

IMPORTANCE OF THE CONSTRUCTION SECTOR & CIVIL CONSTRUCTION IN NORTHERN QLD REGIONAL ECONOMIES

PRESENTATION TO THE INAUGURAL CONFERENCE OF THE NORTH
QUEENSLAND CIVIL CONSTRUCTION ASSOCIATION (NQCCA)

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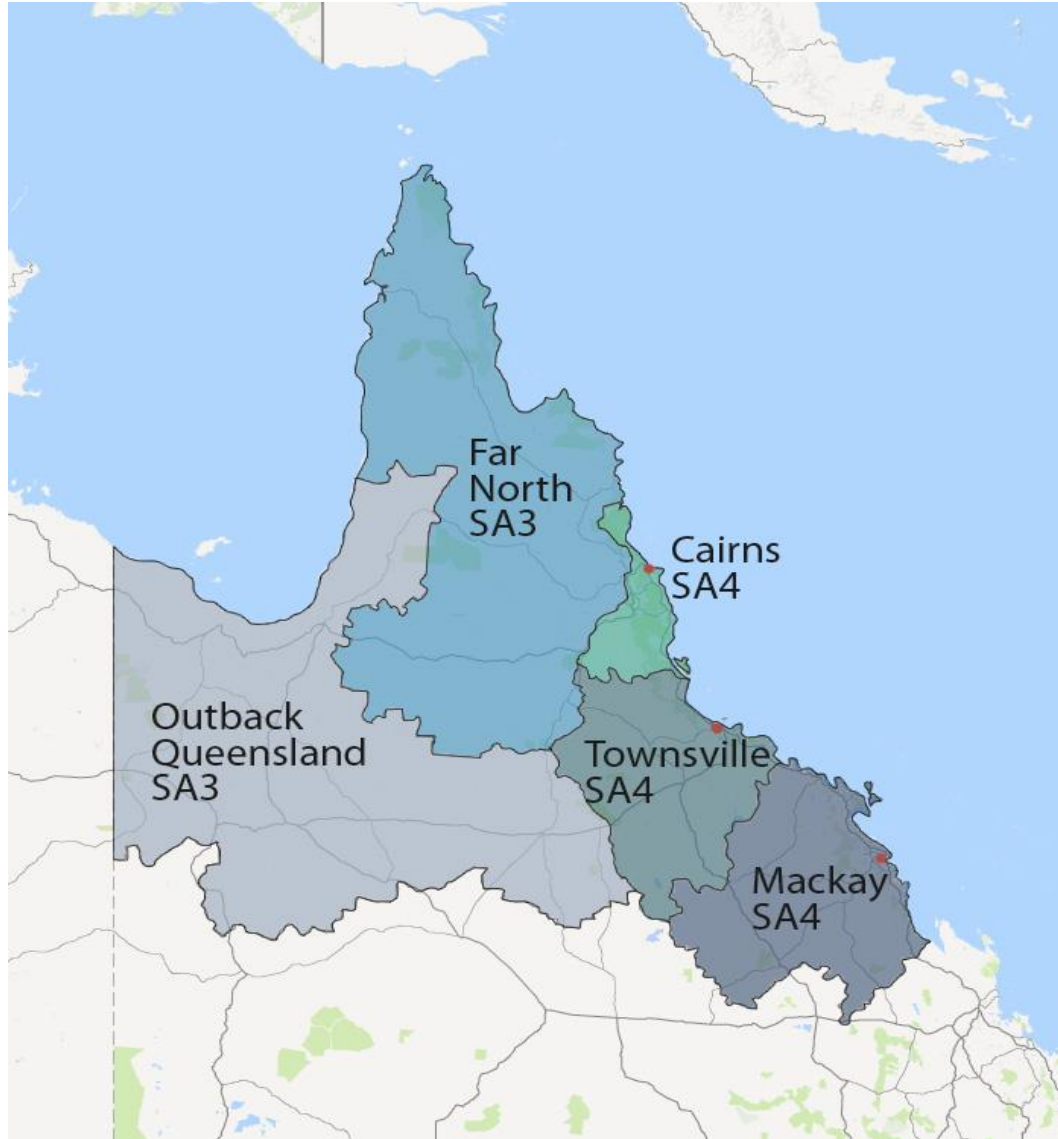


