in the Queensland Agriculture, Forestry and Fishing industry. Public Administration and Safety is the next highest employing industry accounting for 12.5%, followed by Health Care and Social Assistance at 10.6%. In comparison, the largest employing industry in Queensland is Health Care and Social Assistance (13.6%), followed by Retail Trade (10.4%) and Education and Training (9.4%). Importantly, this highlights that the RAPAD labour force is more dependent on fewer industries – **50% of the region's labour force is dependent on the top three employing industries**. For the state overall, 50% of the labour force is employed by the top five employing industries.

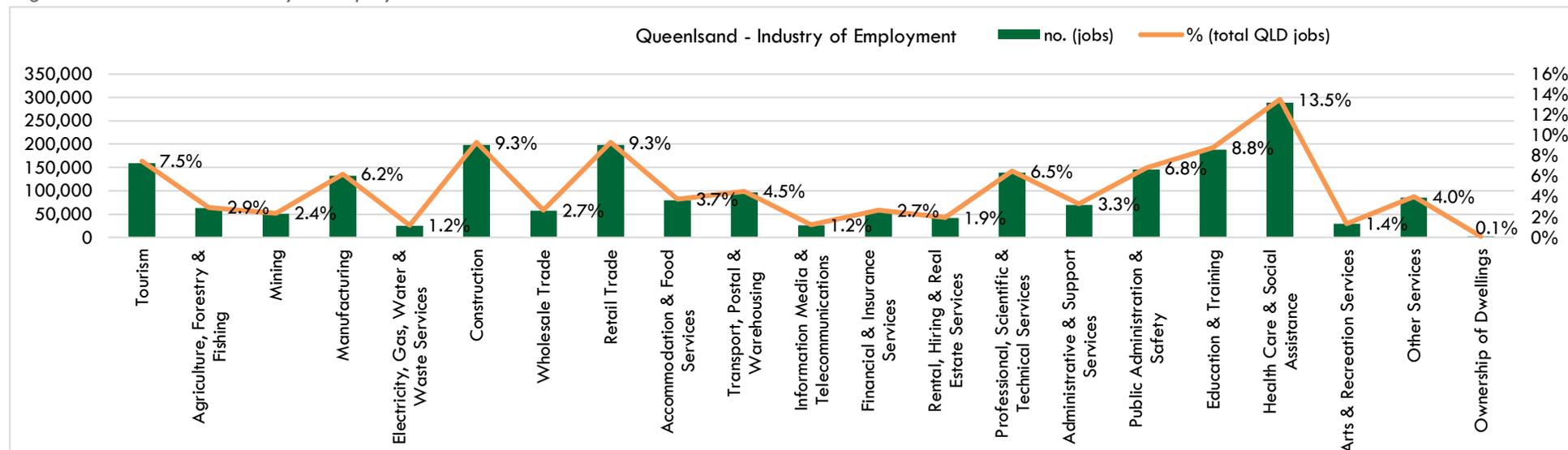
RAI estimates – based on National Skills Commission projections – that total employment in the region will be 5,608 in 2024, with **Health Care and Social Assistance experiencing the greatest increase (70 jobs)**, followed by Education and Training (60), and Public Administration and Safety (37). However, this won't change the top three employing industries and will only increase these industries' share of the labour force by 0.1%.

Figure 3 RAPAD region - Industry of Employment 2019



Source: REMPLAN 2019

Figure 4 Queensland - Industry of Employment 2019



Source: REMPLAN 2019

REGIONAL OUTPUT

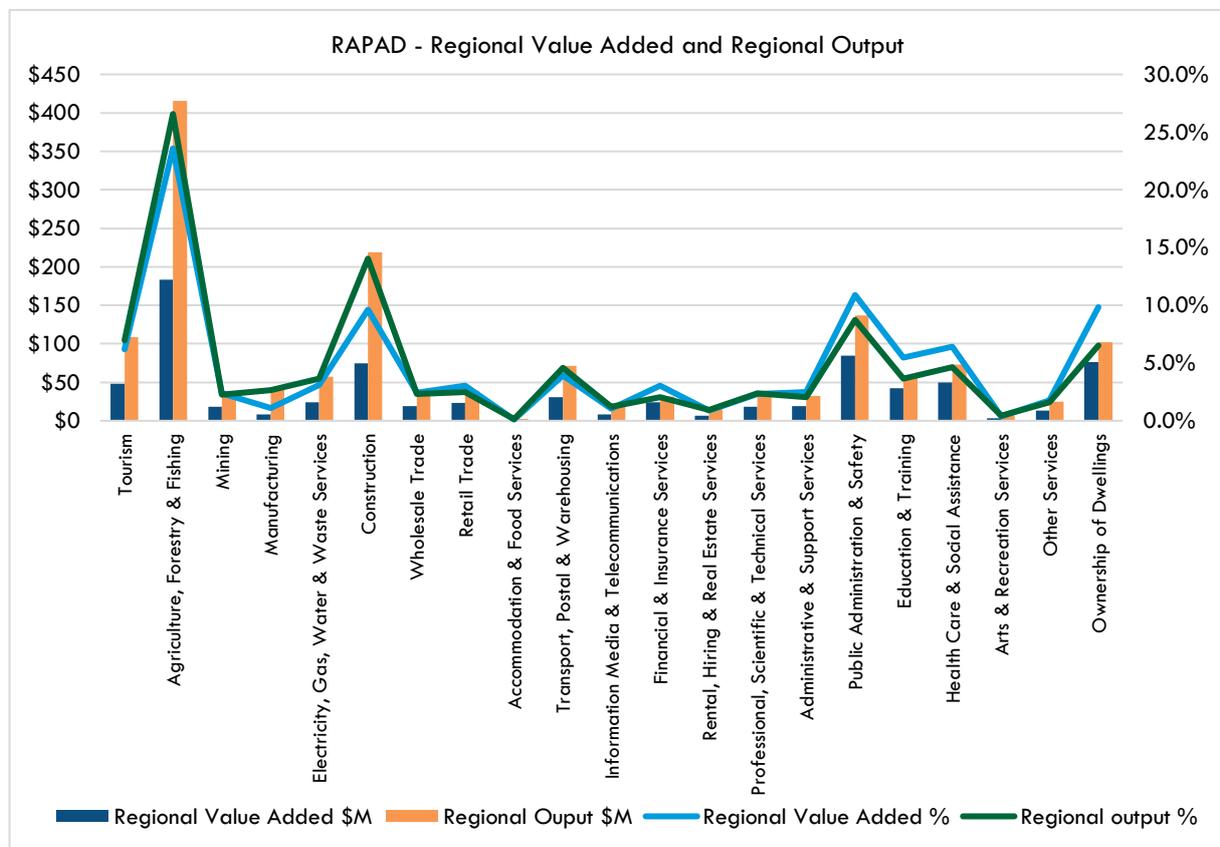
RAPAD's total regional output per capita (including Gross Regional Output and Regional Value Added) tends to be on par with Queensland as a whole. Similar to the major industries of employment, **regional output is dominated by the Agriculture, Forestry and Fishing industry**, followed by Construction, Rental hiring, and Real Estate Services, and Public Administration and Safety and Tourism. The Total Regional Output for the RAPAD region is \$1.563 billion, with the Agriculture, Forestry and Fishing industry contributing \$415.2 million or 26.6% of this. Similarly, 23.6% of Total Regional Value is contributed by the industry. Importantly, the Agriculture, Forestry and Fishing industry in the RAPAD region accounts for 2% of the Queensland industry's output.

Table 1 RAPAD region and Queensland Regional Output

	Total Regional Output	Gross Regional Product	Total Regional Value Added
RAPAD	\$1,563 million	\$833.1 million,	\$776.2 million
Queensland	\$737,162 million	\$369,578 million	\$344,876 million
RAPAD as a % of Queensland	0.2%	0.2%	0.2%
RAPAD per capita	\$148,246	\$79,042	\$73,642
Queensland per capita	\$157,154	\$78,790	\$73,524

