

# MARANOA REGION – ROMA



As a significant part of the Surat Basin energy province, the Maranoa region is one of Queensland's most dynamic regional communities. Very accessible via air, road and rail, the region is located in South West Queensland approximately 480 kilometres west of Brisbane. Prospective investors will quickly understand the Maranoa region has so much to offer.

The Maranoa region is a dynamic and vibrant regional community. From a proud history built around agriculture and mining, the region continues to grow and prosper today. The Maranoa region's abundant natural resource assets and diversified stable industry base has resulted in continued growth and development enabling the region to meet local and global economic challenges. With the coal seam gas extraction industry anticipating sustained growth for the next thirty to forty years, the Maranoa region's future is extremely positive.

Roma is the Maranoa region's principal commercial hub with a strong and solid economic base. It possesses a diverse economy, excellent infrastructure and a relaxed country lifestyle that is the envy of many major regional centres. Roma is the birth place of the Australia's Oil and Gas industry and home to the largest cattle-selling centre in the southern hemisphere.

The Maranoa has a long history in the energy industry. Now the region is set to see rapid economic growth over the next few years as the coal gas industry is developed to fuel the four liquefied natural gas plants to be built on Gladstone's Curtis Island.

In the past decade, the Maranoa, and regions further east onto the Darling Downs, have seen coal seam gas come into its own. Spending across the coal seam fields in the past two years has cranked up. In the next two, the flow will turn into a flood.

Each of the major LNG projects will cost from \$16 billion to \$20 billion, with about half the spending destined for the 'upstream' gas development and gas gathering systems, and a lot of that 0 though not all – will be spent in the gas producing regions.



### Maranoa Region



## Summary of Key Indicators

Statistic	Period	Indicator	6 month Change	1-Year Change
Population (no.)	2011	13,422	0.4%	0.6%
Labour Force (no.)	Dec Q 11	8,479	1.8%	1.1%
Unemployment rate (%) <sup>(a)</sup>	Dec Q 11	2.2%	-0.2%	0.0%
Gross Regional Product (\$M)	2010-11	\$1,863.9	n.a	21.7%
<b>Top 4 Industry Value Add (\$'M)</b>				
Resources <sup>(a)</sup>	2010-11	\$1,021.5	n.a.	63.7%
Agriculture, Forestry & Fishing (\$'M)	2010-11	\$200.3	n.a.	13.1%
Public administration and safety (\$'M)	2010-11	\$72.1	n.a.	4.3%
Construction (\$'M)	2010-11	\$49.8	n.a.	-0.5%
<b>Building &amp; Property</b>				
Residential Building Approvals (\$/Approval)	Dec Q 2011	\$300,545	-14.7%	22.4%
Median House Prices(\$)	Dec Q 2011	\$305,000	12.5%	8.6%
<b>South West Region – QLD Pulse Index</b>				
General Business Conditions	Dec Q 2011	57.4	+5.7	+13.3
Employment	Dec Q 2011	55.3	-0.6	+3.8
Average Wages	Dec Q 2011	56.3	+2.2	+13.7
Sales & Revenues	Dec Q 2011	49.3	+4.3	+5.2
Capital Expenditure	Dec Q 2011	52.3	+14.9	+2.7

Note: (a) GRP 1-Year change is the average annual growth experienced between 2006-07 and 2010-11. (b) includes the CSG/LNG extraction industry and mining and quarrying activities. Source: ABS (2012a), ABS (2012b), CCIQ (2012), DEWR (2012), REIQ (2012), AECgroup



## ***Why invest in the Maranoa region?***

The Maranoa region offers businesses numerous competitive advantages, including:

**Dynamic and growing region:** A strong economy and projected population growth, which has significant agricultural and coal-seam-gas (CSG) assets

