

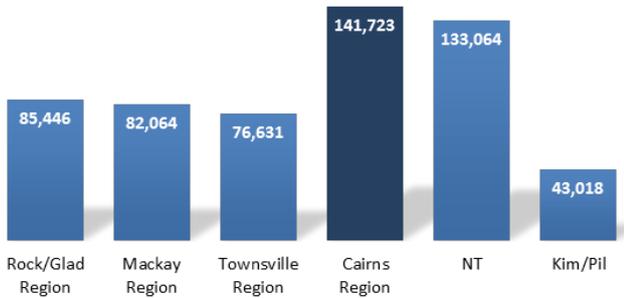
CAIRNS

LEADING LONG TERM POPULATION GROWTH IN NORTHERN AUSTRALIA



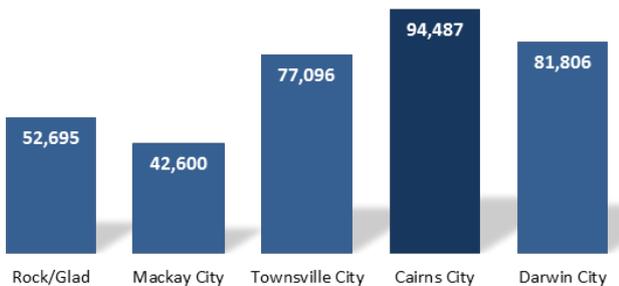
Since estimated residential population figures began being produced in 1976, Cairns and its region, along with the Northern Territory have recorded by far, the largest increases in population. This regional growth is reflected in city growth with Cairns and Darwin leading and Townsville next.

Long-term Increase in Regional Residential Population, Northern Australia Regions, 1976-2011



Source: Cummings Economics from ABS Cat No. 3218.0 et al.

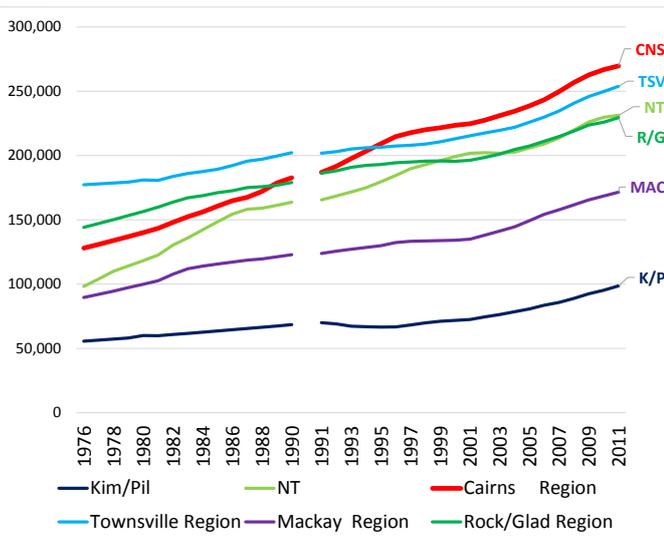
Long-term Increase in Residential Population, Northern Australia Cities, 1976-2011



Source: Cummings Economics from ABS Cat No. 3218.0 et al.

While relative growth will fluctuate to some degree over shorter periods, the trend has been fairly consistent over the decades but with Northern Territory very strong 1976 to 1991 but lagging in 2001 to 2011.

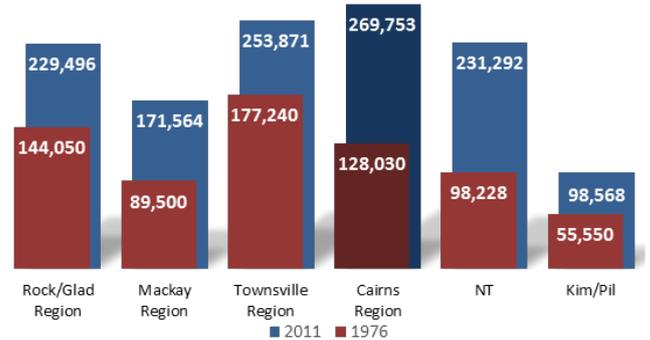
Residential Population, Northern Australia Regions, 1976 to 2011



Source: Cummings Economics from ABS Cat No. 3218.0 et al.