Source: REMPLAN 2019

Figure 5 RAPAD region Regional Output

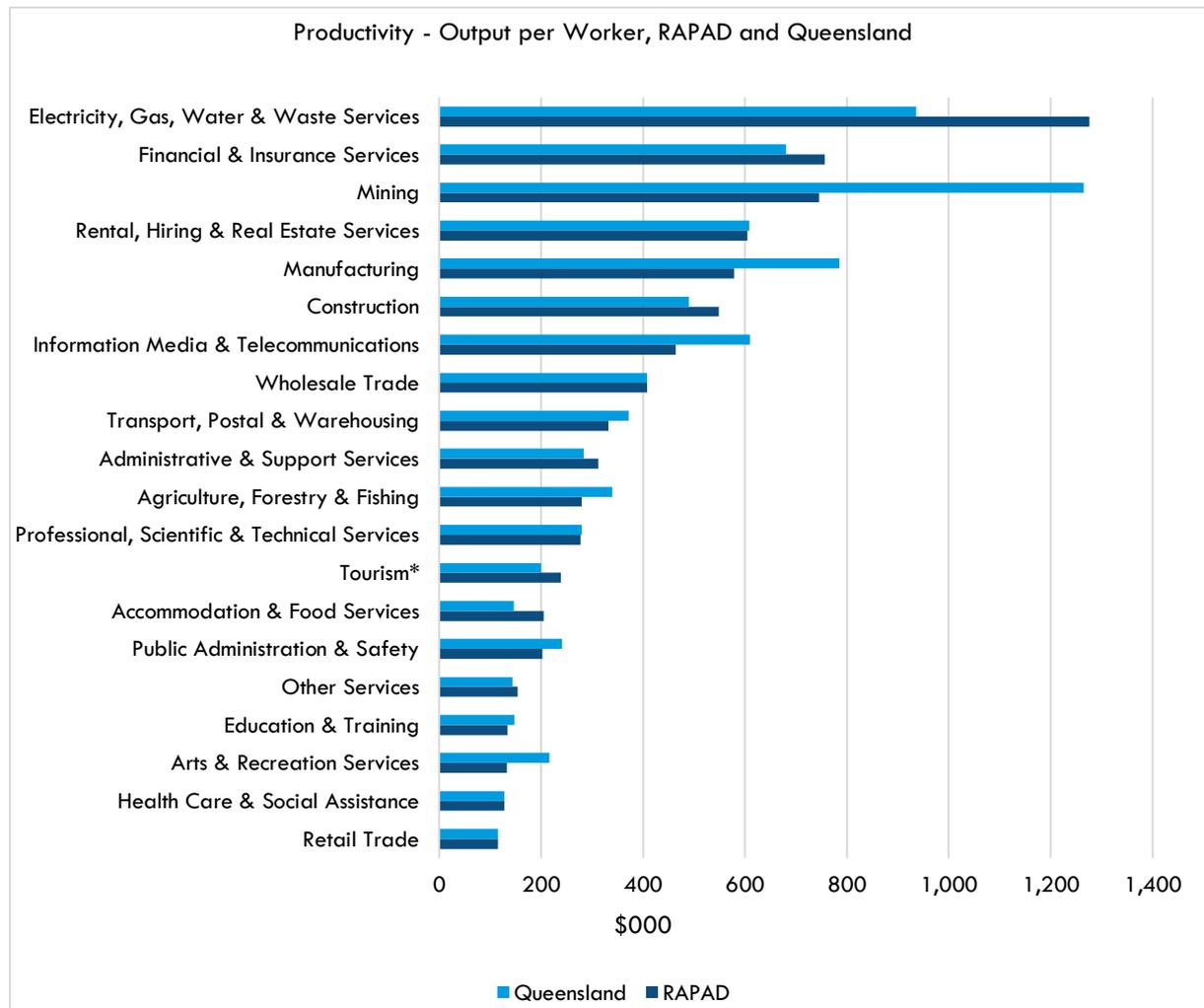


Source: REMPLAN 2019

REGIONAL PRODUCTIVITY – OUTPUT PER WORKER

Across all sectors, the RAPAD region produces \$290,000 worth of output per worker. The sector with by far the largest output per worker in the region is **Electricity, Gas, Water & Waste Services, producing \$1.276 million worth of output per worker**. Output per worker in this sector in Queensland as a whole is \$936,000. Financial and Insurance Services in the RAPAD region is also a relatively productive sector, producing \$756,000 per worker compared with \$681,000 per worker for Queensland as a whole. Both these industries are highly capital intensive so have high output per worker.

Figure 6 RAPAD region and Queensland Output per Worker



Source: REMPLAN 2019

TOURISM INDUSTRY

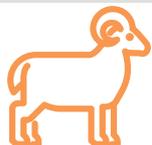
Tourism¹ is an important industry in the RAPAD region. **Total output** generated by tourism businesses and organisations in the region is **estimated at \$108.8 million**. This places it within the region's **five largest sectors**. The industry is estimated to **employ 441 people** in the region, the **fourth largest employer in the region**. The only other industries that are larger employers are Agriculture, Forestry and Fishing, Public Administration and Safety, and Health Care and Social Assistance. The sector in the RAPAD region is also more productive than Queensland as a whole. Regarding productivity, the RAPAD tourism sector is quite productive: it produces output/provides services to the tune of \$239,000 per worker. This compares to \$200,000 per worker across Queensland as a whole.

¹All the estimates and analysis on local tourism employment and output in this section are sourced from Stafford Strategy's 2021 Data Collection and Analysis report prepared for RAPAD. These estimates – while presented alongside estimates of employment, output and productivity for all other local industries in this report – are not exactly internally consistent with those other industries as these metrics have been sourced from REMPLAN 2019 modelling. While this modelling is slightly different to the Stafford modelling, the estimates are broadly similar. For example, REMPLAN 2019's estimate of total tourism output is \$108.8 million, compared with Stafford's estimate of \$105.5 million.

AGRICULTURE INDUSTRY

The **Gross Value of Total Agriculture in the RAPAD region in 2018-19 was \$640 million², representing 5% of Queensland's total agricultural value.** While this total value in the region's agricultural commodities represents a decline from the value in 2015-16, it is in line with the statewide decline. Importantly, the region's wool and sheep and lamb meat production outperformed the state during this period, resulting in the region growing its share of statewide production value during the three years to 2018-19. The RAPAD-region share of statewide wool value has grown by 6.6 percentage points, from a 26% share to a 32% share. This is underscored by **local wool production more than doubling in value** (up by 118%). While the value of regional sheep and lamb meat production declined over the three years to 2018-19, the decline in the RAPAD region was less than the decline across Queensland, so the RAPAD region's share of statewide value actually increased over this period by 1.6 percentage points to a 32% share.

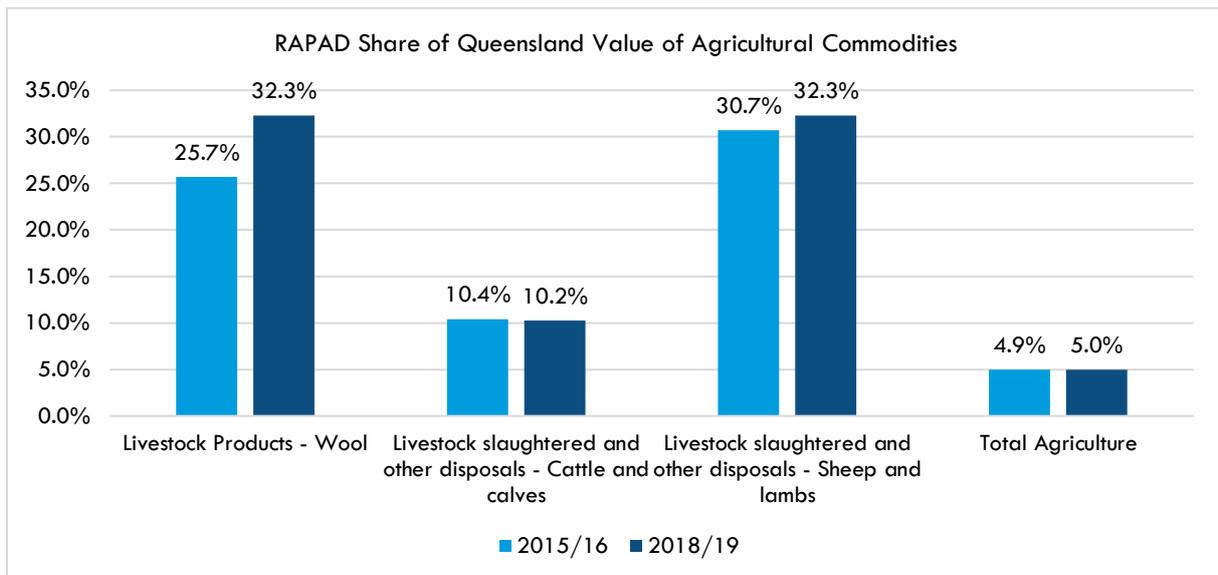
Table 2 Value of Agricultural Commodities 2018-19

COMMODITY	RAPAD	QUEENSLAND	%
 Total Agriculture	\$640,092,391	\$12,928,117,792	5.0%
 Livestock Products - Wool	\$34,815,830	\$107,774,114	32.3%
 Livestock slaughtered and other disposals - Cattle and calves	\$594,452,909	\$5,802,558,332	10.2%
 Livestock slaughtered and other disposals - Sheep and lambs	\$6,109,078	\$18,914,978	32.3%

Source: ABS, Value of Agricultural Commodities Produced, Australia

² The values of Agricultural Commodities provided in this document for the period 2018/19 are estimates. They have been derived from the Queensland – Outback SA4 region data, based on the proportions of values attributed to the Longreach, Barcardine-Blackall, and Far Central West SA2 regions in 2015/16.

Figure 7 RAPAD region Share of Queensland Value of Agricultural Commodities

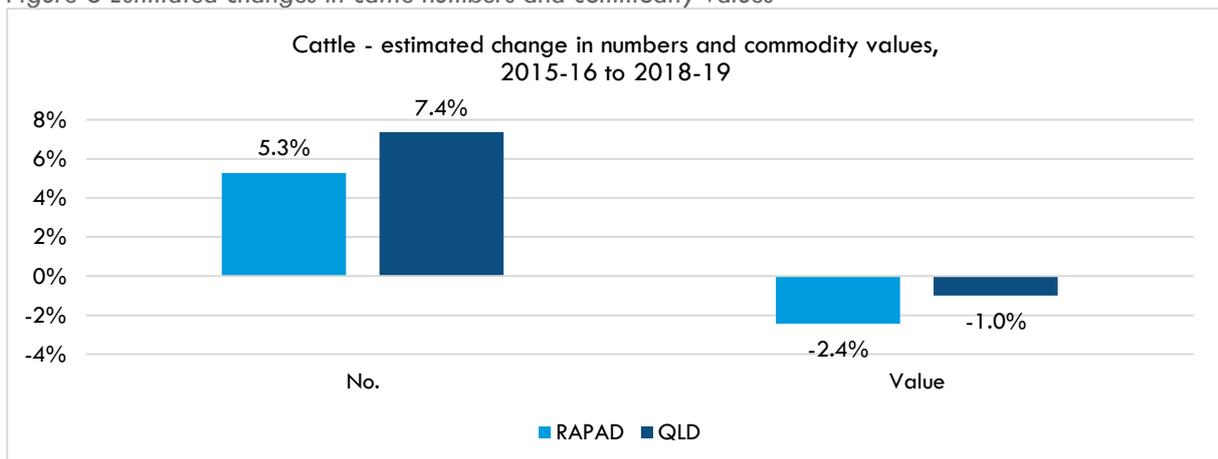


Source: ABS, Value of Agricultural Commodities Produced, Australia

The total number of meat cattle in the RAPAD region in 2018-19 was 1,154,672, accounting for 10.3% of Queensland's total herd. The total **number of sheep** in the region in 2018-19 was 2,100,695, **representing 32.3% of Queensland's flock**. Whilst the region's share of Queensland's meat cattle herd in 2018-19 is similar to its share in 2015-16, **the region's proportion of the sheep flock has grown by nearly 7 percentage points** in the same period.

