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VOLUME 2

ECONOMIC DEVELOPMENT PLAN

FOR

THE JOHNSTONE SHIRE

TABLE OF CONTENTS

1. INTRODUCTION

This volume provides additional information to support the economic development plan:

- A demographic and industry profile of the Johnstone Shire.
- A summary of key strategies and the way in which the economic development strategy links to these strategies.
- A bibliography of references.

2. ECONOMIC PROFILE FOR JOHNSTONE SHIRE

2.1 Introduction

This section provides an insight into Johnstone Shire's economic situation and potential, based on census and industry data from the Australian Bureau of Statistics as well as other relevant reports and studies.

Understanding of the Shire is also gained through comparisons with the Far North Region and Queensland as a whole.

Based on this material, strengths, weaknesses and opportunities for the Shire are highlighted.

2.2 Population Characteristics and Living Standards

2.2.1 Population Growth

Based on the 2001 census, Johnstone Shire had a residential population of 19,954. This compares to 20,776 people in 1996 and represents a total decline of 4.0% for the five-year period.

In contrast, the Far North increased by a total of 4.7%. In fact, Johnstone Shire was the only local authority in the region to record negative growth.

Since 2001, the downward population trend in the Shire has reversed. In the period from June 2001 to June 2003, total population growth of 70 people in Johnstone Shire was recorded and this represented almost 1.0% of total growth for the Far North region. Cairns dominated, representing 64.0% of regional growth over the two-year period.

In 2003, the Department of Local Government and Planning predicted under its medium series an average annual population growth of 30 persons or 0.2% for the period 2001-2026 (Table 2.2.1). This compares to an average annual growth of 1.4% for the Far North. Slower growth is noted when compared to all other Local Authorities too. Even based on high series projections, average annual growth is only in the order of 0.5%, meaning that 21, 927 persons would reside in the Shire in 2026.

Changing trends in "lifestyle" such as the sea change and the increasing demand for affordable housing could impact on Johnstone Shire's future population growth.

Proactive economic planning will also assist the Shire achieve population growth that invigorates the local economy without detracting from the natural attractiveness of the area.

Table 2.2.1 – Population 2001 and Projected Population to 2026, Johnstone Shire and Selected Areas – Medium Series Projection

Local Authority	2001	2006	2016	2026	Average Annual Population Growth 2001-2026 No.	%
Johnstone Shire	**19,453**	**19,612**	**19,885**	**20,213**	**30**	**0.2**
Atherton Shire	10,666	11,298	13011	14,746	163	1.3
Aurukun Shire	1,095	1,253	1,385	1,463	15	1.2
Cairns City	117,629	131,899	156,936	184,603	2,679	1.8
Cardwell Shire	10,660	11792	14,105	16,270	224	1.7
Cook Shire	5,880	6,303	6,905	7,452	63	1.0
Croydon Shire	288	295	314	337	2	0.6
Douglas Shire	10,466	11,984	14,539	17,059	264	2.0
Eacham Shire	6,318	6,601	6,940	7,188	35	0.5
Etheridge Shire	1,016	1,047	1,086	1,104	4	0.3
Herberton Shire	5,338	5,602	6,006	6,339	40	0.7
Mareeba Shire	18,479	18,740	19,711	20,655	87	0.4
Torres Shire	3,600	4,081	5,083	5,982	95	2.1
Far North Queensland	**224,163**	**245,033**	**282,264**	**320,802**	**3866**	**1.4**

Source: Department of Local Government and Planning

2.2.2 Age Profile

A predominant feature in relation to Johnstone Shire's age profile is the higher proportion of people aged 65 and over, compared to both the Far North and Queensland (Table 2.2.2.1). Since 1991, this percentage has steadily increased from 12.0% to 15.0% (Table 2.2.2.2). It seems Johnstone Shire is following the national and State trend of an increasing proportion of aged people, but at an even faster rate.

Another key point relates to those aged 20 years to 64 years or the "working aged" proportion of the population in Johnstone Shire. Standing at 55.7%, this figure is lower than Queensland (59.2%) and the Far North (60.5%).

The Shire shows a slight downward trend in relation to children aged under the age of 15. Again this is following State and national trends. However, current levels remain above the Queensland average.

Young people aged 15 –19 make up 6.4% of the Shire. This is similar to the Far North, but less than the Queensland proportion of 7.2%.

In 2001, the median age for people in Johnstone Shire was 38. This is up from 33 years in 1991. For Queensland the median age in 2001 was 35 years.

Table 2.2.2.1 – Age Profile, Johnstone Shire and Selected Regions, 2001, Percent

	Johnstone Shire	Far North	Queensland
0-14	22.9	22.3	21.3
15-19	6.4	6.3	7.2
20-64	55.7	60.5	59.2
65+	15.0	10.9	12.3

Source: ABS

Table 2.2.2.2 Age Profile Trends, Johnstone Shire, 1991-2001, Percent

	1991	1996	2001
0-14	23.6	23.8	22.9
65+	12.0	13.4	15.0

Source: ABS

Based on projections supplied by the Department of Local Government and Planning, the Shire's population will continue to get older. The proportion of people aged 65 years and older will increase to 23.5% of the population by 2026 (Table 2.2.2.3). Those persons aged 40-64 are also expected to increase in proportion from approximately 31.0% to 34.0%.

On the other hand the proportion of the population aged below 39 years are projected to decline from about 55.0% to 42.0%. Driving this downward spiral is children under 14 years old, which will see a proportional decline from 22.9% to 15.5%.

These age-related characteristics and trends need to be considered in the economic planning process.

A higher than average older population presents opportunities such as an expansion of the aged care industry. However, threats include barriers to change and we now live in an age where the ability to adapt to changing conditions is critical.

