

# Experimental Estimates of Gross Regional Product 2000-01, 2006-07 and 2010-11

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## Abbreviations

ABS	Australian Bureau of Statistics
ANZSIC 2006	Australian and New Zealand Standard Industrial Classification, 2006
ASGC 2006	Australian Standard Geographical Classification, 2006
COE	Compensation of employees
CVM	Chain Volume Measure, \$ 2010-11
GDP	Gross Domestic Product
GOSMI	Gross Operating Surplus and Gross Mixed Income
GRP	Gross Regional Product
GSP	Gross State Product
GVA	Gross Value Added
QSA	Queensland State Accounts
SD	Statistical Division (used interchangeably with 'region')

# 1 The Concept of Gross Regional Product

Production is the process whereby labour, capital, land, knowledge and other resources are combined for the provision of goods and services. Examples of services which add to the value of goods include transport and retailing, while those that are directly bought and sold in the market place in their own right include insurance and real estate activity. In addition, some goods and services are provided which do not enter the market such as police and defence services produced by government.

In measuring production activity, care must be taken to avoid double counting. Many goods and services are bought by firms for use in their own productive processes. If the value of all goods and services produced in a region were added together, there would be considerable double counting of some goods and services as they proceed through the successive stages of the production process. To avoid this, only the value added at each stage of production should be measured. The sum of the value added for each industry provides a measure of the value of economic production of a national, state or regional economy. The term gross domestic product (GDP) relates to the Australian economy, gross state product (GSP) refers to the Queensland economy while gross regional product (GRP) is used for output at the sub-state level. For the purposes of this publication, GRP will relate to the regions of Queensland.

While the GRP estimates contained in the publication are consistent with data for aggregate gross state product published in *Queensland State Accounts (QSA)*<sup>1</sup>, the statistics are labelled 'experimental' owing to the paucity of economic statistics available at the regional level to assist with more rigorous estimation. As such, care should be taken when interpreting changes at the regional industry level.

## 1.1 Measurement of Gross Domestic Product

GDP at market prices is defined as 'the total market value of goods and services produced in Australia after deducting the costs of goods used up in the process of production (intermediate consumption), but before deducting consumption of fixed capital (depreciation)'<sup>2</sup>.

Three approaches are commonly used to measure GDP at market prices:

- income approach;
- expenditure approach; and
- production approach.

The **income approach** measures GDP by adding the income generated by employees, government and firms. That is, wages paid by business to its employees, the taxes on products and production paid to government and the balance, gross operating surplus and gross mixed income, which can be allocated to the owners of the business (for example, to maintain capital equipment and pay interest on loans). Gross operating surplus and gross mixed income is the excess of gross output of firms over the cost incurred in producing that output, but before adjusting for consumption of fixed capital (that is, depreciation), dividends, interest, royalties and land rent paid and direct tax payable.

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<sup>1</sup> For more information refer to <http://www.oesr.qld.gov.au/products/tables/qld-state-accounts-tables/index.php>

<sup>2</sup> ABS Catalogue 1301.0

The **expenditure approach** measures final expenditure in the economy, then adding exports and subtracting imports. Final expenditure includes private consumption (food, clothing, cars etc), public consumption (day to day running costs of government departments), investment expenditure by private business and government, and changes in inventories.

The **production approach** measures the market value of goods and services produced by industries, less the costs of goods and services used by these industries in the productive process (that is, intermediate consumption).

The Australian Bureau of Statistics (ABS) publishes estimates of GDP for Australia using each of the above approaches, on a quarterly and financial year basis. Further details on the compilation of GDP can be found in the ABS publication *Australian National Accounts: Concepts, Sources and Methods (Catalogue 5216.0)*.

## 1.2 Measurement of Gross State Product

The *Queensland State Accounts*, published quarterly by Queensland Treasury and Trade, extends the information published by the ABS in the *Australian National Accounts: National Income, Expenditure and Product (Catalogue 5206.0)* series through the addition of estimates of trade in goods and services, including tourism transactions, to produce a quarterly estimate of GSP. This provides a more comprehensive understanding of Queensland's economic performance.

Estimates of GSP for Queensland are published on a financial year basis by the ABS in the *Australian National Accounts: State Accounts (Catalogue 5220.0)*, using the income, expenditure and production approach. The ABS also provides, on an annual basis, an industry dissection of factor income and gross value added (GVA).

## 1.3 Measurement of Gross Regional Product

Estimates of GRP examine growth in the components of the regional economies of Queensland. The comparison of these estimates across time shows structural change. The estimates are indicative of the relative contributions of regions to the State and the relative contributions of industries to each region's economy. The main purpose of producing GRP estimates is to account for the diversity in the structure and performance across the regions of Queensland.

Estimates of GRP are produced by summing the income components of GRP: compensation of employees, gross operating surplus, and gross mixed income, to derive total factor income. Total factor income is then converted to GVA by adding taxes less subsidies on production. The sum of GVA across all industries plus taxes less subsidies on products equals GRP.

Whilst it is feasible to estimate GRP in this manner, industry analysis is done using GVA as there is no adequate method to allocate taxes less subsidies on products across industries on a sub-state basis. This is because taxes less subsidies on products are shown as being paid by the users of the products on which the taxes are levied and not by specific industries. For this reason, GVA estimates are used to analyse the industry contributions to regional production in this publication.



Estimates of GVA for each of the 19 industries plus the Ownership of dwellings industry are provided at industry division level based on the ANZSIC 2006 (Catalogue 1292.0). These industries are:

- A Agriculture, forestry and fishing;
- B Mining;
- C Manufacturing;
- D Electricity, gas, water and waste services;
- E Construction;
- F Wholesale trade;
- G Retail trade;
- H Accommodation and food services;
- I Transport, postal and warehousing;
- J Information, media and telecommunications;
- K Financial and insurance services;
- L Rental, hiring and real estate services;
- M Professional, scientific and technical services;
- N Administrative and support services;
- O Public administration and safety;
- P Education and training;
- Q Health care and social assistance;
- R Arts and recreation services;
- S Other services; and
- Ownership of dwellings<sup>3</sup>.

For some industries, the compilation of GVA and its indicators are done at the industry subdivision level and then aggregated to the division level. For example, within the Accommodation and food services industry, indicators were used, specific to each of the two subdivisions, to increase the reliability of estimates.

Aggregate estimates of GRP for Queensland's regions are presented in current price and chain volume measure (CVM) or real terms. Commentary within regions analyses industry composition at current prices. The changing industry composition of a region therefore includes price movements.

Average annual growth is calculated from CVM estimates of GRP. In this way, real growth in GRP is reported with the impact of price movements removed from the estimates. For more information on using current prices and CVM refer to the Glossary of Terms.

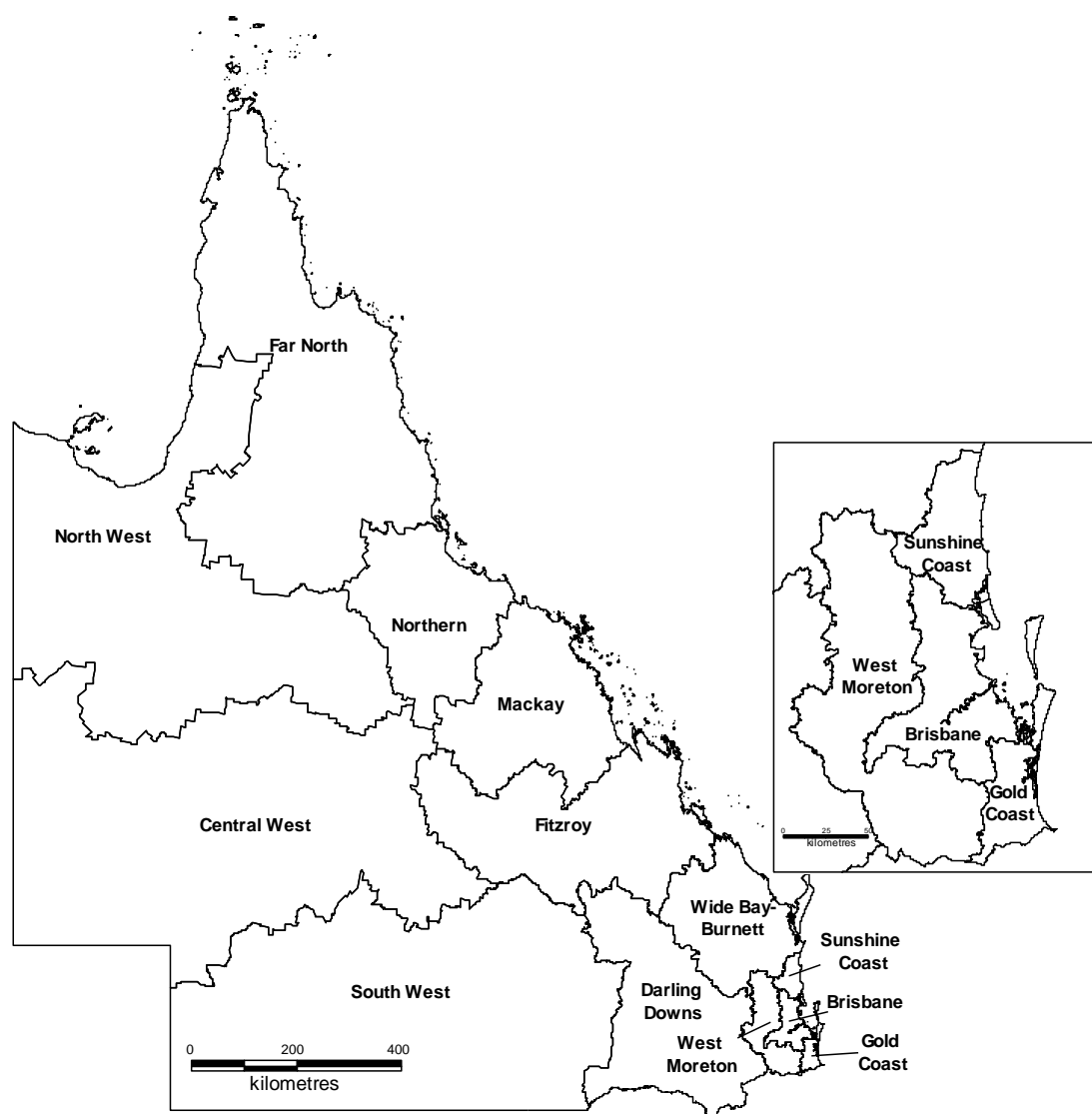
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<sup>3</sup> Ownership of dwellings is an artificial industry created to measure the gross rent of dwellings (actual rent paid in the case of tenanted dwellings and an imputed rent for owner-occupied dwellings).

## 2 Queensland's regions

The regions used in this publication correspond to the Statistical Divisions of Queensland as defined by the Australian Standard Geographical Classification (ASGC) 2006. For comparison purposes, data for the three years 2000-01, 2006-07 and 2010-11 are presented using ASGC 2006<sup>4</sup>.

**Figure 1: Queensland's Regions by ASGC 2006 Statistical Divisions**



For further information on the ASGC and general principles surrounding the various spatial units please see: <http://www.abs.gov.au/ausstats/abs@.nsf/mf/1216.0>.

<sup>4</sup> The ABS has released a new geographical classification, Australian Statistical Geography Standard (ASGS), however, due to the need to have consistent data across the three years ASGC 2006 was used.

### 3 Gross Regional Product

This section incorporates discussion based on the two methods of presenting estimates of GRP. First is analysis based on estimates of GRP at current prices (or nominal GRP), that is, before the effects of price movements have been removed. Second is analysis of GRP estimates which are based on chain volume measures (or real GRP) which removes the impact of price movements. GRP per capita estimates are also presented in real terms.

#### 3.1 Analysis

Gross regional product estimates were compiled for the years 2000-01, 2006-07 and 2010-11 due to the availability of data from *ABS Census of Population and Housing, Working Population Profiles (Catalogue 2006.0)*. With data available for three points in time (2000-01, 2006-07 and 2010-11), analysis can be undertaken across three time-frames:

- Over 10 years, from 2000-01 to 2010-11;
- Over four years, from 2006-07 to 2010-11; and
- Over six years, from 2000-01 to 2006-07.

Additionally, average annual growth in the regions can be classified into three broad categories:

- high growth, that is, growth above Queensland GSP growth;
- medium growth, that is, growth comparable to Queensland GSP growth; and
- low growth, that is, growth less than Queensland GSP growth.

#### 3.2 Nominal Gross Regional Product

In 2010-11, Queensland's GSP totalled \$269.9 billion and recorded average annual growth of 8.8 per cent over the 10 years to 2010-11. The average annual growth of Rest of Australia during the same period was 6.7 per cent with Gross Rest of Australia Product of \$1,134.0 billion.

The combined gross regional product of three regions – Brisbane, Gold Coast and Sunshine Coast – accounted for \$167.6 billion in 2010-11, representing almost two-thirds or 62.1 per cent of Queensland's total GSP. On an individual basis, Brisbane was the largest region accounting for 48.1 per cent of Queensland's production, followed by Gold Coast accounting for 9.4 per cent and then Mackay accounting for 8.5 per cent.

High growth regions were Mackay, the fastest growing region of Queensland between 2000-01 and 2010-11 with average annual growth of 13.7 per cent, followed by Fitzroy which recorded average annual growth of 10.3 per cent.

Medium growth regions included Sunshine Coast, Gold Coast and Brisbane, which experienced average annual growth over the 10 years to 2010-11 of 9.3 per cent, 9.0 per cent and 8.8 per cent respectively. The Northern, Darling Downs and Wide Bay-Burnett regions also recorded medium average annual growth rates of 7.5 per cent, 7.4 per cent and 7.0 per cent respectively.

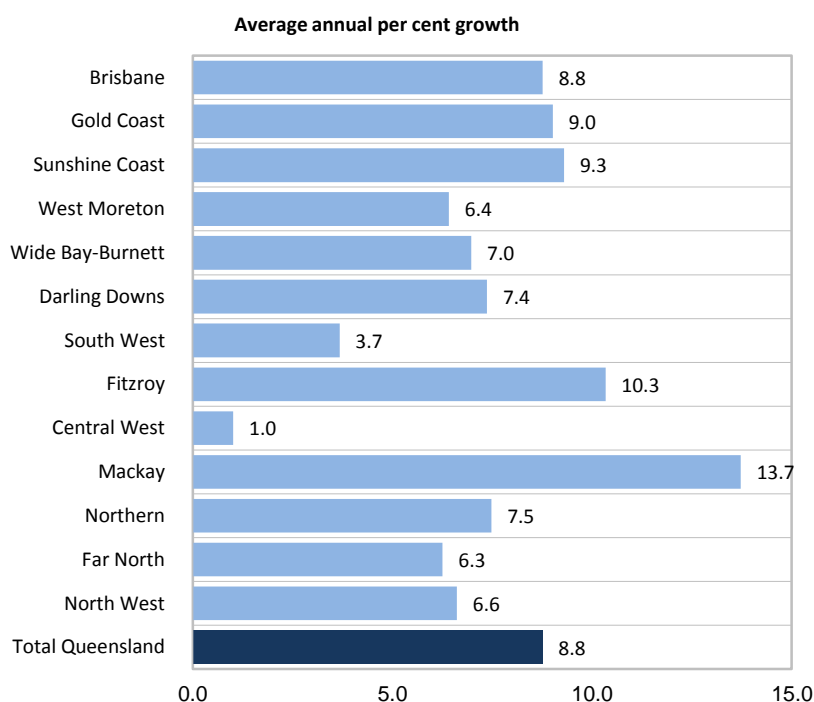
The North West, West Moreton and Far North regions recorded low average annual growth rates of 6.6 per cent, 6.4 per cent and 6.3 per cent respectively. Lowest growth was recorded in South West and Central West with average annual growth of 3.7 per cent and 1.0 per cent respectively.

**Table 1: Nominal GRP, Queensland**

Region	Current prices			Average annual per cent growth		
	2000-01	2006-07	2010-11	2000-01 to 2006-07	2006-07 to 2010-11	2000-01 to 2010-11
	\$m	\$m	\$m	Per cent	Per cent	Per cent
Brisbane	55,971	101,799	129,680	10.5	6.2	8.8
Gold Coast	10,676	20,719	25,312	11.7	5.1	9.0
Sunshine Coast	5,179	10,007	12,600	11.6	5.9	9.3
West Moreton	1,424	2,024	2,651	6.0	7.0	6.4
Wide Bay-Burnett	5,202	8,587	10,209	8.7	4.4	7.0
Darling Downs	5,955	9,854	12,126	8.8	5.3	7.4
South West	1,463	1,533	2,100	0.8	8.2	3.7
Fitzroy	7,842	14,741	20,974	11.1	9.2	10.3
Central West	621	552	687	-1.9	5.6	1.0
Mackay	6,304	15,122	22,807	15.7	10.8	13.7
Northern	5,797	9,798	11,923	9.1	5.0	7.5
Far North	6,696	10,687	12,286	8.1	3.5	6.3
North West	3,431	7,430	6,511	13.7	-3.2	6.6
<b>Total Queensland</b>	<b>116,561</b>	<b>212,853</b>	<b>269,866</b>	<b>10.6</b>	<b>6.1</b>	<b>8.8</b>
Rest of Australia	590,331	870,449	1,134,023	6.7	6.8	6.7

**Figure 2: Growth in Nominal GRP, 2000-01 to 2010-11, Queensland**

Current prices



Over the recent four year period from 2006-07 to 2010-11, Queensland GSP recorded average annual growth of 6.1 per cent compared with 6.8 per cent for Rest of Australia (Table 1).

High growth regions were Mackay, the fastest growing region of Queensland between 2006-07 and 2010-11 with average annual growth of 10.8 per cent, followed by Fitzroy and South West which recorded average annual growth of 9.2 per cent and 8.2 per cent respectively.

Medium growth regions included Brisbane, Sunshine Coast and Central West which experienced average annual growth over the four years to 2010-11 of 6.2 per cent, 5.9 per cent and 5.6 per cent respectively. The Darling Downs, Gold Coast and Northern regions also recorded medium average annual growth rate of 5.3 per cent, 5.1 per cent and 5.0 per cent respectively.

Low growth was recorded in Wide Bay-Burnett and Far North with average annual growth of 4.4 per cent and 3.5 per cent respectively. North West experienced a contraction in GRP with an average annual decline of 3.2 per cent between 2006-07 and 2010-11.

Over the earlier six year period from 2000-01 to 2006-07, Queensland GSP recorded average annual growth of 10.6 per cent compared with 6.7 per cent for Rest of Australia.

High growth regions were Mackay, the fastest growing region of Queensland between 2000-01 and 2006-07 with average annual growth of 15.7 per cent, followed by North West which recorded average annual growth of 13.7 per cent

Medium growth regions included Brisbane, Gold Coast, Sunshine Coast and Fitzroy which experienced average annual growth over the six years to 2006-07 of 10.5 per cent, 11.7 per cent, 11.6 per cent and 11.1 per cent respectively. The Northern region also recorded medium growth, up 9.1 per cent.

Regional growth below the State average was recorded in Darling Downs (8.8 per cent), Wide Bay-Burnett (8.7 per cent), Far North (8.1 per cent) and West Moreton (6.0 per cent). Lowest growth was recorded in South West (0.8 per cent) over the six years from 2000-01 to 2006-07 while Central West experienced a contraction in GRP with an average annual decline of 1.9 per cent.

### 3.3 Real Gross Regional Product (CVM)

When analysing economic growth it is useful to adjust for price movements. By removing price movements, a measure of the volume of production is obtained to inform on whether an industry or region is expanding its production. Chain volume measures are used here to analyse real growth in addition to the previously presented nominal data.

In real terms, Queensland recorded average annual growth of 4.1 per cent over the 10 years to 2010-11.

