

Queensland Country
Bank

TOWNSVILLE REGIONAL SCORECARD REPORT



2021-2022

JANUARY 2022



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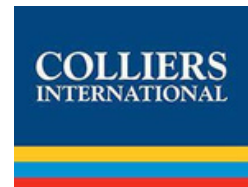
ABC RADIO

April 2011

Radio Interview, from 11 years ago, 5 minute recording



Special thank you to the following Contributors, as well as those producing regional data.



All skills and work involved is donated.
Graphic Design by Captive Communications.



SUMMARY

INTRODUCTION

The Townsville Regional Scorecard Report 2021-21 considers twenty-six (26) key variables to assess Townsville's performance in 2021. The report also identifies the important variables to watch in 2022. In 2021, a majority of seventeen (17) variables in this report tested positive. Three (3) variables did not have enough information to determine status and six (6) variables tested as risks or challenges. The variables were collected from Economic, Social and Environmental sources. Almost all the Economic variables tested positive, the Social variables were net positive and the Environmental variables tested neutral or positive. Several of the variables are discussed below and a table is produced in the Appendix. The Townsville Regional Scorecard Report has been produced five times (5) in the past fourteen (14) years. **This is a free report. All work has been donated.**

DATA

This report is a collection of data on Townsville Region. The data was obtained from a variety of credible sources and key organisations including Australian Bureau of Statistics, PVW Partners, Queensland Sugar Limited, Ychart, Port of Townsville, Colliers, Corelogic, Peter Wheeler, Carl Valentine, Simon Pressley, Prof. Colin Dwyer and James Cook University.

RESULTS

Townsville performed well in 2021. It created significant jobs, boosted its domestic and international tourism reputation, improved its median property prices and grew its population. Townsville Region obtained traditional full employment, improved its job security and maintained consistently high Business Confidence. The region maintained its reputation as the largest sugar producer in Australia and job adverts improved compared to the previous year. The Port of Townsville performed well under difficult conditions and the Queensland Country Bank Stadium performed above expectations as a lifestyle asset.

The Queensland Country Bank Stadium was the social asset of the year for Townsville. The Queensland Country Bank Stadium boosted Townsville's reputation as a domestic and international tourism sporting destination. It diversified Townsville's tourism profile and provided northern people with better community pride and better activity options. The Queensland Country Bank Stadium did more than expected in 2021 by putting bums on seats, heads into beds, buyers into businesses and boosting Townsville tourism reputation. It's a big ask to beat that performance in 2022.

SUMMARY

RESULTS CONTINUED.

The biggest Economic performance for Townsville in 2021 was the diversified job creation and reaching traditional full employment. Townsville officially created more than 6,000 jobs in 2021 and reached better than 95% employment (5% unemployment). Youth unemployment has more than halved in recent years. Compared to four years ago this is an outstanding performance. Even more important was the diversified nature of the job creation across Townsville Region. The challenge is to maintain the momentum in 2022 and beyond.

Townsville's Environmental performer of 2021 was the creation of a Hydrogen Cluster. Suns Metals and others drove this innovation and while Townsville has work to do in Zero Net Emissions (ZNE), it's well on the way to diversify and improve its environmental performance in 2022. A report by Australian Institute of Marine Science (AIMS) provided important and positive information on the health of the Great Barrier Reef.

CONCLUSION

Townsville's net positive performance in 2021 is due to better performances in several industries like construction, retail, sport tourism, agriculture, mining and manufacturing. The strong and diversified performance was above expectations.

2022 looks like another net positive year for Townsville with more, possibly diversified, Queensland Country Bank Stadium activity, several large projects commencing, continued demand for skilled workers, improving asset prices with comparatively affordable property and well performing agriculture, manufacturing and mining sectors. But there are risks and challenges including asset yields, home insurance, residential vacancy rates, Covid-19 and a federal election.

Townsville is a diversified regional city that has rebounded from recent depression to be a significant job creator in 2021. **Can Townsville maintain or beat this performance in 2022?**

Environmentally, Townsville region has multiple natural assets like the Great Barrier Reef, Rainforest, Ramsar listed wetlands, waterfalls, the Burdekin river system and significant biodiversity. The Reef has improved recently and there's cautious optimism that coral resilience can be improved in coming years. The proposed Hydrogen Cluster is a move towards a Zero Net Emission City.

All contributors to this report believe Townsville can maintain its net positive performance in 2022; but there's also caution given the uncertainty/risk in some variables.

INTRODUCTION

The Townsville Region Scorecard (TSC) 2008-2021 is a transparent and enduring addition to the community's store of knowledge. It is acknowledgement of Townsville's aggregated performance across multiple variables and a view of where Townsville might be in the future.

This report provides a summary of a number of key quality of life indicators for the Townsville region. The report has been prepared to highlight issues the broader community should be aware of in order to maintain and /or improve quality of life.

There was a strong view from key members of the TSC that the indicators should not be too detailed. Some indicators were difficult to gather credible data. Instead of not reporting on these indicators, the report includes them as a desirable indicator to be reported on in the future. It's also pleasing to see some variables that were listed in the past, but had no data, now have quality, publicly available information e.g. Great Barrier Reef.

As shown in Appendix 1, a scorecard style is used to describe each indicator. All of the indicators have a credible source and data year.

It's also interesting to observe the change in some variables over time. Socially, in 2008 Home Affordability was a community concern but in 2021 home affordability in Townsville LGA was one of the best in Australia. Economically, in 2016 Townsville region unemployment rate was one of the worst in the nation, but in 2021 Townsville region experienced traditional full employment. Environmentally, in 2009 there wasn't a public report available on the Great Barrier Reef, but in 2021 there's a credible long-term report with positive information.