The joint study completed by the University of Queensland and the Department of Primary Industries titled "Innovation In Rural Queensland" pointed out that a younger population was a main feature of the more innovative towns. Thus, it may be beneficial to pursue strategies to attract these younger people to the Shire.

Table 2.2.2.3 – Projected Age Population 2026, Johnstone Shire and Selected Regions, Percent

	Johnstone Shire	Far North	Queensland
0-14	15.5	17.3	16.4
15-39	26.4	32.4	31.3
40-64	34.4	33.3	32.3
65+	23.5	17.0	20.0

Source: Department of Local Government and Planning

2.2.3 Gender Profile

Males constitute 51.2% of the population in Johnstone Shire compared to 48.2% for females (Table 2.2.3.1).

This contrasts sharply with Queensland, which has a higher proportion of females (50.6%) compared to males (49.4%).

Since 1991, the male/female proportion in the Shire has remained constant.

A higher proportion of male orientated type jobs in Johnstone Shire may be a reason for the deviation from the State average.

Table 2.2.3.1 – Gender Profile, Johnstone Shire and Selected Regions, 2001, Percent

	Johnstone Shire	Far North	Queensland
Male	51.2	50.6	49.4
Female	48.2	49.4	50.6

Source: ABS

2.2.4 Nationality

In 2001, approximately 83.0% of Johnstone Shire residents were Australian born. Of those born overseas, main countries of birth were United Kingdom (2.6%), Italy (2.3%) and New Zealand (1.4%).

Aboriginals and Torres Strait Islanders account for 8.4% of residents, being much higher than the 3.1% for Queensland.

The Shire should continue to embrace its ethnic and cultural diversity. This diversity and inclusiveness in turn brings economic benefits to the region.

2.2.5 Income Levels

Johnstone Shire has a higher proportion of very low to low-income earners and a lower proportion of medium to high-income earners, compared to both the Far North and Queensland (Table 2.2.5.1). Over 65.0% earn under $26,000 a year.

Factors attributable to this include a lower workforce participation rate, a high percentage of employees without qualifications and an increase in the number of social security recipients on the age pension.

Although not wholly comparable, ABS data reveals the median weekly individual income for the Shire was $200-$299 in 1996 and $300-$399 in 2001. For the Far North, median weekly individual income stayed stable at $300-$399 for the 1996 and 2001 periods.

Table 2.2.5.1 – Individual Income Per Annum, Aged 15+, Johnstone Shire and Selected Regions, 2001, Percent

	Johnstone Shire	Far North	Queensland
$0-$15,548	43.8	38.0	40.6
$15,549-$25,948	21.5	19.8	18.3
$25,949-$41,548	18.1	19.2	18.9
$41,549-$77,948	7.6	10.8	12.0
$77,949+	1.5	2.4	2.8
Not Stated	7.5	9.8	7.4

Source: ABS

2.2.6 Household Structure

In the ten-year period, the number of households in Johnstone Shire increased from 6,573 to 7,440 representing a 13.0% increase.

Interestingly, unoccupied private dwellings increased significantly by 75.5%.

The mean household size is 2.6 persons down from 2.8 persons in 1991 and 2.7 persons in 1996. The current national mean household size is 2.6 persons down from 3.3 persons in 1971. The reasons for these declining trends include lower fertility rates and an increase in the number of people living alone.

In Johnstone Shire, family households make up 86.0% of household types (Table 2.2.6.1) and this is greater than the State and regional average. The proportion of multi-family and group households is not as significant in the Shire as the other areas but the proportion of lone households is similar to the Far North and above the Queensland average

Couples with children make up 60.8% of household family types, which is more than 2.0% greater than the Far North and some 15.0% more than the Queensland average (Table 2.2.6.2).

Couples with no children stand at almost 25.0%. This is similar to the Far North but substantially less than the 37.4% for Queensland.

The proportion of one parent families (13.3%), is noticeably less than the Far North (15.9%) and Queensland (16.1%).

A social strength of the Shire is this more stable family orientated community.

Table 2.2.6.1 – Household Composition, Johnstone Shire and Selected Regions, 2001, Percent

	Johnstone Shire	Far North	Queensland
One family	85.8	81.8	84.1
Multi family	1.6	3.3	1.9
Lone person	10.5	10.6	9.8
Group	2.1	4.3	4.2

Source: ABS

Table 2.2.6.2 – Household Family Type, Johnstone Shire and Selected Regions, 2001, Percent

	Johnstone Shire	Far North	Queensland
Couple – no children	24.9	24.8	37.4
Couple – with children	60.8	58.0	44.7
One parent family	13.3	15.9	16.1
Other family types	1.0	1.3	1.8

Source: ABS

2.2.7 Home Ownership Status

In 2001, almost one third of households in Johnstone Shire were renting, similar to the Queensland average. However, outright home ownership was considerably higher (44.6%), compared with 36.6% for Queensland and 32.3% for the Far North (Table 2.2.7.1).

Mortgages were fewer at 16.1% compared to 25.8% as the Queensland average.

Between 1991 and 2001, the home ownership proportion in the Shire declined by approximately 2.0%. Mortgages increased by 3.0% and rentals remained constant. This downward trend in outright home ownership levels may be continuing with the nationwide trend of home equity loans.

Table 2.2.7.1 – Nature of Occupancy By Household, Johnstone Shire and Selected Regions, 2001, Percent

	Johnstone Shire	Far North	Queensland
Fully owned	44.6	32.3	36.6
Being purchased	16.1	19.9	25.8
Rented	30.8	35.7	30.1
Other/ not stated	8.5	12.1	7.5

Source: ABS

Based on the 2001 census, mortgage repayments are less of a burden to householders in the Shire (Table 2.2.7.2). Over 70.0% pay less than one thousand dollars a month, compared to 60.0% for Queensland and 56.0% for the Far North.

Only 3.5% of households pay over two thousand dollars a month in the Shire, whereas for the Far North and Queensland the figures are 4.7% and 4.8% respectively.

