



CAIRNS REGIONAL COUNCIL

MARINE AND DEFENCE INDUSTRY

2021/22



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Industry Snapshot - 2022



\$935M

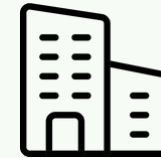
Output / Total Sales



2,349

Local Jobs

2.8% of total local jobs



337

Local Businesses



\$462M

Gross Value Added

5.4% of total industry value added

**5YR
GROWTH**



Output
Value Added
Local Jobs

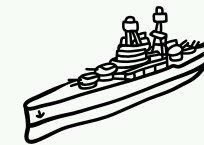
KEY SUB-INDUSTRIES



100

Cruise Liners

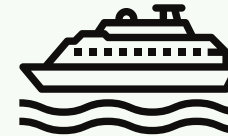
scheduled for 2022/23



Defence

\$200M Value Added

878 Jobs



Sightseeing Transport

\$66M Value Added

324 Jobs

Sources: NIEIR, 2023; ABS, 2022

Industry Size and Composition



Output/Sales



Value Added



Employment

Direct

\$935M

\$462M

2,349

Indirect/Flow-on Impacts

Industrial

\$342M

\$140M

1,375

+

+

+

Consumption

\$246M

\$139M

1,510

Total Impact

\$1,523M

\$741M

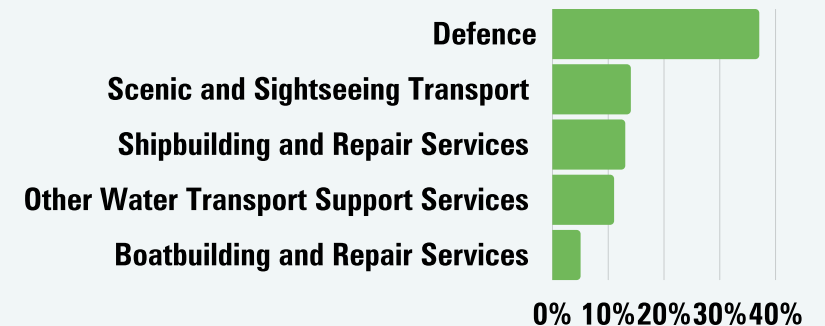
5,234

In 2021/22, the Marine and Defence industries in Cairns were estimated to have generated \$462M in direct plus an additional \$279M in indirect impacts for a total contribution of \$741M in Value Added.

The industries supported 2,349 jobs directly and an additional 2,885 in indirect employment.

The largest sub-industry for direct employment was Defence with 37% of the total employment.

Share of Total Sector Employment, 2021/22 Top Sub-Industries



Private/Public Sector Split

It is estimated that in 2021/22, the Private Sector supported 1,424 jobs and \$255M in value added in the Marine and Defence industries.

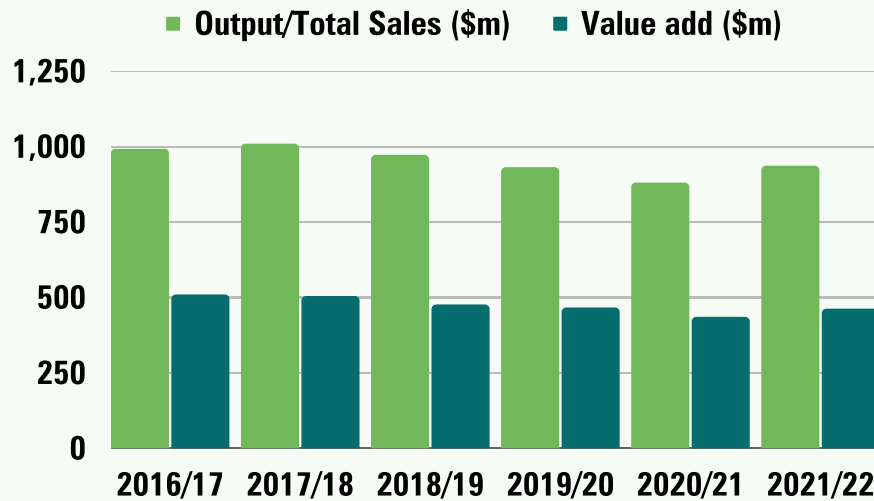
The Public Sector was estimated to support 925 jobs and \$207M in value added, the majority being in Defence and Port Terminal Operations