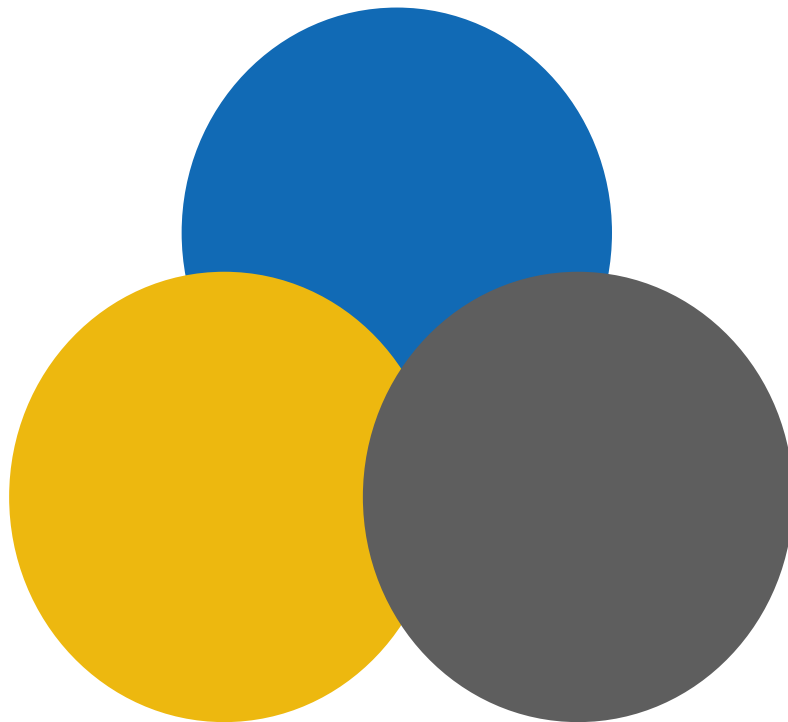


2021 *home affordability, one of
best in Australia*

SUSTAINABILITY

SOCIAL

*Our lifestyle depends upon our
economy and our environment*



ENVIRONMENTAL

*Our community depends on
its environment for its
lifestyle*

ECONOMIC

*Our community depends
on its economy for
prosperity*

ECONOMIC

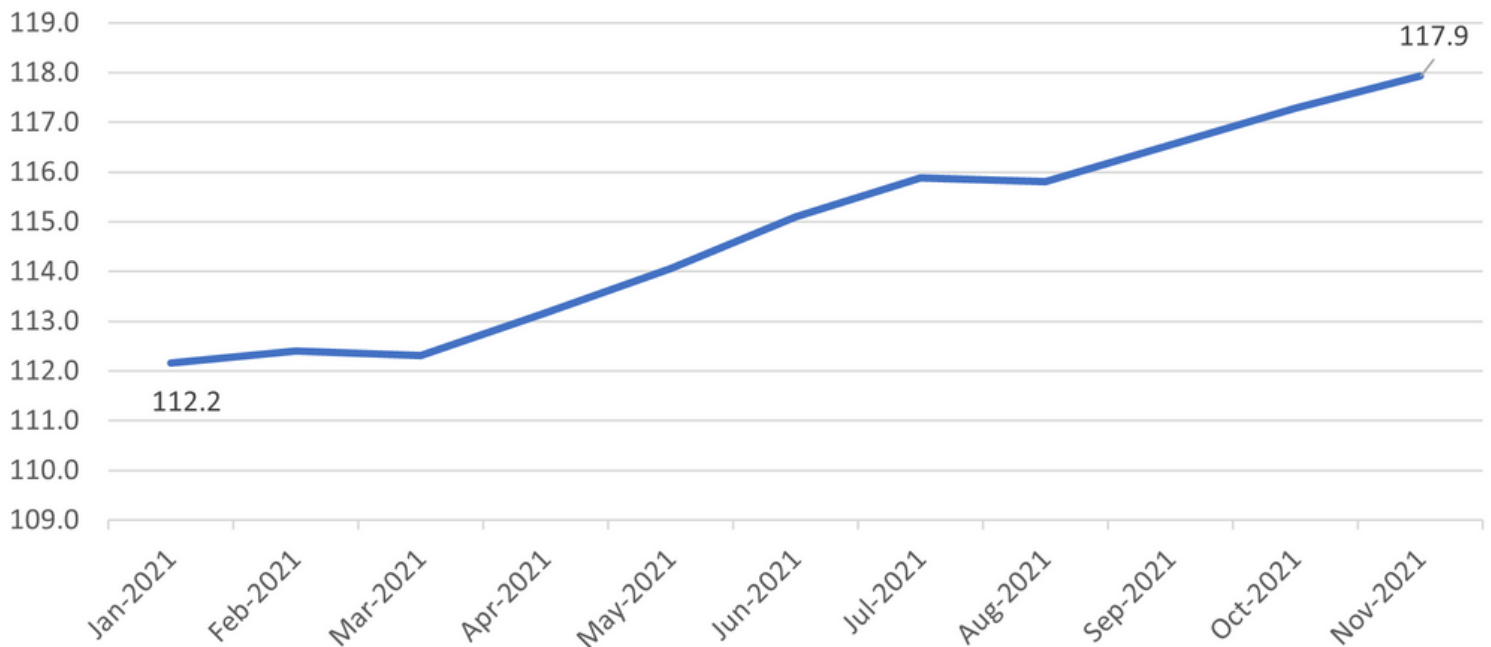
INTRODUCTION

The Economic section considers fourteen key (14) variables to assess Townsville’s performance in 2021 and provides a view of what might happen in Townsville in 2022. A majority of the variables in this section tested positive in 2021. Eight (8) of the variables are discussed below and a table is produced in the Appendix. It’s important to consider the significance of each Economic variable and its interconnectedness with other variables and its significance to the region, state, nation and world.

TOWNSVILLE REGION JOBS

Total Townsville Region jobs (as at December* 2021) was 117,900. Over 6,000 jobs were added in the past year (Nov20-Nov21). We forecast more jobs to be created during 2022 especially in Health and Social Assistance, Construction and Education. Interestingly most new jobs in the past year have been created for females. Officially, females now have more jobs than males in Townsville.