The estimated size of the RAPAD region's **local cattle herd in 2018-19** represents a **5.3 % increase** on the size on 2015-16. This compares with size of **Queensland's total herd** which **grew by 7.4%**. Meanwhile the **total value of cattle meat commodities** declined over this period – by an **estimated 2.4% in the RAPAD region** and **by 1.0% across Queensland** as whole. The RAPAD region's underperformance on these metrics relative to the overall state likely reflects parts of the RAPAD region experiencing the most severe of the drought conditions during this period³.

Figure 8 Estimated changes in cattle numbers and commodity values

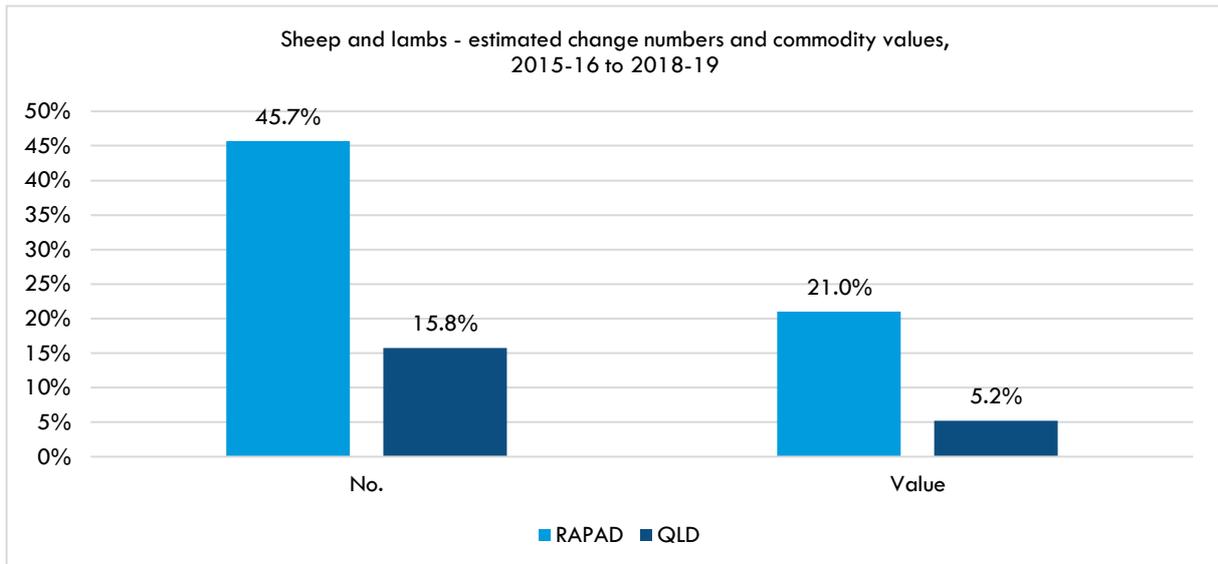


Source: ABS, Value of Agricultural Commodities Produced, Australia, and Agricultural Commodities, Australia

³ Hatfield-Dodds, S, Hughes, N, Cameron, A, Miller, M & Jackson, T 2018, Analysis of 2018 drought: 26 October 2018, Australian Bureau of Agricultural and Resource Economics and Sciences, Canberra, <https://www.agriculture.gov.au/sites/default/files/abares/documents/abares-insights-analysis-2018-drought.pdf>

The estimated size of the **RAPAD region's local sheep flock in 2018-19 represents a 45.7% increase** on the size in 2015-16. This compares with the size of **Queensland's total flock which only grew by 15.8%**. Meanwhile the total value of **sheep and lamb commodities (meat and wool) also increased** over this period – by an **estimated 21.0% in the RAPAD region**. This increase in value is due solely to the increase in the value of local wool production, whereas the value of sheep and lamb meat actually declined during this period. **For Queensland as whole, the value of sheep and lamb commodities increased by 5.2 per cent**. The RAPAD region's significant outperformance on these metrics – particularly the large increase in the *number* of sheep – relative to the overall state likely reflects the success of the RAPAD Queensland Feral Pests Initiative (QFPI) Cluster Fencing Project which commenced in 2016.

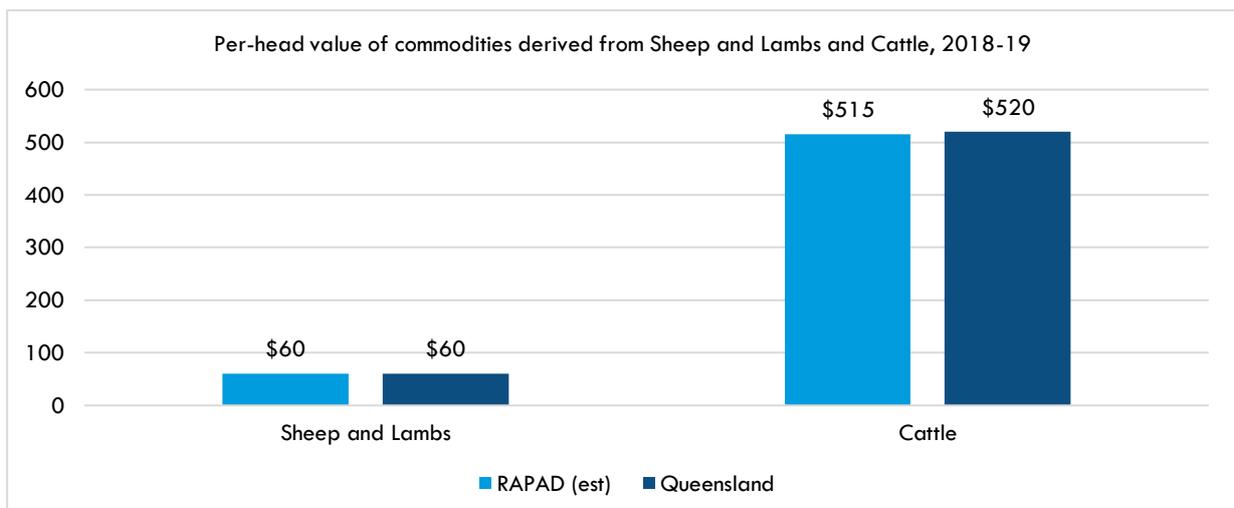
Figure 9 Estimated growth in sheep and lamb numbers and commodity values



Source: ABS, Value of Agricultural Commodities Produced, Australia, and Agricultural Commodities, Australia

In 2018-19 the **value of commodities derived from meat cattle is estimated at \$515 per head** in the RAPAD region, while **in Queensland the value per head is \$520**. For sheep and lambs, the value of derived commodities (**sheep meat and wool**) is **estimated at \$60 per head in both the RAPAD region and also Queensland wide**.

Figure 10 Per-head value of commodities derived from Sheep and Lambs and Cattle



Source: ABS, Value of Agricultural Commodities Produced, Australia, and Agricultural Commodities, Australia

Using the per-head value of commodities derived from sheep and lamb in the RAPAD region along with REMPLAN⁴ impact analysis, the economic effects of cluster fencing can be modelled. RAPAD expects that sheep numbers in the region will increase by 502,668⁵. At 2018-19 per-head values, this would represent **\$30.315 million direct increase** in output in the region. **REMPAN modelling indicates the demand for intermediate goods and services would rise by \$9.075 million** – a supply chain effect including multiple rounds of flow-on effects, as servicing sectors increase their own output and demand for local goods and services. The increase in total output – including the direct and supply-chain effects – associated with additional sheep from cluster fencing is estimated to be the sum of these two components at **\$39.390 million**.

HOUSING

Housing in the RAPAD region is very affordable. The **median house price across the region** (with sales concentrated in Barcaldine, Blackall and Longreach) in the 12 months to April 2021 was **\$252,500**⁶. During the month of April 2021, the median house price across regional Queensland was \$436,120⁷. Average monthly incomes in the RAPAD region are estimated to be \$5,147 per month in 2020-21⁸. Given the relatively low price of housing, **only 16 per cent of the average RAPAD income would be required to service a mortgage on a median-priced home in the region** – far less than the 30 per cent of incomes that is considered the upper end of what is comfortable. Put another way, only 0.5 average RAPAD-region incomes are required to comfortably service a mortgage on a median-priced home in the region. For regional Queensland as a whole more than one income would be required to comfortably service a mortgage on a median-priced home.

Table 3 Housing Affordability – RAPAD region and Queensland

Housing Affordability	RAPAD	Regional Queensland
Median Price	\$252,500	\$436,120
Loan size⁹	\$202,000	\$392,508
Monthly repayments	\$812	\$1,578
Monthly incomes	\$5,147	\$5,010
Share of income on mortgage repayments	16%	31%
No. of incomes to comfortably service a mortgage	0.5	1.0

Source: Domain.com.au and ABS, Average Incomes

While the region's rental market is quite tight, this hasn't translated into expensive rents. The **median asking rent in the region** as at early May 2021 was **\$295 per week**¹⁰. The average median rent

⁴ REMPLAN impact analysis models the impacts of projects and investments – providing the likely direct flow-on implications for local economies. <https://www.rempplan.com.au/economy/>

⁵ <https://www.rapad.com.au/programs-and-projects/qld-feral-pest-initiative/>

⁶ Median price of house sales published on domain.com.au.