Table 2.2.7.2 - Monthly Mortgage Repayments, Johnstone Shire and Selected Regions, 2001, Percent

	Johnstone Shire	Far North	Queensland
Under $400	10.0	6.4	8.3
$400-$999	60.5	49.9	51.5
$1000-$1599	17.5	28.4	25.4
$1600-$1999	3.1	4.5	4.0
$2000+	3.5	4.7	4.8
Not Stated	5.4	6.0	6.0

Source: ABS

Weekly rental payments in Johnstone Shire are skewed to the lower end. Over 90.0% pay less than two hundred dollars a week, in contrast to 78.6% for the Far North and 76.4% for Queensland. Of interest though, Johnstone Shire has a higher proportion of those paying very high rents compared to the other regions (Table 2.2.7.3).

Table 2.2.7.3 – Weekly Rental Payment, Johnstone Shire And Selected Regions, 2001, Percent

	Johnstone Shire	Far North	Queensland
Under $100	32.3	25.5	18.8
$100-$199	57.9	53.1	57.6
$200-$399	2.7	10.8	17.6
$400+	2.9	2.0	2.4
Not Stated	4.2	3.8	3.6

Source: ABS

These lower than average mortgage and rental payments in Johnstone Shire need to be considered in relation to the lower than average income levels in the Shire.

The availability of low cost housing may be an impetus for further population expansion in the area.

2.2.8 Household Car Ownership

Both the Far North and Johnstone Shire have a higher proportion of households without a vehicle and a lower portion of households with three or more vehicles, than for Queensland as a whole (Table 2.2.8.1).

The biggest percentage of Johnstone Shire households is in possession of one vehicle.

Table 2.2.8.1 - Motor Vehicles Per Household, Johnstone Shire And Selected Regions, 2001, Percent

	Johnstone Shire	Far North	Queensland
0	10.6	11.8	9.3
1	42.3	40.4	40.1
2	31.8	29.2	32.8
3 or more	9.5	9.2	11.7
Not stated	5.8	9.4	6.2

Source: ABS

2.3 Labour Force Profile

2.3.1 Education and Qualifications

A key aspect of the knowledge economy is the increased emphasis on human capital – the stock of knowledge and skills embodied in people. This increases the importance of education, training and life long learning.

In Australia, 30.0% of the workforce had some sort of post school qualification in 1993, but by 2001, this had increased to 57.0%.

Johnstone Shire does not appear to be exhibiting the same rate of qualification expansion.

Since 1991, University and other tertiary institution enrolments by Shire residents have increased very slightly from 0.66%, to 1.6% but enrolments at Technical and Further Education institutions have actually declined from 1.7% to 1.0%.

Based on the 2001 census, attendance at Technical and Further Education Institutions in Johnstone Shire is slightly lower than the average for the Far North and Queensland (Table 2.3.1.1). University and other tertiary institution attendance by Shire residents is twice as low as for the Far North and almost four times lower than for Queensland.

Table 2.3.1.1 – Post Secondary Education, Type of Education Institution Being Attended, Full And Part Time, Johnstone Shire and Selected Regions, 2001, Percent

	Johnstone Shire	Far North	Queensland
Technical and Further Education	1.6	1.8	2.1
University and other tertiary institutions	1.0	2.0	3.8

Source: ABS

In terms of schooling, Johnstone Shire has a considerable higher proportion that have only attended to year 11 or less. This figure of 62.5% compares with 53.5% for the Far North and 52.3% for Queensland (Table 2.3.1.2).

There are also a higher percentage of Shire residents who have no schooling.

A quarter of the Shire's population have completed year 12, but this is not near the 34.0% for the Far North and the 37.0% for Queensland.

Table 2.3.1.2 – Year left School, Johnstone Shire and Selected Regions, 2001, Percent

	Johnstone Shire	Far North	Queensland
Year 11 or less	62.5	53.5	52.3
Year 12	25.7	34.0	37.0
Still at school	2.7	2.6	3.0
Did not go	1.5	0.8	0.5
Not Stated	7.6	9.1	7.1

Source: ABS

Over the last ten years, there has been a small increase in non-school levels of qualification. Whereas 66.0% of those aged fifteen and over were unqualified in 1991, this decreased to 63.4% in 2001 (Table 2.3.1.3).

During this time, the proportion of degree or higher holders steadily increased from 3.6% to 5.8%. However, the Shire remains under-represented when compared to the Far North (9.0%) and Queensland (10.8%) (Table 2.3.1.4).

Table 2.3.1.3 – Non School Level of Qualification, Persons Aged 15+, Johnstone Shire, 1991-2001, Percent

	1991	1996	2001
Degree or higher	3.6	4.9	5.8
Diploma	4.0	4.0	3.7
Vocational certificate	14.8	14.9	16.8
Other/not stated	11.6	12.5	10.3
Not qualified	66.0	63.7	63.4

Source: ABS

Table 2.3.1.4 – Non-School Level of Qualification, Persons Aged 15+, Johnstone Shire and Selected Regions, 2001, Percent

	Johnstone Shire	Far North	Queensland
Post Graduate Qualification	1.3	2.0	2.5
Bachelor Degree	4.5	7.0	8.3
Advanced Diploma/Diploma	3.7	5.4	5.5
Certificate	16.8	17.3	16.0
Not Stated/ Inadequately Described	10.3	13.4	10.8
No Qualifications	63.4	54.9	56.8

Source: ABS

Proportionally, vocational certificate holders increased 2.0% over the ten-year period to be at 16.8%. The Shire has a strong showing in this respect with the current percentage higher than the Queensland average of 16.0%.

Diploma holder proportions have decreased slightly to 3.7% and this is somewhat less than the State average of 5.5%.