Townsville Region Official Job Numbers '000
Jan to Nov 2021



- Australian Bureau of Statistics*December release but with November data

ECONOMIC

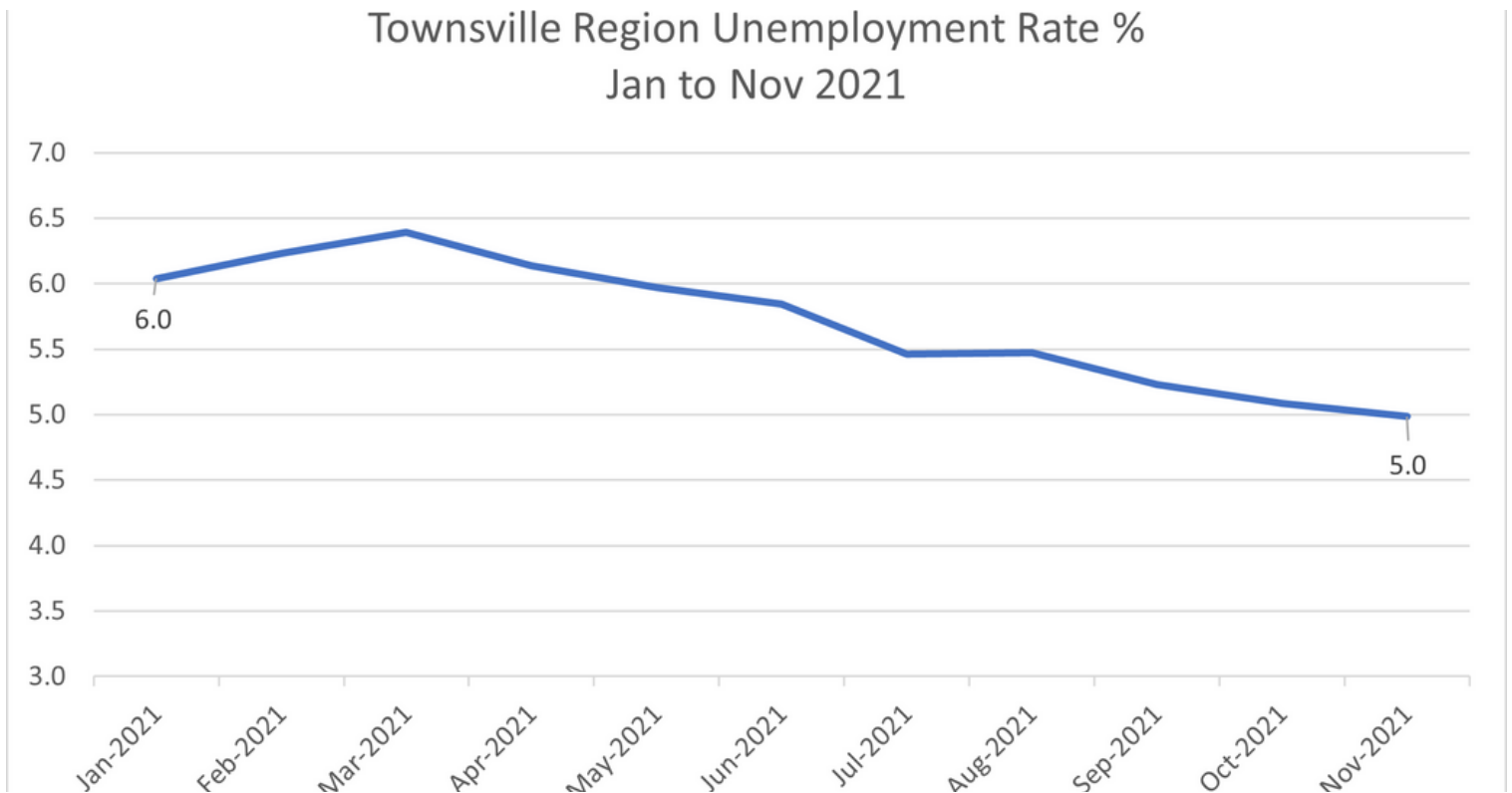
UNEMPLOYMENT RATE

Townsville regions official 12 month unemployment rate is 5%. The unemployment rate has dropped 1 point during the year to November 2021 and is well below the region’s long run average. We wouldn’t be surprised if Townsville’s official unemployment rate trended towards the high 4%’s during 2022.

YOUTH UNEMPLOYMENT RATE

Townsville Regions Youth unemployment rate has more than halved (to 7.9%) in the past five years and improved 2.9 points during 2021. We expect Youth employment opportunities to continue to improve in 2022.

Townsville Region Unemployment Rate %
Jan to Nov 2021



ECONOMIC

JOB ADVERTS

In 2021 Townsville region job adverts on SEEK increased as did the variety of jobs on offer. The highest number of jobs advertised was in Healthcare and Trades, followed by Government and Defence and Manufacturing and Transport. Compared to the same time last year, Job ad numbers increased significantly.

BUSINESS CONFIDENCE

Townsville’s Business confidence remains positive. The PVW Partners Business Confidence Index is a highly regarded regional KPI. In the year to March 2022 the PVW Partners Business Confidence Index revealed “Sustained higher levels of positive business confidence”.

"We expect 2022 to be similar, depending on seasonal variations and with risks such as potential Covid 19 related disruptions. Sustained confidence is also partially dependent on businesses being able to address their resourcing needs – appropriately skilled and experience personnel are increasingly hard to find as are materials and services inputs into many businesses."

- PVW PARTNERS ON OUTLOOK 22



Townsville Business Confidence Change Index



ECONOMIC

PORT OF TOWNSVILLE

Significant increase in the number of motor vehicles and containerised goods imported through the Port of Townsville helped deliver modest profit growth in the year to July 2021.

In 2020-21, the Port of Townsville delivered a strong operating result of \$14.3 million, up 3.3% on the previous year, despite the ongoing impacts of the pandemic.

While overall trade dropped to 7.7 million tonnes compared to 8.2 million tonnes the previous year, containerised trade rose 17% and motor vehicle imports increased 34%. The Port also recorded increased trade in exports of fertiliser and refined metals and imports of cement, fertiliser and petroleum products.

- PORT OF TOWNSVILLE WEBSITE

SUGAR PRICES

Townsville Region including Burdekin and Ingham, combined, produce over 35% of Australian sugar. All the sugar is refined locally adding manufacturing jobs. Townsville Port is the largest sugar exporting port in Australia adding transport and storage jobs. Burdekin is the largest sugarcane producing SA2 in Australia.

During 2021 the price of sugar increased around 30% while the Aussie dollar depreciated around 8%.

"Queensland Sugar Limited (QSL) expect the price of sugar (USc/pound) to trend slightly lower in 2022".

- QSL ON OUTLOOK 22

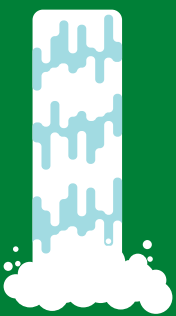






ECONOMIC

COMMERCIAL / INDUSTRIAL PROPERTY

Confidence in Townsville’s business community is high, with major projects and mining developments starting and flowing through the local economy. At time of printing the combined value of the top ten sales for 2021 in Townsville City was around \$247.25m. This includes the sale of Kmart Plaza.

"Townsville’s future is looking positive, with the region well-placed for new economic opportunities, such as the hydrogen industry. The announcement of Townsville as a Hydrogen Cluster is an important recognition of the role Townsville region will play in this critical future industry. Along with other developments at the Lansdown Eco-Industrial Precinct, Townsville region is establishing itself as a home for sustainable heavy industry and will no doubt enjoy economic returns for embracing this transition".

- COLLIERS ON OUTLOOK 22

 <p>TOWNSVILLE REGION IS HOME TO THE LONGEST DROP WATERFALL IN AUSTRALIA</p>	<p>JAMES COOK UNIVERSITY IS A WORLD LEADER IN EDUCATION AND RESEARCH</p> 	 <p>TOWNSVILLE HAS THE LARGEST ARMY BARRACKS IN AUSTRALIA</p>
<p>TOWNSVILLE REGION IS THE LARGEST SUGAR PRODUCER IN AUSTRALIA</p> 	<p>TOWNSVILLE IS THE LARGEST CITY IN NORTH AUSTRALIA</p> 	<p>TOWNSVILLE HAS THE LARGEST HOSPITAL IN REGIONAL QUEENSLAND</p> 
<p>TOWNSVILLE HAS THE LARGEST STADIUM IN NORTH QUEENSLAND</p> 		

SOCIAL

INTRODUCTION

The Social section considers eight (8) key variables to assess Townsville's performance in 2021 and provides expectations of what might happen in Townsville in 2022. A majority of the variables in this section tested positive. Seven (7) Social variables are discussed below, and a table is produced in the Appendix. It's important to consider the significance of each Social variable and its interconnectedness with other variables and its significance to the region, state, nation and world.