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VITAL ROLE IN QUEENSLAND'S NORTHERN REGIONAL ECONOMIES

- 1. DIRECT EXPENDITURE & EMPLOYMENT GENERATED**
- 2. FLOW-ON TO OTHER SECTORS OF THE ECONOMY**
- 3. INVESTMENT IN MORE EXTENSIVE AND EFFICIENT INFRASTRUCTURE TO FACILITATE THE GROWTH OF THE ECONOMY**

AREA COVERED



THE SECTOR DEFINED BY AUSTRALIAN BUREAU OF STATISTICS

CONSTRUCTION SECTOR

Construction Sector as defined by Australian Bureau of Statistics in ANZSIC
(Australian & New Zealand Standard Industrial Code)

Construction						
3	Building Construction					
		<u>Residential Building Construction</u>				
		House Construction				
		Other Residential Building Construction				
		<u>Non-Residential Building Construction</u>				
		Non-Residential Building Construction				
31	Heavy and Civil Engineering Construction					
		<u>Heavy and Civil Engineering Construction</u>				
		Road and Bridge Construction				
		Other Heavy and Civil Engineering Construction				
32	Construction Services					
	321	Land Development and Site Preparation Services				
	322	Building Structure Services				
	323	Building Installation Services				
	324	Building Completion Services				
	329	Other Construction Services				

THE SECTOR DEFINED BY AUSTRALIAN BUREAU OF STATISTICS

CIVIL CONSTRUCTION

HEAVY & CIVIL ENGINEERING CONSTRUCTION

- Road and bridge construction
- Other heavy and engineering construction

CONSTRUCTION SERVICES

- Land development and site preparation
- Land development and subdivision
- Site preparation services

EMPLOYMENT 2016 CENSUS

Employment in the Construction Sector (place of residence), 2016 Census

	Construction	Total Workforce	% Construction
Cairns SA4	8,304	106,148	7.8%
Outback Far North SA3	754	10,997	6.9%
Total Cairns Region	9,058	117,145	7.7%
Townsville SA4	7,987	103,917	7.7%
Outback North SA3	669	13,884	4.8%
Total Townsville Region	8,645	117,801	7.3%
Total Mackay Isaac Whitsunday Region	5,449	78,391	7.0%
Overall Total	23,152	313,337	7.4%

Source: Cummings Economics from ABS Census 2016.

INTERCENSAL FLUCTUATIONS

Level of Construction Workforce & Percentage of Total Workforce Census 2006/2011/2016

	2006		2011		2016	
	No.	%	No.	%	No.	%
Cairns SA4	8,936	9.3%	9,171	8.9%	8,304	7.8%
Outback Far North SA3	570	4.8%	672	5.9%	754	6.9%
Townsville SA4	8,492	9.0%	9,804	9.2%	7,987	7.7%
Outback North SA3	839	5.3%	931	6.4%	669	4.8%
Mackay Isaac Whitsunday	6,951	9.6%	8,241	9.7%	5,449	7.0%
Total	25,788	9.0%	28,819	9.0%	23,163	7.4%

Source: Cummings Economics from ABS Census data.

AN IMPORTANT PART & INDICATOR - BUILDING APPROVALS

Building Approvals – Northern Queensland Regions

	2013- 2014	2014- 2015	2015- 2016	2016- 2017	2017- 2018	Total
Number of Dwellings	No.	No.	No.	No.	No.	No.
Cairns SA4	917	1,241	1,209	1,105	1,549	6,021
Outback Far North SA3	119	121	133	217	160	750
Total Cairns/Far North Region	1,036	1,362	1,342	1,322	1,709	6,771
Townsville SA4	1,733	1,609	943	892	735	5,912
Outback North SA3	90	52	21	49	22	234
Total Townsville/North Region	1,823	1,661	964	941	757	6,146
Total Mackay Isaac Whitsunday Region	561	588	395	254	522	2,320
Overall Total	3,420	3,611	2,701	2,517	2,988	15,237
Value of Approvals	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cairns SA4	518	583	539	764	918	3,322
Outback Far North SA3	49	68	75	138	132	462
Total Cairns/Far North Region	567	651	614	902	1,050	3,784
Townsville SA4	677	812	635	678	697	3,499
Outback North SA3	100	39	29	35	20	223
Total Townsville/North Region	777	851	664	713	717	3,722
Total Mackay Isaac Whitsunday Region	760	343	224	200	601	2,128
Overall Total	2,104	1,845	1,502	1,815	2,368	9,634

Source: Cummings Economics from ABS data.

