




Trent

Apologies for the delay, however I have now had an opportunity to look at the projections on Page 4 (Figure 2) of the Green Paper. How they arrived at the projections is not clear. However it looks very amateurish to me and based on some ill informed assumptions.

I don't have enough information to comment on Port Hedland, Broome, Karratha and Darwin.

However I can comment on the others.

It is notable that, in comparison with past trends, Mackay and Cairns are both written down to the same level and Rockhampton written up to that level. While Townsville is written down also, it is to a level faster than Cairns, Mackay and Rockhampton. This is contrary to long-term trends over the past three to four decades including those exhibited in the decade shown in the table.

The major acceleration in Mt Isa is contrary to what is happening there with major reduction in mining activity prospective.


Why they have accelerated Rockhampton is a puzzle. I visited and looked into what was happening there during the year. Their growth over the last 10 years has been above their longer term trend. It is my expectation that given what has been happening in coal, it is unlikely the past 10 years' growth will be maintained.

Cairns and Mackay have been outstripping Townsville and Rockhampton in growth rates and the two northern cities Cairns and Townsville have been outstripping Mackay and Rockhampton respectively in growth rates.

Mackay has now passed Rockhampton in size and Cairns is up from being half the size of Townsville to 87%.

What has happened reflects a variety of influences that I outlined in my "Australia's Tropical North Analysis".

The last 10 years have been specially influenced by the mining boom accelerating the growth of Mackay, Rockhampton and Townsville compared with Cairns which was negatively affected by a strong dollar and its effects



on tourism. Despite that, Cairns still managed to grow at a faster rate but not by as big a margin as in earlier decades. Clearly the pendulum has been swinging with Cairns accelerating again and the others falling back in growth rate.

In relation to the charts, I note they are of "Significant Urban Areas". There are some differences in the way boundaries have been drawn. Up to 2011, ABS had a boundary classification called Statistical Districts that tried to define comparative city sizes and growth.

More recently, they defined most regional cities as Statistical Area Level 3 (SA3s).

For some inexplicable reason, the way Cairns is defined as a Significant Urban Area is treated differently. The Significant Urban Area boundary is drawn tightly and excludes the Gordonvale area which is included in the old Statistical District definition. Whereas in Townsville, the two boundaries (the old Statistical District and the Significant Urban Area) are almost identical. This exaggerates the comparative size of Townsville.

On either measure, the growth rate of Cairns was faster over the previous 10 years and if simply extended through to 2026, the pattern of comparative size in 2026 would be:

2026
Townsville
245,000
Cairns
221,000

(Of course, on current indications, Cairns' growth rate will accelerate and that of Townsville subdue compared with the previous 10 years.)

In drawing up the more recent SA3 level boundaries, again the treatment of Cairns is very different.

To start with, Cairns is split into two SA3s Cairns North and Cairns South that approximate together the old Statistical District boundaries. In the case of Townsville, the city remains in the one SA3 which is expanded by an area covering an additional 13,000 people compared with the old Statistical District.

In the case of Mackay and Rockhampton, the boundaries are expanded to cover an additional 33,000 and 37,000 population respectively in surrounding areas.

If Cairns had been treated in a similar fashion, one SA3 would include Babinda, Yarrabah, Kuranda and Douglas taking total population to about 170,000.

The SA4 level boundaries exhibit a similar pattern, with the Cairns SA4

boundary being treated differently to those based on the other three cities.

A letter I wrote recently to ABS sets out the issue (attached).

There are some further issues with the Figure 2 of the Green Paper. Why did they accelerate Australia's population growth while keeping Northern Australia the same.

Re Alice Springs. Figure 2 has the growth rate falling. The high dollar and its impacts on tourism has suppressed Alice Springs' growth in the past decade compared with previous decades. The current indications are that over the next decade, Alice Springs could be expected to accelerate or at least hold at the same level.

Given the projection issues and the boundary issues, I think it would be useful for Advance Cairns to invite ABS to Cairns for a "please explain" meeting.

Regards
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