Sources: NIEIR, 2022

GROWTH TRENDS

In 2021/22, there were an estimated 2,349 employees working in the Marine and Defence Industries in Cairns and 1,926 full-time equivalents. The industries generated \$462M in Value Added, or \$196,679 per employee (\$239,875/FTE). Change in the industries has averaged -1.6% p.a. for employment over the last five years and -1.9% p.a. for value added, both below the state average.

Economic Value, Cairns Region, Financial Year



**5 YEAR
AVERAGE
ANNUAL
INDUSTRY
GROWTH**

-1.2%

Output/Sales

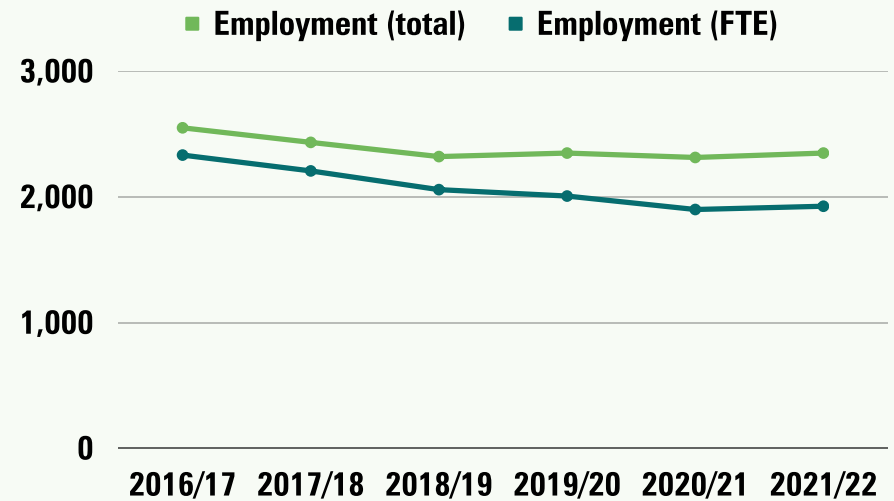
2.8% p.a.

-1.9%

Value Added

1.6% p.a.

Average Employment, Cairns Region, Financial Year



**5 YEAR
AVERAGE
ANNUAL
INDUSTRY
GROWTH**

-1.6%

Employment

2.8% p.a.

-3.8%

FTEs

1.7% p.a.

Sources: NIEIR, 2022

COMPETITIVE ANALYSIS



The Port of Cairns, managed by Ports North, is one of Australia's most northern seaports and with the Marine Precinct it caters for bulk (petroleum products, sugar, fertiliser and LPG), projects and general cargo, cruise shipping, fishing fleet and reef vessel operations.



Cairns is home to the HMAS Cairns Navy Base and is the location of The Royal Australian Navy's Regional Maintenance Centre (RMC) North-East - the first of four new Regional Maintenance Centres that are strategically located across Australia.



Cairns has a strong specialisation in maritime sustainment services and shipbuilding, supporting 45% of QLD's jobs in this industry. Cairns' world class Marine Precinct services 15% of all Australian registered vessels and 80% of all North Queensland registered vessels, longer than 15 metres.



Cairns proximity to natural assets such as the Great Barrier Reef allows it to attract over 100 cruise ship visits a year and support numerous water based sight-seeing activities. Cairns also provides world-class superyacht berths at Marlin Marina.



Cairns boasts world-class education facilities such as James Cook University, CQUniversity, and TAFE Queensland's Great Barrier Reef International Marine College. These institutions not only provide exceptional education but also foster workforce development, enhance supply chain capability, and promote technology and knowledge transfer in the city and broader region.

MARINE WORKFORCE PROFILE

KEY CHARACTERISTICS OF THE MARINE INDUSTRY, 2021 - CAIRNS REGION

The profile of workers in the Marine Industry in Cairns was similar to the state as a whole in terms of age with a median age of 45. Workers were less likely to be male (72% vs 77%) and more likely to be born overseas than their state counterparts.