**Table 2: Real GRP, Queensland**

Region	Chain volume measures (\$, 2010-11)			Average annual per cent growth		
	2000-01	2006-07	2010-11	2000-01 to 2006-07	2006-07 to 2010-11	2000-01 to 2010-11
	\$m	\$m	\$m	Per cent	Per cent	Per cent
Brisbane	81,554	119,744	129,681	6.6	2.0	4.7
Gold Coast	15,768	24,767	25,312	7.8	0.5	4.8
Sunshine Coast	7,690	11,879	12,600	7.5	1.5	5.1
West Moreton	2,043	2,283	2,651	1.9	3.8	2.6
Wide Bay-Burnett	7,581	10,057	10,209	4.8	0.4	3.0
Darling Downs	8,395	11,068	12,126	4.7	2.3	3.7
South West	2,043	1,624	2,100	-3.8	6.6	0.3
Fitzroy	14,894	19,996	20,974	5.0	1.2	3.5
Central West	830	580	687	-5.8	4.3	-1.9
Mackay	14,486	21,026	22,807	6.4	2.1	4.6
Northern	8,959	11,527	11,923	4.3	0.8	2.9
Far North	9,742	12,310	12,286	4.0	0.0	2.3
North West	6,459	5,790	6,511	-1.8	3.0	0.1
<b>Total Queensland</b>	<b>180,444</b>	<b>252,650</b>	<b>269,868</b>	<b>5.8</b>	<b>1.7</b>	<b>4.1</b>
Rest of Australia	852,724	1,020,127	1,134,020	3.0	2.7	2.9

Sunshine Coast was the fastest growing region in Queensland between 2000-01 and 2010-11 with real average annual growth of 5.1 per cent. Growth faster than the Queensland average was also experienced in the Gold Coast, Brisbane and Mackay regions with average annual growth of 4.8 per cent, 4.7 per cent and 4.6 per cent respectively.

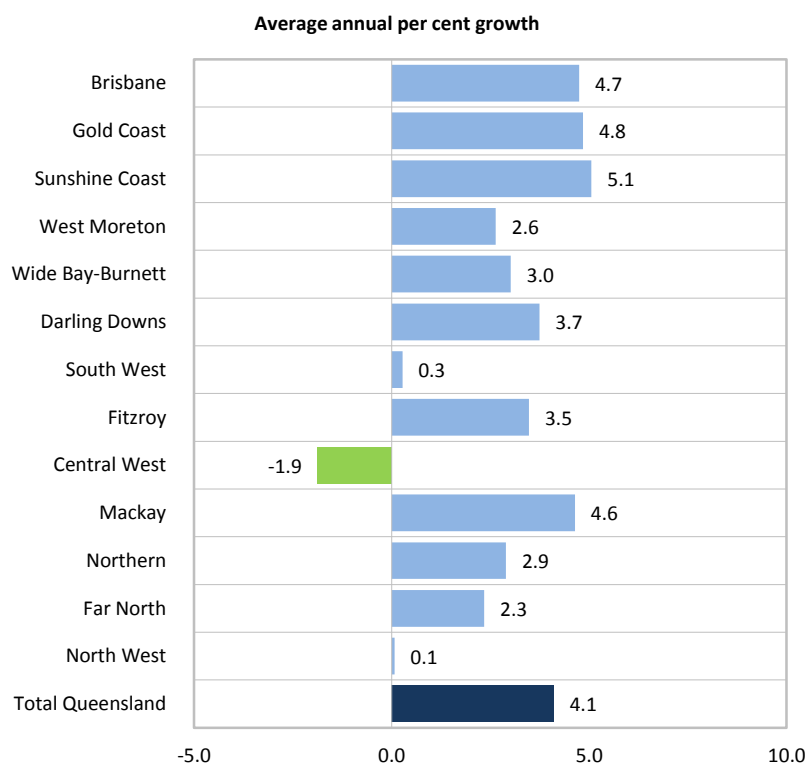
Darling Downs and Fitzroy experienced a medium level of growth over the 10 years to 2010-11 with regional growth comparable to State growth. These two regions recorded 3.7 per cent and 3.5 per cent average annual growth respectively.

Average annual growth significantly below that of Queensland was recorded in North West with 0.1 per cent and South West with 0.3 per cent. The Far North and West Moreton regions also recorded low annual average growth rates of 2.3 per cent and 2.6 per cent respectively. Growth lower than the State average was also experienced in the Northern and Wide Bay-Burnett regions with average annual growth of 2.9 per cent and 3.0 per cent respectively.

Central West was the only region to experience a contraction in real GRP between 2000-01 and 2010-11, with an average annual decline of 1.9 per cent over this period.

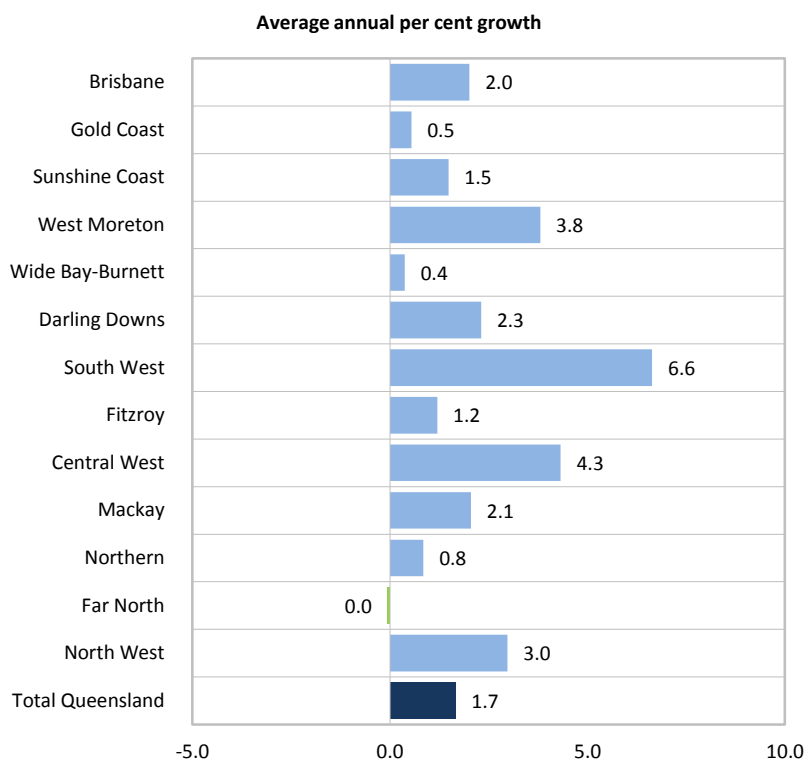
**Figure 3: Growth in Real GRP, 2000-01 to 2010-11, Queensland**

Chain volume measures (\$, 2010-11)

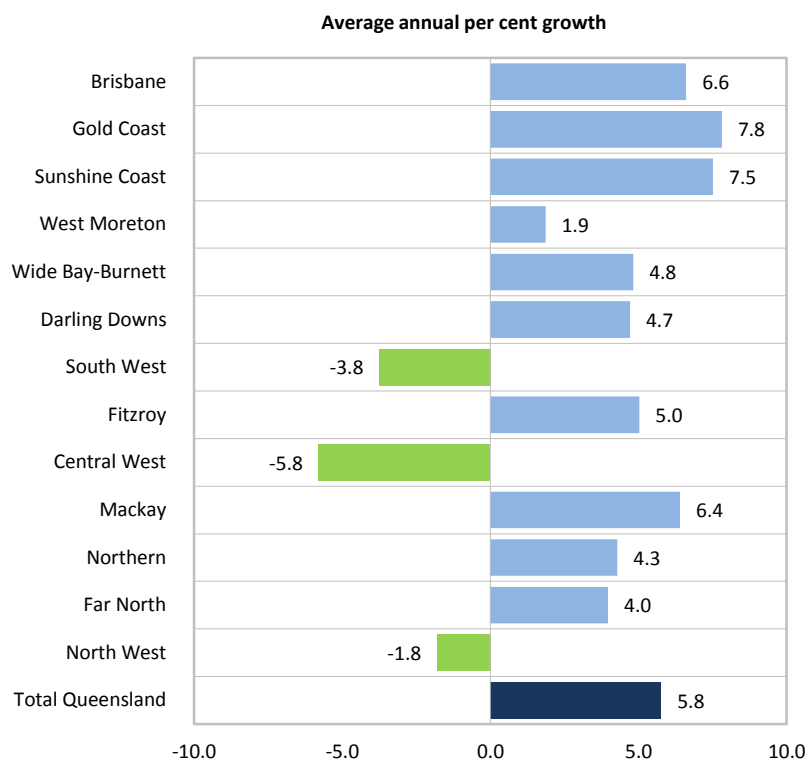


**Figure 4: Growth in Real GRP, 2006-07 to 2010-11, Queensland**

Chain volume measures (\$, 2010-11)



**Figure 5: Growth in Real GRP, 2000-01 to 2006-07, Queensland**  
Chain volume measures (\$, 2010-11)





### 3.4 Real Gross Regional Product Per Capita

Population can be reported as a key standard base for economic production in an attempt to 'normalise' data into more comparable results. Changes in population play a key role in determining changes in a region's productive capacity. For this reason, it is useful to consider population changes over time when comparing GRP. In effect, per capita measures remove the impact of population growth as a driver of economic growth.

Table 3 outlines Queensland's population by region for the years 2000-01, 2006-07 and 2010-11 and the average annual growth between these years.

**Table 3: Population by Region, Queensland (a)**

Region	Persons			Average annual per cent growth		
	2000-01	2006-07	2010-11	2000-01 to 2006-07	2006-07 to 2010-11	2000-01 to 2010-11
	Persons	Persons	Persons	Per cent	Per cent	Per cent
Brisbane	1,629,133	1,867,573	2,037,994	2.3	2.2	2.3
Gold Coast	432,588	532,486	572,964	3.5	1.8	2.9
Sunshine Coast	247,167	299,885	316,858	3.3	1.4	2.5
West Moreton	65,718	74,004	80,964	2.0	2.3	2.1
Wide Bay-Burnett	236,492	273,595	284,883	2.5	1.0	1.9
Darling Downs	210,351	228,185	233,945	1.4	0.6	1.1
South West	27,002	26,270	26,530	-0.5	0.2	-0.2
Fitzroy	181,747	202,753	211,264	1.8	1.0	1.5
Central West	12,497	11,457	11,406	-1.4	-0.1	-0.9
Mackay	137,539	162,229	171,297	2.8	1.4	2.2
Northern	190,266	212,946	225,137	1.9	1.4	1.7
Far North	224,163	252,096	265,945	2.0	1.3	1.7
North West	34,283	33,610	34,911	-0.3	1.0	0.2
<b>Total Queensland</b>	<b>3,628,946</b>	<b>4,177,089</b>	<b>4,474,098</b>	<b>2.4</b>	<b>1.7</b>	<b>2.1</b>
Rest of Australia	15,784,294	16,838,847	17,849,835	1.1	1.5	1.2

(a) As at 30 June

Source: ABS Regional Population Growth, Australia (3218.0)

Average annual growth in population for Queensland was 2.1 per cent between 2000-01 and 2010-11, an overall increase of 845,152 residents. Rest of Australia average annual growth in population over the same period was 1.2 per cent.

The fastest population growth region over the 10 years to 2010-11 was Gold Coast with average annual growth of 2.9 per cent, followed by Sunshine Coast at 2.5 per cent.

Between 2000-01 and 2010-11, regions that experienced population growth comparable to Queensland included Sunshine Coast and Brisbane with average annual growth of 2.5 per cent and 2.3 per cent respectively. Mackay, West Moreton and Wide Bay-Burnett also experienced medium population growth rates, of 2.2 per cent, 2.1 per cent and 1.9 per cent respectively.

Regions that recorded population growth slower than the Queensland average included Northern and Far North, each with annual average growth of 1.7 per cent between 2000-01 and 2010-11. Fitzroy, Darling Downs and North West also recorded population growth below the State average, with 1.5 per cent, 1.1 per cent and 0.2 per cent respectively. The western regions of Queensland recorded a smaller population base in 2010-11 compared with 2000-01, with an average annual decline of 0.9 per cent for Central West and 0.2 per cent for South West.

Table 4 presents estimates of real GRP per capita. These are based on the real GRP and population data presented in Table 2 and 3 respectively. As these estimates are based on real GRP, any price movements which have occurred over the period are removed. As such, these estimates reflect the underlying volume of output produced per capita.

**Table 4: Levels and Growth of Real GRP per capita, Queensland**

Region	Chain volume measures (\$, 2010-11)			Average annual per cent growth		
	2000-01	2006-07	2010-11	2000-01 to 2006-07	2006-07 to 2010-11	2000-01 to 2010-11
	\$	\$	\$	Per cent	Per cent	Per cent
Brisbane	50,060	64,117	63,632	4.2	-0.2	2.4
Gold Coast	36,450	46,512	44,177	4.1	-1.3	1.9
Sunshine Coast	31,113	39,612	39,765	4.1	0.1	2.5
West Moreton	31,087	30,850	32,743	-0.1	1.5	0.5
Wide Bay-Burnett	32,056	36,759	35,836	2.3	-0.6	1.1
Darling Downs	39,909	48,505	51,833	3.3	1.7	2.6
South West	75,661	61,820	79,156	-3.3	6.4	0.5
Fitzroy	81,949	98,622	99,279	3.1	0.2	1.9
Central West	66,416	50,624	60,231	-4.4	4.4	-1.0
Mackay	105,323	129,607	133,143	3.5	0.7	2.4
Northern	47,087	54,131	52,959	2.4	-0.5	1.2
Far North	43,459	48,831	46,198	2.0	-1.4	0.6
North West	188,402	172,270	186,503	-1.5	2.0	-0.1
<b>Total Queensland</b>	<b>49,724</b>	<b>60,485</b>	<b>60,318</b>	<b>3.3</b>	<b>-0.1</b>	<b>2.0</b>
Rest of Australia	54,024	60,582	63,531	1.9	1.2	1.6

Queensland's real GSP per capita recorded an average annual growth of 2.0 per cent between 2000-01 and 2010-11. This was 0.4 percentage point above growth in the Rest of Australia which recorded 1.6 per cent average annual growth.

The highest average annual growth in real GRP per capita over the 10 years to 2010-11 was in the region of Darling Downs, with 2.6 per cent. This was followed by Sunshine Coast with 2.5 per cent, and Brisbane and Mackay each with 2.4 per cent average annual growth in GRP per capita. In contrast, in the Central West and North West regions, GRP per capita fell with average annual declines of 1.0 per cent and 0.1 per cent respectively between 2000-01 and 2010-11.

Over the more recent period (between 2006-07 and 2010-11), Queensland's real GSP per capita recorded an average annual decline of 0.1 per cent. A real average decline was recorded in the Far North (down 1.4 per cent), Gold Coast (down 1.3 per cent), Wide Bay-Burnett (down 0.6 per cent), Northern (down 0.5 per cent) and Brisbane (down 0.2 per cent) regions. In contrast, real GRP per capita grew 6.4 per cent for South West and 4.4 per cent for Central West, reflecting the recovery in agricultural production in 2010-11.

Over the earlier period, in the six years from 2000-01 to 2006-07, Queensland's real GSP per capita rose by an annual average 3.3 per cent. Among the regions, the highest average annual growth in real GRP per capita was in the Brisbane region with 4.2 per cent, followed by Gold Coast and Sunshine Coast, each with 4.1 per cent. In contrast, several regions experienced a contraction in real GRP per capita over the six years to 2006-07 with the largest decline in the Central West region (down 4.4 per cent), followed by the South West (down 3.3 per cent), North West (down 1.5 per cent) and West Moreton (down 0.1 per cent).

## 4 Gross Value Added by Industry

### 4.1 State Level

The industry composition of nominal gross value added in Queensland for the years 2000-01 and 2010-11 is presented in Table 5.

In 2010-11 the mining industry was the largest contributor to the Queensland economy, accounting for 10.7 per cent of total nominal GVA. Mining also had the largest increase in nominal GVA share in the 10 years to 2010-11, rising 3.4 percentage points on 2000-01 when it was the third largest industry in Queensland. This movement reflects the strong growth in commodity prices received in the mining industry over this period.

**Table 5: Composition of Gross Value Added, Queensland**

Current prices

Industry	Composition		Change in Composition
	2000-01	2010-11	
	Per cent	Per cent	Percentage points
Agriculture, forestry and fishing	4.7	2.7	-2.0
Mining	7.3	10.7	3.4
Manufacturing	10.9	8.1	-2.7
Electricity, gas, water and waste services	2.0	2.6	0.6
Construction	6.8	9.3	2.5
Wholesale trade	5.8	5.3	-0.5
Retail trade	6.2	5.4	-0.8
Accommodation and food services	3.5	2.6	-0.9
Transport, postal and warehousing	6.8	6.2	-0.5
Information media and telecommunications	3.5	2.1	-1.4
Financial and insurance services	5.8	6.6	0.8
Rental, hiring and real estate services	2.3	2.5	0.2
Professional, scientific and technical services	4.6	6.1	1.5
Administrative and support services	2.0	2.1	0.2
Public administration and safety	5.5	5.6	0.0
Education and training	4.8	4.1	-0.7
Health care and social assistance	6.0	6.4	0.4
Arts and recreation services	1.0	0.6	-0.4
Other services	2.4	1.8	-0.5
Ownership of dwellings	8.2	9.2	1.0
<b>Gross Value Added</b>	100.0	100.0	

Source: ABS Australian National Accounts: State Accounts (Catalogue 5220.0)

Construction was the second largest contributor, accounting for 9.3 per cent of total nominal GVA in 2010-11. Queensland's population increase (average annual growth of 2.1 per cent over the 10 years to 2010-11, see Table 3 above) coupled with strong growth in the resource sector has seen subsequent growth in construction industry output. The construction industry recorded the second largest change in the share of nominal GVA, rising 2.5 percentage points from 2000-01 when it was the fourth largest industry in Queensland.

Although down from its 10.9 per cent contribution in 2000-01, Manufacturing is still a large contributor to the Queensland economy, accounting for 8.1 per cent of economic activity.

Agriculture, forestry and fishing experienced a decline in its contribution to Queensland's economic activity from 4.7 per cent in 2000-01 to 2.7 per cent in 2010-11.

Figure 6 shows the growth in real terms after adjusting for price movements for each industry in Queensland. High growth industries between 2000-01 and 2010-11 include Financial and insurance services (9.1 per cent), Construction (7.7 per cent), and Professional, scientific and technical services (7.3 per cent). Arts and recreational services with 6.5 per cent, Transport, postal and warehousing with 6.4 per cent and Rental, hiring and real estate services with 6.3 per cent also recorded strong growth.