**Lower business costs:** Providing businesses with lower investment and operating costs

**Positive business climate:** A supportive and business friendly environment

**Accessibility:** Road, rail and air links connect the region to the State and the world

**Quality of life:** A high quality of life at an affordable rate

## ***Investment Opportunities***

Given the region's unique assets and competitive advantages, there are specific investment opportunities available to businesses now, including (but not limited to):

Diversification to value-adding activities in the manufacturing sector to support agriculture and mining;

Development of local mining services sector;

Capitalisation of tourism opportunities and markets;

Potential for further horticultural development;

Expansion of local education and training services into speciality and tertiary learning centres;

Residential housing development;

Medical, dental and allied health services;

Potential expansion of Cypress timber milling Industry.

# Key Industry Sectors

## *Agriculture and forestry*

Agriculture and forestry accounts for over 11% of the economy and almost half of the total number of businesses in the region. The sector employs approximately one fifth of the region's workforce.

The Maranoa region has a long established grazing industry and is the location of Australia's largest cattle selling complex. This facility recorded approximately 315,000 head of cattle through the saleyard in 2010-11, or 30.1% of cattle sold through saleyards in Queensland.

It is estimated that the South West Region has approximately 1.5 million head of cattle which represents approximately 12.8% of Queensland's beef cattle herd. The region also has a sheep flock of approximately 1.3 million sheep and lambs, 35.7% of Queensland's total flock.

In addition to the grazing industry, grain and cereal cropping is also prominent in the region, with sorghum and wheat being the predominant crops and barley production accounting for a smaller percentage of the region's total grain production. The South West Region produced approximately 330,000 tonnes of grain and cereal during 2009-10, 13.1% of Queensland's total production. Roma is the main service centre for the South West and wider South West Queensland farming region, making it an important town within the region.

The region is conveniently located near to the Barakula State Forest, which is the largest cypress pine and hardwood forest in Queensland, and the largest pine forest in the southern hemisphere. Drawing resources from the Cypress Pine State Forest Plantation reserves to the north and south of Roma, the region supports five major cypress pine mills. Cypress timber with its natural termite resistance properties makes it a highly sought after natural timber product and a highly valued commodity for the Maranoa region.