These trends have resulted in major changes in the comparative size and ranking of regions.

Residential Population, Northern Australia Regions, 1976 and 2011

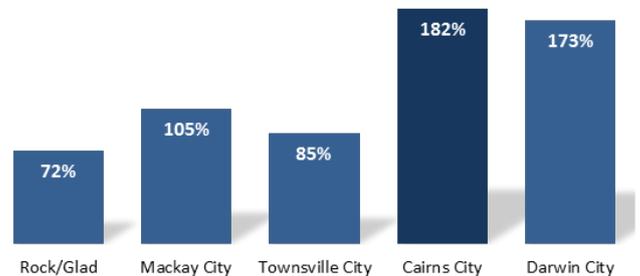


Source: Cummings Economics from ABS Cat No. 3218.0 et al.

From being the third largest in 1976, the Cairns based region has moved past the Rockhampton/Gladstone based region and the Townsville based region to become the largest. The Northern Territory has moved up into third place.

Cairns city recorded the fastest percentage growth followed by Darwin and Mackay.

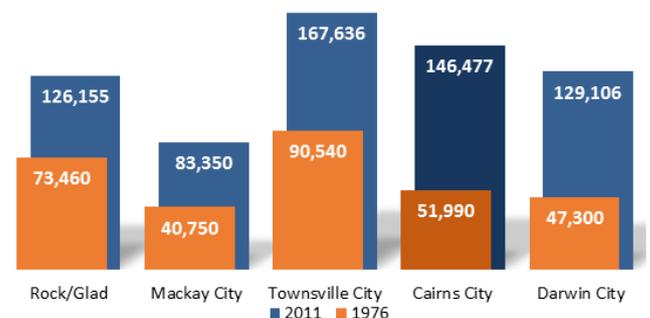
Population Growth in Percentage Terms, Northern Australia Cities, 1976-2011



Source: Cummings Economics from ABS Cat No. 3218.0 et al.

From being half the size of Townsville in 1976, Cairns has passed Rockhampton/Gladstone and moved up to being not far behind Townsville.

Residential Population Sizes, Northern Australia Cities, 1976 and 2011



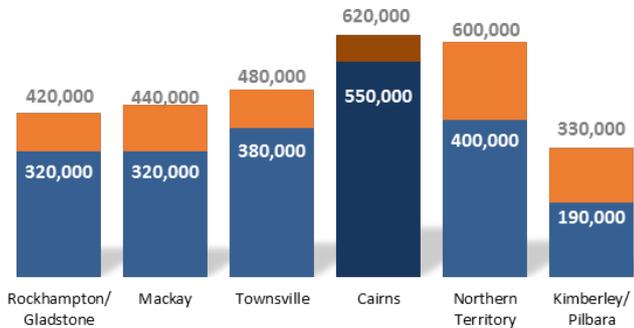
Source: Cummings Economics from ABS Cat No. 3218.0 et al.

After moderating below long-term averages since 2011, Cairns' growth is now reaccelerating.

PROJECTING FORWARD

On the growth trajectory of the past 35, 20 and 10-year periods, it can be expected that the two far northern regions, the Cairns region and Northern Territory will continue to pull away as the largest regions, with the Cairns region in the 550 to 620 thousand range by 2050.