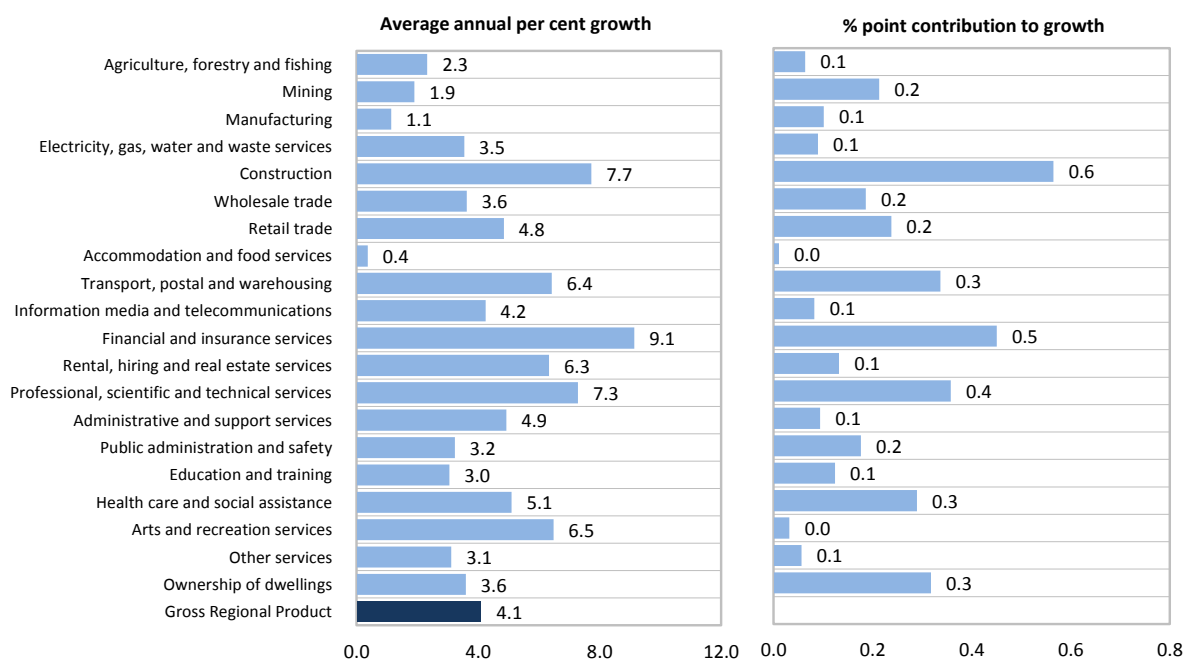
Low growth industries, with growth below the State average, included Accommodation and food services (0.4 per cent), Manufacturing (1.1 per cent) and Mining (1.9 per cent). The difference between the mining industry's high growth rate in nominal terms and low growth rate in real terms is explained by the large increases in commodity prices in the industry over the period. While the income received for mining products has risen sharply, the underlying volume of production has grown at a more moderate rate.

The largest contributor to growth over the period was Construction (0.6 percentage point), followed by Financial and insurance services (0.5 percentage point) and Professional, scientific and technical services (0.4 percentage point). Transport, postal and warehousing; Health care and social assistance; and Ownership of dwellings each contributed 0.3 percentage point to aggregate growth in real GVA. The Mining, Wholesale trade, Retail trade, and Public administration and safety industries each contributed 0.2 percentage point over the 10 years to 2010-11.

The remaining industries made a neutral or marginal contribution to growth between 2000-01 and 2010-11.

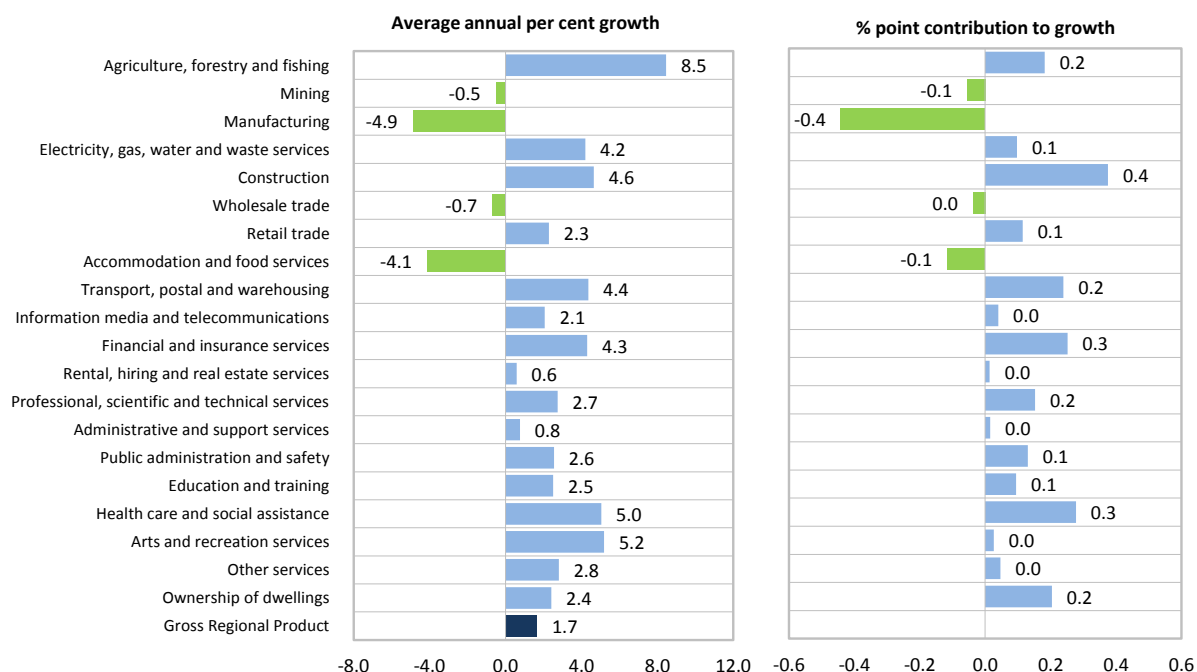
**Figure 6: Growth in Real GVA, 2000-01 to 2010-11, Queensland**

Chain volume measures (\$, 2010-11)

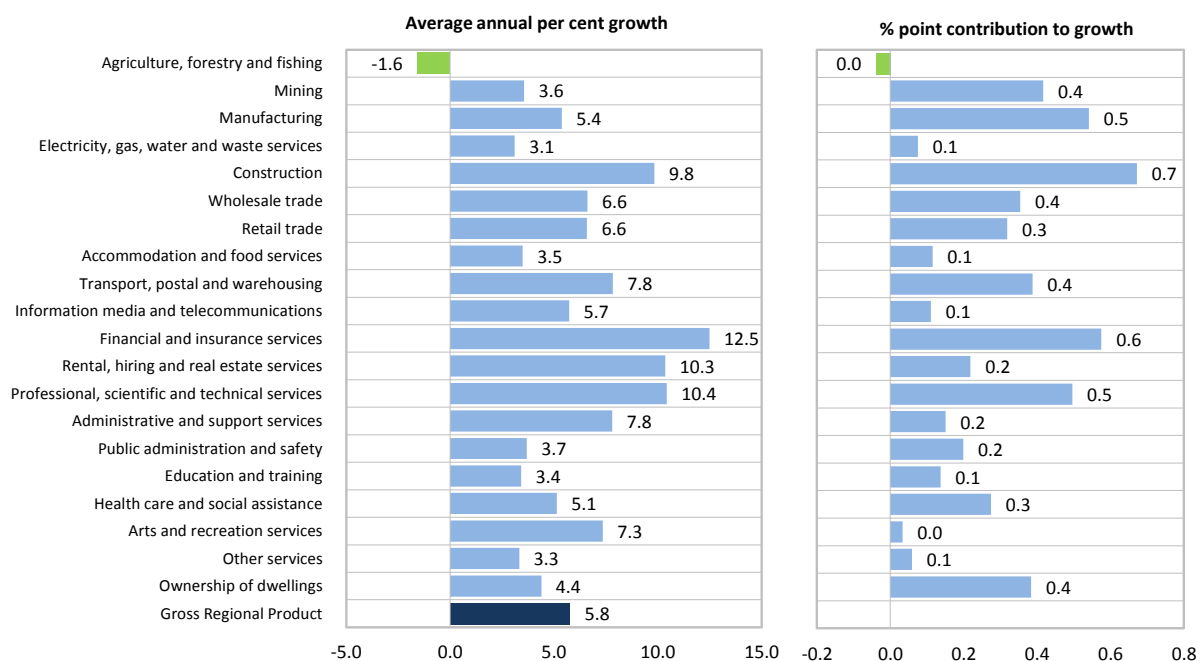


**Figure 7: Growth in Real GVA, 2006-07 to 2010-11, Queensland**

Chain volume measures (\$, 2010-11)


**Figure 8: Growth in Real GVA, 2000-01 to 2006-07, Queensland**

Chain volume measures (\$, 2010-11)



## 4.2 Regional Level

### 4.2.1 Brisbane

In real terms, Brisbane's GRP grew by 4.7 per cent between 2000-01 and 2010-11, the third fastest growing region in Queensland after Sunshine Coast and Gold Coast. In comparison, the State's average growth was 4.1 per cent.

Over the recent four years to 2010-11, Brisbane growth moderated to an average 2.0 per cent per annum compared with 6.6 per cent over the earlier period 2000-01 to 2006-07.

### Industry Composition

Table 6 shows the industry composition of the Brisbane economy based on current price estimates of GVA. The largest industry contribution in the region came from Financial and insurance services, Manufacturing, and Professional, scientific and technical services which accounted for 9.6 per cent, 9.4 per cent and 9.2 per cent of nominal GVA respectively. Ownership of dwellings and Construction were also key industries in the region, comprising 8.9 per cent and 8.1 per cent respectively of total nominal GVA.

The largest compositional change was shown in the Manufacturing industry with a decline of 3.4 percentage points from the previous period while the Professional, scientific and technical services industry share rose 2.5 percentage points over the period.

**Table 6: Composition of Gross Value Added, Brisbane**

Current prices

Industry	Composition		Change in Composition
	2000-01	2010-11	
	Per cent	Per cent	Percentage points
Agriculture, forestry and fishing	0.7	0.3	-0.4
Mining	0.9	1.4	0.5
Manufacturing	12.7	9.4	-3.4
Electricity, gas, water and waste services	1.7	2.3	0.5
Construction	6.8	8.1	1.3
Wholesale trade	6.9	6.8	-0.2
Retail trade	6.3	5.5	-0.8
Accommodation and food services	2.7	2.2	-0.5
Transport, postal and warehousing	7.9	7.7	-0.2
Information media and telecommunications	4.0	2.5	-1.5
Financial and insurance services	8.3	9.6	1.3
Rental, hiring and real estate services	2.5	2.7	0.2
Professional, scientific and technical services	6.7	9.2	2.5
Administrative and support services	2.3	2.6	0.3
Public administration and safety	6.4	6.9	0.5
Education and training	4.9	4.3	-0.6
Health care and social assistance	6.5	7.0	0.5
Arts and recreation services	0.9	0.6	-0.3
Other services	2.7	2.0	-0.7
Ownership of dwellings	8.0	8.9	1.0
<b>Gross Value Added</b>	100.0	100.0	

## Growth in Real GVA

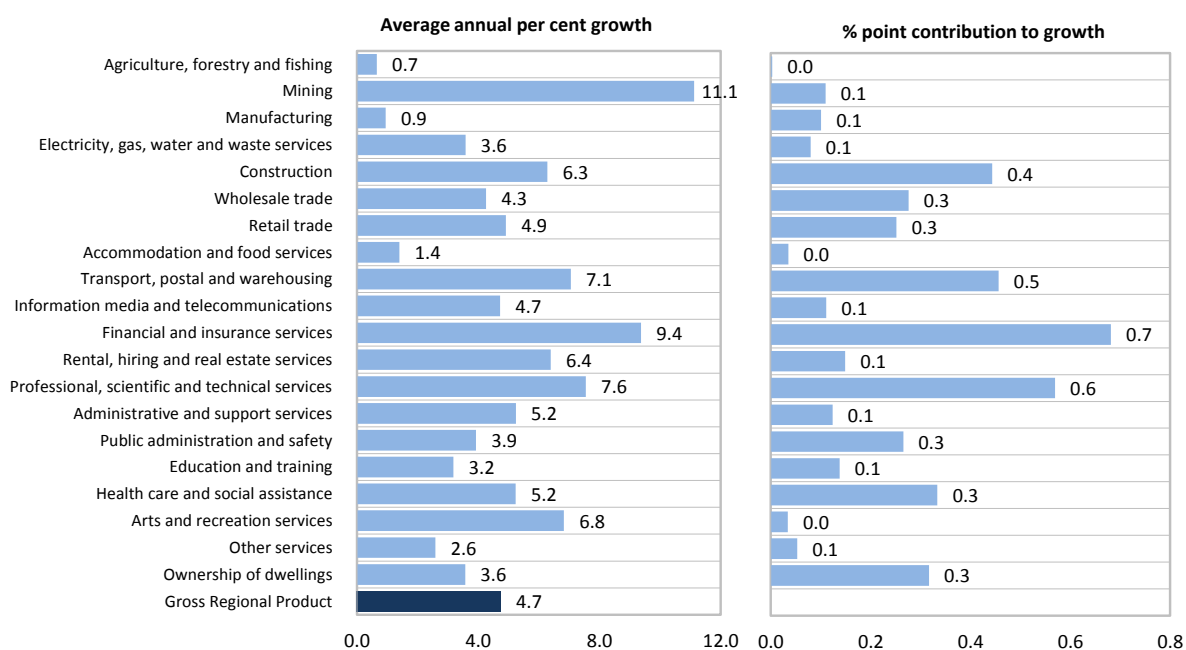
While the above discussion focuses on the current price industry composition of Brisbane, Figure 9 presents average annual growth in real GVA by industry and each industry's contribution to regional growth.

The 4.7 per cent growth in GRP in the 10 years to 2010-11 is a result of all industries experiencing average annual growth. While Mining was the fastest growing industry in Brisbane with 11.1 per cent, its contribution to regional growth was negligible as it only accounts for 1.4 per cent of the Brisbane economy. While the Financial and insurance services industry was the second fastest growing industry in Brisbane with average annual growth of 9.4 per cent between 2000-01 and 2010-11, it made the largest contribution to growth of 0.7 percentage point per annum.

Professional, scientific and technical services was the second highest contributor towards growth in Brisbane, adding 0.6 percentage point, followed by Transport, postal and warehousing at 0.5 percentage point and Construction at 0.4 percentage point. Several industries contributed 0.3 percentage point each to Brisbane's growth: Wholesale trade; Retail trade; Public administration and safety; and Health care and social assistance. Approximately half of Brisbane's industries had a negligible or neutral impact on regional growth between 2000-01 and 2010-11.

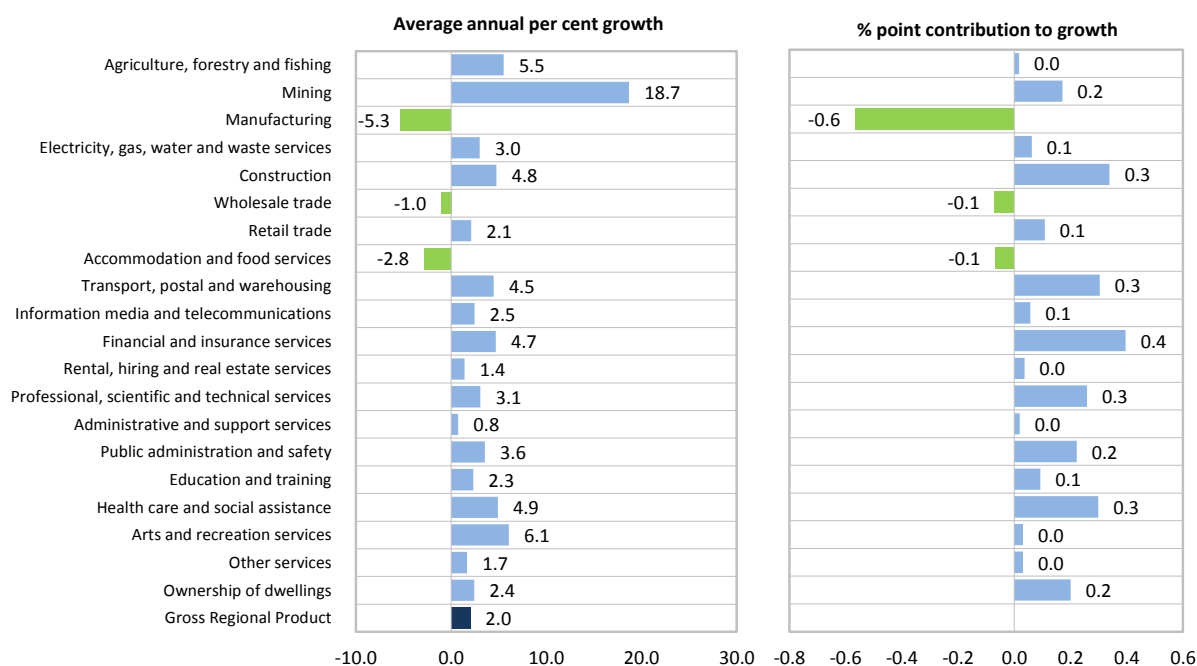
**Figure 9: Growth in Real GVA, 2000-01 to 2010-11, Brisbane**

Chain volume measures (\$, 2010-11)

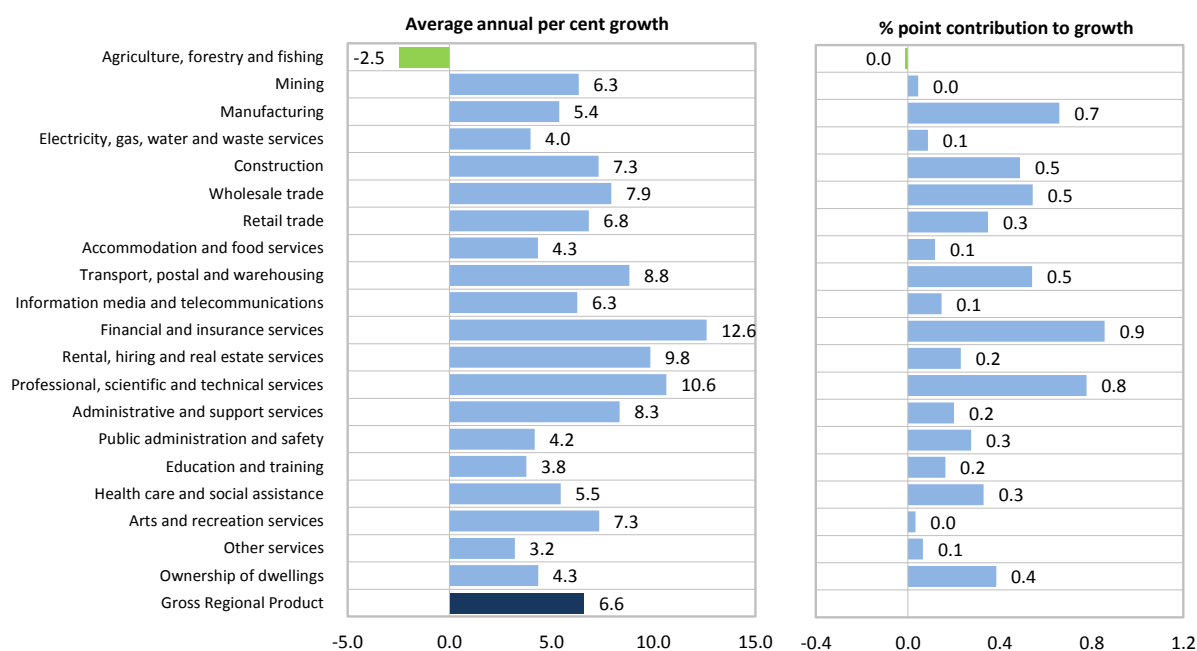


**Figure 10: Growth in Real GVA, 2006-07 to 2010-11, Brisbane**

Chain volume measures (\$, 2010-11)


**Figure 11: Growth in Real GVA, 2000-01 to 2006-07, Brisbane**

Chain volume measures (\$, 2010-11)



Over the recent four years to 2010-11, Brisbane growth moderated to an average 2.0 per cent per annum (Figure 10) compared with 6.6 per cent over the earlier period 2000-01 to 2006-07 (Figure 11).

Across the industries, over the most recent period 2006-07 to 2010-11, Manufacturing GVA declined on average by 5.3 per cent and detracted 0.6 percentage point from Brisbane growth. Average declines in Accommodation and food services (2.8 per cent) and Wholesale trade (1.0 per cent) each detracted 0.1 percentage point from overall GRP growth. All other industries either contributed to growth or had a neutral impact over the period 2006-07 to 2010-11.



### 4.2.2 Gold Coast

In real terms, Gold Coast grew by 4.8 per cent between 2000-01 and 2010-11, the second fastest growing region in Queensland after Sunshine Coast.

Following strong average growth of 7.8 per cent over the earlier six years to 2006-07, Gold Coast average growth slowed to 0.5 per cent over the recent four years to 2010-11.