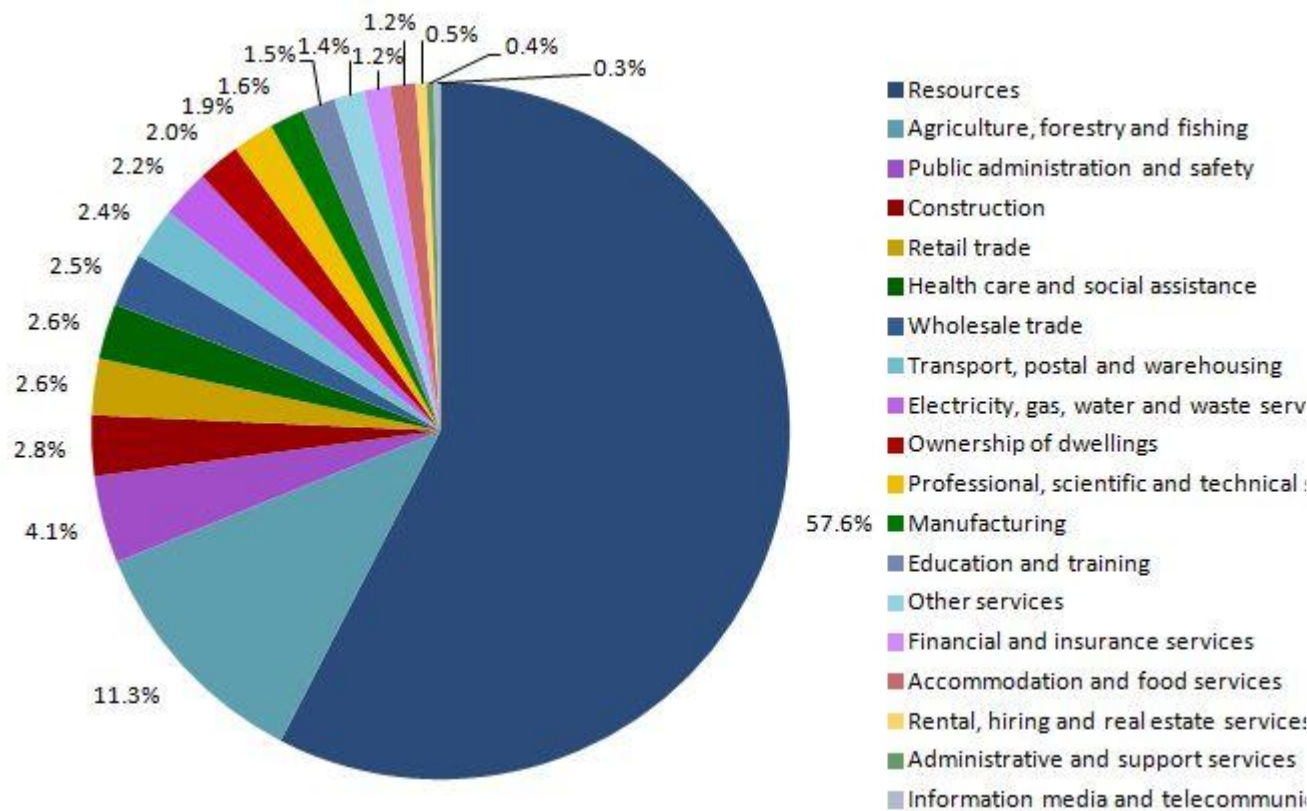


## Mining

Mining is a key contributor to the region's economy, accounting for approximately 58% of the regional economy.

Currently, the Maranoa region is the scene of massive expansion in coal seam gas exploration and mining. Thousands of coal seam gas wells are to be drilled in the region over the next twenty years. Several major energy companies currently operating in the region include:

- Origin Energy
- Santos
- BG Gas
- Sunshine Gas Ltd
- AGL





Lying under the surface of the Maranoa's fields are two great resources – the first is the Great Artesian Basin, which has brought sustained water supplies for generations of farmers. The second is Coal Seam Gas (CSG) and the Maranoa has become a key location for Queensland's rapidly expanding CSG industry.

CSG has catapulted to being two-thirds of the regional economy for the Maranoa with huge growth expected in the coming years. The rapid expansion of the CSG industry has brought with it a range of new businesses that have established in the region and new jobs. In fact, unemployment here is amongst the lowest in Queensland.

The Maranoa region has an exciting future filled with opportunities for those moving to the region as new housing and new infrastructure is put into place for the growing communities.

Roma's energy history goes back to 1900 when Australia's first oil strike was made at Hospital Hill. Now, a century later, the CSG industry has followed on a vastly bigger scale. GLNG and Australian Pacific LNG are committing around \$36 billion into their Queensland LNG projects including a considerable part of that into their Maranoa operations.

Businesses directly supplying to the CSG industry that have newly established or expanded existing operations in the region include Enerflex, Compressor Systems Inc., and Nebgar Engineering & Hydraulic Services. Origin Energy is also set to establish a new \$18 million base in Roma that will employ 80 people.



## Manufacturing

While manufacturing is not currently a significant contributor to the economy, the industry has the potential to increase its value and employment to become an important aspect of the Maranoa regional economy.

The main manufacturing activities currently in the region include cypress timber milling and metal fabrication/engineering.