As for fields of study, 9.5% of the Shire's residents aged over fifteen have qualifications in engineering and related fields. This is stronger than for the Far North and Queensland and gives the Shire a competitive advantage in this specialist area (Table 2.3.1.5).

Other main areas of qualification included education (3.1%), architecture and building (2.9%) and management and communication (2.8%).

While the Shire has far more of an agricultural focus than the Far North, qualifications in the field of agriculture and environmental (1.2%) are actually below the Far North (1.8%). The Shire does have a competitive advantage over Queensland though.

Table 2.3.1.5 – Type of Qualification, Persons, Aged 15+, Johnstone Shire and Selected Regions, 2001, Percent

	Johnstone Shire	Far North	Queensland
Natural/physical sciences	0.7	0.9	1.0
Information technology	0.2	0.3	0.7
Engineering and related fields	9.5	9.2	8.6
Architecture and building	2.9	3.2	3.0
Agriculture/environmental/related	1.2	1.8	0.9
Health	2.9	3.8	3.9
Education	3.1	3.5	3.8
Management/commerce	2.8	5.2	5.8
Society and culture	1.7	2.8	3.2
Creative arts	0.5	0.9	1.1
Food/hospitality/personal services	2.1	2.7	2.3
Mixed field programmes	0.1	0.0	0.0
Inadequately described	0.2	0.4	0.4
Not stated	8.8	11.0	8.9
Not applicable/no qualifications	63.4	54.9	56.8

Source: ABS

Only a very small percentage of residents have qualifications in information technology. This may be a key area for the Shire to focus on with industry becoming more reliant on the enabling infrastructure of information and communications technology.

Since 1991, information technology has increased in relative proportion along with agriculture and environment. Other increases relate to management and commerce, society and culture, creative arts and food, hospitality and personal services (Table 2.3.1.6).

All others fields of study have decreased in proportion. This includes health, which means qualification levels may have lagged behind the growth of employment in the industry.

A central focus of any blueprint for economic growth must be in the area of education and training. The study titled "Innovation In Rural Queensland" reinforces this, with finding that a higher average level of education was a key characteristic of the more innovative town.

Table 2.3.1.6 - Type of Qualification, Persons, Aged 15+, Johnstone Shire, 1991-2001, Percent

	1991	1996	2001
Natural/physical sciences	0.8	0.8	0.7
Information technology	0.1	0.2	0.2
Engineering and related fields	9.8	9.4	9.5
Architecture and building	3.0	3.1	2.9
Agriculture/environmental/related	0.5	1.0	1.2
Health	3.0	2.9	2.9
Education	2.9	2.9	3.1
Management/commerce	2.1	2.7	2.8
Society and culture	1.0	1.2	1.7
Creative arts	0.3	0.4	0.5
Food/hospitality/personal services	1.8	1.6	2.1
Mixed field programmes	NA	NA	0.1
Inadequately described	0.4	0.2	0.2
Not stated	8.2	9.9	8.8
Not applicable/no qualifications	66.1	63.7	63.4

Source: ABS

2.3.2 Use of Information Technology

The backbone of the communications revolution is the computer and Internet. These technologies have applications across all sectors as well as on a social and personal level.

On-going education is required to inform business and the community of its benefits.

Computer usage in Johnstone Shire (29.7%) is considerably less than the proportion for Queensland (41.3%) (Table 2.3.2.1).

Internet usage in the Shire is 7.0% less than for the Far North and 13.0% less than for Queensland (Table 2.3.2.2).

In effect, those people with a lack of access to ICTs and/or lack of knowledge on how to use the technology are part of the "information poor." Economic and social opportunities for the "information poor" may be more limited.

Table 2.3.2.1 - Computer Usage At Home, Johnstone Shire and Selected Regions, 2001, Percent

	Johnstone Shire	Far North	Queensland
Uses	29.7	32.9	41.3
Does not use	67.6	61.6	55.1
Not stated	2.7	5.4	3.6

Source: ABS

Table 2.3.2.2 – Internet Usage, Johnstone Shire and Selected Regions, 2001, Percent

	Johnstone Shire	Far North	Queensland
Uses	22.8	29.8	35.7
Does not use	74.0	63.3	60.0
Not stated	3.2	6.9	4.3

Source: ABS

2.3.3 Occupational Structure

Over the period 1991-2001, key occupational changes in Johnstone Shire included an increase in professionals and associate professionals in particular. Clerical, sales and service and labourers also increased (Table 2.3.3.1).

Relative declines occurred in the categories of managers and administrators, trades and related and production workers.

Overall, the Shire's current occupational structure reflects its high dependence on the Primary Industries sector. The majority of managers and administrators and labourers would be employed in this sector, along with many directly or indirectly from the production and transport category. All up, these three occupational groups account for 43.3% of the labour force. This compares to 29.5% for the Far North and 24.7% for Queensland.

Table 2.3.3.1 - Occupations, Employed Persons, Johnstone Shire, 1991-2001, Percent

	1991	1996	2001
Managers and administrators	15.4	14.7	14.6
Professionals	9.3	10.6	10.0
Associate professionals	6.4	9.9	9.8
Tradespersons and related	14.3	13.0	12.5
Clerical, sales and service: advanced, intermediate and elementary	20.8	21.0	22.1
Production and transport	11.5	10.6	10.5
Labourers and related	14.4	16.8	18.2
Inadequately described/not stated	8.0	3.3	2.2

Source: ABS

While clerical, sales and service (22.0%) is the largest single occupational group in the Shire, it is less than the Far North and Queensland average of around 30.0% (Table 2.3.3.2).