#### Industry Composition

Table 7 shows the industry composition of the Gold Coast economy based on current price estimates of GVA. The single largest industry contribution in the region came from Ownership of dwellings, which accounted for 16.9 per cent of nominal GVA. Construction and Manufacturing were also key industries in the region, comprising 9.6 per cent and 8.5 per cent respectively of total nominal GVA.

The largest compositional change over the 10 years to 2010-11 was shown in Ownership of dwellings industry with an increase of 2.8 percentage points from 2000-01 while the Accommodation and food services industry share contracted 2.3 percentage points over the period.

**Table 7: Composition of Gross Value Added, Gold Coast**

Current prices

Industry	Composition		Change in Composition
	2000-01	2010-11	
	Per cent	Per cent	Percentage points
Agriculture, forestry and fishing	0.8	0.3	-0.4
Mining	0.2	0.2	0.0
Manufacturing	10.6	8.5	-2.0
Electricity, gas, water and waste services	1.8	2.4	0.6
Construction	8.8	9.6	0.8
Wholesale trade	4.5	5.4	0.9
Retail trade	8.5	7.7	-0.8
Accommodation and food services	7.1	4.8	-2.3
Transport, postal and warehousing	3.7	3.8	0.0
Information media and telecommunications	4.4	2.9	-1.4
Financial and insurance services	5.7	6.5	0.8
Rental, hiring and real estate services	4.5	4.2	-0.4
Professional, scientific and technical services	3.7	4.8	1.1
Administrative and support services	2.5	2.7	0.1
Public administration and safety	3.2	3.7	0.5
Education and training	4.5	4.9	0.4
Health care and social assistance	6.0	7.0	1.0
Arts and recreation services	2.6	1.7	-1.0
Other services	2.6	2.0	-0.6
Ownership of dwellings	14.2	16.9	2.8
<b>Gross Value Added</b>	<b>100.0</b>	<b>100.0</b>	

## Growth in Real GVA

While the above discussion focuses on the current price industry composition of Gold Coast, Figure 12 presents average annual growth in real GVA by industry and each industry's contribution to its regional growth.

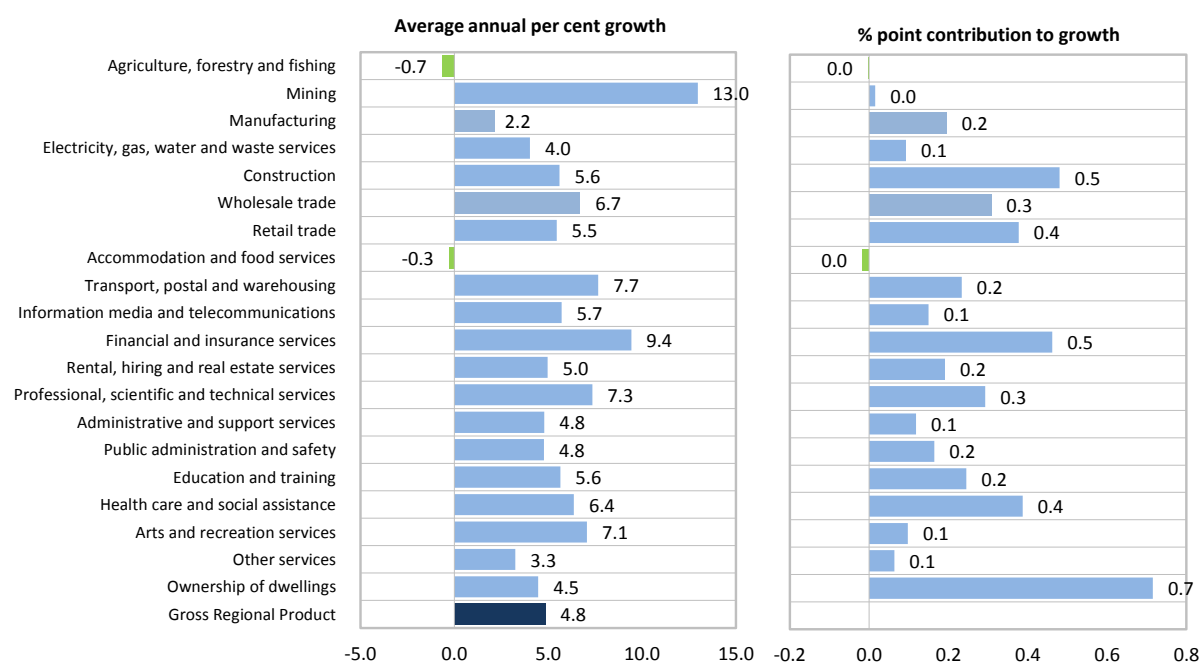
The 4.8 per cent growth in GRP in the 10 years to 2010-11 reflects all industries experiencing average annual growth, with the exception of Agriculture, forestry and fishing and Accommodation and food services which declined 0.7 per cent and 0.3 per cent respectively.

While Mining was the fastest growing industry in Gold Coast with average annual growth of 13.0 per cent between 2000-01 and 2010-11, its contribution to regional growth was neutral as it only accounts for 0.2 per cent of the Gold Coast economy. Financial and insurance services also showed strong growth at 9.4 per cent.

Ownership of dwellings was the highest contributor towards growth in Gold Coast adding 0.7 percentage point. This was followed by Construction and Financial and insurance services, each contributing 0.5 percentage point towards growth in the Gold Coast region. Retail trade, and Health care and social assistance each contributed 0.4 percentage point to growth in the region.

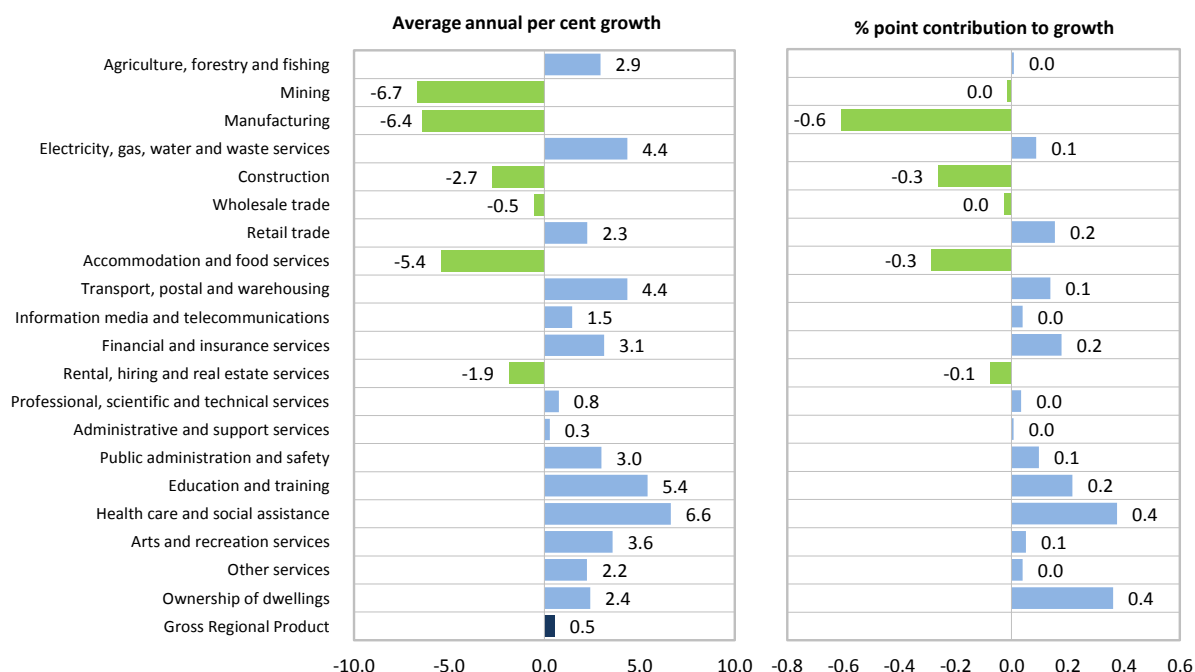
**Figure 12: Growth in Real GVA, 2000-01 to 2010-11, Gold Coast**

Chain volume measures (\$, 2010-11)

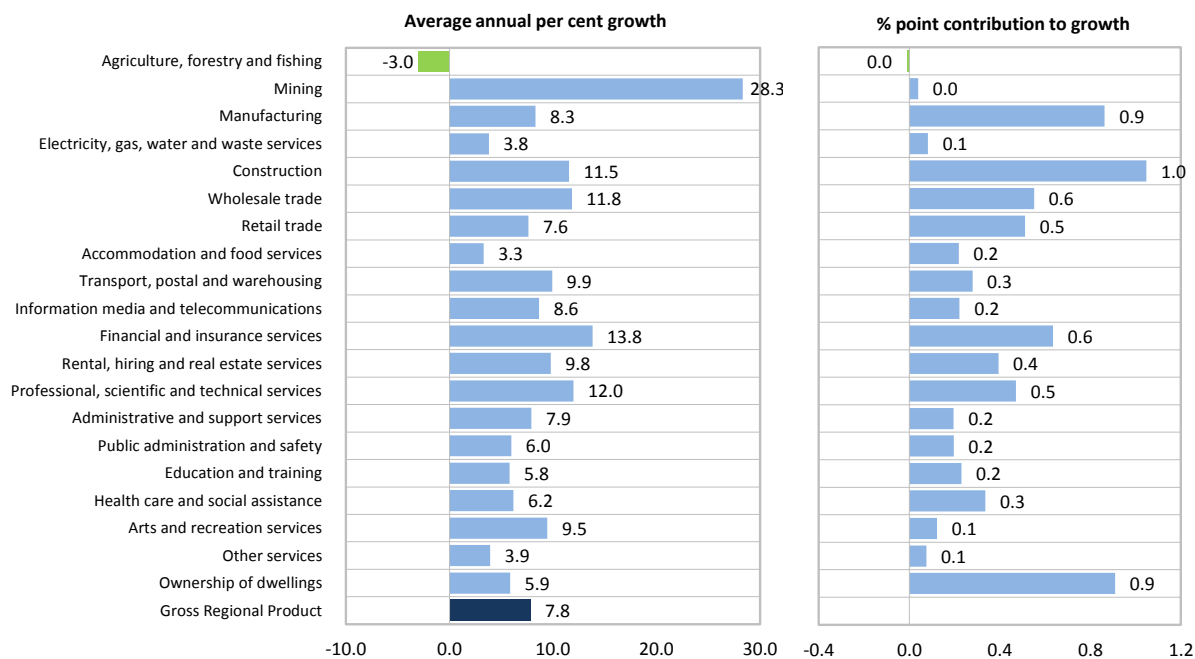


**Figure 13: Growth in Real GVA, 2006-07 to 2010-11, Gold Coast**

Chain volume measures (\$, 2010-11)


**Figure 14: Growth in Real GVA, 2000-01 to 2006-07, Gold Coast**

Chain volume measures (\$, 2010-11)



Following strong average growth of 7.8 per cent (Figure 14) over the earlier six years to 2006-07, Gold Coast average growth slowed to 0.5 per cent over the recent four years to 2010-11 (Figure 13).

Over the most recent period, 2006-07 to 2010-11, a 6.4 per cent per annum decline in Manufacturing GVA detracted 0.6 percentage point from Gold Coast's growth. Furthermore, average annual declines in Construction (2.7 per cent) and Accommodation and food services (5.4 per cent) each detracted 0.3 percentage point from the region's GRP growth. In contrast, the largest contributions were from the Health care and social assistance and Ownership of dwellings industries as each contributed 0.4 percentage point to GRP growth in the four years to 2010-11. The remaining industries made a negligible contribution or had a neutral impact on regional growth.

### 4.2.3 Sunshine Coast

In real terms, Sunshine Coast grew by 5.1 per cent between 2000-01 and 2010-11, the fastest growing region in Queensland. In comparison, the State's average growth was 4.1 per cent.

Sunshine Coast recorded strong average growth of 7.5 per over the earlier period, 2000-01 to 2006-07. Growth moderated to 1.5 per cent per annum over the more recent period, 2006-07 to 2010-11.

#### Industry Composition

Table 8 shows the industry composition of the Sunshine Coast economy based on current price estimates of GVA. The single largest industry contribution in the region came from Ownership of dwellings, which accounted for 18.0 per cent of nominal GVA. Construction was also a key industry in the region, comprising 9.2 per cent of total nominal GVA.

The largest compositional change over the 10 years to 2010-11 was shown in Ownership of dwellings with a rise of 2.5 percentage points from 2000-01 while the Accommodation and food services and Manufacturing industry shares each declined 1.7 percentage points over the period.

**Table 8: Composition of Gross Value Added, Sunshine Coast**

Current prices

Industry	Composition		Change in Composition
	2000-01	2010-11	
	Per cent	Per cent	Percentage points
Agriculture, forestry and fishing	3.2	1.8	-1.5
Mining	0.1	0.2	0.1
Manufacturing	7.8	6.1	-1.7
Electricity, gas, water and waste services	2.2	2.7	0.5
Construction	9.3	9.2	-0.2
Wholesale trade	4.1	4.2	0.1
Retail trade	8.9	8.3	-0.6
Accommodation and food services	6.2	4.5	-1.7
Transport, postal and warehousing	3.9	3.7	-0.2
Information media and telecommunications	4.0	2.6	-1.4
Financial and insurance services	5.2	7.6	2.3
Rental, hiring and real estate services	3.8	3.8	0.0
Professional, scientific and technical services	3.1	4.7	1.5
Administrative and support services	1.7	2.0	0.3
Public administration and safety	3.8	3.8	0.0
Education and training	5.9	5.5	-0.4
Health care and social assistance	7.7	8.8	1.1
Arts and recreation services	1.0	0.7	-0.3
Other services	2.5	1.9	-0.6
Ownership of dwellings	15.5	18.0	2.5
<b>Gross Value Added</b>	<b>100.0</b>	<b>100.0</b>	

## Growth in Real GVA

While the above discussion focuses on the current price industry composition of Sunshine Coast, Figure 15 presents average annual growth in real GVA by industry and each industry's contribution to regional growth.

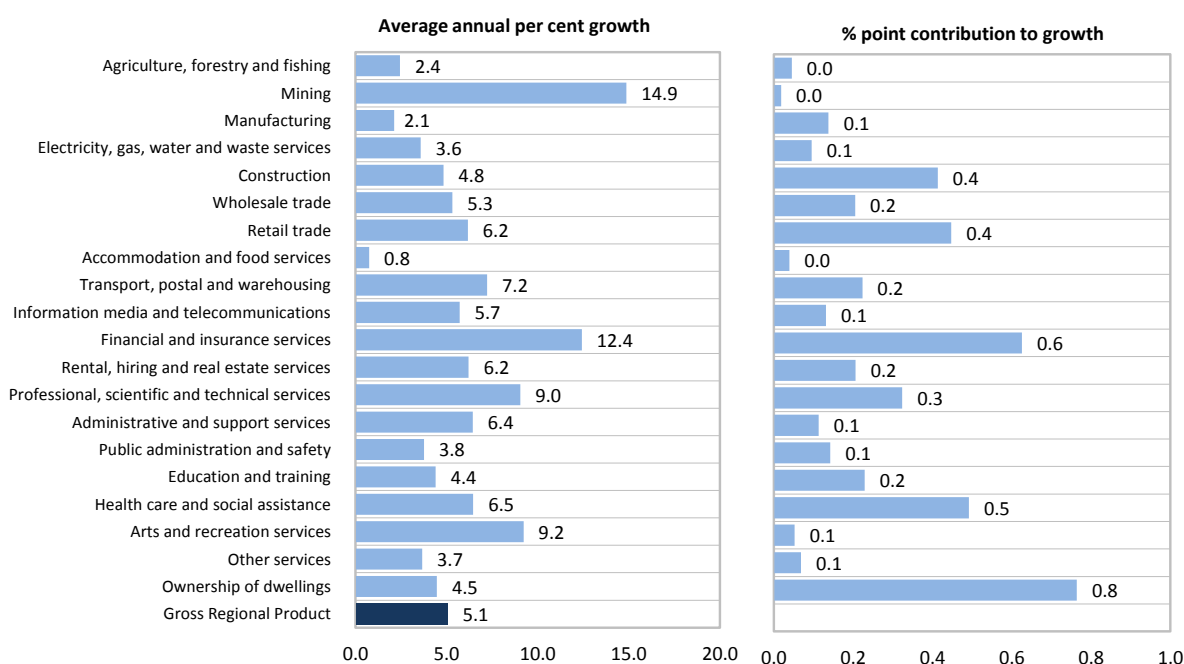
The 5.1 per cent growth in GRP in the 10 years to 2010-11 is a result of all industries experiencing average annual growth.

While mining was the fastest growing industry in Sunshine Coast with 14.9 per cent, its contribution to regional growth was neutral as it only accounts for 0.2 per cent of the Sunshine Coast economy. High average annual growth was also seen in Financial and insurance services (12.4 per cent), Arts and recreation services (9.2 per cent) and Professional, scientific and technical services (9.0 per cent).

Ownership of dwellings was the highest contributor towards growth in Sunshine Coast adding 0.8 percentage point. This was followed by Financial and insurance services, and Health care and social assistance, contributing 0.6 percentage point and 0.5 percentage point respectively towards growth in Sunshine Coast. Construction and Retail trade each contributed 0.4 percentage point to GVA growth in the region.