### Maranoa Regional GRP

Sector	Contribution (\$M)	Annual Growth (%)
Agriculture, forestry and fishing	\$200.3	13.1%
Resources <sup>(b)</sup>	\$1,021.5	63.7%
Manufacturing	\$28.7	-15.0%
Electricity, gas, water and waste services	\$39.7	13.9%
Construction	\$49.8	-0.5%
Wholesale trade	\$44.2	11.2%
Retail trade	\$46.3	6.2%
Accommodation and food services	\$21.0	1.2%
Transport, postal and warehousing	\$42.6	2.8%
Information media and telecommunications	\$5.1	-12.9%
Financial and insurance services	\$21.3	-0.6%
Rental, hiring and real estate services	\$8.6	-13.4%
Professional, scientific and technical services	\$34.0	33.8%
Administrative and support services	\$6.2	-8.2%
Public administration and safety	\$72.1	4.3%
Education and training	\$27.1	-2.7%
Health care and social assistance	\$45.7	-0.3%
Arts and recreation services	\$0.5	-27.5%
Other services	\$25.0	16.3%
<b>Total Industry Value Added</b>	<b>\$1,739.8</b>	<b>24.0%</b>
Ownership of dwellings	\$35.2	6.4%
<b>Gross Value Added</b>	<b>\$1,775.0</b>	<b>23.5%</b>
Taxes less Subsidies	\$89.0	0.5%
<b>Gross Regional Product</b>	<b>\$1,863.9</b>	<b>21.7%</b>

Note: The GRP model has been updated with the most recent available data. Estimates are reported in 'Value-Chain' terms not 'Current Prices'. As such, data is not comparable to previous publications (e.g. Invest Maranoa). (b) includes the CSG/LNG extraction industry and mining and quarrying activities.

Source: AECgroup.



## *Tourism*

Tourism contributed approximately \$32.6 million to the Maranoa region's economy during the most recent year, or approximately 3.0% of total GRP in the region. Visitors to the Maranoa region are indicatively estimated to have spent approximately \$62.6 million in 2008-09.

Several key visitor markets currently exist within the region (i.e. seniors, business and industry, self-drive, families, fly-in and return visitors). The region has opportunities to grow the tourism sector, including the following areas:

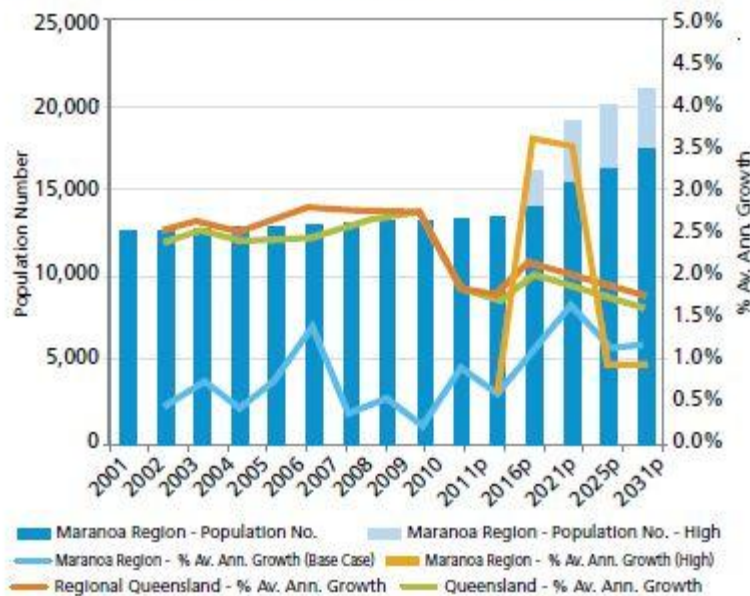
- Nature based tourism – including national parks, bird and nature watching
- Arts & Culture – arts trails, artist retreats and cultural events and festivals
- 4WD including tag-along tours
- Coach Tours – including niche tour operator markets
- MICE (Meetings, Incentives, Conferences & Events) – e.g. regional industry/government conferences, etc
- Regional sporting events
- Community and service club events and social activities
- Educational tourism
- Spa and wellness tourism
- Special or shared interest groups / clubs
- Adventure based
- International visitors – including backpackers
- Families seek country experience
- Visiting family and friends
- Young people – early adult and young Professionals

## Population

Increasing investment and creation of job opportunities is driving the Maranoa Region's population growth. In 2011, the permanent resident population was estimated to be approximately 13,422 residents. The Maranoa Region is also supporting increasing levels of transient workers which are coming to the region to support rapid industry growth. Growth in the local resident and the transient worker populations has increased the demand for residential services and community infrastructure (e.g. roads, retail, and restaurants).