Approximately 70% of the workforce had Certificate III or above qualifications and 36% were working in professional or managerial roles.

In 2021, the FTE median income of the local workforce was higher than the state median possibly due to a more qualified workforce.



45 years

Median Age

QLD - 45 years



\$78,175

Median Income FTE

QLD - \$76,302



72%

Male

QLD - 77%/23%



28%

Female



73%

Full Time

QLD - 76%



29%

Born Overseas

QLD - 25%



10%

Owner Manager

QLD - 16%



20%

**Degree or
Above**

QLD - 16%

50%

**Certificate III to
Advanced Diploma**

QLD - 48%



36%

Professionals/Managers

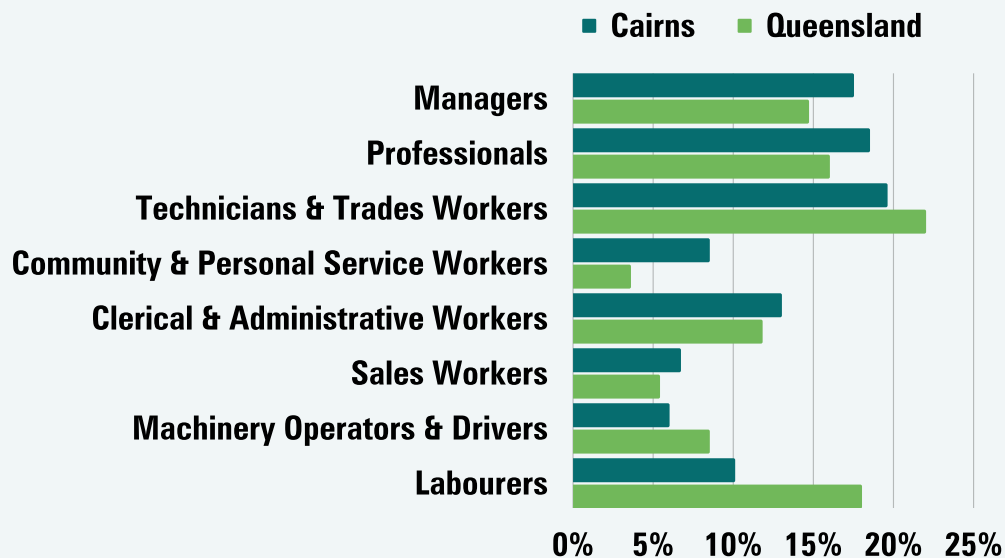
QLD - 31%

Sources: ABS Census of Population and Housing, 2022

MARINE EDUCATION & SKILLS

The **Marine Industry** in Cairns had a higher share of workers in professional occupations in 2021 (36%) compared to the QLD average (31%). The top occupations were Marine Transport Professionals and Deck and Fishing Hands. The industry had a much higher share of qualified workers (73%) than the QLD average (66%), and a higher share with degree level qualifications (20% vs 16% for QLD).