⁷ <https://www.corelogic.com.au/sites/default/files/2021-05/210503-CoreLogic-HVI-May21-FINAL.pdf>

⁸ Latest ABS average incomes on an LGA basis only go out to 2017-18. RAPAD and Regional Queensland incomes in 2020-21 are estimated according to average annual growth in incomes of the region during the five years to 2017-18.

⁹ The RAPAD loan size in this table is under a scenario of a bank applying an 80 per cent loan to valuation ratio (rather than a 90 per cent LVR which is the typical lending limit applied to the majority of borrowers Australia wide). Local feedback on the LVRs currently applied to borrowers in the region was mixed: some local residents stated banks weren't lending out at 90 per cent LVRs, while some local banks stated they were.

¹⁰ Median rent of houses advertised on domain.com.au.

across eastern regional Queensland (and also the Darling Downs) in the March 2021 quarter was \$363 per week¹¹.

While the region's rents are also quite affordable relative to local incomes, they are still high relative to the region's housing prices – giving rise to relatively strong yields. The **implied gross rental yield for the region as at May 2021 was 6.1 per cent**. Across **regional Queensland** the gross rental yield in April 2021 **was 5.1 per cent**, while in **Brisbane it was 4.2 per cent**. Moreover, the region's low vacancy rates (which are generally below 1 per cent) across the region¹² adds to the attractiveness of the region's housing market from an investment perspective.

¹¹ Average of median rents from available data from Queensland Rental Tenancies Authority.

¹² https://sqmresearch.com.au/graph_vacancy.php?postcode=barcaldine&t=1,
https://sqmresearch.com.au/graph_vacancy.php?postcode=blackall&t=1,
https://sqmresearch.com.au/graph_vacancy.php?postcode=tambo&t=1,
https://sqmresearch.com.au/graph_vacancy.php?postcode=longreach&t=1,

PART B: PEOPLE MOVEMENTS AND LOCAL LABOUR MARKET

PEOPLE MOVEMENTS

ABS estimates RAPAD's **total population to be 10,166 at June 2020, shrinking from 10,332 in June 2019.**

While the total population may have declined, there has still been a decent inflow of people into the region from other LGAs.

A total of 1,800 people moved into the RAPAD region between 2011 and 2016. **The most important source regions for these inflows were: Brisbane (180 people), Sunshine Coast (80), Toowoomba (77), Central Highlands (71), Townsville (67) and Moreton Bay (66).**

The specific LGAs into which these people moved are **Longreach (675 people)**, followed by Barcaldine (359), Blackall-Tambo (253) and Winton (118). 111 people moved into the Boulia Shire, 47 people to the Diamantina Shire and 34 people to the Barcoo Shire.

The RAPAD region also experienced a **fairly significant outflow (relative to its inflows) between 2011 and 2016 – some 3,140 people.** The LGAs to which RAPAD people moved were Rockhampton (249 people), Brisbane (224), Toowoomba (205), Townsville (171), Sunshine Coast (151) and Central Highlands (150).

Young working-age people were an important source of inward migration into the RAPAD region. Of all the people who moved into the region, those in the **25-29 years age bracket made up the largest group at 13 per cent of the total inflow.** This is followed by the 20-24 age bracket, who made up 11 per cent of the total inflow.

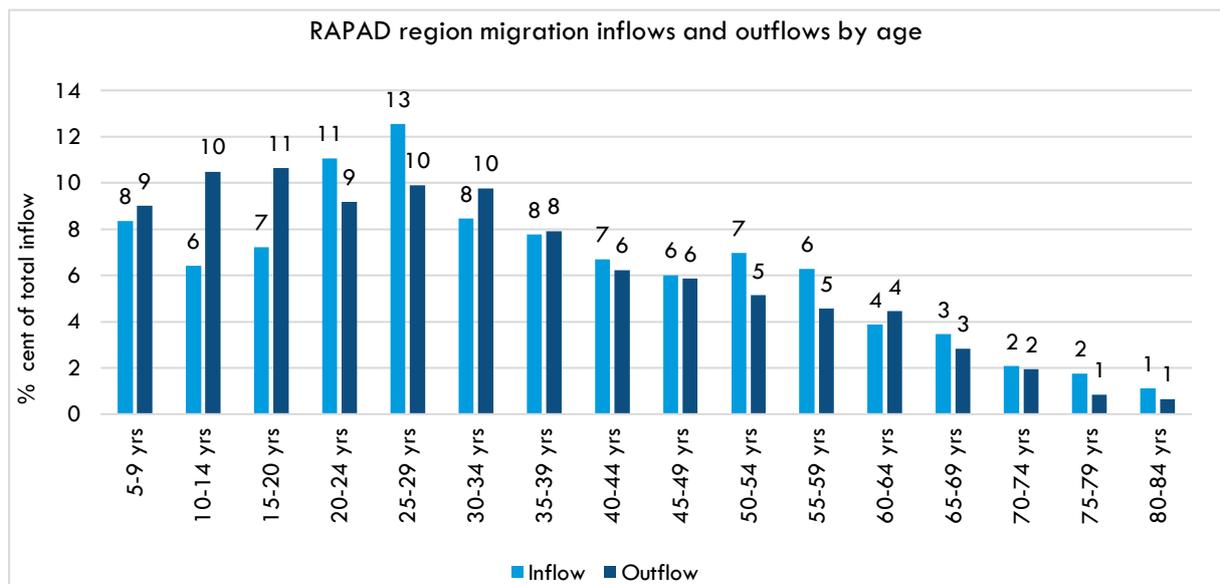
The next largest groups were people in the 30-34 age range, followed by those in the 5-9 years and 35-39 year age ranges, suggesting that young families were an important source of inward migration to the region.

The split between males and females who moved out was 47 per cent and 53 per cent, respectively.

The spread of people who **moved out** of the region was much more even across the age brackets **5-9 years through to 30-34 years.** That is, each of these age groups accounted for roughly a 10 per cent share of the total outflow.

The split between males and females who moved out was 52 per cent and 48 per cent, respectively.

Figure 11 Migration flows by age



Source: ABS Census 2016

2016 Census data also provides a snapshot of worker movement patterns in and out of the RAPAD region. The patterns of migration are broadly consistent with the overall economic structure of the region – that is, larger volumes of worker migration occurred in the region’s major employing sectors of Agriculture, Public Administration and Safety and Health Care and Social Assistance and Education and Training.

Figure 12 RAPAD region population and migration flows

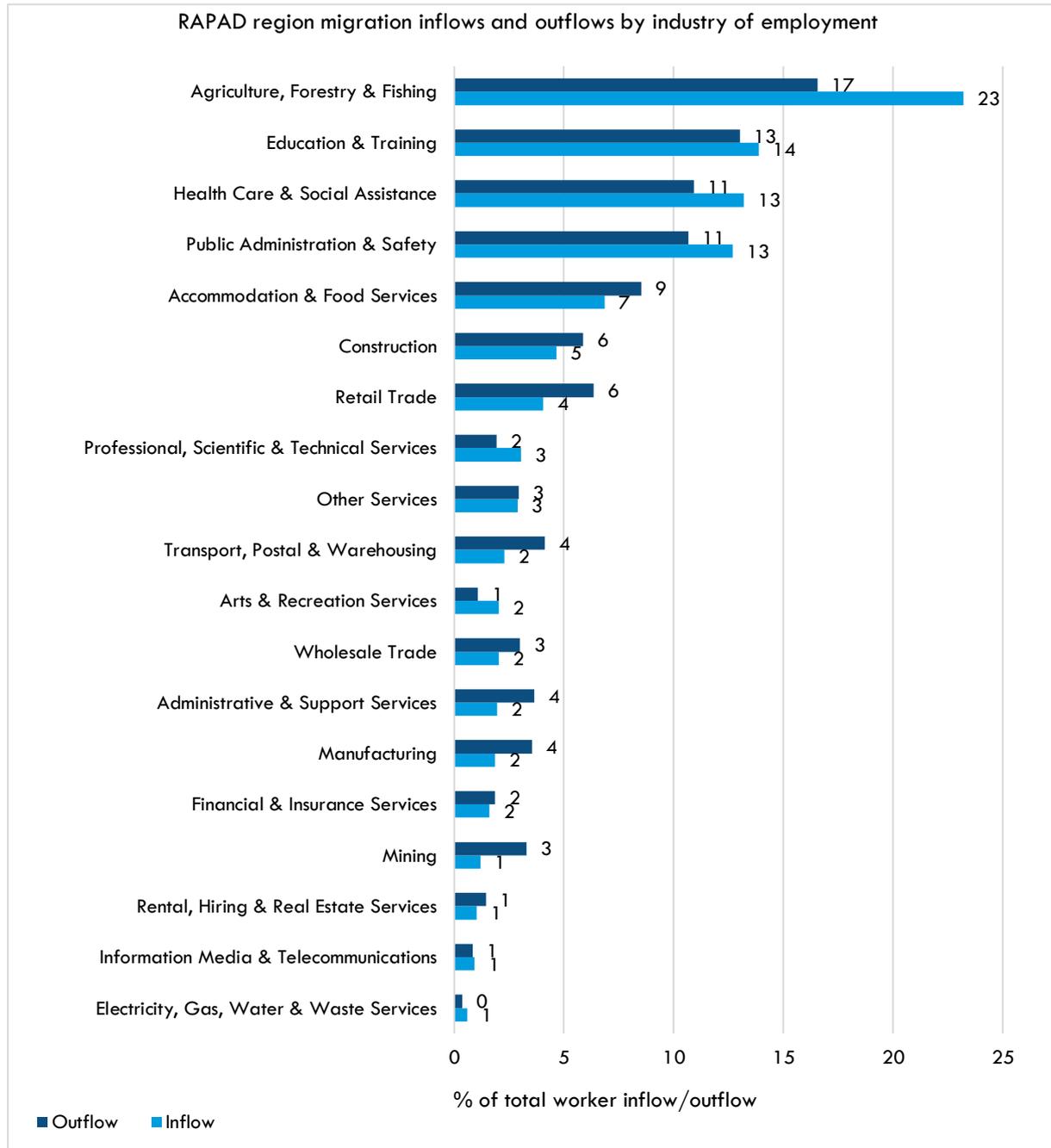
	Barcaldine Shire	Barcoo Shire	Blackall-Tambo Shire	Boulia Shire	Diamantina Shire	Longreach Shire	Winton Shire	RAPAD region
Estimated population at the end of June 2020	2,814	263	1,845	416	286	3,407	1,135	10,166
Population inflow from other LGAs 2011-2016	400	57	288	147	69	675	164	1,800
Population outflow to other LGAs 2011-2016	738	87	502	141	113	1,229	330	3,140