Looking forward, Queensland Government projections show the rate of population growth doubling, resulting in 17,332 people by 2031. However, given the rapid expansion of the economy, including the anticipated 2,000 local jobs from major energy projects, the population could reach as high as 20,914 by 2031. Naturally, this pace of growth will provide further stimulus to the economy in terms of residential construction and increased retail spending in the region.

### Historical & Projected Population – Maranoa Region



Source: ABS (2012a), Queensland Treasury (2012)

## Offering Lower Costs to Business

### Affordable and Available Land

The Maranoa region has available and affordable land for new businesses. The Maranoa Regional Council has taken a proactive approach to employment lands, ensuring that there is available property that is zoned appropriately for new businesses. As a result, the average cost of industrial land in Roma compares favourably to other Queensland regions and Australian cities.

#### Industrial Land Costs (2011)

##### Average Cost of Industrial Land

Town/City	Area Range	\$/m <sup>2</sup>
Roma	All	\$80 - \$130
Ipswich	< 5,000 m <sup>2</sup>	\$200 - \$260
Mackay	< 10,000 m <sup>2</sup>	\$150 - \$220
Toowoomba	< 2,000 m <sup>2</sup>	\$130 - \$260
Brisbane (metro)	< 5,000 m <sup>2</sup>	\$275 - \$350
Melbourne	10,000 m <sup>2</sup> - 50,000 m <sup>2</sup>	\$115 - \$800
Sydney	5,000 m <sup>2</sup> - 30,000 m <sup>2</sup>	\$175 - \$1,000

Source: Savills (2011), m3property (2011), HTW (2011)



## **Housing Availability and Affordability**

### **Property Market**

The Maranoa's median property price is on the rise. Comparison of the Maranoa Region's median house price with other key resource sector regions of Queensland shows that the Maranoa Region is still relatively affordable with a median house price of \$305,000 in the year ended December 2011.

This is below the median house prices recorded for Central Highlands, Rockhampton and Gladstone. Increasing demand for housing and constraints in housing supply has resulted in the Maranoa Region experiencing the fastest five year growth in median house prices (60.5%) when compared to other areas of regional Queensland. Insufficient housing supply will put upward pressure on housing prices as the economy expands. This is already being evidenced in Roma which has a higher median house price than that of the surrounding Region. The Maranoa Regional Council is currently exploring a number of affordable housing options to assist in facilitating population growth and to relieve pressures on housing and the property market in the region.

#### **Median Property Prices – Maranoa Region**



Source: REIQ (2012)