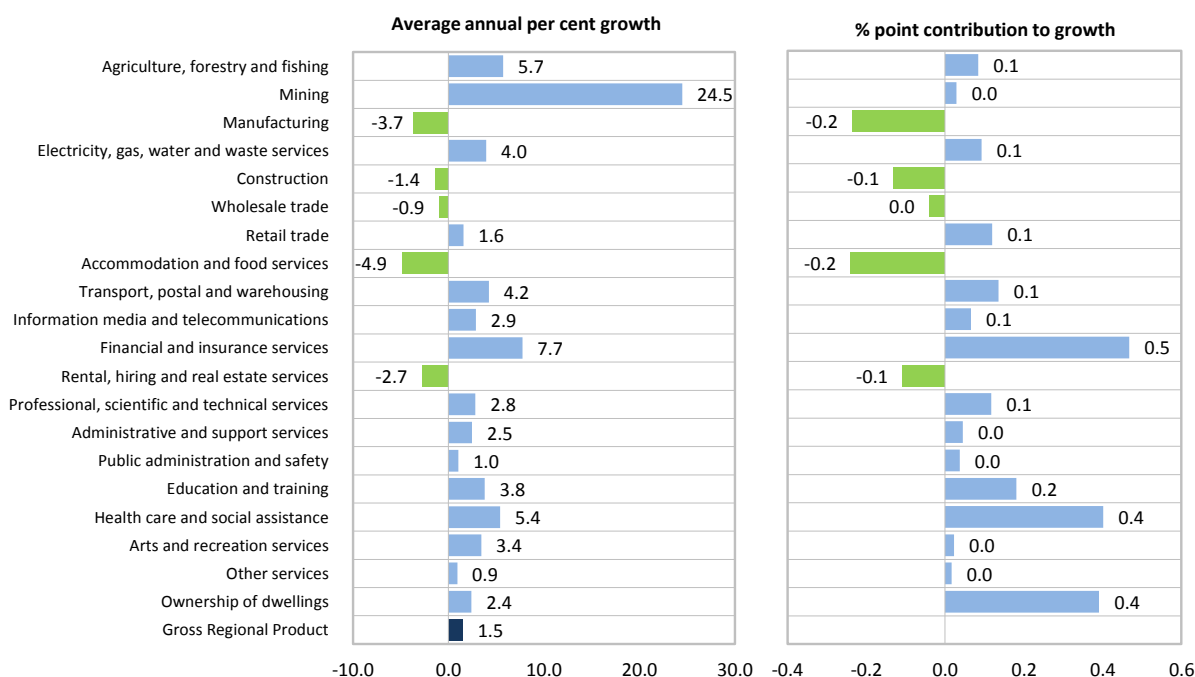
**Figure 15: Growth in Real GVA, 2000-01 to 2010-11, Sunshine Coast**

Chain volume measures (\$, 2010-11)



**Figure 16: Growth in Real GVA, 2006-07 to 2010-11, Sunshine Coast**

Chain volume measures (\$, 2010-11)


**Figure 17: Growth in Real GVA, 2000-01 to 2006-07, Sunshine Coast**

Chain volume measures (\$, 2010-11)

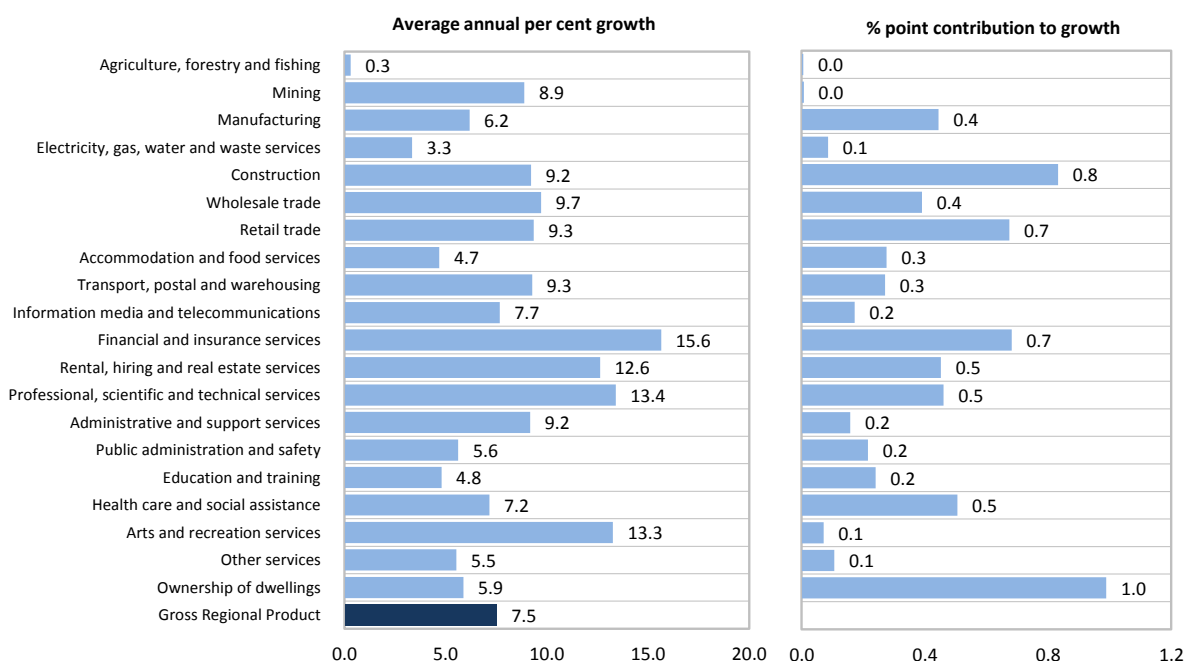


Figure 17 shows that the Sunshine Coast recorded very strong average growth of 7.5 per cent over the earlier period, 2000-01 to 2006-07. Over the more recent period, 2006-07 to 2010-11, Sunshine Coast average economic growth moderated to 1.5 per cent per annum (Figure 16).

Accommodation and food services GVA declined on average by 4.9 per cent while Manufacturing declined by 3.7 per cent with each industry detracting 0.2 percentage point from Sunshine Coast's growth. The Construction and Rental, hiring and real estate service industries each detracted 0.1 percentage point from the region growth. These detractions were more than offset by contributions from the Financial and insurance services (0.5 percentage point), followed by Health care and social assistance and Ownership of dwellings industries, each contributing 0.4 percentage point to Sunshine Coast's growth over the four years to 2010-11.



#### 4.2.4 West Moreton

West Moreton grew by 2.6 per cent in real terms over the 10 years to 2010-11, compared with the State average of 4.1 per cent.

In the more recent period, from 2006-07 to 2010-11, West Moreton was the third fastest growing region with average growth of 3.8 per cent per annum, well above the State average of 1.7 per cent. In comparison, average annual growth was 1.9 per cent in the earlier period, from 2000-01 to 2006-07.

#### Industry Composition

Table 9 shows the industry composition of the West Moreton economy based on current price estimates of GVA. In 2010-11, the largest industry contributions in the region came from Agriculture, forestry and fishing, followed by Ownership of dwellings and Manufacturing, which accounted for 16.4 per cent, 12.7 per cent and 10.0 per cent of nominal GVA respectively. Construction was also a key industry in the region, comprising 8.5 per cent of total nominal GVA.

The largest compositional change over the 10 years to 2010-11 was shown in the Ownership of dwellings industry with an increase of 3.4 percentage points from 2000-01 while the Agriculture, forestry and fishing industry share declined 2.6 percentage points over the period.

**Table 9: Composition of Gross Value Added, West Moreton**

Current prices

Industry	Composition		Change in Composition
	2000-01	2010-11	
	Per cent	Per cent	Percentage points
Agriculture, forestry and fishing	19.0	16.4	-2.6
Mining	0.5	0.7	0.2
Manufacturing	10.4	10.0	-0.4
Electricity, gas, water and waste services	2.8	5.0	2.2
Construction	6.1	8.5	2.4
Wholesale trade	6.5	5.3	-1.2
Retail trade	5.2	6.1	0.9
Accommodation and food services	3.3	2.5	-0.8
Transport, postal and warehousing	5.6	6.1	0.5
Information media and telecommunications	2.8	1.9	-0.9
Financial and insurance services	2.0	2.3	0.2
Rental, hiring and real estate services	1.1	1.2	0.1
Professional, scientific and technical services	1.7	1.9	0.2
Administrative and support services	1.1	0.8	-0.3
Public administration and safety	6.8	4.4	-2.4
Education and training	8.0	6.9	-1.1
Health care and social assistance	5.3	5.4	0.2
Arts and recreation services	0.9	0.4	-0.5
Other services	1.6	1.4	-0.2
Ownership of dwellings	9.3	12.7	3.4
<b>Gross Value Added</b>	<b>100.0</b>	<b>100.0</b>	

## Growth in Real GVA

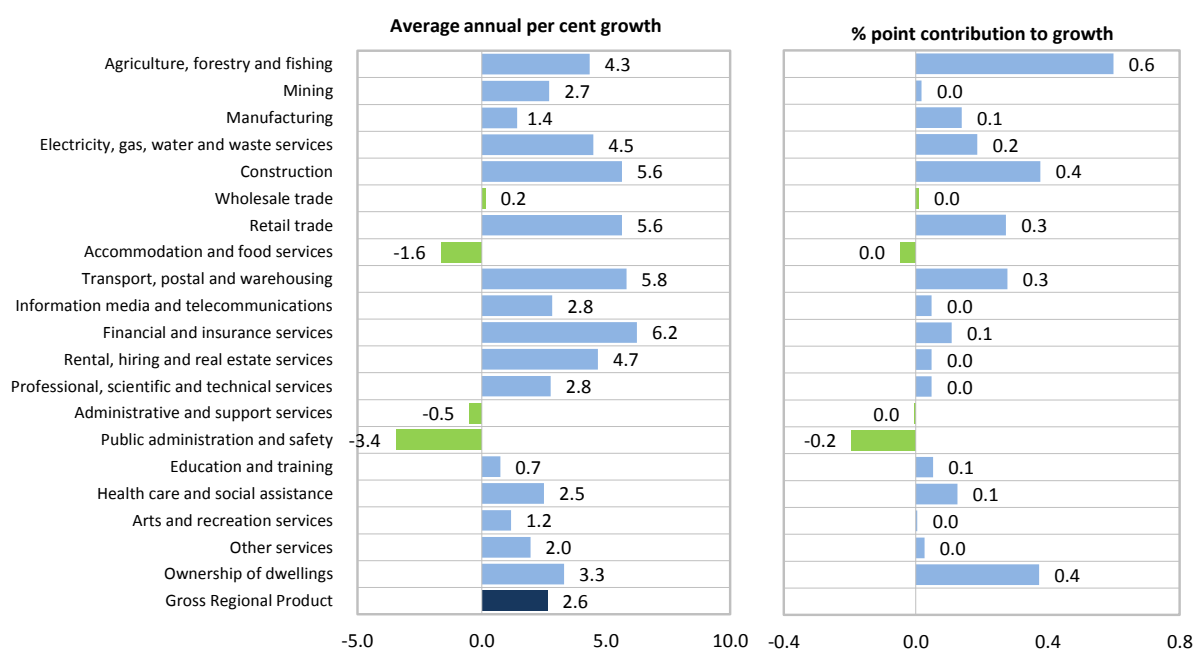
While the above discussion focuses on the current price industry composition of West Moreton, Figure 18 presents average annual growth in real GVA by industry and each industry's contribution to regional growth.

Average annual growth in West Moreton's GRP was 2.6 per cent between 2000-01 and 2010-11. The fastest growing industries in the region were Financial and insurance services (6.2 per cent), followed by Transport, postal and warehousing (5.8 per cent) and Construction and Retail trade (each at 5.6 per cent). Three industries contracted in the 10 years to 2010-11 with Public administration and defence down 3.4 per cent, Accommodation and food services declining 1.6 per cent and Administrative and support services down 0.5 per cent.

With Agriculture, forestry and fishing the largest industry in the region, it recorded the highest contribution of 0.6 percentage point towards growth in the West Moreton region. The next highest contributors to West Moreton's growth were Construction and Ownership of dwellings, each contributing 0.4 percentage point.

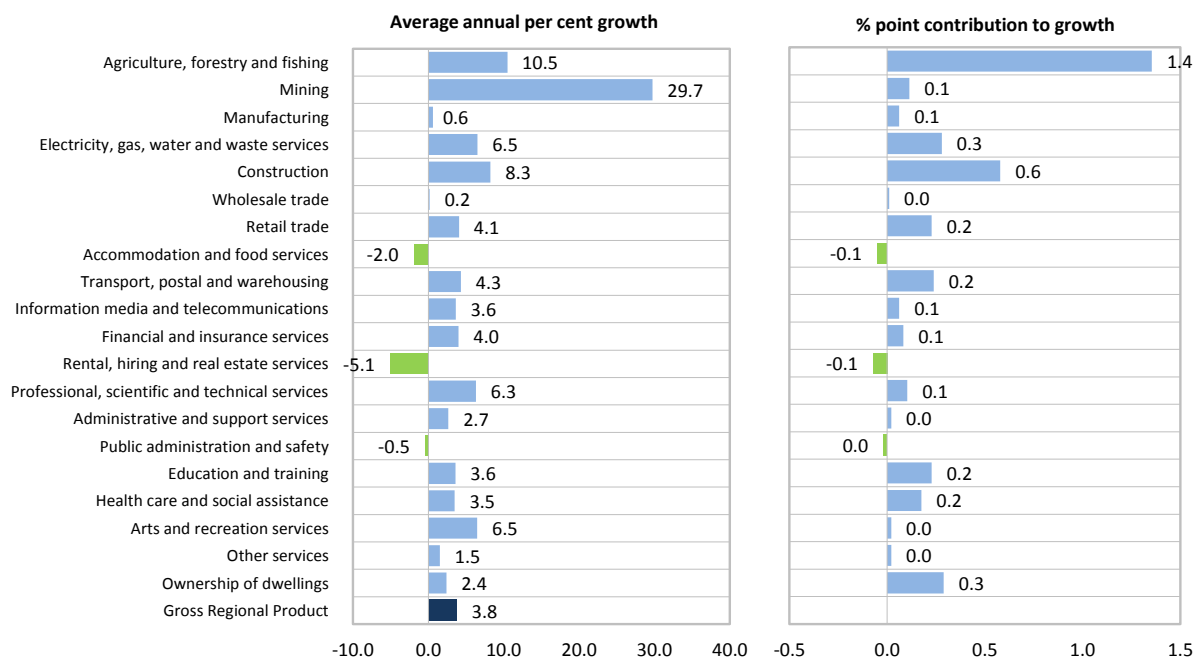
**Figure 18: Growth in Real GVA, 2000-01 to 2010-11, West Moreton**

Chain volume measures (\$, 2010-11)

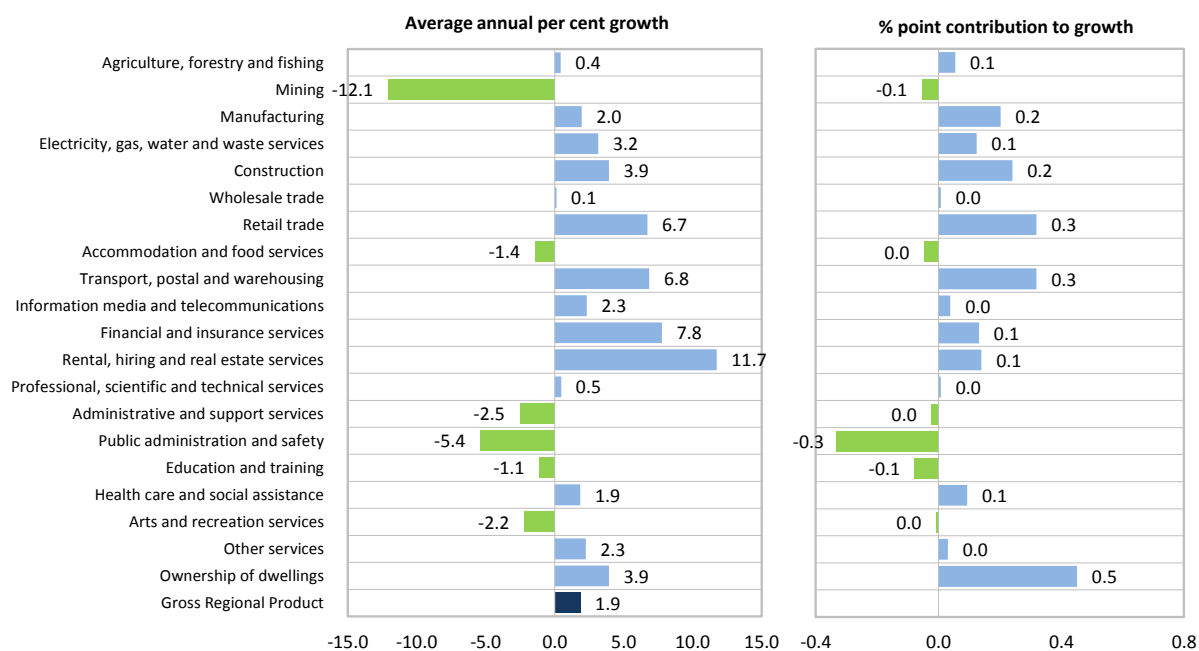


**Figure 19: Growth in Real GVA, 2006-07 to 2010-11, West Moreton**

Chain volume measures (\$, 2010-11)

**Figure 20: Growth in Real GVA, 2000-01 to 2006-07, West Moreton**

Chain volume measures (\$, 2010-11)



In the most recent period, from 2006-07 to 2010-11, West Moreton was the third fastest growing region with average growth of 3.8 per cent per annum (Figure 19), well above the State average of 1.7 per cent. This was higher than the average growth of 1.9 per cent in the earlier period, from 2000-01 to 2006-07 (Figure 20).

The stronger growth in the most recent period reflects an average contribution of 1.4 percentage points from the Agriculture forestry and fishing industry in the region. This was followed by the Construction industry's contribution of 0.6 percentage point.

#### 4.2.5 Wide Bay-Burnett

Wide Bay-Burnett grew by 3.0 per cent in real terms over the 10 years to 2010-11, 1.1 percentage points below the State average.

Wide Bay-Burnett recorded average growth of 4.8 per over the earlier period 2000-01 to 2006-07. Growth moderated to 0.4 per cent per annum over the more recent period, 2006-07 to 2010-11.

#### Industry Composition

Table 10 shows the industry composition of the Wide Bay-Burnett economy based on current price estimates of GVA. In 2010-11, the largest industry contributions in the region came from Ownership of dwellings, followed by Manufacturing, and Health care and social assistance which accounted for 13.1 per cent, 9.5 per cent and 9.3 per cent of nominal GVA respectively. Agriculture, forestry and fishing was also a key industry in the region, comprising 8.9 per cent of total nominal GVA.

The largest compositional change was shown in the Agriculture, forestry and fishing industry with a contraction of 4.3 percentage points from 2000-01 while the Ownership of dwellings industry share rose 3.3 percentage points over the period.

**Table 10: Composition of Gross Value Added, Wide Bay-Burnett**

Current prices

Industry	Composition		Change in Composition
	2000-01	2010-11	
	Per cent	Per cent	Percentage points
Agriculture, forestry and fishing	13.1	8.9	-4.3
Mining	3.0	2.7	-0.3
Manufacturing	11.9	9.5	-2.4
Electricity, gas, water and waste services	3.8	5.2	1.4
Construction	7.0	7.9	0.9
Wholesale trade	4.4	3.7	-0.6
Retail trade	7.0	7.3	0.4
Accommodation and food services	3.1	3.0	-0.1
Transport, postal and warehousing	4.9	4.1	-0.8
Information media and telecommunications	3.2	2.1	-1.1
Financial and insurance services	3.4	3.7	0.3
Rental, hiring and real estate services	1.5	2.0	0.5
Professional, scientific and technical services	1.8	2.4	0.6
Administrative and support services	1.4	1.8	0.3
Public administration and safety	4.5	5.3	0.8
Education and training	6.0	5.8	-0.2
Health care and social assistance	7.4	9.3	1.9
Arts and recreation services	0.6	0.3	-0.3
Other services	2.1	1.9	-0.2
Ownership of dwellings	9.9	13.1	3.3
<b>Gross Value Added</b>	<b>100.0</b>	<b>100.0</b>	

## Growth in Real GVA

While the above discussion focuses on the current price industry composition of Wide Bay-Burnett, Figure 21 presents average annual growth in real GVA by industry and each industry's contribution to regional growth.

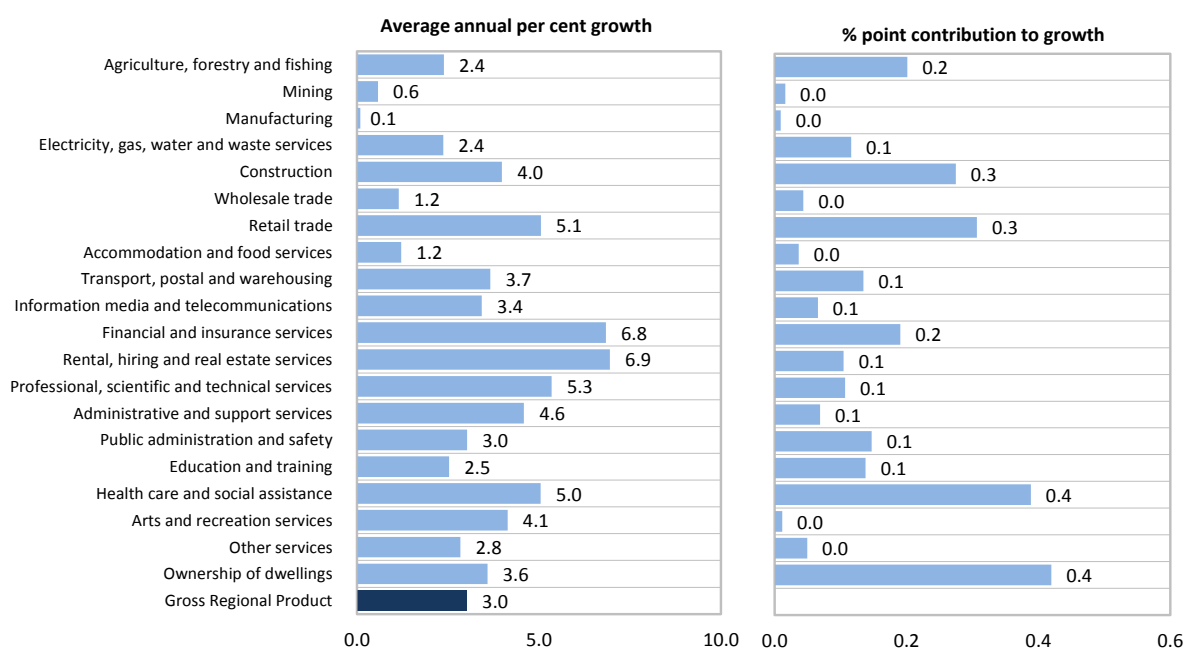
The 3.0 per cent growth in GRP in the 10 years to 2010-11 reflects all industries recording average annual growth.