STADIUM PERFORMANCE

The Queensland Country Bank Stadium is an outstanding addition to northern lifestyle assets. This asset is part of how Townsville retains population, builds and diversifies its tourism sector, supports hundreds of entry level jobs and develops its tourism reputation.

Big events give Townsville region the chance to diversify its economy, boost its lifestyle options and build on its events reputation. Townsville is a garrison city, a health hub and a tertiary education town but with the Queensland Country Bank Stadium Townsville has a new component in its character.

"In 2022 we see potential for a variety sporting, music and cultural events. These events support thousands of jobs, absorb thousands of bed nights, distribute millions into local businesses and drive the event tourism reputation momentum of 2021".

- QUEENSLAND COUNTRY BANK STADIUM ON OUTLOOK 22

SOCIAL

POPULATION

At as June 2020 Townsville LGA remained the largest city in North Australia with 196,800 residents. Townsville's population grew by 1,778 or 0.9% in the year to June 2020. Townsville City's net natural increase was 1,345 and net overseas arrivals was 702, but net internal migration was negative (-269). Net overseas arrivals is below population fair share expectations, suggesting Townsville has a challenge attracting overseas residents.

Townsville Region's population has grown to 238,813. Most surrounding local authorities officially lost residents in the year to June 2020. Burdekin's estimated population was 16,953, Charter Towers 11,731, Hinchinbrook 10,645 and Palm Island 2,684.

In Townsville City, we expect 2021 population numbers to be positively influenced by increased babies and a positive net internal migration (Jobs BOOMERANGERS and VESPAS) that could see population growth between 1% and 1.5%.

"Townsville is moving closer to 200,000 residents. We wouldn't be surprised if Townsville unofficially reached this population milestone in 2022; given favourable census recalibrations. The 2021 census data will be released around mid 2022".

- AUSTRALIAN BUREAU OF STATISTICS & DWYER ON OUTLOOK 22

SOCIAL

RESIDENTIAL PROPERTY MARKET

In the 12 months to November 2021 Townsville median house price grew 7.4%. Units grew at around half this pace (Source Corelogic and ABC). There are many factors that influence future home prices in a regional city.

Townsville's 128% in annualised house sales (demand) to October 2021 is more than double the national average.

Four Property commentators, including Propertology, Terry Ryder, Matusik and Herron, Todd White expect Townsville to experience house (not Unit) price increases during 2022. Readers should complete their own Due Diligence.

"After nine consecutive years of mild house price declines (ending in late 2019), Townsville's property market is gaining momentum. The 2021 calendar year was the best year for Townsville real estate since 2007".

- PROPERTYLOGY'S HEAD OF RESEARCH, SIMON PRESSLEY



SOCIAL

TOWNSVILLE HOME AFFORDABILITY

The House Affordability Index (HAI) is the regions median house price divided by the regions mean household income. Townsville's home affordability is comparatively better than all capital cities and better than all comparative sized cities. Some housing costs are comparatively more expensive (than capital cities) in Townsville region such as home insurance.

<https://housing.id.com.au/townsville/affordability-and-availability>

CRIME

Data from QPS and QGSO reveals the Townsville Regional comparative crime rate challenge.

In 2020-21 Townsville Region had a crime rate per 100,000 - 56% higher than the state average. Personal and Other crimes were comparatively higher across all LGAs in the region. Property crime in Townsville LGA was highest across the region with 35% higher activity than the state average, while Charters Towers-Burdekin-Ingham combined with 18%* below the state average.

<u>REGION / LGA</u>	CRIME QUOTIENT PERSON	CRIME QUOTIENT PROPERTY	CRIME QUOTIENT OTHER	CRIME QUOTIENT TOTAL
Townsville SA4	1.76	1.26	1.82	1.56
Charters Towers / Burdekin / Ingham	2.02	0.82*	2.04	1.49
Townsville LGA	1.71	1.35	1.77	1.58

- QGSO, QPS (Quotient is the regional rate divided by state average rate)