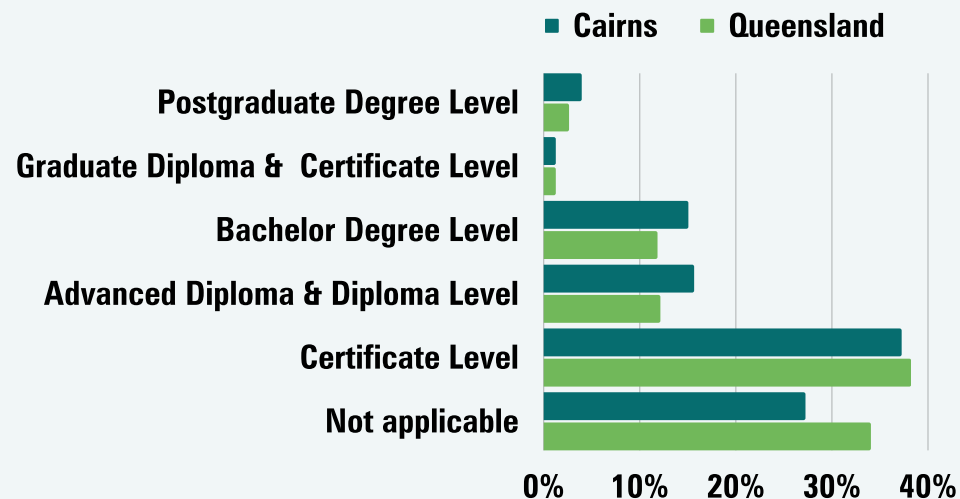
Local Workforce Occupations, 2021



Top Occupations

- Marine Transport Professionals
- Deck and Fishing Hands
- Structural Steel and Welding Trades Workers
- Metal Fitters and Machinists

Local Workforce Qualifications, 2021



Top Study Fields

- Marine Craft Operation
- Engineering and Related Technologies,
- Business and Management
- Metal Fitting, Turning and Machining

Sources: ABS Census of Population and Housing, 2022

DEFENCE WORKFORCE PROFILE

KEY CHARACTERISTICS OF THE DEFENCE INDUSTRY, 2021 - CAIRNS REGION

The profile of workers in the Defence Industry in Cairns was less male orientated than the state as a whole in 2021 (72% compared to 78%).

Approximately 73% of the workforce had Certificate III or above qualifications and 40% were working in professional or managerial roles.

In 2021, the FTE median income of the local workforce was higher than the state median, likely due to a higher % of workers employed in senior positions.