The two fastest growing industries in the Wide Bay-Burnett region were Rental, hiring and real estate at 6.9 per cent and Financial and insurance service at 6.8 per cent. High average annual growth was also seen in Professional, scientific and technical services (5.3 per cent), Retail trade (5.1 per cent) and Health care and social assistance (5.0 per cent).

Two industries, Health care and social assistance and Ownership of dwellings, both recorded the largest contribution towards growth in the Wide Bay-Burnett region (0.4 percentage point). This was followed by another two industries with Construction and Retail trade each at 0.3 percentage point.

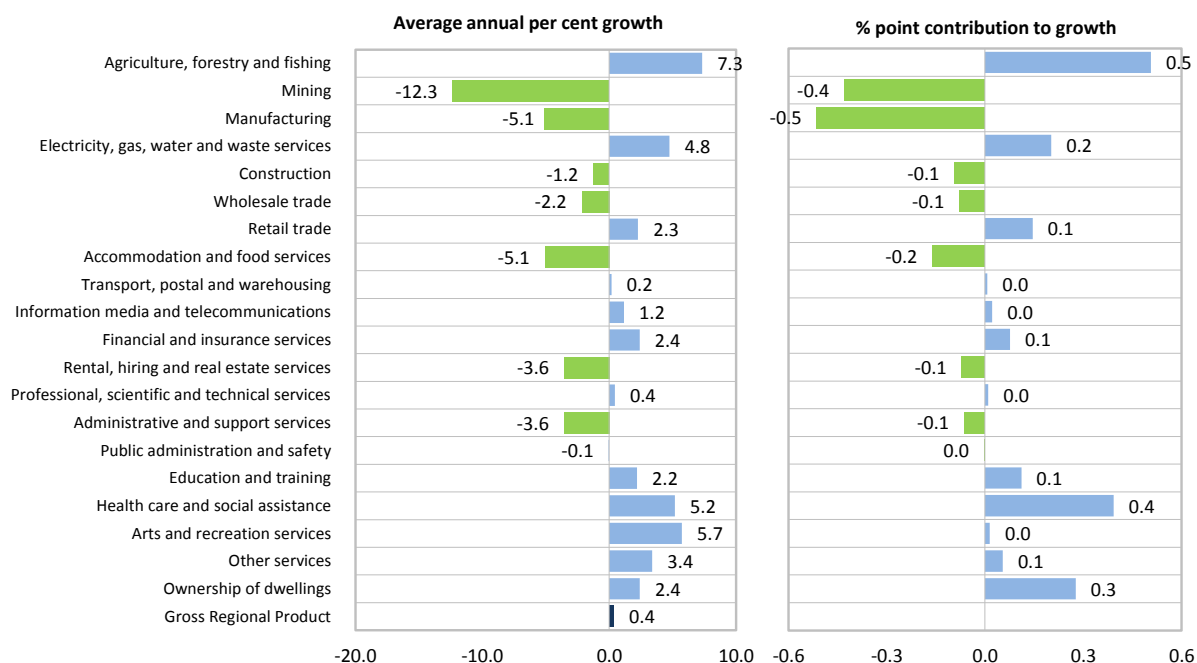
**Figure 21: Growth in Real GVA, 2000-01 to 2010-11, Wide Bay-Burnett**

Chain volume measures (\$, 2010-11)



**Figure 22: Growth in Real GVA, 2006-07 to 2010-11, Wide Bay-Burnett**

Chain volume measures (\$, 2010-11)


**Figure 23: Growth in Real GVA, 2000-01 to 2006-07, Wide Bay-Burnett**

Chain volume measures (\$, 2010-11)

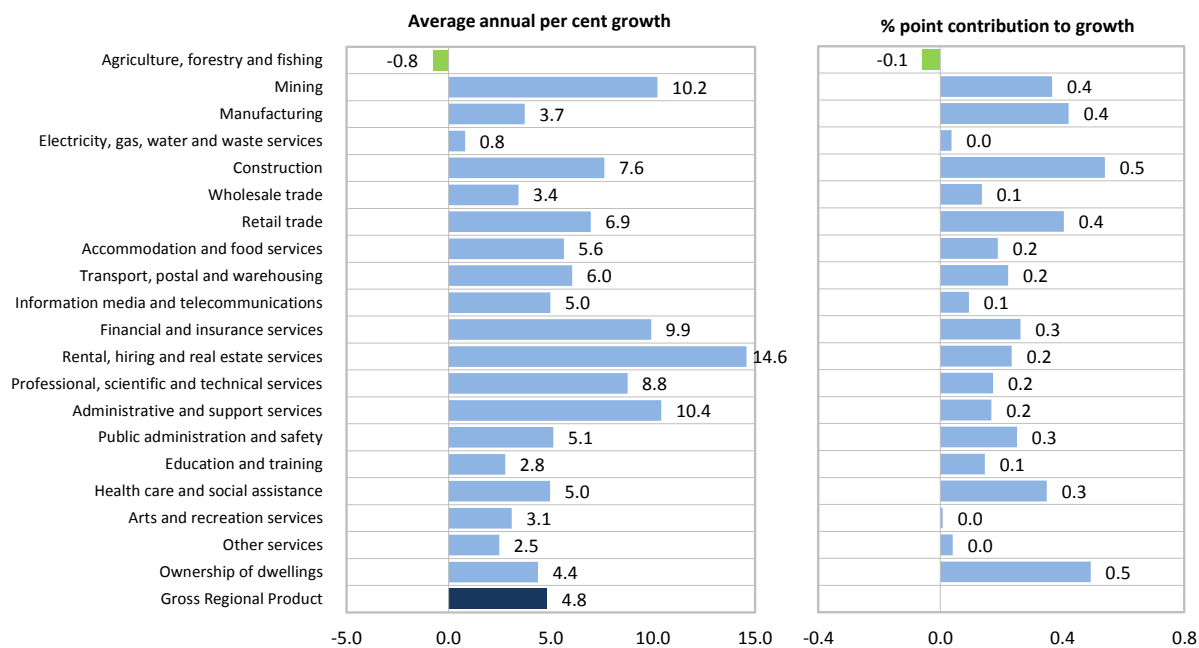


Figure 23 show that the Wide Bay-Burnett recorded average growth of 4.8 per over the period 2000-01 to 2006-07. However, over the more recent period, Wide Bay-Burnett average economic growth moderated to 0.4 per cent per annum (Figure 22).

Mining GVA declined on average by 12.3 per cent per annum and detracted 0.4 percentage point from real GRP in the period 2006-07 to 2010-11. This decline in mining GVA reflected lower coal and gold production in the region. Manufacturing GVA declined by 5.1 per cent on average over the four years to 2010-11 and detracted 0.5 percentage point from the region's growth. Over the most recent period, Agriculture, forestry and fishing grew on average by 7.3 per cent and contributed 0.5 percentage point to growth. The Health care and social assistance industry recorded average annual growth of 5.2 per cent and contributed 0.4 percentage point to GRP growth in the four years to 2010-11.

#### 4.2.6 Darling Downs

In real terms, Darling Downs recorded average annual growth of 3.7 per cent over the 10 years to 2010-11. While Darling Downs was the fifth fastest growing region in Queensland, its growth was below the State average growth of 4.1 per cent.

Over the recent four years to 2010-11, Darling Downs growth moderated to average 2.3 per cent per annum compared with 4.7 per cent per annum in the earlier period, from 2000-01 to 2006-07.

#### Industry Composition

Table 11 shows the industry composition of the Darling Downs economy based on current price estimates of GVA. Agriculture, forestry and fishing was the most significant industry in the region in 2010-11, making up 10.6 per cent of nominal GVA. This was followed by Construction at 9.0 per cent of nominal GVA, then Ownership of dwellings at 8.2 per cent.

The largest change in composition was seen in the Agriculture, forestry and fishing industry, falling by 4.7 percentage points from 2000-01. In contrast, the mining industry increased by 4.2 percentage points over the 10 years to 2010-11, reflecting strong average annual volume growth of 27.0 per cent.

**Table 11: Composition of Gross Value Added, Darling Downs**

Current prices

Industry	Composition		Change in Composition
	2000-01	2010-11	
	Per cent	Per cent	Percentage points
Agriculture, forestry and fishing	15.3	10.6	-4.7
Mining	0.9	5.1	4.2
Manufacturing	11.0	8.0	-2.9
Electricity, gas, water and waste services	1.9	5.2	3.3
Construction	6.6	9.0	2.4
Wholesale trade	6.4	5.2	-1.2
Retail trade	6.5	6.4	-0.1
Accommodation and food services	2.5	2.3	-0.2
Transport, postal and warehousing	6.2	5.4	-0.9
Information media and telecommunications	4.2	1.7	-2.5
Financial and insurance services	4.3	6.2	1.8
Rental, hiring and real estate services	1.3	1.6	0.4
Professional, scientific and technical services	2.8	3.4	0.6
Administrative and support services	1.1	1.2	0.0
Public administration and safety	5.4	5.5	0.1
Education and training	6.4	5.5	-0.9
Health care and social assistance	7.1	7.3	0.2
Arts and recreation services	0.5	0.3	-0.2
Other services	2.3	1.8	-0.5
Ownership of dwellings	7.1	8.2	1.1
<b>Gross Value Added</b>	<b>100.0</b>	<b>100.0</b>	



## Growth in Real GVA

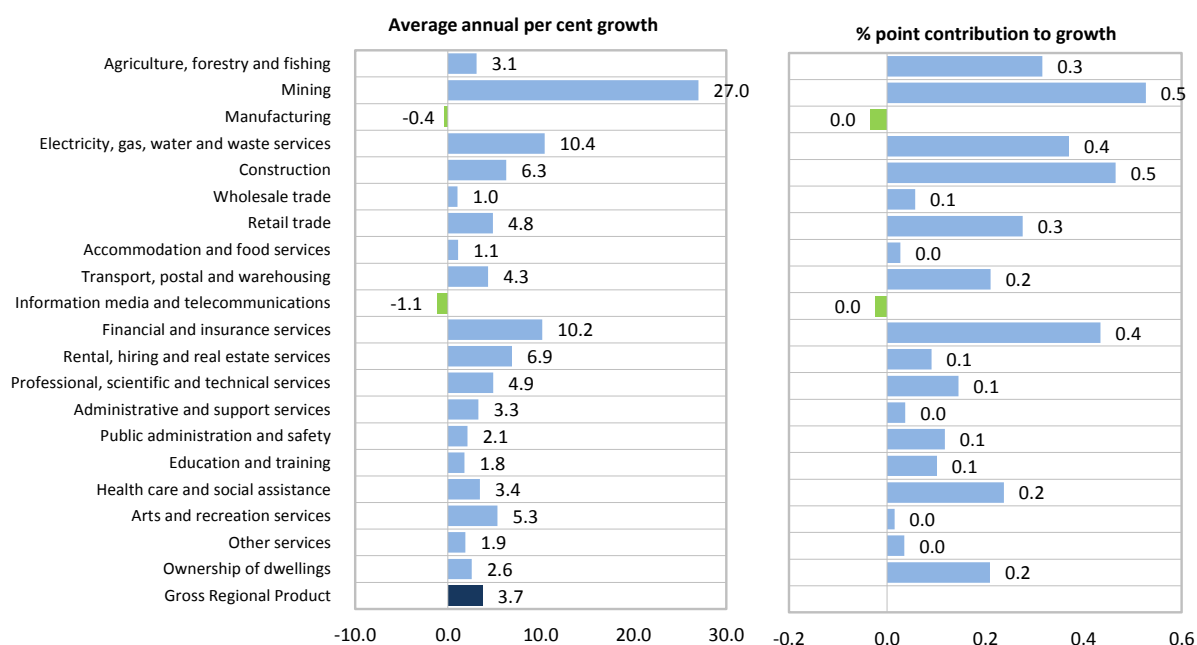
While the above discussion focuses on the current price industry composition of Darling Downs, Figure 24 presents average annual growth in real GVA by industry and each industry's contribution to regional growth.

Average annual growth in Darling Downs' GRP was 3.7 per cent between 2000-01 and 2010-11. Mining was the fastest growing industry in the region at 27.0 per cent. Electricity, gas, water and waste services, and Financial and insurance services also showed strong growth at 10.4 per cent and 10.2 per cent respectively.

The Mining and Construction industries were the largest contributors to GRP growth, each adding 0.5 percentage point while Electricity, gas, water and waste services and Financial and insurance services each recorded 0.4 percentage point contribution to growth.

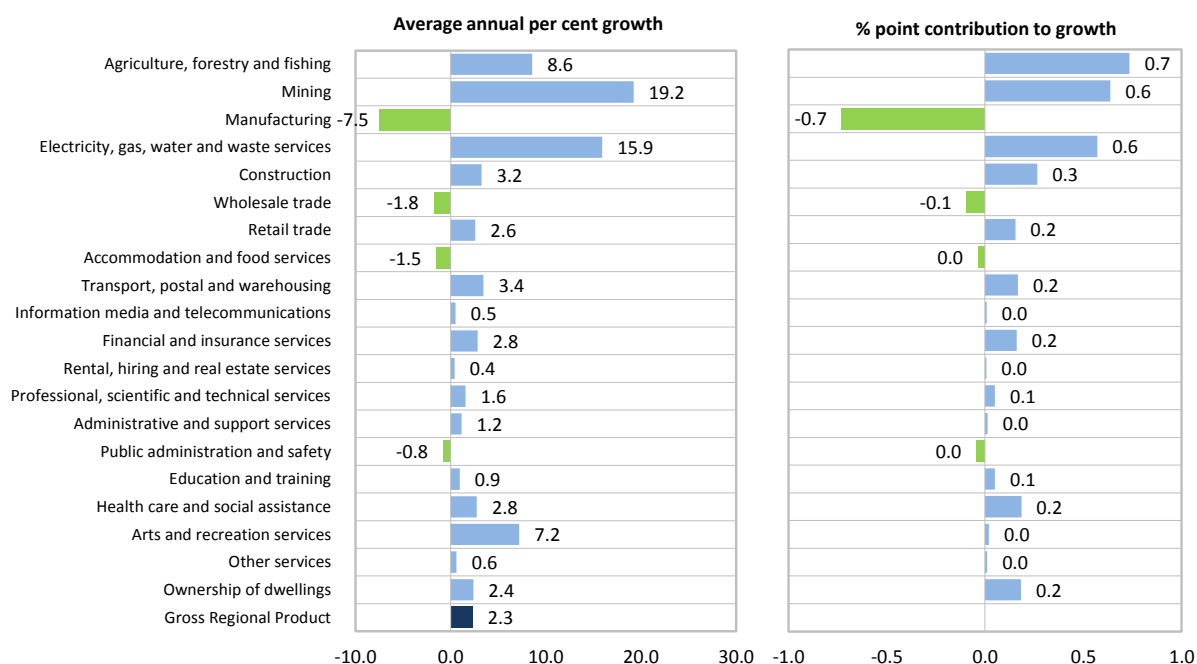
**Figure 24: Growth in Real GVA, 2000-01 to 2010-11, Darling Downs**

Chain volume measures (\$, 2010-11)

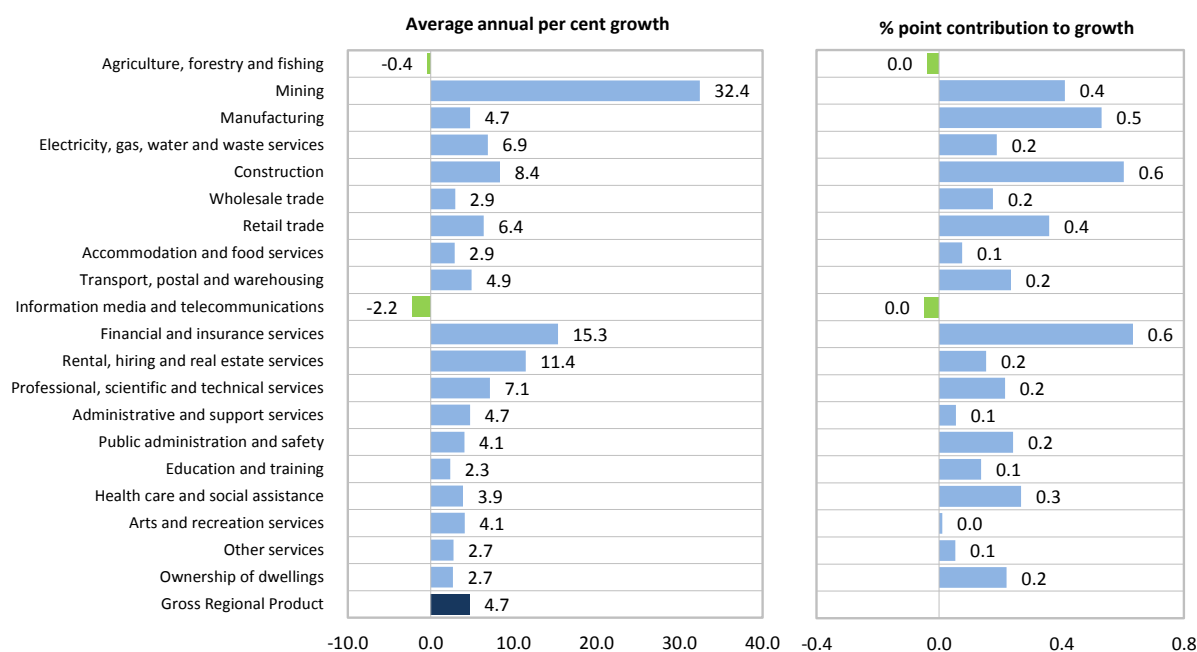


**Figure 25: Growth in Real GVA, 2006-07 to 2010-11, Darling Downs**

Chain volume measures (\$, 2010-11)


**Figure 26: Growth in Real GVA, 2000-01 to 2006-07, Darling Downs**

Chain volume measures (\$, 2010-11)



Over the recent four years to 2010-11, Darling Downs growth moderated to average 2.3 per cent per annum (Figure 25) compared with 4.7 per cent per annum in the earlier period from 2000-01 to 2006-07 (Figure 26).

Over the recent period, from 2006-07 to 2010-11, output in the Agriculture, forestry and fishing industry grew on average by 8.6 per cent and was the major contributor (0.7 percentage point) to the region's growth. Mining GVA grew on average by 19.2 per cent per annum, reflecting the increased output of coal seam gas, and contributed 0.6 percentage point to growth. The Electricity, gas, water and waste services industry made a similar contribution to growth, reflecting average annual growth of 15.9 per cent over the period 2006-07 to 2010-11. The Manufacturing industry was the major detractor from growth with an annual decline of 7.5 per cent, detracting 0.7 percentage point from Darling Downs' GRP growth over the most recent period.

#### 4.2.7 South West

In real terms, South West recorded a 0.3 per cent increase in average annual economic activity to 2010-11, considerably lower than the State average of 4.1 per cent.

Following a decline of 3.8 per cent over the earlier period, 2000-01 to 2006-07, South West growth rebounded to increase an average 6.6 per cent per annum over the more recent period, 2006-07 to 2010-11.

#### Industry Composition

Table 12 shows the industry composition of the South West economy based on current price estimates of GVA. The regional economy is dominated by Agriculture, forestry and fishing (29.6 per cent) followed by Mining (15.6 per cent) and Construction (12.5 per cent).

