The Top 10 reasons to invest in the region

After late and uncertain beginnings, the Cairns region has been one of the leading performers among Australia’s regional economies over recent decades. The Cairns region has led growth across the North and in regional Queensland. It is now the largest in population across the North and can be expected to pass the Wide Bay region within five years or so to become the largest in population in regional Queensland outside of the southeast corner. Cairns City itself has grown more than threefold since 1976 to a residential population of more than 160,000, having overtaken seven other Australian regional cities along the way.

Projecting forward on the growth rates of the past 10, 25 and 40 years, by 2050 the Cairns region can be expected to have a population in the order of 500,000-570,000 and the city in the order of 330,000-400,000. It is now among the largest regional cities in Australia outside of the metropolitan and fringe metropolitan centres.

The following sets out 10 points why this has happened and why continuing growth can be expected into the future.

(1) Servicing a large resource rich previously underdeveloped region

While Cairns has a strong tourism image, its primary economic role is that of servicing the large Peninsula Australia geographic region/Tropical North Queensland, with an area one a half times the size of Victoria and as deep from North to South as the rest of Queensland and as New South Wales.

The region is tropical and historically posed greater challenges to a society with technology and most of its population drawn from North-Western Europe. However, the region is not poor in natural resources. It accounts for no less than 26% of Australia’s total water run-off, making it biologically one of Australia’s richest regions.

(2) Underlying global forces favouring the region’s development

Four major underlying forces have been underpinning the region’s progress.

Growing global markets have been reaching out for previously underdeveloped resources with one of the great global growth regions to the north in Eastern Asia

Transport and communication developments have been breaking down old cost barriers of remoteness from major markets – bulk ore carriers, jumbo jets, improved roads and road transport vehicles, satellites, the Internet.

Technology suitable to the tropics has developed not just in industries like agriculture but in tourism and fields like air-conditioning and building design, health and other factors affecting everyday life.
And success breeds success as a population and infrastructure builds up, reducing real costs of living and production.

(3) Continuing major expansion of earnings from the rest of Australia and the world

Underpinning the growth of Cairns and the region has been a major expansion of earnings from the rest of Australia and overseas.

Superior cattle breeds, mechanisation of sugar and lower transport costs to markets have been leading to the region’s agricultural industries growing. Between 2011 and 2016, value of agricultural production grew by approximately 36% and workforce by about 15%. Far North Queensland is now Australia’s third largest fruit producing region. Given the region’s massive water resources and sealing of roads opening up new agricultural districts, the potential for further expansion is very large. The region’s coastline from Cardwell to Cape York and around to the Northern Territory border is about the same distance as from Brisbane around to Adelaide. The Cairns region has become one of Australia’s largest fishing regions.

The region is not poor in mineral resources with new bauxite, zinc and silica sand mining projects currently under construction and planned.

Coming through in recent decades has been major growth in tourism, based on a world-class combination and quality of natural tourism resources. In international holiday visitors, Cairns now stands next to Sydney, Melbourne and southeast Queensland. The industry has bounced back after the high dollar period to new record levels with major new construction of rooms taking place. The massive potential of the Chinese market is opening up with new direct flights.

The region now earns $6 billion from these sectors - tourism $3 billion, primary industries $2 billion and mining $1 billion.

(4) A strategic position in the South-West Pacific

Apart from a special relationship with East Asia, the location of Cairns as the northern terminus of Australia’s efficient east coast road, rail and air services network gives it a special relationship with a developing Papa New Guinea and Papua Indonesia. Along with the shipping services to the Torres Strait and Peninsula ports, Cairns is the Australian buying base and shipment supply port for the giant Freeport McMoran gold and copper mine in Papua Indonesia with shipments of about $180 million a year. There are multiple daily flights to Papa New Guinea airports and there is substantial investment in Cairns property from the Papua New Guinea students attending education institutions and workforce that flies in to PNG mines and cities.