33 years

Median Age

QLD - 32 years



\$92,901

Median Income FTE

QLD - \$85,177



72%

Male

QLD - 78%/22%



28%

Female



91%

Full Time

QLD - 91%



13%

Born Overseas

QLD - 15%



N/A

Owner Manager

QLD - 16%



21%

**Degree or
Above**

QLD - 23%

52%

**Certificate III to
Advanced Diploma**

QLD - 45%



40%

Professionals/Managers

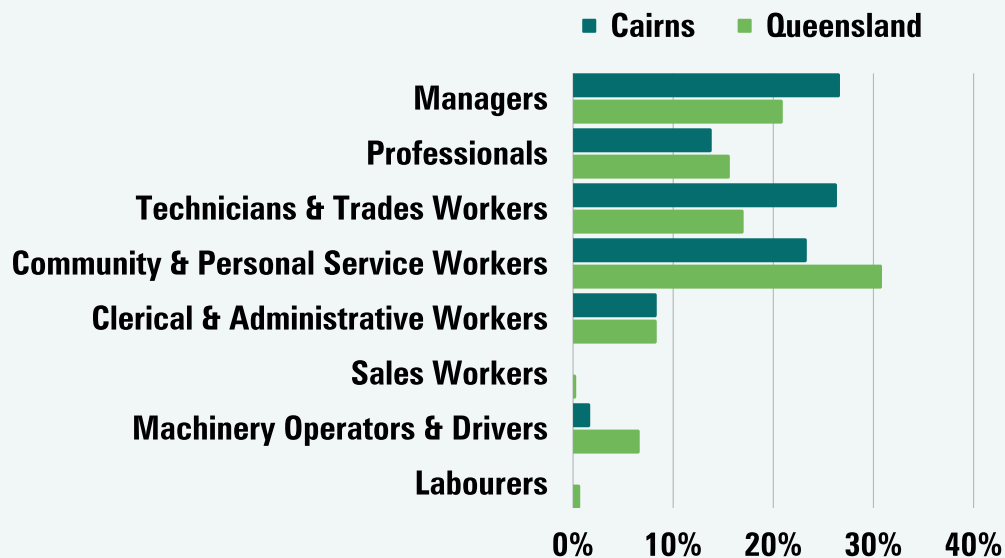
QLD - 36%

Sources: ABS Census of Population and Housing, 2022

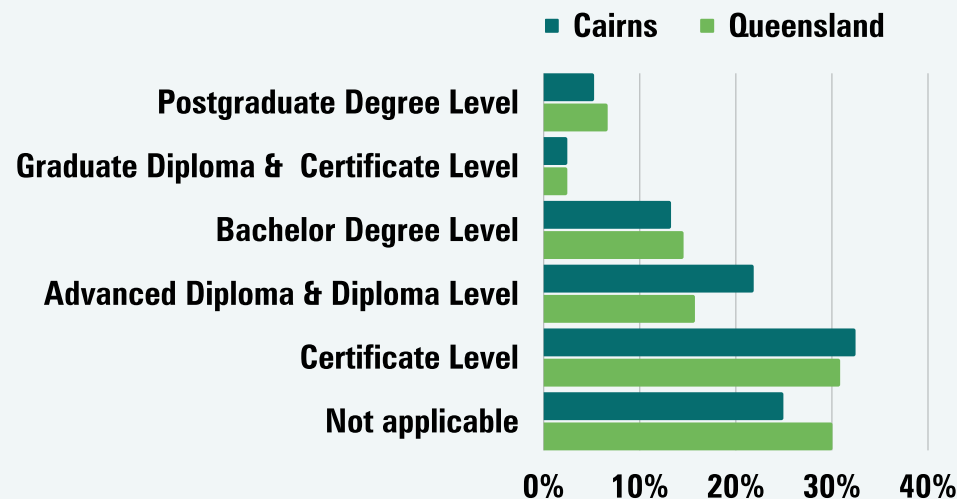
DEFENCE EDUCATION & SKILLS

The **Defence Industry** in Cairns had a higher share of workers in professional occupations in 2021 (40%) compared to the QLD average (36%). The top occupations general Defence Force Members (majority) and Commissioned Officers. The industry had a higher share of qualified workers (75%) than the QLD average (70%), but a slightly lower share with degree level qualifications (21% vs 23% for QLD).

Local Workforce Occupations, 2021



Local Workforce Qualifications, 2021



Top Occupations

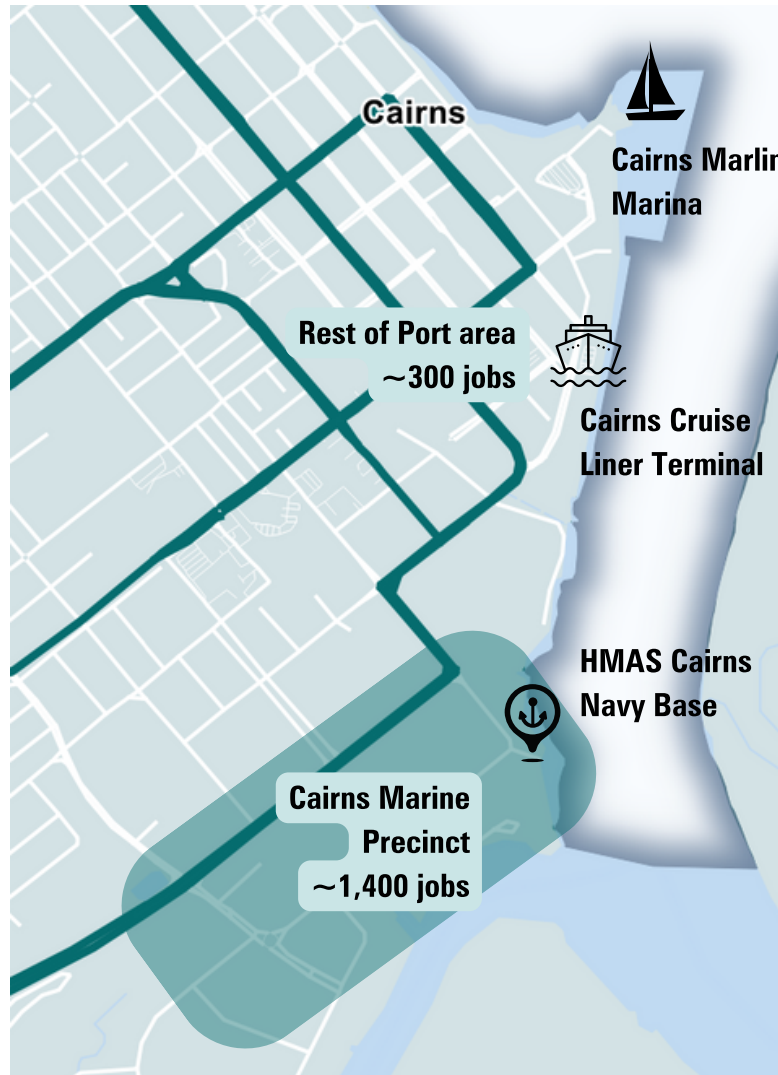
- Defence Force Members - Other Ranks
- Commissioned Officers (Management)
- Senior Non-commissioned Defence Force Members
- Electronics Trades Workers