#### **Median Property Prices**

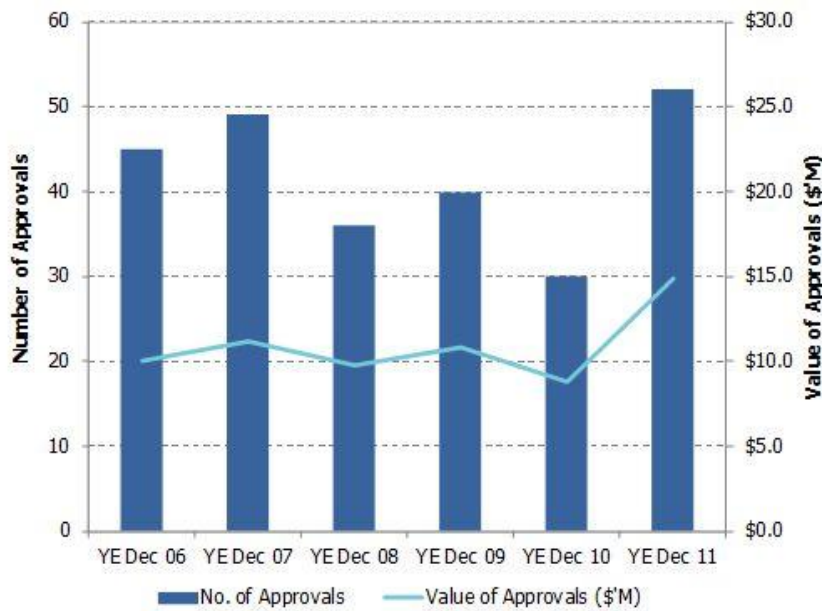
Statistic	YE Dec 2011	% Annual Change	% Five Year Change
Roma	\$330,000	14.2%	43.5%
<b>Maranoa Region</b>	<b>\$305,000</b>	<b>8.6%</b>	<b>60.5%</b>
Toowoomba Region	\$285,000	-7.3%	20.7%
Western Downs Region	\$292,500	14.6%	43.2%
Central Highlands Region	\$370,000	0.0%	28.9%
Rockhampton Region	\$315,000	0.6%	27.2%
Gladstone Region	\$478,000	21.0%	64.8%

## Building & Investment

Demand for housing is increasing in the Maranoa Region, driven by population growth and the need to house the transitional workers of the regional resources sector. This has resulted in a spike in residential building approvals in 2011, with the region recording a total of 52 residential building approvals - 73.3% higher than approvals for 2010 and equating to over \$14.9 million in residential building to be commenced. To accommodate strong growth in demand for housing in the Maranoa Region, the Maranoa Regional Council is currently investigating a number of affordable housing supply initiatives.

The declaration of the Roma Urban Development Area in June 2010 will assist with future housing supply to the Maranoa Region. The Roma UDA has a capacity for up to 350 residential properties to be developed over the next five to ten years.

### Residential Building Approvals - Number & Value

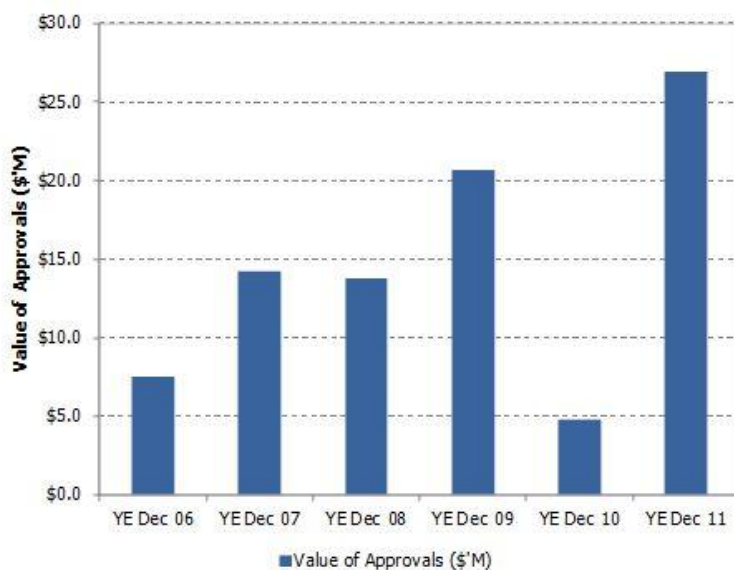


Source: ABS (2012)



Non-residential building investment in the Maranoa Region increased significantly in the year ended December 2011 to \$27 million, well above historical non-residential investment in the region. Non-residential investment over the past year has included the development of a number of priority projects, such as the Roma Airport upgrade and significant business investment by CSG supply chain industry in the Roma East Industrial Estate. Major CSG companies continue to show their support for the local community through a number of public-private funding initiatives to support infrastructure development across the community.