Source: ABS Census 2016 and Estimated Resident Population, 2020

Of those **who moved into the RAPAD region**, workers employed in **the Agriculture, forestry and fishing industry made up the largest share, accounting for 23 per cent** of the total worker inflow. Those employed in the Education and training industry were the next largest group of workers who moved into the region (14 per cent of total worker inflow), followed by those employed in the Health care and social assistance sector (at 13 per cent of inflow).

Of the workers **who moved out of the region**, similarly it was those employed **in the Agriculture, forestry and fishing industry who made up the largest share, accounting for 17 per cent** of the total worker outflow. Those employed in Education and training made up the next largest share at 13 per cent, followed by those employed in the Health care and social assistance sector who accounted for 11 per cent of the total worker outflow.

Figure 13 Worker migration flows by industry



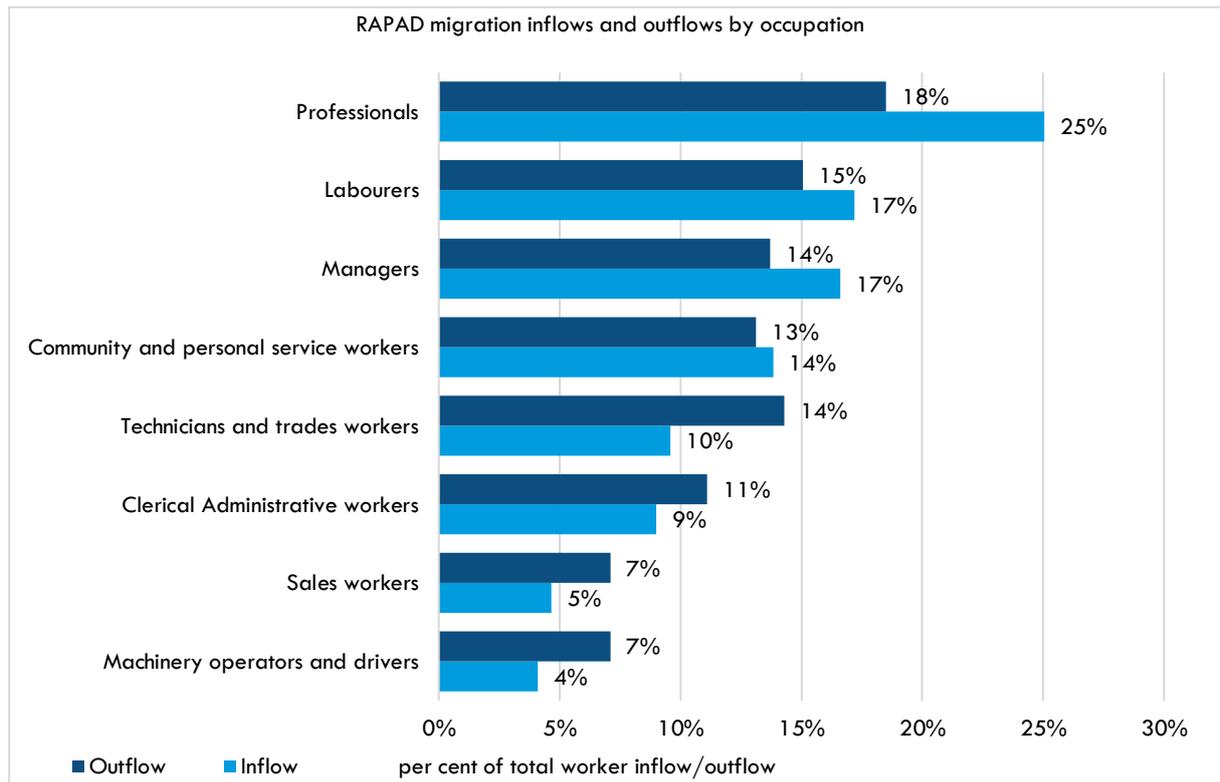
Source: ABS Census 2016

Of the workers who moved in and out of the region during the period 2011-2016, the most mobile were those at the far ends of the skills spectrum – those who were highly skilled and also those who were low-skilled.

The **most mobile group was professionals**. Professionals accounted for the largest share of both worker inflows and outflows, at 25 per cent and 18 per cent, respectively – showing more professional inflows than outflows.

The next most mobile group of workers was Labourers, who accounted for 15 per cent of total inflows into the region and 17 per cent of the outflow. They were followed by Managers, who accounted for 14 per cent of total inflows to and 17 per cent of total outflows from the region.

Figure 14 Worker migration flows by occupation



Source: ABS Census 2016

Census data also provides a snapshot of worker movements within, into and out from the RAPAD region. **The majority of workers living in the region work within their respective shires.** A small portion (5 per cent) work outside of their shire, but still within the overall region.

A small number of RAPAD residents travelled to workplaces outside of the region and a small number of residents from outside travelled into their RAPAD workplaces. For RAPAD residents travelling to workplaces outside of the region, the most common workplace LGAs were Central Highlands (36 people), Isaac (22), and Brisbane (18).

For residents of outside of RAPAD **who travelled into the region for work, they most commonly resided in Townsville (36 people), Central Highlands (30) and Moreton Bay (21).**

Intuitively, these LGAs are the key sources of inward migration into the RAPAD region, as highlighted above.

Table 4 Workers travelling into and out of RAPAD for work

Inbound - top five source LGAs	No. Workers	Outbound - top 5 destination LGAs	No. workers
Central Highlands	36	Townsville	36
Isaac	22	Central Highlands	30
Brisbane	18	Moreton Bay	21
Murweh	17	Rockhampton	20
Maranoa	12	Gold Coast	17

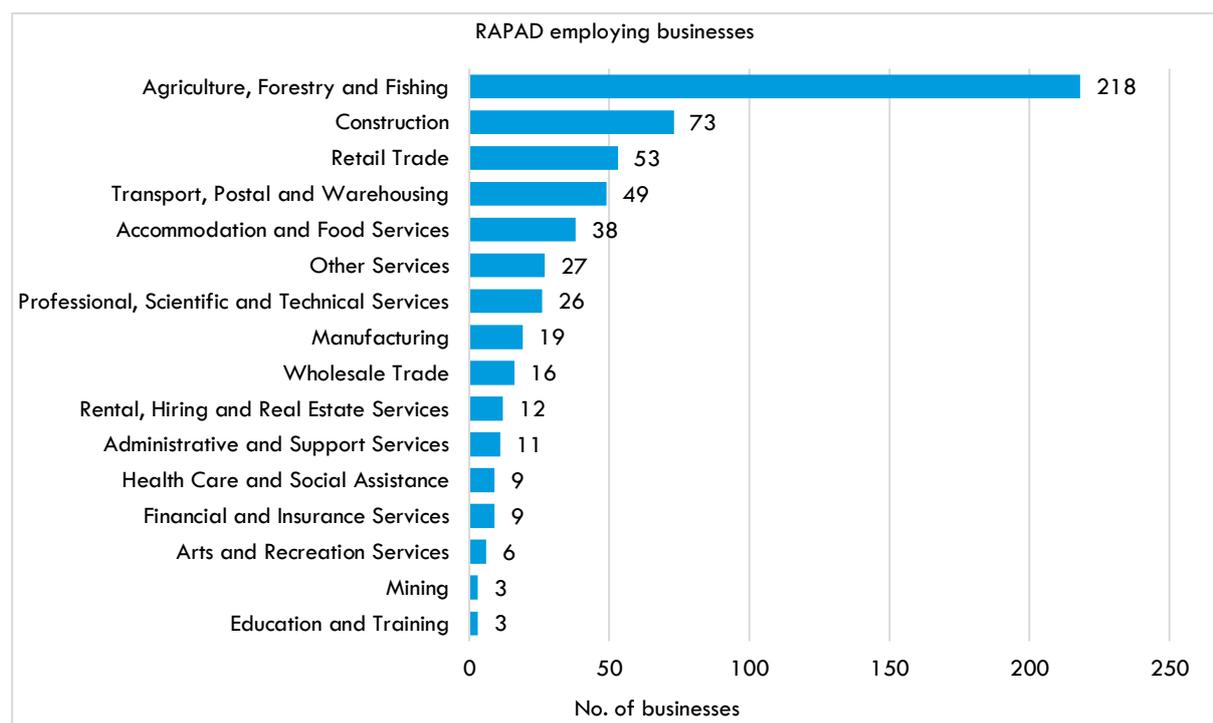
Source: ABS Census 2016

LOCAL LABOUR MARKET

As highlighted in Part A, **the major employing industries are Agriculture, Forestry and Fishing, accounting for 27.5% of the jobs** in the region, followed by Public Administration and Safety, and Health Care and Social Assistance.