Table 2.3.3.2 – Occupations, Employed Persons, Johnstone Shire and Selected Regions, 2001, Percent

	Johnstone Shire	Far North	Queensland
Managers and administrators	14.6	9.4	8.5
Professionals	10.0	14.0	16.0
Associate professionals	9.8	12.3	12.0
Tradespersons and Related	12.5	12.3	12.8
Clerical, sales and service: advanced, intermediate and elementary	22.1	29.7	30.5
Production and transport	10.5	8.2	8.5
Labourers and related	18.2	11.9	9.7
Inadequately described/not stated	2.2	2.2	1.9

Source: ABS

Professionals and associate professionals (19.8%) are also under-represented in the Shire, compared to 26.3% for the Far North and 28.0% for Queensland.

Johnstone Shire's natural assets and location provide opportunities to attract more 'knowledge workers" These people are showing a desire to live in desirable locations and this is now possible as a result of the communications revolution and the portability of knowledge.

2.3.4 Workforce Participation

In 1991, there were a total of 8,334 people in the workforce in Johnstone Shire. By 2001, this had increased by 4.0% to 8,665 people.

The higher than average levels of persons aged sixty-five and over in Johnstone Shire contributes to a lower than average workforce participation rate. The total participation rate for the Shire is 57.6% and compares with 61.7% for the Far North and 63.1% for Queensland. These lower rates apply to both the male and female category (Table 2.3.4.1).

Lower participation rates may result in less wealth circulating in the local economy. The multiplier effects of this can be quite significant.

Increased workforce participation was also a feature of the more flourishing towns, as researched in the study "Innovation In Rural Queensland."

Table 2.3.4.1 – Workforce Participation Rate, Aged 15+, Johnstone Shire And Selected Regions, 2001, Percent

	Johnstone Shire	Far North	Queensland
Male	65.9	67.4	70.9
Female	48.9	55.9	55.6
Total	57.6	61.7	63.1

Source: ABS

2.3.5 Full -Time And Part-Time Employment

Since the 1970's, Australia-wide, there has been a considerable shift to part-time work. For example, between 1991-2001, the part-time workforce increased by 51.0%, while the full-time workforce grew by only 11.0%.

Johnstone Shire has also experienced a decline in the full-time workforce. Whereas 71.0% of the workforce was employed full-time in 1991, by 2001 this declined to 63.8%. Part-time work involved only 22.5% of the workforce in 1991, but ten years later this increased to 32.0%.

As Table 2.3.5.1 reveals, the current situation in the Shire is roughly in line with the Queensland average. Under the same comparison, full time work for males is slightly higher in the Shire, but full-time work for females is considerably less.

Table 2.3.5.1 – Full And Part Time Employment, Johnstone Shire And Selected Regions, 2001, Percent

	Johnstone Shire	Far North	Queensland
Males: F/T	77.4	72.8	76.1
Males: P/T	18.2	23.7	20.7
Not stated	4.3	3.5	3.2
Females: F/T	44.6	50.3	49.2
Females: P/T	51.5	46.6	47.9
Not stated	3.9	3.1	2.9
Total: F/T	63.8	62.5	63.9
Total: P/T	32.0	34.1	33.0
Not stated	4.2	3.4	3.1

Source: ABS

2.3.6 Unemployment

Australia-wide, since 1991, the unemployment rate has been declining. This has occurred in Johnstone Shire as well.

The 2001 census reveals that the Shire's unemployment rate of 7.7% is a little more than for the Far North (7.5%) but better than the Queensland rate of 8.2% (Table 2.3.6.1).

In the Shire, the male rate of unemployment of 7.9% is slightly more than the female rate of 7.4%.

Youth unemployment in Australia is a serious issue with more than one in three unemployed persons being aged less than 25 years in 2001. This same situation is reflected in Johnstone Shire with youth unemployment registering at 34.0%.

Statistics reveal that people with lower qualification levels are more likely to face unemployment. This places residents in Johnstone Shire more at risk with its lower than average level of qualifications. Again, access to education and training programs are imperative, for the benefit of its workforce and the local economy.

Table 2.3.6.1– Level Of Unemployment, Johnstone Shire And Selected Regions, 2001, Percent

	Johnstone Shire	Far North	Queensland
Males	7.9	8.5	8.8
Female	7.4	6.4	7.5
Total	7.7	7.5	8.2

Source: ABS

2.4 Economic Development and Industry Activity

2.4.1 Economic Trends

A major point about Johnstone Shire's economy as it moves through the first decade of the new century is that it remains very rural based in nature.

Based on the 2001 census, almost a quarter of the Shire's labour force is employed in agriculture, forestry and fishing. This compares to approximately 8.0% for the Far North and about 5.0% for Queensland (Table 2.4.1.1).

Furthermore the proportion employed in this sector has increased some 5.0% since 1991. Almost 500 jobs were created during the period 1991-2001 (Table 2.4.1.2 and 2.4.1.3).

With traditional agriculture in the Shire coming under increasing pressures, the sector must look to diversification.

Another mainstay of Johnstone Shire's economy has been the manufacturing sector, with much of this being agricultural-based. With almost 12.0% of the Shire's workforce employed in this industry, the Shire has a competitive advantage over both the Far North (6.9%) and Queensland (10.7%).

It should be pointed out that 60 jobs were lost in the period 1991-2001, representing a decline of almost 6.0%. By 2001, manufacturing had declined from being the second largest sector employer in the Shire to the third largest.

Across most OECD economies, the services sector is the main driver of innovation and economic performance. However, the services sector in Johnstone Shire proportionally grew little in the ten-year period 1991-2001.

In 2001, around 60.7% of the Shire's workforce was employed in the services sector, but this was in stark contrast to approximately 81.0% for the Far North and Queensland.

Within the services sector, industries that have grown in relative importance in the Shire include retail, health and community services, personal and other services, and wholesale trade.

Declines in relative importance are noted in transport and storage, finance and insurance, government administration and defence, and cultural and recreational services.

Tourism may provide some scope for expansion of the services sector.

Inbound tourism to Australia is forecast to grow at an average rate of 7.3% between 2002-2012. With the Australian domestic market, an average annual growth rate of 1.9% is expected.