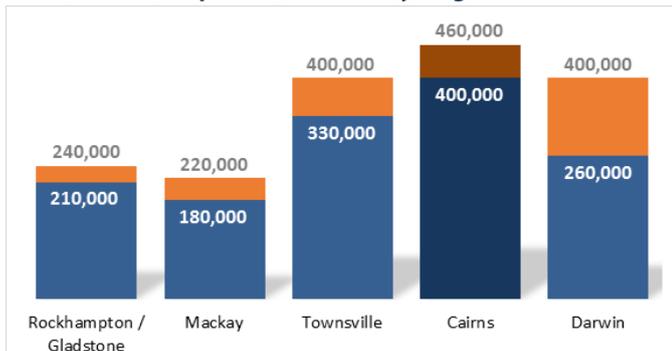
Projected Population Ranges of Northern Australia Regions, in 2050, on past 35, 20 and 10-year growth rates



Source: Cummings Economics – Changing Patterns of Regional Populations of Northern Australia.

On the 35, 20 and 10-year trajectories, by 2050, Cairns city would emerge as the largest city, in the 400 to 460 thousand range, followed by Townsville and Darwin.

Projected Population Ranges of Northern Australia Regional Cities, in 2050, on past 35, 20 and 10-year growth rates



Source: Cummings Economics – Changing Patterns of Regional Populations of Northern Australia.

WHY?

Behind the pattern of growth identified are seven major factors:

- Overcoming the tropical lag** - The far northern Cairns and Darwin "Top End" regions lie deep into the tropics. They presented greater historical challenges and were previously underdeveloped compared with their resources.
- The location of natural resources** - While not as well-endowed as some other regions with mineral resources, the Cairns region accounts for 26 percent of Australia's water run-off, and leads the North in natural (biological) resources resulting in:
 - Agriculture being a growth sector in the Cairns region with expanding sugar areas and superior cattle breeds now available. Tropical fruit production has expanded since 1982-83 from \$12m to \$540m in 2012-13.
 - Development as the leading fisheries region.
 - Development of a large tourism sector of national significance. The region is next to Sydney and Melbourne in international holiday visitors.

- The Cairns area with its beautiful surroundings, tourism facilities, and larger population, offers superior lifestyle advantages.
- The Northern Territory and Mackay regions have also specially benefitted from tourism growth.

3. A strategic location - Cairns and Darwin are the closest Australian cities to the rapidly growing economies of eastern Asia. This gives them distance advantages not only in tourism, but in export of fresh products. Cairns is Queensland's closest city to Micronesia's Papua New Guinea and Indonesia with growing business links. Darwin has special air and shipping links with Indonesia. Darwin, Townsville and Cairns benefit from substantial defence and surveillance expenditure.

4. Industry composition - The Cairns region has a diversified industry base including strong elements of tourism, agriculture and fisheries - industries that flow through to local employment and population much more than mining. Business services and manufacturing in Cairns and Darwin are not as suppressed by being close to metropolitan centres.

5. Population composition - The far northern regions have comparatively large indigenous populations with high birth rates and increasing life expectancy.

6. Comparative regional areas - The Northern Territory, Kimberley/Pilbara region and within Queensland, the Cairns region, cover larger areas.

7. Core business services region - Darwin and Townsville populations are heavily supplemented by relatively large defence and other government employment. The Cairns region leads northern Australia by a long way as a core business region including.

- The greatest concentration of population in the city and immediate region in northern Australia with nearby alternative locations to Cairns itself for regional services.
- The largest number of businesses and non-government activity in northern Australia.
- The largest number of manufacturing establishments in the northern regions, including major skills based sectors servicing large aviation and marine activity.
- By far, the largest airport hub in northern Australia with direct international links to 11 other cities in the Asia Pacific region and direct services to 10 Australian cities (Darwin is the next largest)
- The Cairns region has five export seaports handling tonnages more than the Townsville region, South Australia, Northern Territory and Tasmania.
- The largest demand for hospital admissions in regional Queensland.
- Leadership in international education establishments with previously underdeveloped university campuses expanding strongly.
- The greatest employment in arts, entertainment and creative activity in Queensland outside of the South East corner and up with the Northern Territory.

NOTE: For further details and statistical notes, reference www.cairns.qld.gov.au/population-forecast

Prepared for Cairns Regional Council by
Cummings Economics, www.cummings.net.au