SOCIAL

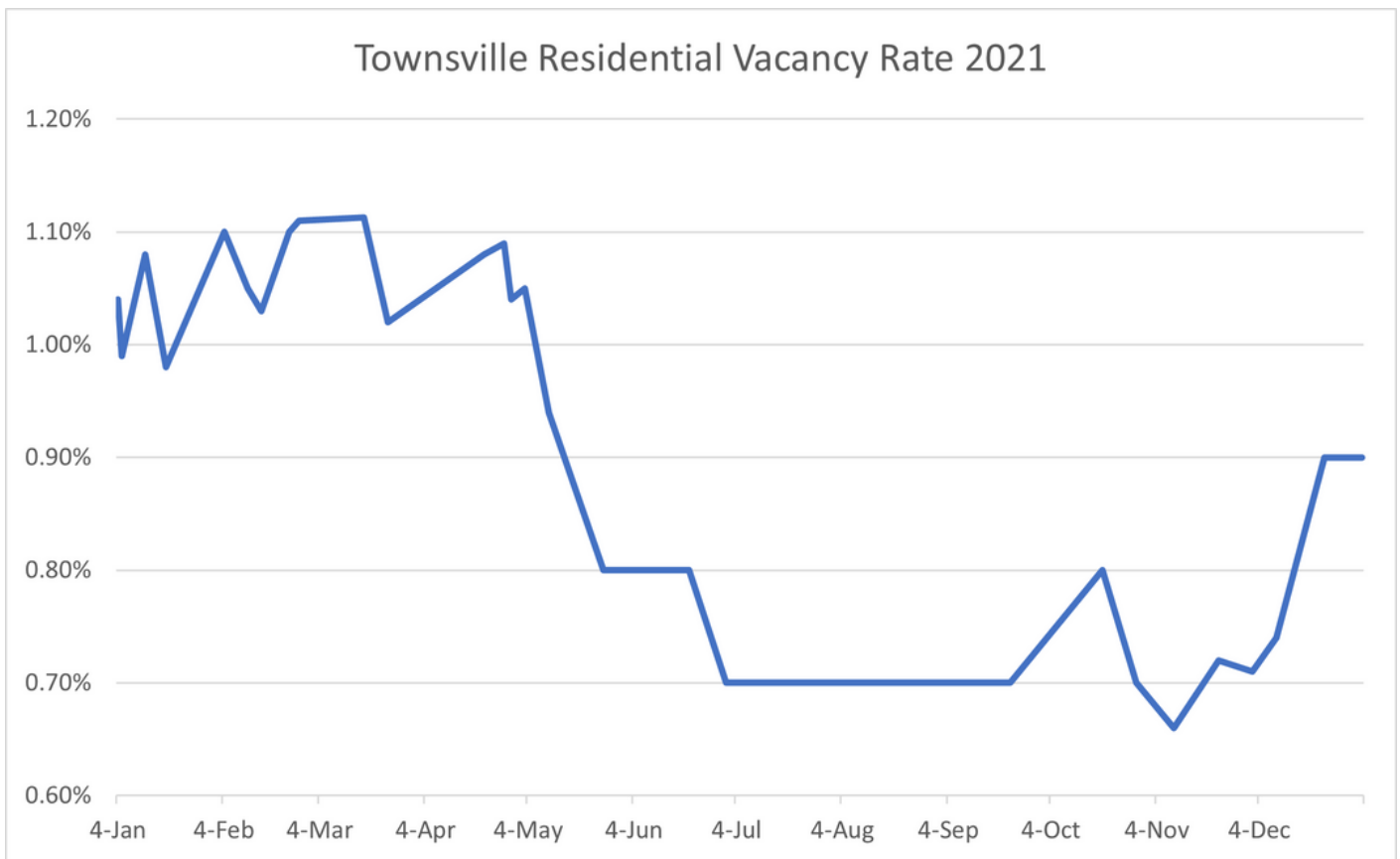
RESIDENTIAL VACANCY RATE

The Townsville Vacancy Rate remains tight at 0.9% for December 2021. It was tight for all of 2021. All rental precincts across Townsville are very tight.

There are fewer rental properties available in the total pool at the end of 2021, than at the start of 2019. That means RTA Bonds are down 4% over the past two years. Fewer investment properties, especially of this magnitude, adds pressure and complexity to a tight Townsville residential rental market.

We expect the residential vacancy rate to remain very tight during 2022. Rental vacancy rates have been below 2% since March 2018, driving a 12% increase in the price of advertised house rents over the last 2 years.

- PROPERTYOLOGY & DWYER ON OUTLOOK 22



- Dwyer, REA and RTA

SOCIAL

ROAD SAFETY

There were significant deaths recorded on Townsville roads in 2021.

The \$512m Haughton Floodplain upgrade was completed in 2021 and significant upgrades to the Bruce Highway north of Townsville were in progress. Many road surfaces need attention to gain consistency with South East Queensland standards. Many old and comparatively narrow bridges on the Bruce Highway require attention. Northern people were included on the Bruce Highway Trust Advisory Group.

- QUEENSLAND DEPARTMENT OF TRANSPORT & DWYER



ENVIRONMENTAL

INTRODUCTION

The Environmental section considers six (6) key variables to assess Townsville's Environmental performance in 2021. The Environmental variables are discussed below, and a table is produced in the Appendix. It's important to consider the significance of each Environmental variable, its interconnectedness with other variables and its significance to the region, nation and world. We couldn't find credible data for some environmental variables. We leave them in this report to highlight the need for better information on these variables.

THE REGIONS ENVIRONMENT

Townsville region comprises five Local Government Authorities (LGA) including Burdekin, Hinchinbrook, Charters Towers, Palm Island and Townsville. Townsville region has a total land area over 85,600 km², with an average daily temperature range of 16.5°C to 29.2°C and an average annual rainfall of 837 mm. The region includes the longest drop waterfall in Australia, a Ramsar listed Wetland area, The Great Barrier Reef, World Heritage listed Rainforest and one of the largest river systems in Australia.

HYDROGEN CLUSTER

Suns Metals subsidiary Ark Energy acquired large wind and solar utility Epuron. Townsville based Sun Metals is part of the world's largest producer of Zinc, Lead and Silver, and Korea Zinc. Ark Energy will leverage its internal demand to produce green non-ferrous metals. Sun Metals will produce hydrogen for hydrogen fuel cell trucks. Ark Energy believes there is a "huge opportunity for North Queensland" in green hydrogen for the domestic and export market.

<https://www.sunmetals.com.au/sustainability/renewables/>

- SUN METALS ZNE & TOWNSVILLE BULLETIN

CROMARTY WETLANDS

The ecosystem of the Cromarty Wetlands is the primary breeding and food source for Magpie Geese - to barren and dry 'playgrounds' for the Brolga, as part of a critical annual cycle.

The wetland system is home at various times of the year to some 255 species of birds, 51 species of reptile, 44 species of mammals and countless species of invertebrate.

- BURDEKIN LOCAL GOVERNMENT AUTHORITY

ENVIRONMENTAL

GREAT BARRIER REEF

Australian Institute of Marine Science (AIMS) Great Barrier Reef long term survey 2021.

The last couple of years have revealed that recovery is underway across much of the Great Barrier Reef, a promising sign illustrating that the Great Barrier Reef still has the capacity and necessary ecological functions to recover from disturbances.

The Central and Southern Great Barrier Reef had periods of recovery within the last decade which have been curtailed by disturbances, arresting recovery, and causing further coral declines. Sustained recovery of the Great Barrier Reef back to historical high coral cover requires the next few years to be disturbance free to allow corals to continue to grow and increase their populations.

2021 has been a low disturbance year, while the period from 2014 to 2020 was an intense period of widespread disturbances. There were numerous severe tropical cyclones and three mass coral bleaching events in five (5) years. The fourth wave of crown-of-thorns starfish outbreaks began around 2010 between Lizard Island and Cairns, and by 2020 had progressed south to reefs offshore from Townsville.

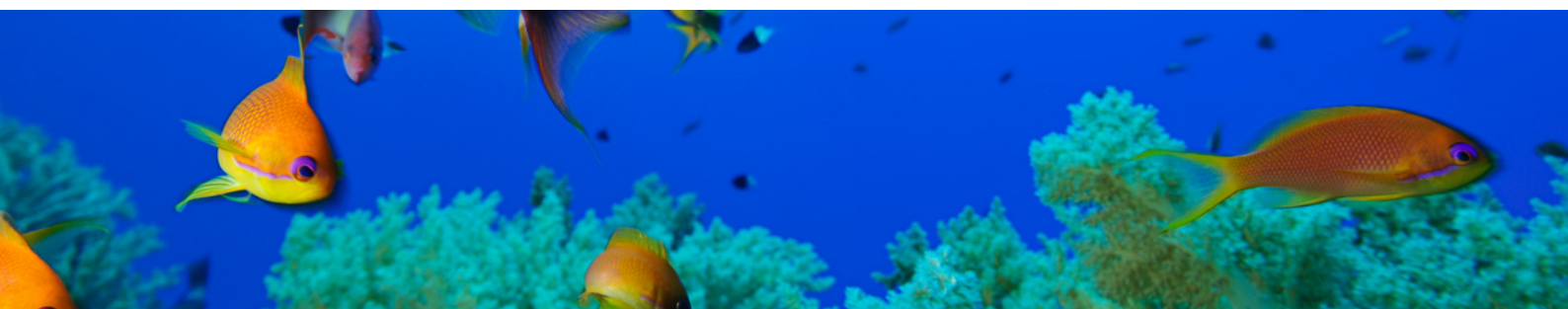
The prognosis for the future disturbance regime under climate change is one of increasingly frequent and longer lasting marine heatwaves and a greater proportion of severe tropical cyclones. Mitigation of these climatic threats requires immediate global action on climate change.