Australia’s north-eastern naval base in Cairns has employment of about 900 and there is strong coastal surveillance and Border Force employment in the city and region.

(5) Superior global connections

Population and tourism growth have given Cairns global air links that surpass all other regional cities in Australia and on a par with the smaller metropolitan centres. With five million passenger movements, Cairns airport leads Northern Australia. Apart from direct connections with all major metropolitan centres and regions, Cairns International Airport has direct international connections with 11 Asia-Pacific cities, making it Australia’s north-eastern gateway and a leading hub airport in the South-West Pacific area. Substantial airfreight is carried, especially of marine products.

The Cairns Region has become a major aviation maintenance hub and education centre with markets into the Asia Pacific region, again the largest outside metropolitan centres.
(6) A major marine servicing centre

Cairns is one of Australia's leading marine activity centres, with the largest number of commercial vessels registered in Queensland ports. It is home to Australia's largest tourism fleet, a trading fleet, a large fishing fleet, Australia's north-eastern naval base and is one of Australia's busiest ports for visits by cruise ships, superyachts and cruising yachts as well as bulk cargo sugar, fertiliser and fuel ship movements. This provides the background to the largest marine maintenance and servicing centre in Northern Australia and the immediate South-West Pacific area with three shipyards, a marine education college and employment in the sector of the order of 4000.

The port is on track for a major upgrading of infrastructure in the near future with deepening works, naval base expansion, new shipyard investment and a proposal by Australia’s largest privately-owned shipping company, Sea Swift based in Cairns, for a major new freight hub.

(7) Expanding health education and cultural services

A growing economy needs and stimulates expanding community services and activities.

Cairns and Hinterland Hospital and Health Service has been growing quickly with a budget now of more than $900 million per annum and the largest in level of patient admissions in regional Queensland outside of the southeast corner.

University development was late coming but now there are three university campuses/facilities with room for expansion to parallel the city’s growth as a leading centre for international language, vocational training and study tours.

A large residential and tourist population, stimulating environment and diverse cultural backgrounds make the Cairns region a leader in cultural and creative activities in the North and in regional Queensland.

(8) A private enterprise led region

While HMAS Cairns and other border-related activities have given Cairns a government sector at average national proportions, one of the region's major strengths is that its economy is predominantly private enterprise led with registered number of businesses the largest by far in the North, including a leading number of businesses in manufacturing.

(9) A culturally inclusive community

Cairns is very much an Australian city. However, over a long period of time the region has been one of Australia's most successful in inclusiveness of people of diverse cultural backgrounds. This includes in its early history a high proportion from Asia as well as over the years from non-Anglo Australian European backgrounds and more recently, those associated especially with tourism and new residents from a range of countries. About 16% of the region’s population are Aboriginal and Torres Strait Islanders.

(10) A First-World lifestyle city in the tropics

Above all, Cairns is a leader of what will be a growing number of First-World lifestyle cities in the tropics as the old technological lag in development in tropical areas fades away into history.
Registered Businesses Tropical Australia. 2016

Source: Cummings Economics from ABS data.

Long-term 40-year Increase in Regional Residential Population, Queensland & Northern Australia Regions, 1976-2016

Source: Cummings Economics based on ABS Cat No. 3218.0 data.
Projected Population Ranges, Qld Regions to 2050 on past 40-year & 10-year growth rates

Source: Cummings Economics based on ABS Cat No. 3218.0 data.

Projected Population Ranges, Qld Regional Cities 2050 on past 40, 25 & 10-year growth rates

Source: Cummings Economics based on ABS Cat No. 3218.0 data.
Domestic Visitors Cairns / TNQ Region

Source: Tourism Research Australia, National Visitors Survey.

International Visitors Cairns / TNQ Region


Gross Value of Agriculture Production, Tropical Nth QLD (At Farm gate) $M

Source: Cummings Economics from ABS data.