EMPLOYMENT IN CIVIL CONSTRUCTION

Employment Civil Construction Sector & Construction Overall, 2016 Census

	Cairns SA4	Townsville SA4	Mackay - Isaac - Whitsunday SA4	Outback Far North SA3	Outback - North SA3	Total
House Construction	1279	872	617	215	40	3022
Other Residential Building Construction	503	284	265	39	23	1108
Non-Residential Building Construction	560	798	276	20	33	1695
Road and Bridge Construction	524	688	434	81	92	1819
Other Heavy and Civil Engineering Construction	270	514	421	17	40	1262
Land Development and Subdivision	34	46	11	5	0	96
Site Preparation Services	424	389	493	81	60	1447
Concreting Services	271	314	236	10	18	848
Bricklaying Services	78	78	28	9	0	194
Roofing Services	91	114	38	0	0	243
Structural Steel Erection Services	32	58	45	0	6	141
Plumbing Services	582	555	362	38	41	1578
Electrical Services	1019	1015	723	71	149	2976
Air Conditioning and Heating Services	182	181	136	3	4	506
Fire and Security Alarm Installation Services	63	120	92	0	10	285
Other Building Installation Services	50	51	18	0	0	119
Plastering and Ceiling Services	185	161	94	4	3	447
Carpentry Services	587	442	229	60	38	1357
Tiling and Carpeting Services	221	192	120	13	5	551
Painting and Decorating Services	484	431	278	29	26	1247
Glazing Services	100	96	69	3	9	276
Landscape Construction Services	420	282	154	24	20	899
Hire of Construction Machinery with Operator	55	45	100	5	26	231
Other Construction Services nec	290	259	211	20	26	806
Overall Total	8301	7986	5450	749	668	23154
Total Civil Construction	1252	1637	1359	184	192	4624

Source: Cummings Economics from ABS Census 2016.

MODELLED ESTIMATION OF OUTPUT & VALUE ADDED TO THE REGIONAL ECONOMIES

CONCEPTS:

Direct Impacts	Output (Expenditure)
	Employment
	Value Added <ul style="list-style-type: none">• Wages & Salaries• Gross Operating Surplus (excludes Inputs)
Flow-on Impacts	Employment
	Value Added
Modelled Estimates	Based on National Averages
	Modified to structure of the regional economies

MODELLED ESTIMATES

CONSTRUCTION SECTORS OVERALL

Est "Output"	\$9.8 BN
Direct Employment	23,000
Est Total Employment including "flow-on"	57,000
Est Total Impact on Gross Regional Product including "flow-on"	\$8.3 BN
GRP	about \$48 BN
With Flow-on	about 18% of GRP
	about 18% of Employment

CIVIL CONSTRUCTION

CONSTRUCTION SECTORS OVERALL

Output	\$2.2 BN
Est Direct Employment	4,200
Est Total Employment including "flow-on"	11,500
Est Total Impact on Gross Regional Product including "flow-on"	\$2.0 BN
GRP	about \$48 BN
With Flow-on	about 4% of GRP
	about 4% of Employment

INVESTMENT IN ROADS, BRIDGES, PORTS, AIRPORTS, RAILWAYS, DAMS, LAND DEVELOPMENT, WATER SUPPLY, IRRIGATION SYSTEMS, MINE DEVELOPMENTS ARE OF IMMENSE IMPORTANCE TO FACILITATING ECONOMIC GROWTH.

MAJOR HISTORICAL LANDMARK EVENTS FOR THIS REGION:

- **KURANDA RAIL**
- **CAIRNS AIRPORT UPGRADING**

CURRENT PROJECTS

**BRUCE HY, COOK, PDR, HANN & SAVANNAH WAY, CAIRNS
SEAPORT, CHARLESTON DAM, HUGHENDEN IRRIGATION**

NEXT MAJOR STEPS

**FURTHER DEEPENING CAIRNS SEAPORT AND EXIENSION TO
ADMIRALTY ISLAND, KURANDA RANGE ROAD, NULLINGA DAM,
LAKELAND DAM, WIDENING GDR, OOTAAN TRIPLES LINK INTO
MAREEBA**

VITAL TO HAVE LOCAL CAPACITY TO CARRY OUT

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