Construction recorded the highest change in share with an increase of 7.6 percentage points from 2000-01, while Mining recorded the largest decline at 5.5 percentage points.

**Table 12: Composition of Gross Value Added, South West**

Current prices

Industry	Composition		Change in Composition
	2000-01	2010-11	
	Per cent	Per cent	Percentage points
Agriculture, forestry and fishing	26.4	29.6	3.2
Mining	21.1	15.6	-5.5
Manufacturing	4.5	2.9	-1.6
Electricity, gas, water and waste services	1.2	2.9	1.7
Construction	4.8	12.5	7.6
Wholesale trade	3.9	3.1	-0.8
Retail trade	4.5	3.8	-0.6
Accommodation and food services	2.0	1.5	-0.5
Transport, postal and warehousing	5.3	4.5	-0.8
Information media and telecommunications	2.4	0.8	-1.5
Financial and insurance services	2.9	2.2	-0.6
Rental, hiring and real estate services	1.2	0.8	-0.3
Professional, scientific and technical services	2.3	1.4	-0.9
Administrative and support services	1.1	0.7	-0.3
Public administration and safety	4.1	5.1	1.0
Education and training	3.6	2.8	-0.8
Health care and social assistance	4.5	4.8	0.4
Arts and recreation services	0.5	0.2	-0.3
Other services	1.5	1.1	-0.4
Ownership of dwellings	2.2	3.3	1.1
<b>Gross Value Added</b>	<b>100.0</b>	<b>100.0</b>	

## Growth in Real GVA

While the above discussion focuses on the current price industry composition of South West, Figure 27 presents average annual growth in real GVA by industry and each industry's contribution to regional growth.

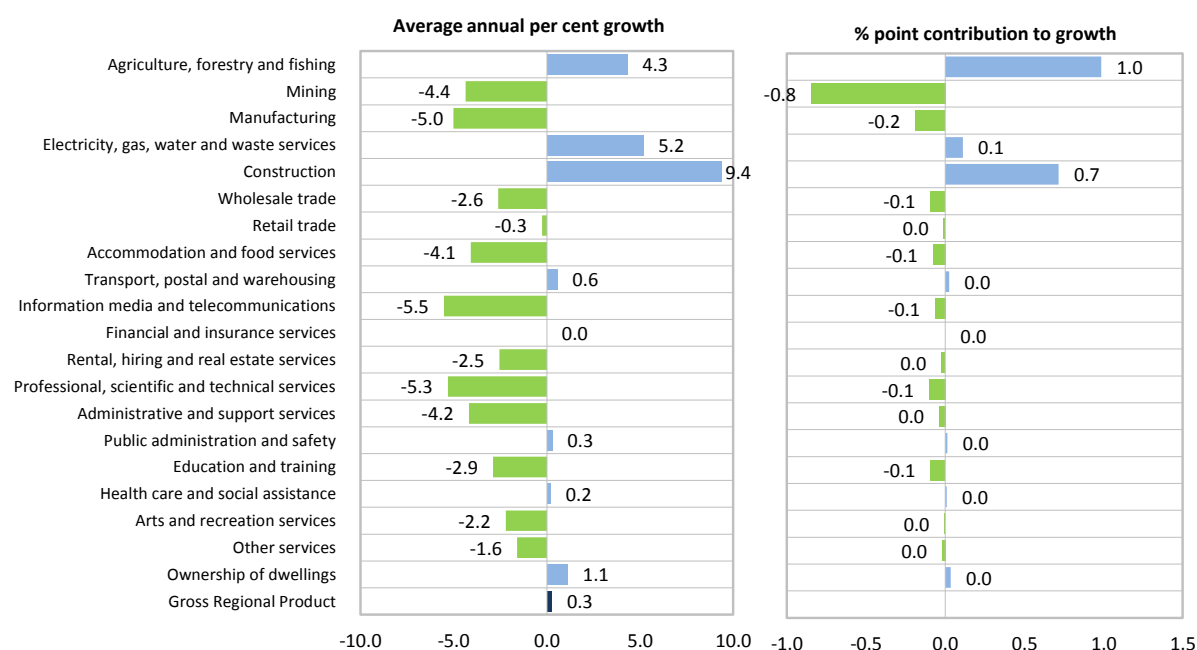
The South West experienced a modest average annual increase of 0.3 per cent in real GRP between 2000-01 and 2010-11. Growth in seven industries offset contractions in the remaining industries.

Figure 27 also illustrates that Agriculture, forestry and fishing recorded the highest contribution to growth, adding 1.0 percentage point followed by Construction at 0.7 percentage point and Electricity, gas, water and waste services at 0.1 percentage point. In contrast, the Mining industry detracted 0.8 percentage point from growth following an annual average decline of 4.4 per cent in the industry over the 10 years to 2010-11. The remaining industries made a negligible or neutral contribution to regional growth.

South West was one of two Queensland regions in which population fell, declining 0.2 per cent in average annual terms between 2000-01 and 2010-11, compared with State population growth of 2.1 per cent over the period.

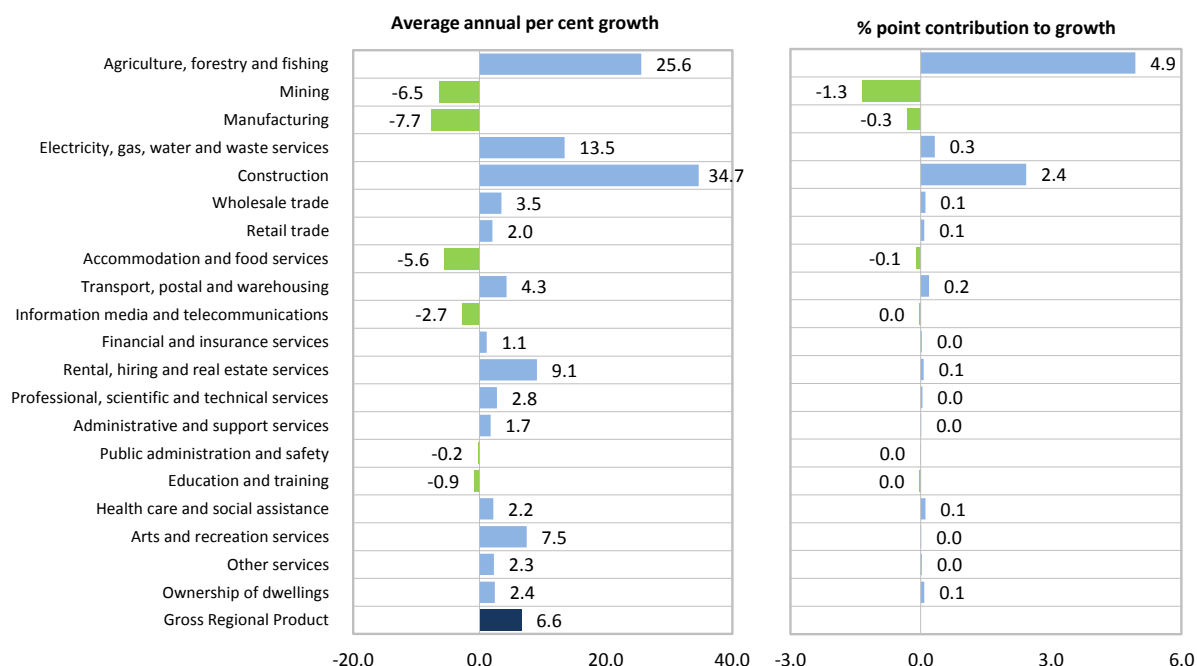
**Figure 27: Growth in Real GVA, 2000-01 to 2010-11, South West**

Chain volume measures (\$, 2010-11)

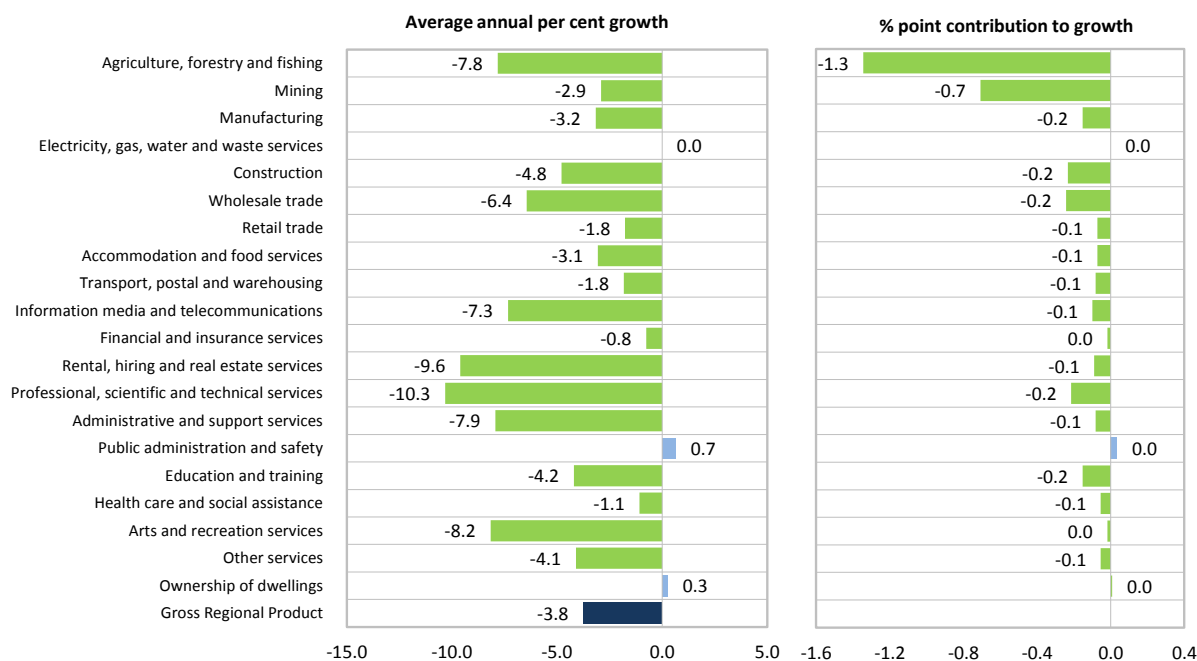


**Figure 28: Growth in Real GVA, 2006-07 to 2010-11, South West**

Chain volume measures (\$, 2010-11)


**Figure 29: Growth in Real GVA, 2000-01 to 2006-07, South West**

Chain volume measures (\$, 2010-11)



Following a decline of 3.8 per cent over the earlier period, 2000-01 to 2006-07 (Figure 29), South West's growth rebounded to rise an average 6.6 per cent per annum (Figure 28) over the more recent period, 2006-07 to 2010-11.

This rebound in the South West Region reflects a recovery in agricultural production, in particular cotton and wheat, from the drought affected 2006-07 level. Agriculture, forestry and fishing GVA increased on average by 25.6 per cent per annum and contributed 4.9 percentage points to the region's growth of 6.6 per cent over the four year to 2010-11. The Construction industry also contributed to the region's growth recording average annual growth of 34.7 per cent and contributed 2.4 percentage points to South West's GRP growth.

#### 4.2.8 Fitzroy

In real terms, Fitzroy grew by 3.5 per cent between 2000-01 and 2010-11, the sixth fastest growing region in Queensland but below the State average of 4.1 per cent.

Over the recent period, 2006-07 to 2010-11, the Fitzroy region recorded average growth of 1.2 per. This is a moderation on the 5.0 per cent per annum in the earlier period, 2000-01 to 2006-07.

#### Industry Composition

Table 13 shows the industry composition of Fitzroy's economy based on current price estimates of GVA. Mining is the prominent industry in Fitzroy at 34.0 per cent of nominal GVA in 2010-11, up 7.6 percentage points from 2000-01. Construction (at 17.0 per cent) and Manufacturing at 7.7 per cent, were the next largest contributors to Fitzroy's economy.

The largest changes in composition were observed in Construction, up 11.0 percentage points, and Mining (up 7.6 percentage points). Industries that recorded a fall in its share of nominal GVA included Agriculture, forestry and fishing (down 5.1 percentage points) and Manufacturing (down 3.0 percentage points).

**Table 13: Composition of Gross Value Added, Fitzroy**

Current prices

Industry	Composition		Change in Composition
	2000-01	2010-11	
	Per cent	Per cent	Percentage points
Agriculture, forestry and fishing	7.8	2.7	-5.1
Mining	26.4	34.0	7.6
Manufacturing	10.7	7.7	-3.0
Electricity, gas, water and waste services	4.6	3.9	-0.8
Construction	6.0	17.0	11.0
Wholesale trade	4.9	3.1	-1.8
Retail trade	4.0	2.9	-1.1
Accommodation and food services	2.3	1.4	-0.9
Transport, postal and warehousing	7.0	5.6	-1.4
Information media and telecommunications	1.8	0.8	-1.1
Financial and insurance services	2.4	1.9	-0.5
Rental, hiring and real estate services	1.1	1.4	0.3
Professional, scientific and technical services	2.1	2.8	0.7
Administrative and support services	1.2	1.1	-0.1
Public administration and safety	3.0	2.6	-0.4
Education and training	3.9	2.5	-1.4
Health care and social assistance	3.9	3.1	-0.8
Arts and recreation services	0.4	0.1	-0.3
Other services	1.7	1.3	-0.4
Ownership of dwellings	4.6	4.0	-0.5
<b>Gross Value Added</b>	<b>100.0</b>	<b>100.0</b>	



## Growth in Real GVA

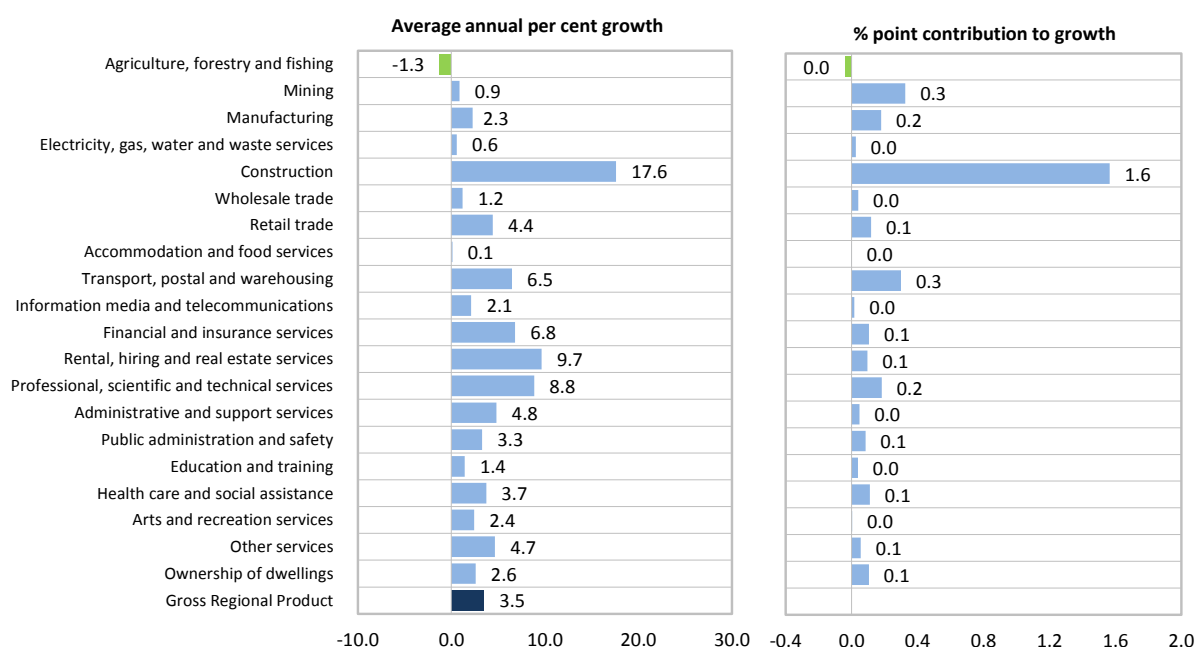
While the above discussion focuses on the current price industry composition of Fitzroy, Figure 30 presents average annual growth in real GVA by industry and each industry's contribution to regional growth.

Fitzroy recorded average annual growth in real GRP of 3.5 per cent between 2000-01 and 2010-11. The fastest growth over the period was evident in the Construction industry, growing by 17.6 per cent and contributing 1.6 percentage points to growth in the region. The second highest contribution towards regional growth was from the Mining and Transport, postal and warehousing industries, each adding 0.3 percentage point to regional growth.

Only the Agriculture, forestry and fishing industry contracted, with an annual average decline of 1.3 per cent in the 10 years to 2010-11. However, because this industry's share of the regional economy was small, it had a neutral impact on regional growth.

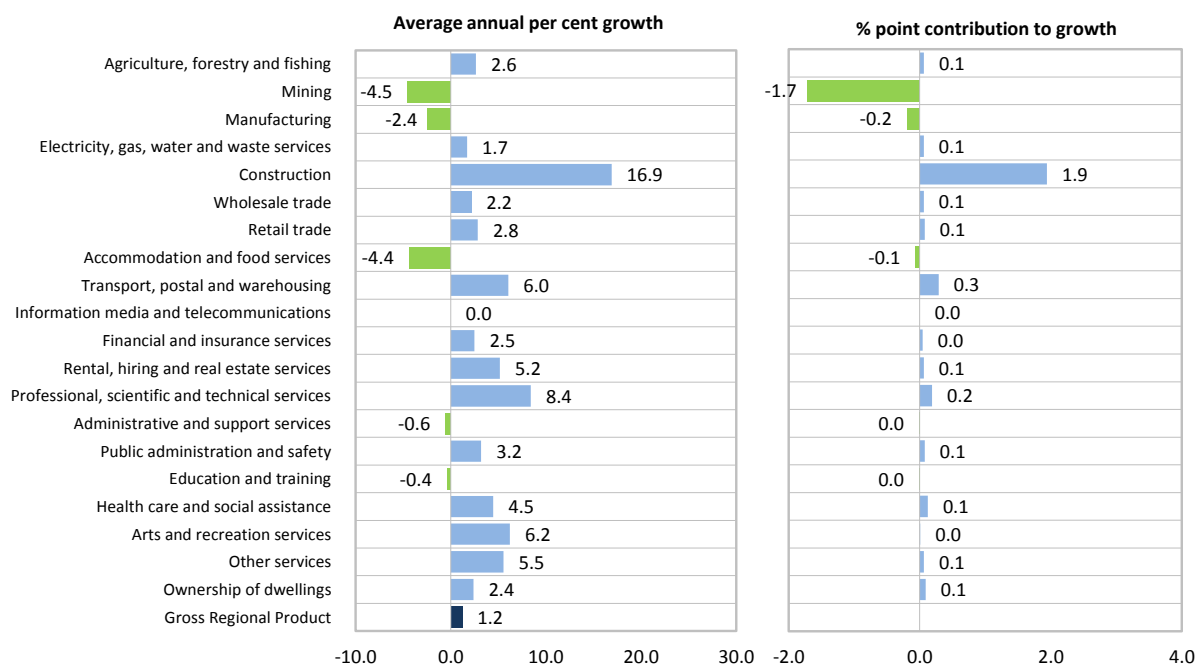
**Figure 30: Growth in Real GVA, 2000-01 to 2010-11, Fitzroy**

Chain volume measures (\$, 2010-11)



**Figure 31: Growth in Real GVA, 2006-07 to 2010-11, Fitzroy**

Chain volume measures (\$, 2010-11)


**Figure 32: Growth in Real GVA, 2000-01 to 2006-07, Fitzroy**

Chain volume measures (\$, 2010-11)

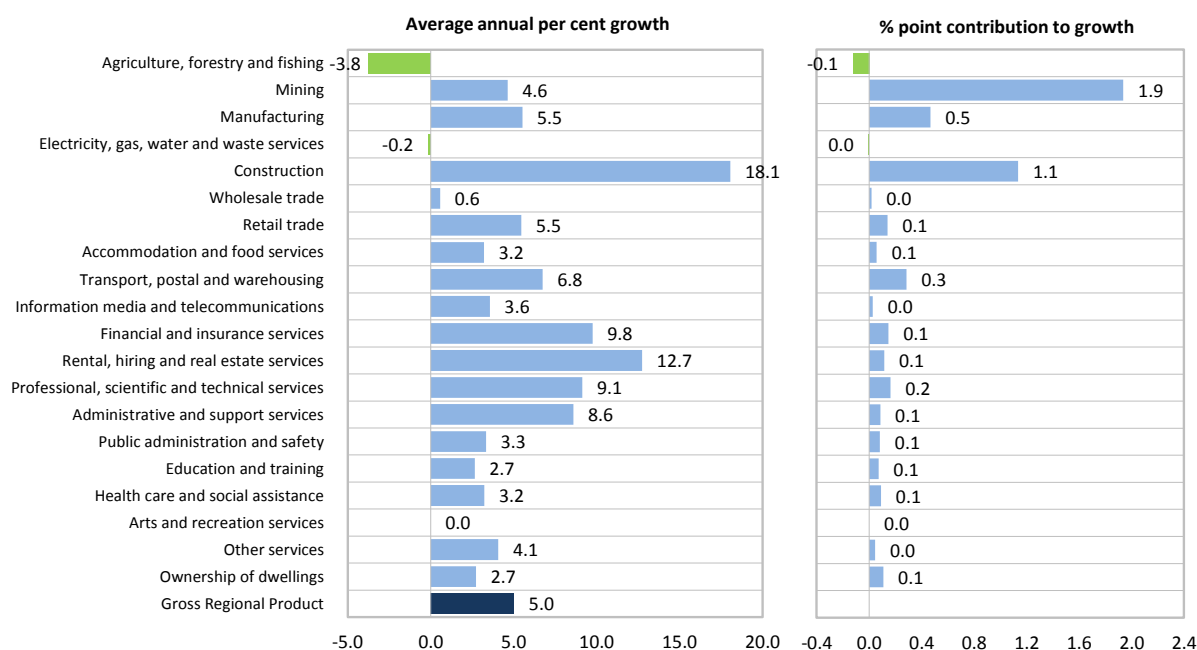


Figure 31 shows that the Fitzroy region recorded average growth of 1.2 per over the period 2006-07 to 2010-11. This represents a moderation on the 5.0 per cent per annum (Figure 32) in the earlier period, 2000-01 to 2006-07.