Table 2.4.1.1 – Share of Employment By Industry, Johnstone Shire and Selected Regions, 2001, Percent

	Johnstone Shire	**Far North**	**Queensland**
Agriculture, forestry, fishing	24.1	8.4	4.9
Mining	0.3	1.1	1.2
Manufacturing	11.9	6.9	10.7
Electricity, gas and water	0.6	0.7	0.8
Construction	5.0	6.4	7.1
Wholesale trade	5.1	3.9	5.1
Retail trade	13.7	14.8	15.3
Accommodation, cafes and restaurants	4.1	9.3	5.6
Transport and storage	4.1	6.5	4.9
Communication services	0.9	1.0	1.5
Finance and insurance	1.3	1.8	2.8
Property and business services	4.5	7.4	9.8
Government administration and defence	3.4	8.0	4.8
Education	7.0	6.8	7.6
Health and community services	7.1	8.4	9.6
Cultural and recreational services	1.0	2.4	2.4
Personal and other services	2.9	3.5	3.7
Non classifiable/not stated	2.9	2.5	2.2

Source: ABS

Table 2.4.1.2 – Share of Employment By Industry, Johnstone Shire, 1991-2001, Percent

	1991	1996	2001
Agriculture, forestry, fishing	19.5	22.1	24.1
Mining	0.4	0.4	0.3
Manufacturing	13.7	13.8	11.9
Electricity, gas and water	0.5	0.6	0.6
Construction	5.6	5.4	5.0
Wholesale trade	4.3	4.2	5.1
Retail trade	12.9	12.5	13.7
Accommodation, cafes and restaurants	3.8	4.3	4.1
Transport and storage	4.6	4.0	4.1
Communication services	0.9	1.0	0.9
Finance and insurance	2.0	1.6	1.3
Property and business services	4.2	5.1	4.5
Government administration and defence	4.3	3.5	3.4
Education	6.7	6.4	7.0
Health and community services	5.0	6.9	7.1
Cultural and recreational services	1.4	1.0	1.0
Personal and other services	2.4	3.0	2.9
Non classifiable/not stated	7.8	4.1	2.9

Source: ABS

Table 2.4.1.3 - Change in Employment By Sector, Number and Percent, Johnstone Shire, 1991-2001

	1991	2001	Total Percent Change 1991-2001
Agriculture, forestry, fishing	1438	1927	34.0
Mining	27	24	-11.0
Manufacturing	1009	949	-5.9
Electricity, gas and water	35	47	34.3
Construction	415	402	-3.1
Wholesale trade	318	407	28.0
Retail trade	949	1097	15.6
Accommodation, cafes and restaurants	281	331	17.8
Transport and storage	336	326	-3.0
Communication services	68	70	2.9
Finance and insurance	149	106	-28.9
Property and business services	309	361	16.8
Government administration and defence	320	269	-15.9
Education	492	562	14.2
Health and community services	370	570	54.1
Cultural and recreational services	102	83	-18.6
Personal and other services	178	235	32.0

Source: ABS

Johnstone Shire is part of the Tropical North. This region has the second highest visitations of international tourists to Queensland. It is also ranked as the fourth top region visited in Australia by international tourists and the top regional area (not capital city region) in Australia.

Tourism in North Queensland generates in excess of $1.2 billion per annum in export income and this is predicted to grow at 5.0% to 10.0% per annum over the next 10 years.

Johnstone Shire could lay claim to some of this growth through further development and effective marketing of its tourism products, development of tourism infrastructure such as accommodation, restaurants and other services and further up-skilling of its workforce.

Strengthening of the services sector would also help ensure existing residents have an adequate and accessible supply of products and services. This entails an expansion in retail, property and business, health and education as well as those relating to culture and arts. The research report "Innovation in Rural Queensland" found that this complete package of services was a characteristic of the more innovative town.

2.4.2 Sector Profiles

This section provides more detail on each of the industries in Johnstone Shire.

Agriculture, Forestry, Fishing

Johnstone Shire is a significant agricultural region within the Far North and Queensland. Based on ABS census data in 2001, the Shire made the biggest contribution to total value of agricultural production in the Far North at over 31.0%. Its total contribution to Queensland was 3.4% (Table 2.4.2.1). Between 1995-2001, value of agricultural production in the Shire increased from $165.9 million to $245.6 million.

Gross value of crops in Johnstone Shire was $239.4 million, which was 39.0% of the total for the Far North and over 7.0% of Queensland's total.

Banana production is a key activity in the Shire. The value of banana production is estimated to be $100 million annually with a labour force of about 1,500 people. Production in Johnstone Shire, together with production in Cardwell Shire, represents 85.0% of domestic demand of bananas in Australia.

Possible impacts on the industry include oversupply, importation from the Philippines, pest and weeds and a lack of skilled labour.

Historically, sugar production has been paramount to Johnstone Shire's economy for over a century. Currently it is in decline and there is much uncertainty over its future. This industry has been impacted by adverse weather conditions, rising production costs, low world sugar prices, the effect of Australian dollar and environmental effects of the industry.

Fruit and vegetable production is a growth industry. Specialist farms include papaya, rambutan, lychees, taro, bamboos and these offer opportunities for further expansion, especially through increased marketing.

Fishing is another main industry in the Shire, both commercial and recreational. Impacts on this activity include the GBR rezoning plan and the Wet Tropical Coast Regional Coastal Management Plan 2003.

The livestock industry involves both the activities of cattle fattening and more recently live exports. The industry is subject to factors such as value of the dollar, weather conditions and threat of disease.

Overall agricultural development opportunities being pursued in the Far North include diversification especially of niche and exotic crops and organic products. Value adding to sugar production is another strategy including transformation into sophisticated bio-products. Timber production may offer opportunities too.