Virtually all employing-businesses in the RAPAD region are small businesses with less than 20 employees. **There are 558 employing businesses in the local Agriculture, Forestry and Fishing industry**, 228 employing businesses in the construction industry and 73 in the Retail Trade industry.

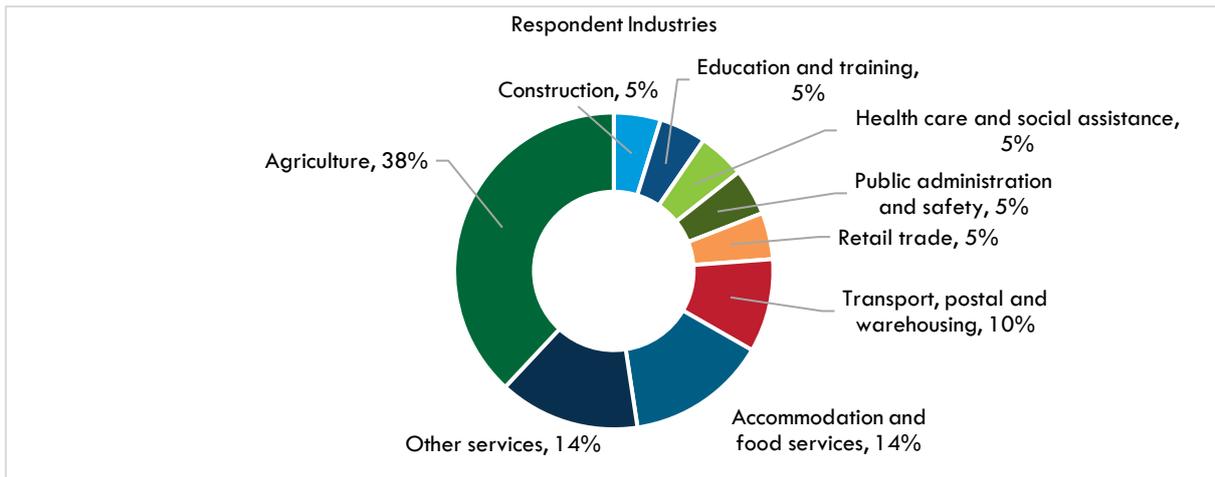
Figure 15 Employing businesses by industry



Source: ABS Counts of Australian Businesses 2020

A selected number of these employers in the RAPAD region were asked to complete a survey about their hiring intentions and trends. Twenty one employers in the RAPAD region completed the survey. They employ a total of 188 staff on an employment or contract basis. More than one third of these businesses (38%) are in the Agriculture, Forestry and Fishing industry. Between these businesses they employ 188 staff on an employment or contract basis.

Figure 16 RAPAD survey - industry of respondent employers

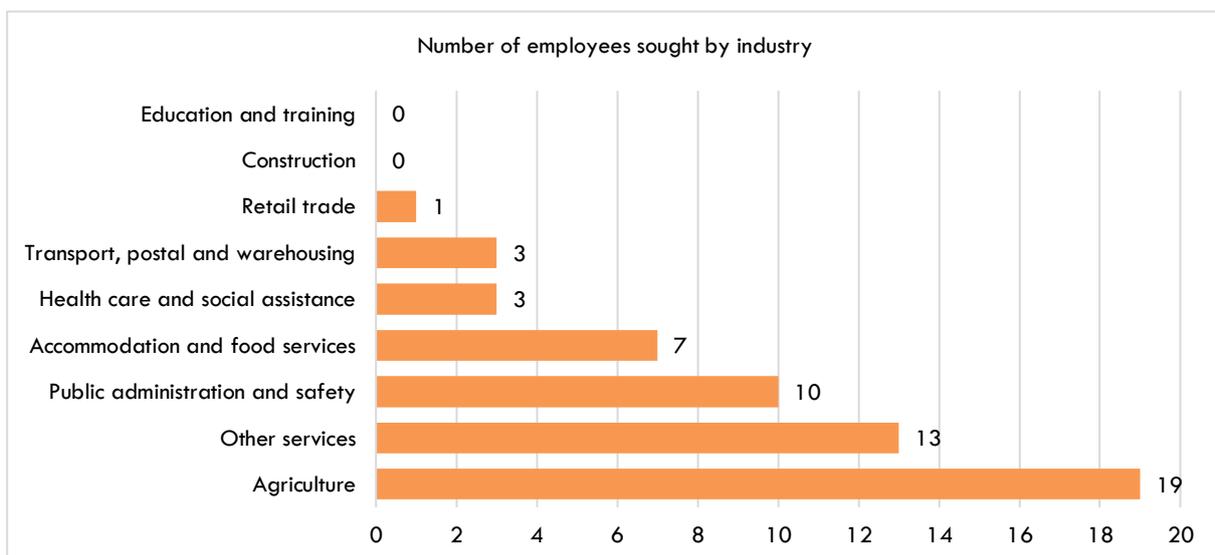


Source: RAI Survey of RAPAD region employers, March-April 2021

On average employers are seeking to hire **2.7 new staff members**, with the highest employment need being 10 staff members, and the lowest one staff member. The **Agriculture, Forestry and Fishing industry has the greatest demand for staff, collectively seeking to fill 19 positions in the next three to six months**. This is followed closely by Other Services (13 positions) and Public Administration and Safety (10 positions). The most commonly sought-after occupations are labourers (eight), machinery operator or drivers (seven), managers (four). 65% of respondents rated their need as four or five out of five.

The most commonly-used recruitment methods are word of mouth and social media (including LinkedIn and Facebook). Recurring recruitment issues identified by respondents included the **remote locations they are recruiting to, the limited interest in working in the region in the available jobs, attracting people with the right skills, and the limited accommodation in the region**.

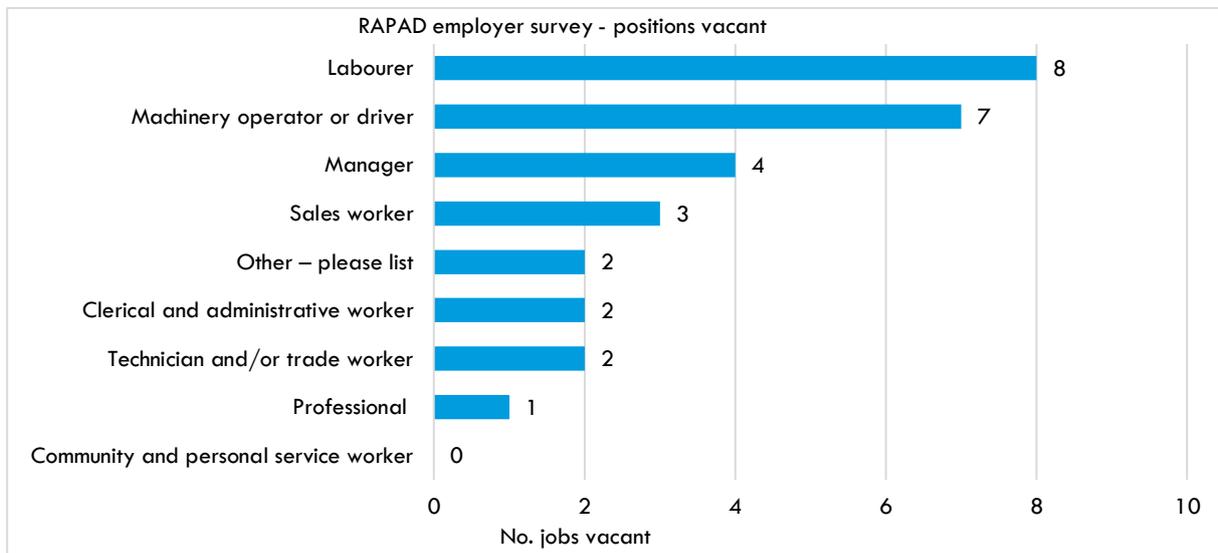
Figure 17 RAPAD survey - employees sought by industry of employer



Source: RAI Survey of RAPAD employers, March-April 2021

The positions vacant are summarised below, with the strongest demand for Labourers, followed by machinery operators/drivers and then managers. This largely reflects the large representation of respondents from the Agriculture industry.

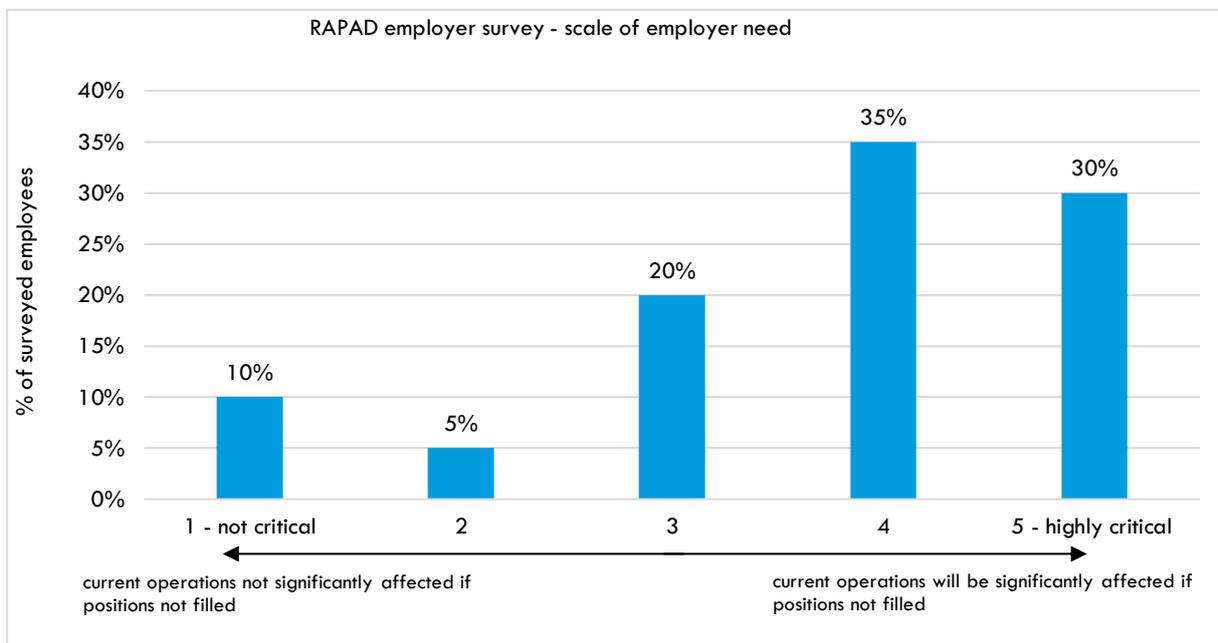
Figure 18 RAPAD survey - positions vacant



Source: RAI survey of RAPAD employers, March-April 2021

Respondent employers also rated the scale of their need for positions to be filled. **A significant majority of respondents (65 per cent) identified their need as being critical** – that their operations would be affected if their advertised positions were not filled. Nearly one third stated their operations would be significantly affected if the positions were not filled.