CENTRAL GREAT BARRIER REEF

(Surveyed January to April 2021)

Since regular surveys by Australian Institute of Marine Science began in 1985, hard coral cover on reefs in the Central Great Barrier Reef has generally been lower than in the Northern and Southern Great Barrier Reef.

Region-wide hard coral cover in the Central Great Barrier Reef decreased to the lowest level in LTMP records in 2012, following the impact of severe Tropical Cyclone Yasi in 2011. Hard coral cover then recovered rapidly to the highest average regional cover in the LTMP database record in 2016 (29%).

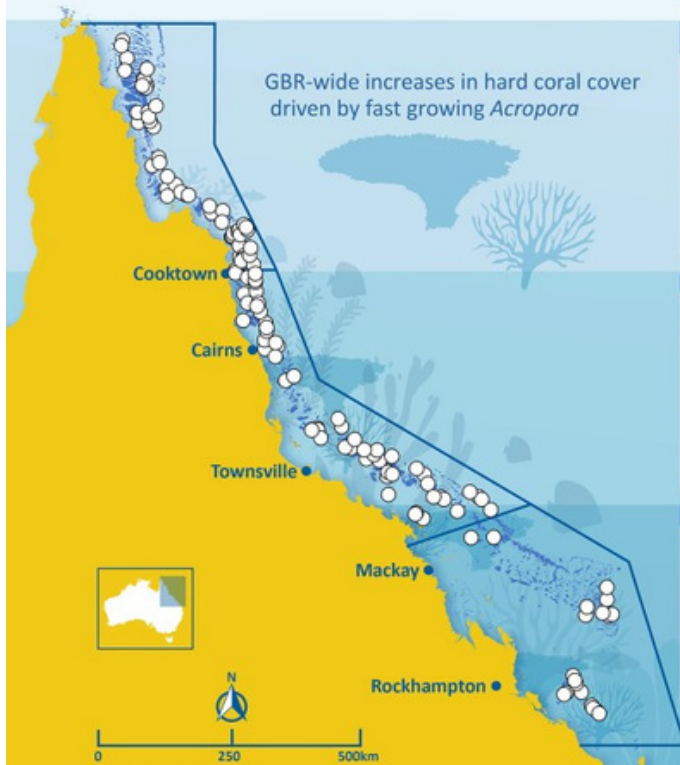


ENVIRONMENTAL

AIMS LONG-TERM MONITORING PROGRAM 2020 - 2021 RESULTS



Total number of reefs surveyed in 2020 - 2021 **127**



NORTHERN GREAT BARRIER REEF			
Survey period October - December 2020			
HARD CORAL COVER PER REEF Each square represents the current hard coral cover category on each survey reef Number of reefs surveyed 54	HARD CORAL COVER Status & Trend 27% coral cover increased in 2021	CROWN-OF-THORNS STARFISH OUTBREAKS Status & Trend No outbreaks	BLEACHING SEVERITY Status & Trend 0 High 16 Low 0 Medium 38 None Number of reefs with bleaching
CENTRAL GREAT BARRIER REEF			
Survey period January - February, April 2021			
 Number of reefs surveyed 53	Status & Trend 26% coral cover increased in 2021	Status & Trend No outbreaks	Status & Trend 0 High 26 Low 0 Medium 27 None Number of reefs with bleaching
SOUTHERN GREAT BARRIER REEF			
Survey period August 2020			
 Number of reefs surveyed 20	Status & Trend 39% coral cover increased in 2021	Status & Trend Active outbreak 3 reefs Incipient outbreak 1 reef	Status & Trend 0 High 10 Low 0 Medium 10 None Number of reefs with bleaching

LEGEND ○ Survey Site Locations

HARD CORAL COVER: Low >0% - 10% Moderate >10% - 30% High >30% - 50% Very High >50% - 75%

CROWN-OF-THORNS (COTS): No Outbreak 0 to 0.1 COTS Potential Outbreak 0.1 to 0.22 COTS Incipient Outbreak 0.22 to 1 COTS Active Outbreak Over 1 COTS (Number of COTS divided by tow numbers)

BLEACHING SEVERITY: Low Under 10% colonies bleached Medium Between 10% and 30% colonies bleached High Over 30% colonies bleached

SUMMARY

Hard coral cover increased across all three regions (Northern, Central and Southern) in the last two years, and most reefs surveyed had moderate or high coral cover.

After a decade of cumulative disturbances, the Great Barrier Reef (GBR) has experienced a low disturbance year in 2021. There was no prolonged heat stress or any cyclones of note, and decreased numbers of crown-of-thorns starfish outbreaks across much of the GBR. Results from 2021 revealed minimal loss of coral from the 2020 coral bleaching event, as only a few survey reefs experienced heat stress during 2020 above the threshold at which extensive coral mortality is expected.

While there has been recovery of hard coral cover, this was driven by fast-growing *Acropora* corals which are vulnerable to the common disturbances affecting the GBR. Surveys also recorded shifts in coral communities on some outer shelf reefs in the Northern and Central GBR following the 2016/17 mass coral bleaching events.

The GBR remains exposed to the predicted consequences of climate change, including more severe cyclones and more frequent and intense marine heatwaves. The observed recovery has been seen previously and can be reversed in a short amount of time.

ENVIRONMENTAL

NET ZERO EMISSION BUILDINGS

No credible information to comment on this variable.

<https://carbonneutral.com.au/carbon-calculator/>

NET ZERO EMISSION CITY

No credible information to comment on this variable.



RISKS & CHALLENGES

COVID-19

COVID-19 is likely to remain a risk in 2022, especially with staff quarantines and impact on business and essential services. With lockdowns and staff quarantines come disruptions to business, jobs and the economy. Quarantining of key staff due to COVID-19 in key industries is likely to disrupt supply chains in 2022. Being fully vaccinated helps to reduce the health, social and economic risk.

SKILLS GAPS

As forecast by Dwyer in 2018, the region is under pressure with skills gaps and deficits. Many significant projects are starting in 2022. We expect Townsville building costs to be higher than CPI in 2022. We also expect, similar to 2021, significant projects may take longer to complete. Assuming a very tight residential vacancy rate, undersupplied new homes, lower stock of residential homes for sale and rising home insurance, If Townsville can attract enough workers, how will it house them and provide affordable insurance?

