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Research Note

Value of Mining Activity in Far North Queensland Now Up To \$1bn

Latest statistical data available for mining activity in 2010/11 saw a further rise to take value of mineral sales from the region to over a billion at \$1,166 million and value of production to just under a billion at \$970 million. The difference is in part due to transport costs included in sale values.

Biggest contribution was bauxite mining at Weipa in the Peninsula where production is now standing at 19 million tonnes with a value of sales of \$774m and of production of \$501m. Silica production mainly at Cape Flattery in the Peninsula was recorded at \$35m.

Value of production in the Cairns' hinterland, the Tablelands, Chillagoe, Etheridge area was up to \$420m with copper concentrate, cathode and precipitate leading at \$354m and lead and zinc adding a further \$64m (see **Table #1**).

Value of sales and production have risen strongly in recent years except for a temporary dip following the global financial crisis (see **Table #2**).

Mining production in the region however, remains well below the North West, Mackay and Fitzroy regions (see **Table #3**).

Mining production in the region at about \$1bn compares with primary industries (including processing) at about \$1.8bn and tourism expenditure levels of about \$2.3bn.

Table #1: Value of Sales & Production, Far North Queensland, 2010/11

	<u>Value</u>	
	<u>Sales</u>	<u>Production</u>
Bauxite	\$774 m	\$501 m
Copper	\$282 m	\$354 m
Gold	\$13 m	\$13 m
Lead/zinc/tin	\$59 m	\$64 m
Silica sand	\$35 m	\$35 m
Other (lime, limestone, peat, perlite, lump silica)	\$3 m	\$3 m
Total	\$1,166 m	\$970 m
Peninsula (bauxite, silica sand)	\$809 m	\$536 m
Cairns' hinterland (Tablelands, Chillagoe, Etheridge)	\$357 m	\$434 m
Total	\$1,166 m	\$970 m

Source: Cummings Economics from DEEDI data.

Table #2: Value of Sales & Production of Minerals, Far North Queensland Statistical Division

<u>Growth</u>	<u>Sales</u>	<u>Production</u>
2005/06	\$437 m	\$363 m
2006/07	\$753 m	\$591 m
2007/08	\$838 m	\$680 m
2008/09	\$561 m	\$369 m
2009/10	\$909 m	\$640 m
2010/11	\$1,166 m	\$970 m

Source: Cummings Economics from DEEDI data.

Table #3: Regional Value of Mineral Production, Central & Northern Queensland, 2010/11

<u>Statistical Division</u>	<u>Value of Production</u>
Far North	\$970 m
Northern	\$270 m
North West	\$5,759 m
Mackay	\$16,845 m
Central West	\$6 m
Fitzroy	\$9,532 m

Source: Cummings Economics from DEEDI data.