Table 2.4.2.1 – Gross Value of Agricultural Production, Johnstone Shire and Selected Regions, 2000-2001

	Gross Value of Crops ($M)	Gross Value of Livestock Disposals ($M)	Gross Value of Livestock Products ($M)	Total Value of Agricultural Production ($M)
Johnstone Shire	239.4	5.5	0.0	245.6
Far North	614.2	138.4	35.6	788.2
Queensland	3,391.2	3,368.4	490.3	7,249.9

Source:

Mining

Mining is the smallest sector in the Shire employing 24 people in 2001. This means 0.3% of the Shire's workforce is employed in the sector and compares to 1.1% for the Far North and 1.2% for Queensland.

Since 1991, the Shire's mining workforce has declined by 11.0%.

Manufacturing

This sector is the third largest employer in the Shire, employing 949 people in 2001.

Since 1991, the workforce had declined by 5.9%. However, in relative terms, the Shire retains a competitive advantage with 11.9% of its workforce employed in manufacturing, compared to 6.9% for the Far North and 10.7% for Queensland.

Manufacturing in the Shire is centred in the areas of food and beverage and machinery and equipment. Other activity relates to wood and paper products and metal production.

Lower cost housing availability plus the Shire's strategic location in the transport network could be factors in attracting further manufacturing industry.

Electricity, Gas and Water

As the second smallest sector in the Shire, this industry employs 0.6% of the labour force. This compares to 0.7% for the Far North and 0.8% for Queensland.

The proportion employed in this sector has increased from 0.5% in 1991 and in absolute terms there has been a 34.3% increase in the size of the workforce.

Construction

Between 1991-2001, those employed in construction decreased from 415 people to 402 people, representing a 3.0% decline.

Overall, the sector employs 5.0% of the Shire's workforce and this contrasts to 6.4% for the Far North and 7.1 % for Queensland.

Currently the sector is recovering from a slump in 2000-2001, when only 34 new dwellings were approved and the total value of residential and non-residential buildings was $8,857,000.

In 2003, 52 new dwellings were approved. Total value of residential and non-residential building approvals was $14,280,988.

A proactive economic approach will ensure further residential and non-residential growth in this sector.

Wholesale Trade

Johnstone Shire has the same proportion employed in this sector as in Queensland. This figure is 5.1% and gives the Shire a competitive advantage in the Far North. The average for the region is 3.9%.

Whereas 318 people were employed in the sector in 1991, by 2001 this had increased to 407 people, which is a substantial gain of 28.0%.

Main types of wholesale trading include machinery and motor vehicles, basic materials and personal and household goods.

Retail Trade

This sector experienced 15.6% growth in absolute employment during the 1991-2001 period. Retail trade employment increased from 949 to 1,097 persons. This growth propelled the sector to the second largest employer in the Shire, employing 13.7% of the labour force, up from 12.9% in 1991.

In the region, Innisfail is a leading trade centre for agricultural equipment. Also a major retailer attracted to the area recently has been K-Mart. There may be scope to build on this development to enhance Innisfail as a retail centre for the catchment south of Cairns.

Further growth in the Shire may result from capturing more of the escape expenditure from the Shire, further specialist retailing and increased tourism retail activity.

Retail trade may be a key sector to focus on to achieve growth in the local economy, as it accounts for about 40.0% of people's consumption spending.

Accommodation, Cafes and Restaurants

Compared to the Far North, Johnstone Shire has a substantially lower proportion employed in this sector. The figures are 9.3% and 4.1% respectively. Queensland's proportion is 5.6%.

Overall though, employment in the Shire increased from 281 persons in 1991 to 331 persons in 2001. This is an increase of almost 18.0%.

Table 2.4.2.2 shows that accommodation room numbers, occupancy rates and takings have been increasing.

Table 2.4.2.2– Tourist Accommodation, Numbers, Occupancy Rates and Takings, Johnstone Shire, 1997-2002

	1997-1998	1998-1999	1999-2000	2000-2001	2001-2002
Establishments	9	9	7	7	8
Rooms/units	245	237	198	199	218
Room occupancy (%)	43.5	44.3	44.2	46.1	49.0
Takings ('000)	2,480	2,351	2,119	2,265	2,650

Source: ABS

Rising income levels, population growth and increased tourism activity will further strengthen this sector.

In relation to the latter, the scope for growth is substantial. The Far North region as a whole accounted for 16.4% of Queensland's tourist accommodation in 2002 as well as 21.7% of the State's takings from accommodation.

Transport and Storage

In 1991, 336 persons were employed in this sector, but this declined to 326 by 2001. It has resulted in a proportional decrease in the sector's workforce from 4.6% to 4.1%.

In Queensland, 4.9% of the workforce is employed in this sector, and for the Far North, the figure is 6.5%.

There may be scope to develop the Shire's airport for regional aviation activities.

Communication Services

Communication Services is the third smallest employer in the Shire, employing less than 1.0% of the labour force. The Queensland average is 1.5%.

Employment in this sector has remained positive with a 2.9% absolute increase since 1991.

As a strategic sector in the knowledge economy, providing a quality and reliable service is crucial for business development.

Finance and Insurance

This sector experienced a 28.9% decline in actual employment from 1991- 2001. Whereas 2.0% of the labour force was employed in this sector in 1991, this had declined to 1.3% in 2001.

In relative terms, Queensland has twice as many employed in this sector. The national adoption of on-line financial services may lead to further contraction in the Shire. Increasingly though, rural and regional communities are actively seeking alternatives such as community banks, smaller credit unions and transaction centres.

Property and Business Services

Employing 4.5% of the labour force, this is less than half the Queensland average of 9.8% and that of the Far North at 7.4%. In the ten- year period, there has been growth of 16.8%, so that by 2001, 361 persons were involved in the sector.

Government Administration and Defence

The sector lost almost 16.0% of its labour force between 1991-2001.