BRISBANE 2032 OLYMPICS

Longer term, there's risk and opportunity associated with the Brisbane 2032 Olympics. The Brisbane 2032 Olympics will cost billions, adjust private and public investment priorities and is widely recognised will shift skilled workers from regional Queensland to South East Queensland. Regions need a plan to manage all these challenges and prepare for any opportunities over the next decade.

HOME INSURANCE

In 2021 a \$10 Billion Home Insurance pool was announced. It may be implemented in 2022. There are a variety of models that suggest between 10% and 25% improvement for Northern house owners from this fund. Insurance is likely to remain higher than southern locations and remain a challenge for northern homeowners in 2022. Recent anecdotal information suggests some/many (unclear how many) northerners experienced insurance cost increases during 2021, mainly due to rising building costs. Home insurance costs remain a diversion for household spending and a consistent dampening agent on northern economic growth.

CONCLUSION

Townsville Scorecard (TSC) is a multi-variable, multi-dimensional assessment of the performance of North Australia's largest city, Townsville (Dwyer 2008). The reporting system recognises the crucial connections between Environment, Economy and Society. Townsville Scorecard 2021-22 describes the performance of twenty eight (28) local variables. In 2021, eighteen variables (18) tested positive. There is solid optimism for continuing positive performance in 2022. Since 2009, the performance of over sixty-five (65) local variables have been discussed in TSC reports. TSC usually includes some important variables where no data is available. We do this to highlight the need for more and better regional data.

The TSC 2021-22 report found Townsville performed well in 2021 compared to previous time periods. Between 2008-10 there were thirteen (13) positive variables. In 2016 there was just one (1) positive variable. In 2020 there were thirteen (13) positive variables and by 2021 there were eighteen (18) positive variables. The variables included in these reports have changed over time, their sensitivity to endogenous and exogenous influences has changed and the strength of their influence on the Townsville region has changed.

It's interesting to observe the change in some variables over time. Socially, in 2008 home affordability was a community concern but in 2021 home affordability in Townsville LGA was one of the best in Australia. Economically, in 2016 Townsville region unemployment rate was one of the worst in the nation, but in 2021 Townsville region experienced traditional full employment. Environmentally, in 2009, there wasn't a public report available on the Great Barrier Reef, but in 2021 there's a credible long-term report with positive information.

Focusing on 2021, Townsville Region created significant jobs, boosted its tourism reputation, improved its median property prices and grew its population. Townsville region obtained traditional full employment, improved its job security and maintained consistently high business confidence. The region maintained its reputation as the largest sugar producer in Australia and Job Adverts grew compared to the previous year. The Townsville Port performed well, under difficult conditions. It tackled its opportunities challenges with better resilience and higher confidence.

Townsville has new challenges and opportunities compared to five (5) and ten (10) years ago. Its challenges include a very tight residential vacancy rate, comparatively high and increasing home insurance premiums, unacceptable crime rates, skills shortages, Covid-19 concerns and unacceptable number of road deaths. It has continuing risk associated with Brisbane 2032 Olympics, a looming federal election, Covid-19, rising inflation and challenges associated with sea temperatures.

CONCLUSION CONT.

In 2022, we expect a net positive overall performance and a net positive economic performance. We expect positive jobs performance, positive business confidence, solid and diversified job adverts and good youth employment opportunities. We wouldn't be surprised at continued positive performance in key primary and secondary industries (sugar, cattle, zinc and copper). We expect at least two large projects to increase construction activity in 2022 and the local residential construction and property sectors to outperform many other regions.

There's lower but positive confidence about Townsville's Social indicator performance in 2022. We expect another positive performance from Queensland Country Bank Stadium in 2022, but the 2021 performance would be hard to beat. There's a federal election in 2022. Elections sometimes disrupt some business activity. We are cautiously optimistic about better home and business insurance in 2022. The residential vacancy rate should remain very tight in 2022. In 2022, we wouldn't be surprised if Townsville unofficially reaches 200,000 residents but Covid-19 remains a challenge that could disrupt commerce, jobs, migration and tourism. The Brisbane 2032 Olympics presents opportunities and challenges, and regions need to plan to mitigate any risk and gain any net benefit.

Environmentally, there is hope for another year of low disruptions and improving coral growth. We expect advances in Hydrogen and Zero Net Emissions.

When we consider all these variables, we expect Townsville Region to experience net gain in 2022, but it's not without risk and challenges.

APPENDIX 1

TABLE 1 - TOWNSVILLE PERFORMANCE 2021 AND EXPECTATIONS FOR 2022

Indicator	Townsville Year to December 2021	Expected performance in the year ahead	Source
Stadium Events	Bumper year of Events	Positive Expectations	Stadium Dwyer
Jobs	Over 6,000 jobs added last year and 24k in 4-5 years	Growing	ABS
Job adverts	Over 1500 job adverts (stock) each month	Positive	SEEK
Unemployment rate	<5% or full employment	Full employment conditions	ABS
Youth Unemployment	7.6% and trending lower	Improving	QGSO
Business Confidence	High and positive (7.0)	Positive (9.8)	PVW Partners
Job security	Positive	Positive	
Population	Net Migration Challenges remain. Net Natural Increase up	Maybe a milestone?	ABS
Residential Vacancy rate	Tight	Tight	Dwyer
Commercial Sales	Positive	Positive depending on grade and sector	Colliers
Significant projects	Expect additional Significant projects	Positive	Dwyer
Diversification Projects	Expect additional diversification in projects	Positive	Dwyer
Residential Approvals	Trending positive	Positive	TSV LGA
Crime rate	Crime increased in 2021 compared to 2020.	Steady	QGSO
Residential Median House Price	Rising	Rising	Corelogic
Home Affordability	Steady	Steady	Housing.id
Road Safety	Too Many Deaths		TMR
Net Zero Emissions Economy			No Credible data
Net Zero Buildings			
GBR	Improvement		AIMS
Brisbane Olympics			Dwyer
Home Insurance	Reports of significant increases in part due to build material cost increases	Expect reduction due to Reinsurance pool.	Various
Skill Shortages	As forecast (Dwyer 2018) Skills Shortages, Gaps and Deficits existed across the region in 2021.	Expect skill shortages to deepen	Dwyer
Sugar Prices	Up 30%	Steady	QSL
Zinc Prices	Up 24%	Steady	Ycharts
Port Activity	Down slightly	Positive	POTL
CV19	Disrupted households and businesses.	Expect a surge in CV19 cases but lower risk of shutdowns in 2022 due to solid vaccination rates. Supply chains likely to be impacted as positive workers quarantine.	Various Sources
Fed Election		Can elections cause uncertainty?	Various