Top Study Fields

- Engineering and Related Technologies
- Business and Management
- Electrical and Electronic Engineering and Technology

Sources: ABS Census of Population and Housing, 2022

Main employment precincts



Estimated Industry Jobs, 2021



Key employers

- Austal Australia
- Cairns Cruising Yacht Squadron
- Great Barrier Reef International Marine College
- HMAS Cairns/ Australian Navy
- Maritime Safety Queensland / Queensland Water Police
- Norship
- NORSTA Maritime Pty Ltd
- Northern Fisheries
- Ports North
- Seaswift
- The Big Boatshed
- Tropical Reef Shipyard

Sources: ABS Census of Population and Housing, 2022



PROJECTS & TRENDS SHAPING THE FUTURE



Cairns Shipping Development Project

The \$120M+ project completed in 2020 widened and deepened the Trinity Inlet shipping channel to make port access easier for large vessels like cruise ships and visiting overseas Navy vessels. This project will support growth in the sector over the coming decade.



Cairns Marine Precinct expansion

Federal and State Governments have committed \$360M for a major expansion to the precinct including a new Common User Facility that incorporates a 5000-tonne shiplift, allowing ships of up to 120 metres in length to be repaired and maintained on hardstand areas.



Plan Galileo

Navy's new model for surface fleet sustainment focuses on a network of Regional Maintenance Centres located around Australia. Cairns is designated as RMC North East and is now operational. It will initially support patrol boats, but has growing capabilities to meet the needs of other vessels in the future.



Superyachts

Recent State Government strategies are targeted at growing the Superyacht industry after the Federal Government removed tax barriers to foreign-owned superyachts. Cairns has the potential to leverage its existing expertise to support increased visitation and maintenance expenditure.

SWOT Analysis

STRENGTHS

- Large port which has recently had major improvements to access
- Home to the HMAS Cairns Navy Base
- Proximity to key water based tourism assets and fishing grounds that enables growth in recreational and commercial vessels
- Established shipbuilding and naval vessel maintenance industry cluster with strong supply chain links to other local industries



WEAKNESSES

- Lack of sufficient local training providers in some key areas e.g. Marine Craft Construction Trade/Apprenticeship
- Skills shortage exacerbated by designated area migration agreement (DAMA) not covering some specific maritime skills areas
- The existing scale, capability and age of some facilities in the Marine Precinct limits ability to cater to a wider variety of vessels



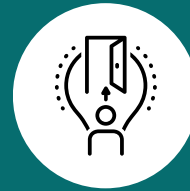
THREATS

- Growth in superyacht facilities and shipbuilding precincts in SE Qld can potentially draw business away from Cairns
- Energy and fuel cost rises to impact profit margins for some time
- Skilled labour shortages will impact competitiveness unless addressed



OPPORTUNITIES

- Major Marine Precinct investments allow the precinct to meet the needs of heavier, longer and more complex modern vessels
- Cairns' designation as a Regional Maintenance Centre provides long-term sustainment opportunities
- Targeted infrastructure and investment in complementary facilities/services can enable superyacht market
- Shipbuilding expertise can support growth of other specialised areas like modular builds (as part of a larger vessel), and boat building (up to 50m)
- A \$16M investment by the QLD Government to expand the world-class training facilities at the Great Barrier Reef International Marine College in Cairns will enable growth in both program delivery and student numbers





For more economic data on the
Cairns Region, visit economy.id