### Non-Residential Building Approval Value (\$'M)



## Council's Role in Developing the Economy

### A Proactive Local Government

Underpinning the region's continued sustainable growth is the Maranoa Regional Economic Development Strategy commissioned by the Maranoa Regional Council, as an integral part of a social, economic and environmental sustainable framework. Council recognises the interdependence of these elements ensuring that economic development decision-making does not occur in isolation from matters relating to the social and environmental well-being of the Maranoa region, and vice-versa.

Council remains dedicated to the future economic growth of the region and through the Economic Development Strategy takes a proactive approach to assisting businesses.

Maranoa Regional Council has identified a need to provide support to business and industry in our region. This need extends to increasing the capacity within our region to better plan for future development and in turn capitalise on economic opportunities for our region's economy and growth.

Council has committed substantial resources to develop our economy through the release of the Regional Economic Development Strategy. This 5 year plan is Council's blueprint aimed at:

- Attracting and facilitating investment.
- Harnessing competitive advantages.
- Enhancing business growth and employment opportunities (including our youth).

This is just the first step in proactively developing, growing and diversifying the region's economy in a coordinated manner.



## ***Accessibility***

The Maranoa region covers an area of 58,830 sq km and is located in south west Queensland approximately 480 km west of the state's capital, Brisbane. The region is easily accessible through an excellent road and rail network or a one (1) hour flight from Brisbane.

### **Road Infrastructure**

The Maranoa region is located on the Warrego and Carnarvon Highways. The Warrego Highway (running east/west) is a national highway that links Brisbane with Darwin and the Carnarvon Highway (running north/south) links Roma to northern centres such as Rockhampton and Cairns and south to New South Wales and Victoria. The region is serviced by an extensive regional road network of 5,917 km, which plays a pivotal role in the region's economy and transportation flows. The table overleaf outlines the relative distance from Roma to locations within the Maranoa region and beyond.

## Distance and Direction of Centres from Roma

Locality	Distance		Direction from Roma
	Kilometres	Hours	
Within Maranoa Region			
Surat	80	1.00	South
Wallumbilla	40	0.50	West
Yuleba	60	0.75	West
Mitchell	90	1.00	East
Injune	90	1.25	North
Beyond Maranoa Region			
Toowoomba	350	4.50	East
Emerald	400	5.00	North
Brisbane	480	6.50	East
Sydney	1,050	13.00	South-East

Source: AECgroup (2010)

## **Rail Links**

Rail supports commercial services from Roma to Brisbane, carrying coal and grain from the Maranoa region to Brisbane for sale and export. In the future, the region will be further serviced by a proposed rail link to Gladstone to allow for coal and grain export through the Port of Gladstone. This expansion of the rail system would greatly expand the export capacity of the region.

The 'Westlander' provides a regular twice-weekly passenger rail service to the region's towns located on the Brisbane to Charleville rail link. A trip from Roma to Brisbane takes approximately 12 hours to complete with connections available to other rail link services.

## **The Maranoa Lifestyle**

### Maranoa Regional Community

The Maranoa region affords its residents with a range of family friendly townships and 'village style' communities in which to live. Whilst the unique and individual character of each community is celebrated, all have a common characteristic of a welcoming and strong community spirit which is inherent throughout the region.

## **Health & Social Services**

The Maranoa region offers a range of modern and up-to-date specialist medical and allied health professional services. The Roma Health Service offers an extensive range of specialist services including full surgery facilities, obstetrics, paediatrics, anaesthetics and a nursing home. In addition the Health Service also offers a variety of Allied Health professionals including physiotherapists, podiatrists and a speech pathologist. Private specialist services in optometry, physiotherapy and pathology are also available.