Proportionally, the labour force fell from 4.3% to 3.4%. The current level is less than half the Far North average and less than the 4.8% for Queensland.

Education

With 7.0% of the Shire's labour force employed in this sector, this is slightly higher than the Far North average and a little less than the Queensland average of 7.6%.

Relative growth in Johnstone Shire is noted, as is absolute growth of 14.2%.

Facilities include primary and secondary schools as well as TAFE services. Further expansion of the sector should result from the considerable scope to upgrade and up-skill the Shire's human capital through education and training.

Health and Community Services

Employing 7.1% of the labour force, this is a smaller proportion than the Far North at 8.4% and Queensland at 9.6%. Since 1991, the sector's relative growth has been in the order of 2.0% and absolute growth has been a massive 54.1%.

Growth in this sector should be fuelled by the ageing population and community demands for better services.

Cultural and Recreational Services

Decreasing from 102 to 83 persons, this sector has experienced an 18.6% decline in employment. The sector now represents 1.0% of the workforce as opposed to 1.4% in 1991. This current figure is less than half that of the Far North and Queensland which stands at around 2.4%.

As a key tourism sector, current attractions include Mission Beach, Heritage Trails and Paronella Park. Benefits should accrue from the Ma:Mu Canopy Walk, where visitation levels are expected to be at around 200,000 people a year.

Further emphasis on eco-tourism, agro-tourism and cultural tourism should see growth in the sector along with efforts to improve infrastructure and transport linkages. Effective use of IT and e-commerce, increased intra-regional cooperation and marketing are other strategies for this sector's growth.

Personal and Other Services

With a 32.0% increase in employment, this sector now employs 235 people and this represents 2.9% of the Shire's workforce. This is less than for the Far North (3.5%) and Queensland (3.7%).

3. LINKAGES WITH OTHER STRATEGIES

The following table summarises the linkages between the current Johnstone Shire economic development plan and past and current strategies for the region.

Table 3.1 – Summary of Linkages to Other Strategies

Strategy	Link to the Current Economic Development Plan
Johnstone Shire, Value of 'Base' Industries, Cummings Economics, May 2002: • Value of industry sectors to the Shire – primary production, tourism, manufacturing.	• Supplements information in the current economic development strategy.
Great Green Way Regional Tourism Strategy, 2003 – 2008, Hassell, 2003: • Guiding strategy for the development of the Great Green Way. • Analysis of strengths and weaknesses. • Target markets identified. • Key directions covering vision, positioning, types of tourism activity, tourism infrastructure. • Key goals: - Tourism management structure. - Communication and branding. - Developing products and packages. - Infrastructure. - Evaluation.	• Aligns with the current economic development strategy. • A vital resource in the development of a tourism strategy for the Johnstone Shire in 2005.
Tablelands Tourism Strategic Development Strategy, Global Tourism and Leisure Pty Ltd, 2003: • Analysis of current tourism performance. • Product development framework. • Positioning and branding. • Tourism infrastructure development. • Product development.	• Link to tourism strategies covering the Canopy Walk, food trails and positioning of the Johnstone Shire. • A vital input to the development of the Johnstone Shire's tourism strategy.

Strategy	Link to the Current Economic Development Plan
Funding Options for Regional Tourism Organisations, Sustainable Tourism CRC, 2004: • Review of current models used for regional tourism organisations. • Analysis of funding options. • Identification of key challenges. • Strategies for the development and strengthening of regional tourism organisations.	• Relevant to the development of the Johnstone Shire's tourism strategy development.
Wet Tropics Nature Based Tourism Strategy, Wet Tropics Management Authority, 2000: Wet Tropics Walking Strategy, Wet Tropics Management Authority, 2001: • Identifying opportunities for walking trails. • Identifying opportunities for nature based tourism including bird watching, walking trails, heritage trails and tourism infrastructure.	• Priorities identified in the economic development strategy align with strategy goals in developing nature based tourism, walking trails and bird watching.
Towards a Learning Community – Revitalising Innisfail and Surrounds, Rural Development Task Force Steering Committee, 2000: • Recommend the formation of a cross sectional working group to implement the strategy. • Strengthening skills and learning capabilities in the area. • Key strategies: - Strengthening strategic leadership. - Enhancing community connectivity. - Improvements in community well being. - Creating a learning community – community development approach. - Development of integrated strategic planning and service provision. - Building environmentally sustainable productive capacity. - Halting the youth drift. - Market enhancement. - Implementation of sustainable management practices.	• Strong alignment with the education and training plan. • Aligns with regional coordination goals in the economic development strategy. • Economic development plan builds on this earlier work.

Strategy	Link to the Current Economic Development Plan
Cairns Region Economic Development Corporation Cluster Program covering: • Cairns Region Engineering Network. • Aviation Skills. • Eco Fish. • Australian Tropical Foods.	• Economic development plan links with: - Cairns Region Engineering Network. - Aviation Skills. - Eco Fish. - Australian Tropical Foods. • Collaborative approach to working with CREDC.
Caring for Country and Culture – Wet Tropics Aboriginal Cultural and Natural Resource Management Plan, Rainforest CRC and FNQ NRM Ltd, 2005: • Guiding principles for management of country. • Maintaining Aboriginal cultural landscapes. • Accessing Aboriginal knowledge of country. • Aligning traditional owners' priorities and land management priorities.	• Active focus on working with the traditional owners of the land. • Supporting Indigenous cultural heritage and training on Aboriginal culture. • Active support for land management strategies involving traditional owners and collaborating with industry and government stakeholders.
Sustaining the Wet Tropics, a Regional Plan for Natural Resource Management 2004-2008, FNQ NRM Ltd and Rainforest CRC, 2004: • Broader framework for land and environment management in FNQ.	• Economic development strategy links with and supports key land management initiatives.

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