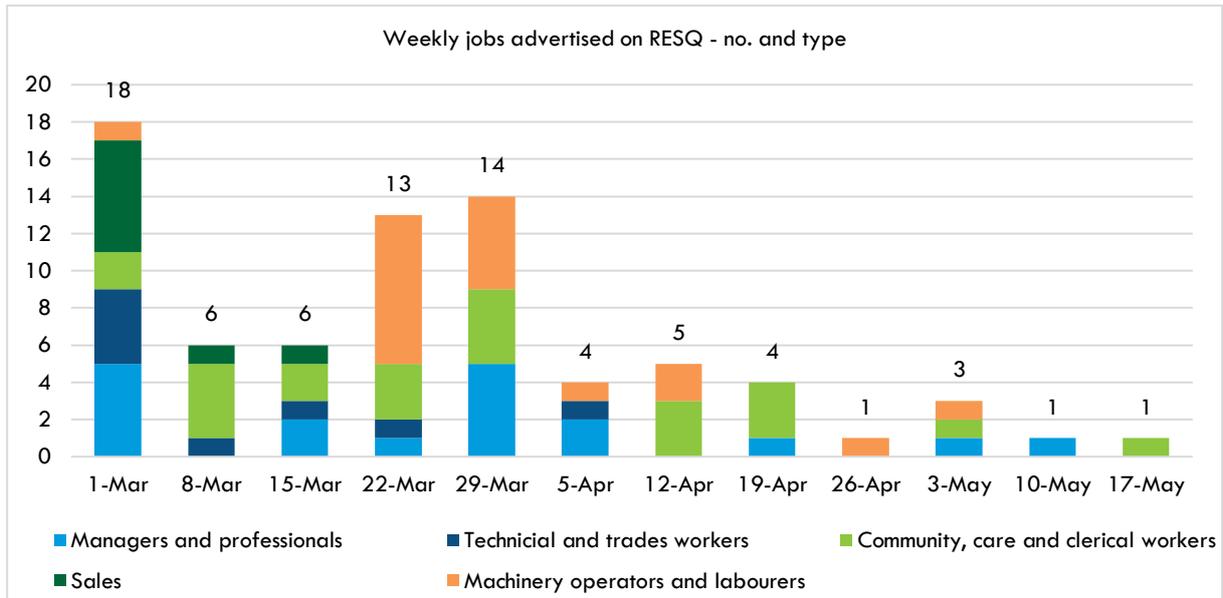
Figure 19 RAPAD survey - employer need for positions



Source: RAI survey of RAPAD employers, March-April 2021

Figure 17 below provides a weekly snapshot of labour demand from the wider market during the period March – mid-May 2021. It highlights that during this period, **demand for community, care and clerical workers** was most consistent, with these types of roles being advertised in nine out of the 12 weeks tracked. The next most consistent demand was for **managers and professionals** – these types of jobs were advertised in eight out of the 12 the weeks tracked. **Machinery operators and labourers** were also consistently advertised, with jobs advertised in seven out of the 12 weeks tracked.

Figure 20 Weekly RAPAD region job ads by occupation



Source: RESQ, RAI

PART C: COMPARISON TOOL

The findings from Part B – People Movements and Local Labour Market – are the basis for the regions against which RAPAD’s various liveability metrics are compared in this Comparison Tool. Specifically, those major source regions from which people move into the RAPAD region – Brisbane, Sunshine Coast, Toowoomba, Central Highlands and Townsville. While Moreton Bay is another important source LGA for inward migration into RAPAD, its metrics are captured within Greater Brisbane in the tool. These regions are also places from which people travel into RAPAD for work. As highlighted in the table below, RAPAD rates highly on all but three metrics, showcasing the region’s liveability credentials.

Table 5 Comparison Tool

Metric Type	Key Metric	RAPAD region	Brisbane	Sunshine Coast	Toowoomba	Central Highlands	Townsville	Source
Housing	Median house price*	\$ 252,500	\$ 607,969	\$ 770,000	\$ 421,501	\$ 332,000	\$ 339,000	realestate.com.au, CoreLogic.
Housing	Estimated average incomes	\$ 5,147	\$ 5,612	\$ 4,958	\$ 5,056	\$ 5,466	\$ 5,319	RAI estimate, based on ABS Personal Income
Housing	Monthly mortgage repayments^	\$ 812	\$ 2,199	\$ 2,785	\$ 1,525	\$ 1,201	\$ 1,226	RAI calculations
Housing	Share of income on mortgage repayments	16%	39%	56%	30%	22%	23%	
Housing	Threshold of comfortable mortgage repayment	\$ 1,544	\$ 1,683	\$ 1,487	\$ 1,517	\$ 1,640	\$ 1,596	
Housing	No. of incomes to comfortably service a mortgage	0.5	1.3	1.9	1.0	0.7	0.8	
Housing	Median rents	\$ 295	\$ 440	\$ 550	\$ 330	\$ 310	\$ 360	realestate.com.au, domain.com.au, Queensland Residential Tenancies Authority
Care	Weekly childcare**	\$ 230	\$ 299	\$ 292	\$ 266	\$ 277	\$ 265	Department of Education, Skills and Employment

STAGE 2: INVESTMENT OPPORTUNITIES IN KEY SECTORS

AGRICULTURE: BLACKALL WOOL HANDLING FACILITY

The RAPAD region has an obvious advantage in agriculture, producing five per cent of the value of all of Queensland's agricultural commodities¹³. In particular, recent cluster fencing measures are reviving the local sheep flock – it has grown by an estimated 45.7 per cent during the period 2015-16 to 2018-19¹⁴. This compares with the sheep flock across the state which has grown by 15.8 per cent over the same period¹⁵.

The value of commodities from the local sheep flock – wool and sheep and lamb meat – is also rising, by an estimated 21.0 per cent during the period 2015-16 to 2018-19¹⁶. In particular the value of wool produced in the region has than doubled over this period¹⁷.

Much of the value-adding process down the wool supply chain occurs offshore¹⁸.

The Blackall Wool Handling and Receival Facility is in the pipeline – performing scouring and carbonising, top making, and yarn spinning and dyeing. It is an opportunity to bring value-adding production back onshore, to the RAPAD region.

A feasibility study¹⁹ commissioned by the Blackall-Tambo Regional Council shows an internal rate of return of 10.8 per cent and marginal internal rates of return ranging from 4.8 per cent to 10.1 per cent (depending on the assumed discount rate).

The study shows that construction of the facility would contribute an estimated \$32.4 million in output and \$14.5 million to gross regional product. Construction would also generate an estimated 88 jobs (39 direct), paying a total of \$7.6 million in wages and salaries (\$3.8 million direct). During operations, the facility would generate \$116.3 million in gross regional product per annum (including \$35.6 million in direct impacts) 812 jobs (including 270 direct), paying a total of \$44.1 million (16.9 million direct) in wages and salaries per annum.

The yarn from this facility would supply growing demand from both established and emerging markets. Following BREXIT there is potential for growth in demand for Australian yarn as Australian trade negotiations take place with both the UK and also the EU. Emerging-market countries (Vietnam, Indonesia and Bangladesh, for example) are experiencing rapid growth in their weaving and manufacturing supply chains – into which Australian producers can supply.

RENEWABLE ENERGY: BARCALDINE RENEWABLE ENERGY AND INDUSTRIAL HUB

Renewable resources are in abundance in the RAPAD region, solar in particular. The Australian Energy Market Operator rates the Barcaldine region in particular with an A for its solar resources – one of only three areas in Australia²⁰.

The Barcaldine Renewable Energy and Industrial Hub seeks to capitalise on these resources and the associated supply of low (near zero) cost of energy to produce zero-emissions industrial and agricultural supplies and also fresh produce.

Decarbonisation is a global megatrend being driven by policy and reinforced by consumers. Demand for decarbonised input is only growing; the mining sector is looking to hydrogen to decarbonise its

¹³ ABS Value of Agricultural Commodities Produced, Australia, Regional Australia Institute

¹⁴ Ibid.

¹⁵ Ibid.

¹⁶ Ibid.

¹⁷ Ibid.