SOURCE -QGSO, POTL, QSL,YCHARTS, QHEALTH, COLLIERS, PVW PARTNERS, ABS, CORELOGIC, JCU, HOUSING.ID, DWYER, 7 NEWS, ABC, TOWNSVILLE BULLETIN, AIMS

APPENDIX 1

TABLE 2 - TOWNSVILLE SCORECARD 2008-09

Indicator Category	Indicator Code	Indicator	Performance
Social	S01	Population	+
Social	S02	Population Growth	+
Social	S03	Inward Migration	+
Social	S04	Outward Migration	-
Social	S05	Access to a GP	--
Social	S06	Patients awaiting transfer at TGH	--
Social	S07	School Students	+
Social	S08	University Graduates	-
Social	S09	Median Age of Population	+
Social	S10	Life Expectancy	-
Economic	EC1	Economic Contribution	+
Economic	EC2	Economic Growth	-
Economic	EC3	Economic Diversity	+
Economic	EC4	Average Income	+
Economic	EC5	Housing Affordability	--
Economic	EC6	Employment	+
Economic	EC7	Unemployment	-
Economic	EC8	Reliance on Mining Industry	-
Economic	EC9	Reliance on Government/Defence Industry	+
Economic	EC10	Public Investigation	--
Environmental	EN1	Ecological Footprint	--
Environmental	EN2	Domestic Energy Consumption	-
Environmental	EN3	Commercial/Industrial Energy Consumption	-
Environmental	EN4	Domestic Renewable Energy Consumption	-
Environmental	EN5	Commercial/Industrial Renewable Energy Consumption	-
Environmental	EN6	Water Availability	+
Environmental	EN7	Water Quality	~
Environmental	EN8	Remnant Vegetation	+
Environmental	EN9	Recovery Plans for Threatened Species	~
Environmental	EN10	Protected Areas	+
Environmental	EN11	Condition of the Great Barrier Reef	~
Environmental	EN12	Waste Generation	-
Environmental	EN13	Waste Recycling	-
		Legend:	
		+ Moving towards sustainable	
		- Moving away from sustainable	
		-- Major Challenge	
		~ Not recorded	

APPENDIX 1

TABLE 3 - TOWNSVILLE REGION INDICATORS 2010

Indicator	Performance	Comment
Population SI1	+	Growing faster than National rate
Population Growth SI2	+	Growing faster than National rate
Emergency Department SI3	-	Better than previous <u>year</u> ; Significant Challenges remain
Education SI4	-	NAPLAN results continue to suggest challenges
Marriages and Divorces SI5	-	Divorces above national level
Grocery Prices SI6	-	Slow increase in GPI More expensive than Capital Cities
House Affordability SI7	--	Better than previous year- Better than national rate Worse than benchmark of 3
GP Numbers SI8	--	16.2% below state benchmark
University Graduates SI9	++	Solid increase Gender imbalances cause for investigation.
GRP EI1	+	Growing faster than National rate
Diversified Economy EI2	++	Solid
Unemployment EI3	+	Better than previous <u>year</u> ; Better than national rate
Workforce EI4	+	Better than previous year
Business Confidence EI5	-	Falling and negative Below national level
Dwelling Approvals EI6	+	Increasing but still below Long Run Average Comparative national per capita share
Mean Incomes EI7	+	Better than previous year- Better than national rate
Port Activity EI8	-	This year's activity is improving
State Public Investment EI9	-	Better than previous year, but inconsistent over past 5 years
SPI v GRP EI10	-	Same as last year remains inconsistent
Ecological footprint	--	Evidence suggests comparatively higher than world average - Updates unavailable
Residential energy consumption	--	Northern residents use 18% more power than all other Ergon Customers
Commercial/Industrial Energy Consumption	-----	Northern commercial premises use 50% more power than all other commercial Ergon Customers
Domestic Renewable Energy Consumption		Evidence exists that commercial customers could use more green energy
Condition of the GBR		No data available
Water availability	++	9 mega litres per capita
Water Quality	+	Meet s Guidelines
Waste generation	+	8 kg per person Less than two years ago
Waste Recycling	+	1 kg per person more than two years ago

Each + or - represents 10% points gap from the benchmark performance
Blank means no data

APPENDIX 1

TABLE 4 - TOWNSVILLE PERFORMANCE BETWEEN JUNE 2016 AND MARCH 2020

Indicator	Townsville 2016 June Depression	Townsville March 2020 Before CV-19	Four year Performance
Jobs	Lost 25000 in 6 years	Gained 15,600 in 3 years	Positive 15,600 over 3 years
Unemployment rate	11.3 (Dec 16) Highest in <u>Australia</u> , <u>worst</u> on record	7.70%	Plus 3.6
Youth Unemployment	17.30%	16.6%	Marginal Improvement
Business Confidence	Negative	Positive and high	Over 10 points
Job security challenges	Challenges	Fewer challenges	Improving
Population growth rate	Worst in 2 decades	Worst in 2 decades	Net Migration negative; lower fair share of OS migrants
Insolvency	Worst in Australia	Improved	No longer worst in Australia but still challenges
QNI	Bad	Continuing	Resolving slowly
Water supply	Poor	Improving	Pipeline and water treatment plant
Energy challenges	Challenges	Improving but	Costs still restrictive for business
Residential Vacancy rate	Worst in Queensland	Healthy	Improvement in Performance
Commercial vacancy rate.	Over 20%and poor trend	Premium Grade improvement; New Stock	Improvement in premium grade
Significant projects	Insignificant	Very Significant	Worth \$B's and significant new jobs
Diversification Projects	None	Significant	Many projects over multiple industries
Residential Approvals	Poor and declining	Rising	Marginal Improvement
Crime rate	Poor and declining	Poor 40% above state average	Deteriorated
Family Income		Median 2.6% higher than state average	Steady
Business Count	Declining	Improving marginally	NDIS improving and construction steady
Residential Median House Price	Declining	\$325,000	Steady
Home Affordability	Improving	Continue improvements	Top three most affordable Cities in Queensland

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APPENDIX 2

GLOBAL, NATIONAL, STATE AND LOCAL TRENDS

GLOBAL TRENDS

- Decarbonisation or Discarbonisation
- Innovation (Tech)
- Inflation
- Covid-19

NATIONAL TRENDS

- Federal Election
- Migration
- Monetary policy
- Free Trade Agreements (FTAs)
- Defence
- Currency

STATE TRENDS

- Health
- Education
- Crime
- Our Fair Share - monitoring state and federal budget allocations for consistent adequate long term Public Investment is an important part of achieving a sustainable community.
- Olympics

LOCAL/REGIONAL TRENDS

- Jobs
- Confidence
- Events
- 200k population
- Property
- Significant Projects
- Insurance

**THIS IS AN APOLITICAL COLLECTION OF TOWNSVILLE REGION DATA.
ALL WORK ASSOCIATED WITH THIS REPORT HAS BEEN DONATED.**