High quality health care services are also available throughout the region's other centres through a range of service facilities and visiting professional networks including:

- Modern, well-equipped hospital services staffed by qualified medical staff
- Private medical centres and general medical practitioners
- Dental surgeries
- Pharmacies
- Physiotherapists
- Dieticians
- Optometrists
- Psychologists
- Podiatrists

A range of quality age care facilities and services are available throughout the region, ranging from modern accredited nursing home centres, retirement villages and community care services including Meals on Wheels, respite care, Blue care, Anglicare, and Spiritus.

In addition to a comprehensive range of government services, Maranoa Regional Council also offers a range of social development services through the Roma Neighbourhood Centre which include -

- Community Support Service
- Emergency Relief
- EmployABILITY
- Family Support Service
- Housing Roma (e.g. Supported Accommodation Assistance Program; Community Housing, Same House Different Landlord Program)
- Maruma-Li Mari Outreach Service
- Roma Home & Community Care
- Maranoa Home and Community Care
- Surat Home and Community Care
- Wallumbilla Home and Community Care
- Wallumbilla Respite Services
- Tenant Advice & Advocacy Service
- Working Against Abuse Service

## ***Education***

Educational facilities and teaching standards throughout the Maranoa region are equal, if not superior to those offered in larger metropolitan centres. The region's educational facilities provide students with a creative and meaningful learning experience.

Roma's education system is unique in Queensland in that it models itself on the American public school system having a Junior, Middle and College school campuses. St Johns School is the Catholic education facility for students between years one to twelve. In addition, the Southern Queensland Institute of TAFE provides technical and further education, as well as vocational training.

The smaller communities of the Maranoa region are well serviced by Education Queensland, with Mitchell also having a primary Catholic Education facility. A daily bus service to Roma also operates from the smaller communities catering for those centres with educational facilities which do not have secondary education departments.

The region's dedicated team of teaching professionals are committed to ensuring that distance from the eastern sea board does not comprise the delivery of high quality teaching standards and creative contemporary learning programs and delivery modes.

## ***Arts & Culture***

The Maranoa region has a lively and vibrant arts culture, made possible in large part by the activism of our community arts and cultural groups. These passionate groups have cultivated an environment of a thriving arts scene for locals and visitors to enjoy. The Maranoa region is also fortunate to have many talented artists and prominent art galleries.

Council recognises that the arts and culture sector is an integral part of the region's social fabric and of great importance to the communities. As such, Council has established an 'arts trail' which connects public art installations and the three Council galleries (i.e. Roma on Bungil, Surat on Balonne and Mitchell on Maranoa Galleries) throughout the region.

## ***Sport & Recreation***

Sport and recreation play a crucial role within the region both as an avenue for exercise and health enhancement and as equally important as a means for facilitating social interaction within the communities. As sport and recreation activities are pivotal to enhancing and maintaining healthy communities, the region offers a diverse range of sporting and recreational activities aimed at engaging residents and visitors. Key sporting and recreational activities throughout the region include, but are not limited to the following:



Rugby League Football	Rugby Union Football	Soccer	Touch Football
Cricket	Tennis	Golf	Lawn Bowls
Swimming	Rodeo	Campdrafting	Polocrosse
Netball	Pony Club	Walking (tracks & trails)	Cycling
Target Shooting	Athletics	Karate	Squash
Archery	Dance	Motorcross	Motor Racing
Fishing	Boating/Canoeing	Horse Trail Riding	Mud Derby Racing
Skateboarding	Birdwatching	Gymnasium	Triathlon



## ***Community Clubs & Associations***

As is characteristic of all thriving regions throughout Australia, the Maranoa region has a diverse range of community clubs, associations and organisations, which are the backbone of the region. Such groups provide valuable services to their respective communities not only performing essential volunteer activities but also providing important socialisation opportunities for local residents and visitors.

The community clubs and associations established within the Maranoa region range from:

Community service organisations (e.g. Rotary, Lions, Apex)

Sporting and recreational clubs

Arts and cultural groups

Special interest groups

Community action groups

Whilst there are a diverse range of community clubs and associations active throughout the region, they all share one commonality in that they all warmly welcome new members.