¹⁸ Blackall-Tambo Regional Shire Council, Going beyond greasy: the opportunity for local value adding of Queensland's wool, p13, <http://www.btrc.qld.gov.au/documents/12276/939850/Going%20beyond%20greasy>

¹⁹ Pavetto, J, Blackall-Tambo Feasibility of Local Value Adding in the Wool Supply Chain, December 2020

²⁰ AEMO, Appendix 5, 2020 Integrated System Plan (ISP), <https://aemo.com.au/-/media/files/major-publications/isp/2020/appendix--5.pdf?la=en>

processes²¹; farmers support and are moving to net-zero emissions²²; and major retailers are looking to reduce emissions along their supply chains²³.

It will ultimately be powered by major solar and wind farms and will include Australia's first large-scale hydrogen-powered ammonia production plant, producing 60,000 tonnes of ammonia per annum. Part of this production will be an input into production of 100,000 tonnes of urea per annum. These materials will represent supply of zero-emissions domestic inputs to Queensland's agricultural and mining sectors that currently rely heavily on imports.

A feasibility study for the project's energy supply has been produced²⁴. It shows that in its first stage, the project has investment potential of \$180 million. It is estimated to generate 290 construction jobs and 305 ongoing jobs.

The study also shows the project's second stage has investment potential of \$880 million and is estimated to generate 600 construction jobs and 500 ongoing jobs.

The third stage has investment potential worth \$1.5 billion.

With strong community support, the project is progressing through the pipeline toward Northern Australia Infrastructure Facility (NAIF) funding²⁵.

DIGITAL TELECOMMUNICATIONS: WINTON SUPERFAST INTERNET

The Central West is actively seeking to be a leader in remote-area telecommunication and digital infrastructure. The region considers high speed digital infrastructure to be an enabler for growth in industries such as agriculture and manufacturing, as well as a key factor in the liveability of its communities.²⁶

One example of tech innovation in the region is Taipan Network's project to lay cable for superfast internet in Winton²⁷. Superfast internet is enabling local businesses – existing and emerging - to:

- Access symmetrical upload-download speeds that are equivalent to metro markets,
- Set-up and use metro quality ethernet connectivity, and
- Migrate their operations to the cloud – to access the reliability and flexibility offered by the platform.

This presents an opportunity both to support business to increase their use of cloud computing, particularly in industries with low uptake, such as agriculture and tourism, and for new businesses to take advantage of greater connectivity in the region.

The Winton Shire Council is an example of a local organisation making use of metro ethernet services for its many employees spread over multiple locations – a model of IT service provision that can be replicated for other organisations in the town²⁸.

²¹ Molloy, F. Hydrogen's key role in decarbonizing the mining industry, Resourceful, Issue 21: Resources for global technology, CSIRO, <https://www.csiro.au/en/work-with-us/industries/mining-resources/Resourceful-magazine/Issue-21/Moving-to-hydrogen>, (date accessed: June 2021).

²² National Farmers Federation. NFF calls for net carbon zero by 2050, <https://nff.org.au/media-release/nff-calls-for-net-carbon-zero-by-2050/>, (date accessed: June 2021).

²³ Coles Sustainability Report, 2019, https://www.colesgroup.com.au/FormBuilder/Resource/module/ir5sKeTxxEOndzdh00hWJw/file/Coles_Sustainability_Report_2019.pdf, pp52-53 (date accessed: June 2021); Woolworths Group 2030 emissions reductions targets, https://www.woolworthsgroup.com.au/page/media/Latest_News/woolworths-group%E2%80%99s-2030-emissions-reduction-targets-endorsed-by-un-backed-science-based-targets-initiative (date accessed: June 2021).

²⁴ Teoh, T, Barcardine Renewable Energy and Industrial Hub: Commercial feasibility study for energy supply, Hunters Hill, Renewable Intelligence, October 2020.

²⁵ <https://www.rapad.com.au/index.php/news/blog/australian-first-renewable-energy-industrial-zone-takes-a-key-step-forward-in-outback-queensland/>

²⁶ Regional Development Australia Central and Western Queensland. An overview of the economic indicators and regional priorities for Central and Western Queensland, December 2019, <https://www.rdafcw.com.au/wp-content/uploads/Final-Economic-Indicators-Report-December19-compressed.pdf>, (date accessed: June 2021)

²⁷ Taipan Network, RAI Interview, 15 April 2021

²⁸ Winton Shire Council, RAI Interview, 16 April 2021

TOURISM AND LIVEABILITY: THOMSON RIVER MASTERPLAN

With overseas holidays on hold for much of foreseeable future, Australians are instead at holidaying at home.

The regional drive-to markets are booming while demand in CBD hotel markets is only expected to recover after some years²⁹.

Outback Queensland is a bucket-list destination and growing numbers of domestic holidaymakers are touring the Central West to experience the diverse offering³⁰. This offering includes an increasing number of attractions with overnight elements – a key feature that represents additional demand for local accommodation. For example, the Australian Age of Dinosaurs has Australia's first international dark sky sanctuary where guests can go star gazing in some of the darkest skies in the world. The Qantas Founders museum similarly has its own night time offering, the evening light show 'Luminescent Longreach'.

The region also hosts several multi-day festivals that similarly represent significant demand for overnight or multi-night accommodation: Boulia's Camel Races and the Simpson Desert Racing Carnival; Birdsville's Big Red Bash and; Winton's Way out West Fest.

These attractions have been driving peak-season occupancy rates for local hotels and motels to an estimated 75 per cent³¹. In contrast, major capital-city occupancy rates are generally staying below 70 per cent with some markets still down at around 60 per cent³².

The local tourism sector is also an important and highly productive sector to invest in. It generates \$109 million in output per annum, placing it within the region's top five sectors. It is CWQ's fourth largest employer, with each worker providing services and producing output to the tune of \$239,000 per year – making them more productive than their colleagues across the state³³.

Gap analysis of the region's tourism offering highlights opportunities – particularly at the high end of the market – in areas of growing demand³⁴. Opportunities exist for tours and experiences, including indigenous experiences and learning, farm tours and guided outback tours. Investment into complimentary high-end accommodation would similarly plug a local gap to meet growing demand for higher value services³⁵.

The Thomson River Masterplan is paving the way for these opportunities to be realised. The plan is promoting development along the iconic river for new projects that will attract visiting tourists and also enhance local liveability. A Discovery Centre and Gardens as well as an Eco-Lodge and other commercial accommodation offerings are part of the top priorities of this plan.

INFRASTRUCTURE: BOULIA TRANSPORT HUB

Boulia is a transport and tourism gateway between the Northern Territory and Queensland – with 50 heavy vehicles passing through Boulia each day and 36,700 tourists overnighing in town each year³⁶.

Importantly, Boulia sits at the intersection of the Donohue and Plenty Highways, a key juncture on the Outback Way, the 2,700km route connecting Laverton in Western Australia to Winton in Queensland, via Alice Springs in the Northern Territory.

The Outback Way is currently being sealed, opening a new and accessible trans-continental route across Australia³⁷. Sealing the route will link two of Australia's largest mining regions in Western Australia and Queensland; open up alternate livestock markets and transport times; provide access to

²⁹ Craig, T and Simpson, M, Asia Pacific Real Estate Market Outlook, Australia: Restart the uneven recovery, CBRE, 2021.

³⁰ Stafford Strategy, CWQ Tourism Data Collection and Analysis: 2021 Update, Brisbane, March 2021.

³¹ Stafford Strategy, CWQ Tourism Data Collection and Analysis: 2021 Update, Brisbane, March 2021.

³² Craig, T and Simpson, M, Asia Pacific Real Estate Market Outlook, Australia: Restart the uneven recovery, CBRE, 2021.

³³ Stafford Strategy, CWQ Tourism Data Collection and Analysis: 2021 Update, Brisbane, March 2021, and RAI estimates based on REMPLAN 2019 modelling.

³⁴ Stafford Strategy, CWQ Tourism Data Collection and Analysis: 2021 Update, Brisbane, March 2021

³⁵ Ibid.

³⁶ Boulia Shire Council, Boulia Shire Council Economic Statement: 2021

³⁷ Outback Highway Development Council, Our Story: 2021, <https://www.outbackway.org.au/our-story/>

essential goods and services, and training and employment opportunities for Indigenous communities along the route; and increase tourist access³⁸.

1,400km of the route has been sealed and the current funding commitments by Federal and State Governments will seal the next 400kms. It is intended that the final 900kms will be sealed by 2030³⁹. The Queensland component of the Outback Way is nearing completion, with the final 87km expected to be sealed by 2025-26⁴⁰.

To capitalise on increasing numbers of freight and tourist vehicles along the Outback Way, the Boulia Shire Council has developed the Boulia Industrial Estate adjacent to the Boulia-Mt Isa Highway. The estate includes 11-1 hectare blocks and will provide layover facilities and service opportunities. The estate will offer opportunities for long-haul transport operators to set-up new hubs for their businesses, fuel stores and vehicle servicing, and for the development of ancillary transport services in the region. It is expected to be completed by September 2021.

The completion of the Outback Way and the industrial estate will also go hand in hand with the certification of Boulia's organic spelling yards, which opened in May 2020. This yard provides spelling facilities for organic cattle moving between Alice Springs and Charleville, Queensland.

Further, the Boulia Shire Council is also developing a new residential estate in town to support population growth and industrial development. Stage 1 of the project will provide 10 house blocks⁴¹.

³⁸ Outback Way Development Council, Joint Select Committee on Northern Australia Development – Outback Way Submission: 2014, [www.aphref.aph.gov.au_house_committee_jscna_subs_sub059%20-outback%20highway%20%20development%20council%20inc%20\(3\).pdf](http://www.aphref.aph.gov.au_house_committee_jscna_subs_sub059%20-outback%20highway%20%20development%20council%20inc%20(3).pdf)

³⁹ Outback Highway Development Council briefing, 28 May 2021

⁴⁰ Boulia Shire Council, RAI interview, 19 April 2021

⁴¹ Boulia Shire Council, Boulia Shire Council Economic Statement: 2021