



## **MEDIA RELEASE**

**7 August 2015**

### **\$21.5 Billion to be Invested into the TNQ Region!**

During the Cairns Chamber of Commerce's July Regional Economic Forecast luncheon, it was revealed that the Cairns region is now officially in the 'growth' phase of the economic clock. The latest Cairns Chamber of Commerce Major Projects & Investments list certainly reinforces this position with an ever-growing list of projects and investments adding to the growth potential of our region.

'The Cairns Chamber has access to vast amounts of information related to upcoming major projects and investments, and this information is of considerable value to the business community. After getting our first major projects list out to the business community in December 2014, we wanted to update this to showcase the immense number of new projects currently in the Far North Queensland region' said Deb Hancock, CEO Cairns Chamber of Commerce.

'The value of the project investments that are either currently under construction or proposed across TNQ, is: \$21.543 billion (excluding additional projects that are proposed but due to their commercially sensitive and confidential nature, aren't included) said Deb Hancock, CEO Cairns Chamber of Commerce.

'Additionally, these projects and investments are expected to create more than 15,790 jobs during construction and more than 37,000 jobs operationally (with some projects yet to determine the amount of jobs to be created),' said Deb Hancock.

'This suite of information is not to be considered exhaustive, but includes the major projects occurring across our region above \$5 million in value. The Cairns Chamber of Commerce confirmed details of projects with contributors and proponents directly' said Ms Hancock.

'We will continue to update and make this report available to Cairns Chamber of Commerce members on a regular basis to continue to bolster business confidence. We would like to thank all of the project proponents and investors for providing this information, along with the Cairns Regional Council, Cook Shire Council, Mareeba Shire Council, Department of State Development Infrastructure & Planning, Regional Development Australia FNQTS, Office of Hon Warren Entsch MP for Leichhardt, Urban Development Institute of Australia (Cairns), Advance Cairns and Cairns Airport,' said Deb Hancock.

Key lead economic indicators continue to confirm the positive trend that we've seen for about 3.5 years now. Renewed confidence in the local economy is feeding growth in building approvals and other economic growth indicators across the TNQ region. For example:

- Business confidence in Queensland by the building sector is performing strongly relative to the wider economy according to the Masters Builders Queensland Survey of Industry Conditions for the March 2015 quarter. Confidence by Queensland's builders and those within the industry show there are a significant number (43%) that maintain a positive outlook for the future. The report stated that the Far North experienced a period of increasing positive growth in the December 2014 quarter, while the commercial sector steadied in the March 2015 quarter. The sector is looking forward to the June quarter and conditions in both sectors remain optimistic.
- The July 2015 CairnsWatch advised that building approvals for the construction of new dwellings remain on a strong upward trajectory with approvals increased in trend terms by 36% over the twelve months from May 2014 to May 2015.

- The Cairns median house price has remained relatively steady in recent months, with the median house price trend standing at \$395,200 in May 2015. A trend rise of 3.8% over the latest 12 months is still indicated. CairnsWatch anticipate ongoing rises during the course of 2015.
- The trend rental vacancy rates in April 2015 stood at 2.5% for houses and 2.4% for units. The market vacancy trend overall stood at 2.5%. Rental vacancy rates remain at levels indicative of a tight rental supply.
- The trend in international terminal passenger volumes have risen strongly with the highest June outcome since 2012, also showing a trend increase of 18% on June last year. This reflects the impetus of new flights to Bali and Singapore as well as strong growth on pre-existing international routes.
- Solid June 2015 results have maintained airport passenger trends at the domestic terminal at the highest June levels ever, and a trend increase of 3.7% on June last year.
- On a National basis, the Master Builders Building and Construction Industry Forecasts Queensland report states that the longer term outlook is strong for Queensland due to the great diversity of activity that underpins the State's economy. Strong investment in Queensland can be expected in resorts and tourism, transport infrastructure, residential building and retail building.
- According to the Dun & Bradstreet Business Expectations Survey (Q3, July 2015), when asked if business owners are more optimistic about business growth in the next twelve months compared to last year, the response was 57% yes. The survey states that 34.5% of businesses expect an increase in their March quarter sales, compared to the same time last year.
- Dun & Bradstreet advise that the capital investment outlook for the September quarter 2015 is 12.8 points, up from 12.6 in the previous quarter and 12.1 points last year, with 21% of businesses expecting an increase in their investment level.

‘Our region is an investment mecca because we have a 24-hour, seven day curfew free international airport, an economy worth \$12 billion, a regional population of nearly 245,000 (which now makes us the largest region outside of SEQ), an economy growing by 3% a year, exports of \$6.9 billion a year and more than 23,400 registered businesses employing 117,000 people. We have a lot to be proud of. And this also makes our region a very attractive investment location”, said Ms Hancock.

“Our City attracts 1.55 million domestic visitors and 690,000 international visitors a year, with a total expenditure of \$2.46 billion. We also have more than 140 primary and secondary schools and a university ranked in the top 4% in the world.”

“According to the State of the Tropics Report, economic growth in the tropics has outperformed the rest of the world over the past 30 years. Average GDP growth was 5.3% in the decade to 2010 compared with 3.4% globally. Currently around 40% of the world's population and 50% of children under 15 years live in the Tropics. By 2050, more than half the world's population and close to two thirds of its children will live in the tropics”, said Ms Hancock.

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**For interviews and further information please contact;**

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