Over the most recent period, the mining industry GVA declined on average by 4.5 per cent and detracted 1.7 percentage points from growth. This decline reflects lower coal production due to the natural disasters that disrupted mine production in 2010-11. The construction industry recorded strong average growth of 16.9 per cent and contributed 1.9 percentage points to the region's GRP over the four years to 2010-11. This reflects strong growth in both public capital expenditure and private engineering construction associated with the commencement of construction associated with the liquefied natural gas industry.

#### 4.2.9 Central West

Central West was the only region in Queensland to contract, with an average annual decline of 1.9 per cent in real GRP between 2000-01 and 2010-11.

Following a decline of 5.8 per cent over the earlier period, 2000-01 to 2006-07, Central West growth rebounded to rise an average 4.3 per cent per annum over the more recent period, 2006-07 to 2010-11.

#### Industry Composition

Table 11 shows the industry composition of the Central West economy based on current price estimates of GVA. The composition of nominal GVA is dominated by Agriculture, forestry and fishing which accounted for 37.2 per cent of nominal GVA, up 1.9 percentage points since 2000-01.

The second largest industry in the region in 2010-11 was Public administration and safety. The share of Central West nominal GVA for this industry was 9.4 per cent in 2010-11, up 2.9 percentage points on the previous period.

**Table 14: Composition of Gross Value Added, Central West**

Current prices

Industry	Composition		Change in Composition
	2000-01	2010-11	
	Per cent	Per cent	Percentage points
Agriculture, forestry and fishing	35.4	37.2	1.9
Mining	3.4	0.8	-2.7
Manufacturing	5.3	2.0	-3.3
Electricity, gas, water and waste services	1.4	2.9	1.6
Construction	8.1	7.3	-0.8
Wholesale trade	3.6	1.9	-1.8
Retail trade	4.5	4.8	0.3
Accommodation and food services	3.1	2.3	-0.8
Transport, postal and warehousing	5.7	6.6	1.0
Information media and telecommunications	2.1	1.7	-0.4
Financial and insurance services	2.6	2.8	0.2
Rental, hiring and real estate services	1.0	0.6	-0.4
Professional, scientific and technical services	2.1	2.0	-0.1
Administrative and support services	1.4	0.8	-0.6
Public administration and safety	6.5	9.4	2.9
Education and training	4.8	4.3	-0.5
Health care and social assistance	4.8	7.1	2.3
Arts and recreation services	0.9	0.6	-0.2
Other services	1.4	1.1	-0.3
Ownership of dwellings	2.2	3.9	1.6
<b>Gross Value Added</b>	100.0	100.0	

## Growth in Real GVA

While the above discussion focuses on the current price industry composition of Central West, Figure 33 presents average annual growth in real GVA by industry and each industry's contribution to regional growth.

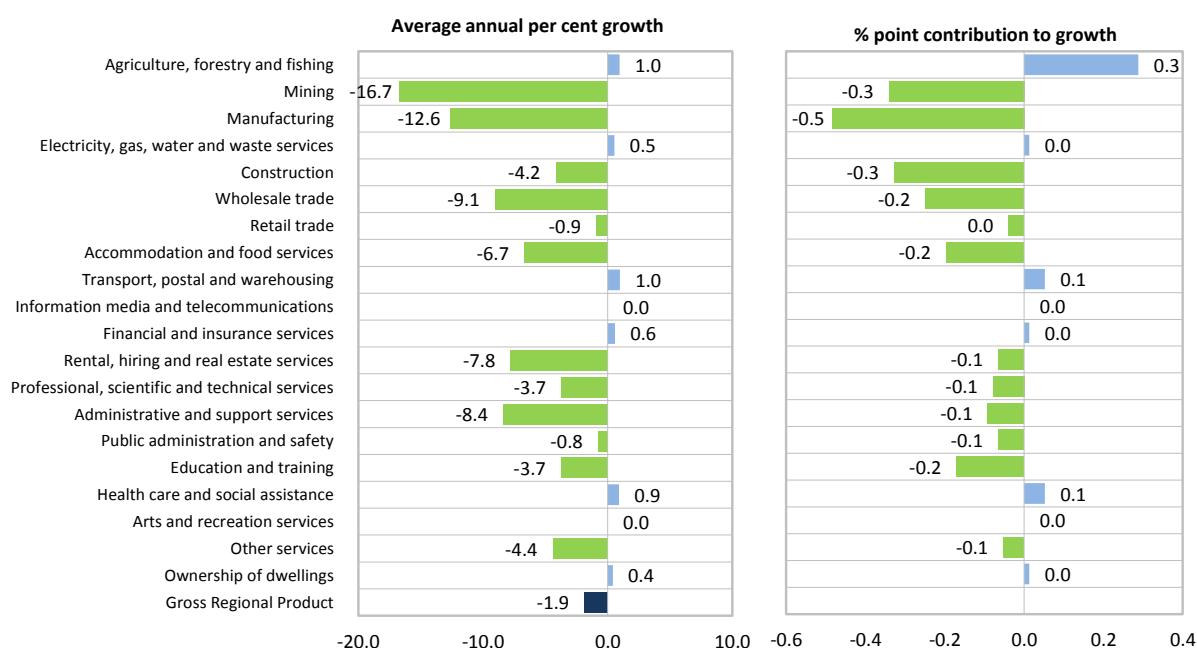
The Central West region experienced an average annual decline of 1.9 per cent in real GRP in the 10 years to 2010-11, the only Queensland region to contract over this period. Most of Central West's industries contracted over the period and more than offset the 0.3 percentage point contribution from Agriculture, forestry and fishing (the largest industry in the region).

Mining recorded a substantial decline in Central West, down 16.7 per cent and detracting 0.3 percentage point from regional growth. Manufacturing also contracted, down 12.6 per cent and detracting 0.5 percentage point from growth.

Lower production across many industries corresponds with population counts for Central West which declined by an average annual 0.9 per cent over the 10 years to 2010-11 (see Table 3 above). This region was one of two Queensland regions in which population fell, compared with State population growth of 2.1 per cent.

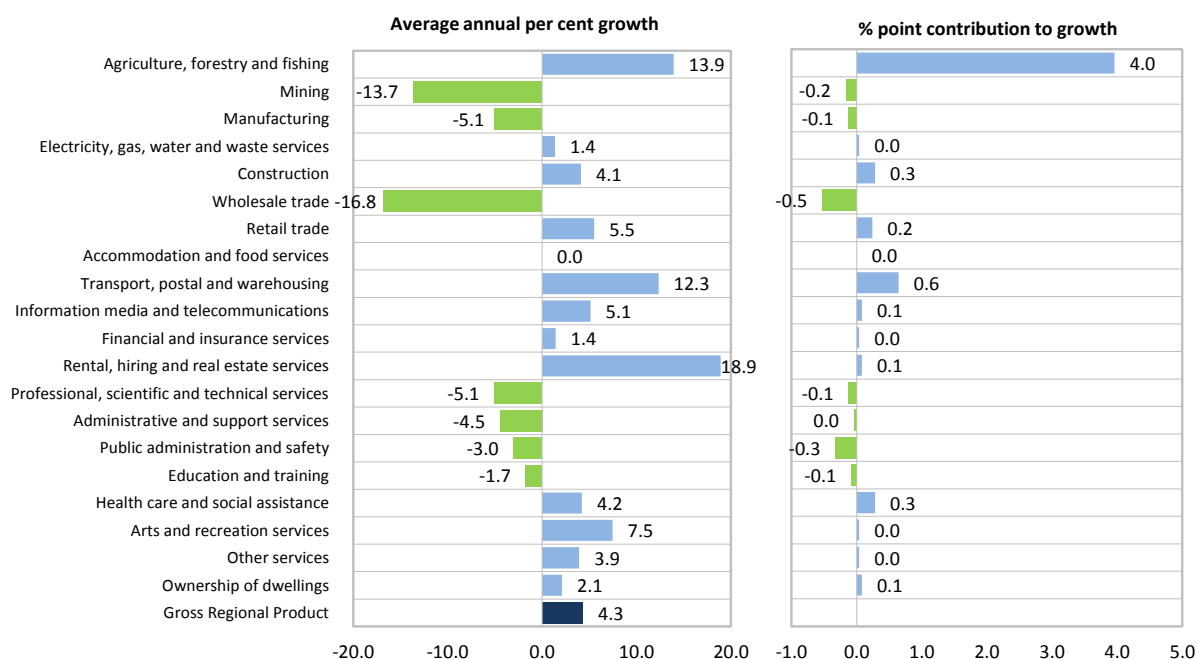
**Figure 33: Growth in Real GVA, 2000-01 to 2010-11, Central West**

Chain volume measures (\$, 2010-11)

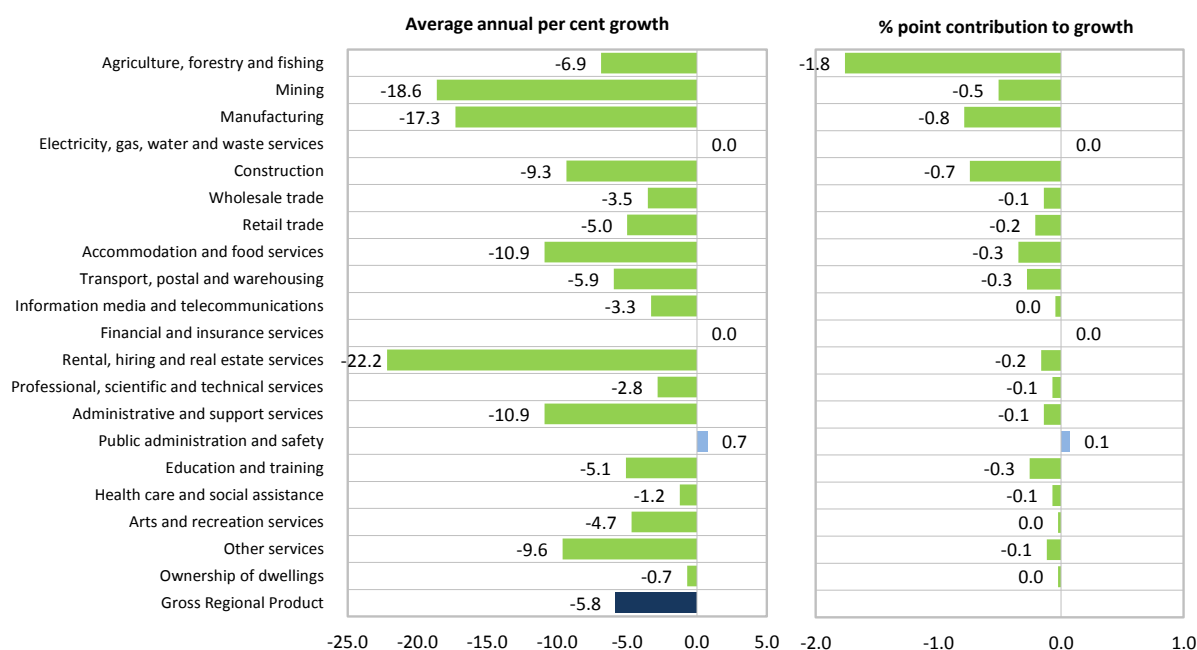


**Figure 34: Growth in Real GVA, 2006-07 to 2010-11, Central West**

Chain volume measures (\$, 2010-11)

**Figure 35: Growth in Real GVA, 2000-01 to 2006-07, Central West**

Chain volume measures (\$, 2010-11)



Following a decline of 5.8 per cent over the earlier period, 2000-01 to 2006-07 (Figure 35), Central West growth rebounded to rise an average 4.3 per cent per annum (Figure 34) over the more recent period, 2006-07 to 2010-11.

As this region is largely dependent on agriculture, an increase in cattle sold in 2010-11 compared with 2006-07 resulted in Agriculture, forestry and fishing GVA increasing on average by 13.9 per cent, and contributing 4.0 percentage points to the overall 4.3 per cent regional growth.

#### 4.2.10 Mackay

In real terms, Mackay recorded average annual growth of 4.6 per cent over the 10 years to 2010-11, the fourth fastest growing region in Queensland.

Compared with an annual average growth of 6.4 per cent in the earlier period, 2000-01 to 2006-07, Mackay's growth moderated to an average 2.1 per cent per annum in the more recent period, over the four years to 2010-11.

#### Industry Composition

Table 15 highlights the industry composition of Mackay's economy based on current price estimates of GVA. More than a half of Mackay's nominal GVA is generated by mining, an increase of 15.4 percentage points from 38.8 per cent in 2000-01. This is the largest increase in the share of nominal GVA across all industries in Queensland. Construction also increased its share of nominal GVA by 5.6 percentage points to 10.1 per cent in 2010-11. Transport, postal and warehousing and Manufacturing are also key industries in the region, accounting for 4.6 per cent and 4.4 per cent respectively of nominal GVA in 2010-11.

**Table 15: Composition of Gross Value Added, Mackay**

Current prices

Industry	Composition		Change in Composition
	2000-01	2010-11	
	Per cent	Per cent	Percentage points
Agriculture, forestry and fishing	7.7	2.7	-5.0
Mining	38.8	54.2	15.4
Manufacturing	5.9	4.4	-1.5
Electricity, gas, water and waste services	1.3	1.0	-0.3
Construction	4.5	10.1	5.6
Wholesale trade	5.6	3.3	-2.3
Retail trade	3.9	2.3	-1.6
Accommodation and food services	3.1	1.7	-1.4
Transport, postal and warehousing	6.6	4.6	-2.0
Information media and telecommunications	1.6	0.6	-1.1
Financial and insurance services	2.2	1.3	-0.9
Rental, hiring and real estate services	1.2	1.4	0.2
Professional, scientific and technical services	1.9	1.8	0.0
Administrative and support services	1.0	1.1	0.1
Public administration and safety	2.0	1.4	-0.6
Education and training	2.8	1.3	-1.5
Health care and social assistance	3.1	1.9	-1.2
Arts and recreation services	0.3	0.1	-0.2
Other services	2.0	1.5	-0.4
Ownership of dwellings	4.6	3.3	-1.3
<b>Gross Value Added</b>	<b>100.0</b>	<b>100.0</b>	

## Growth in Real GVA

While the above discussion focuses on the current price industry composition of Mackay, Figure 36 presents average annual growth in real GVA by industry and each industry's contribution to regional growth.

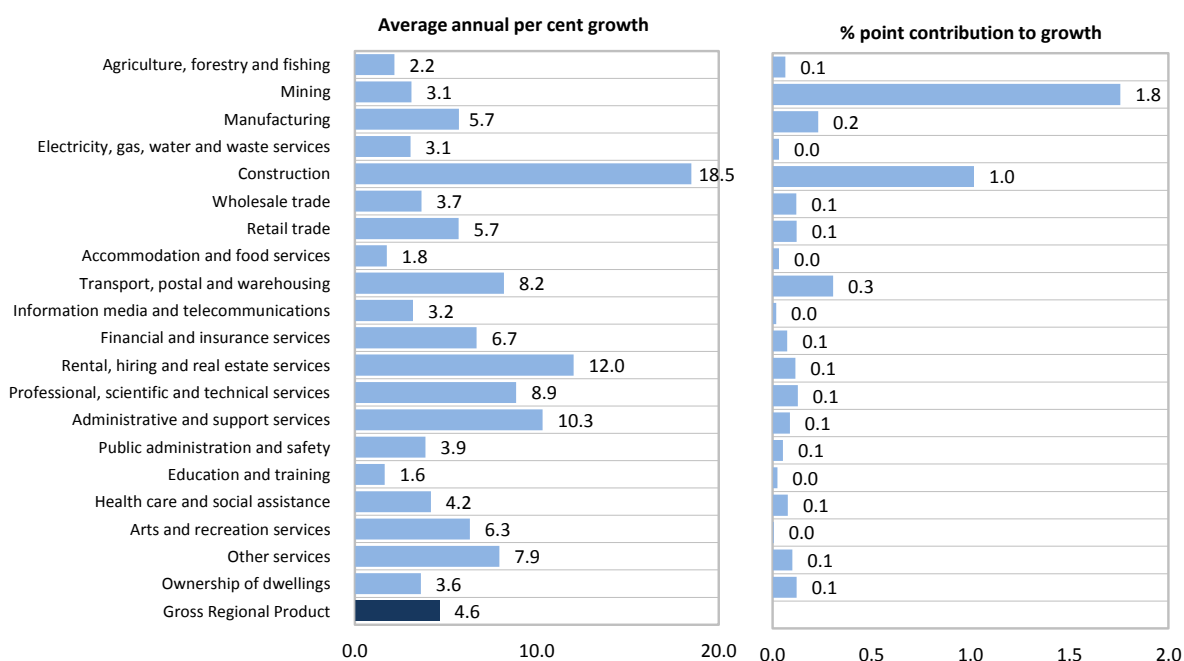
Average annual growth in Mackay's real GRP was 4.6 per cent between 2000-01 and 2010-11. Relatively high average annual growth was recorded in the Construction (18.5 per cent), Rental, hiring and real estate services (12.0 per cent) and Administration and support services (10.3 per cent) industries.

Despite mining recording relatively lower growth of 3.1 per cent, it was by far the strongest driver of activity, contributing 1.8 percentage points towards Mackay's growth. While the income received for coal has risen sharply, the underlying volume of production (measured here in CVM terms) has grown to a lesser extent.

The second highest contributor to Mackay's growth was Construction at 1.0 percentage point, followed by Transport, postal and warehousing at 0.3 percentage point and Manufacturing at 0.2 percentage point. All other industries had either a marginal or neutral impact on real GRP growth in Mackay.

**Figure 36: Growth in Real GVA, 2000-01 to 2010-11, Mackay**

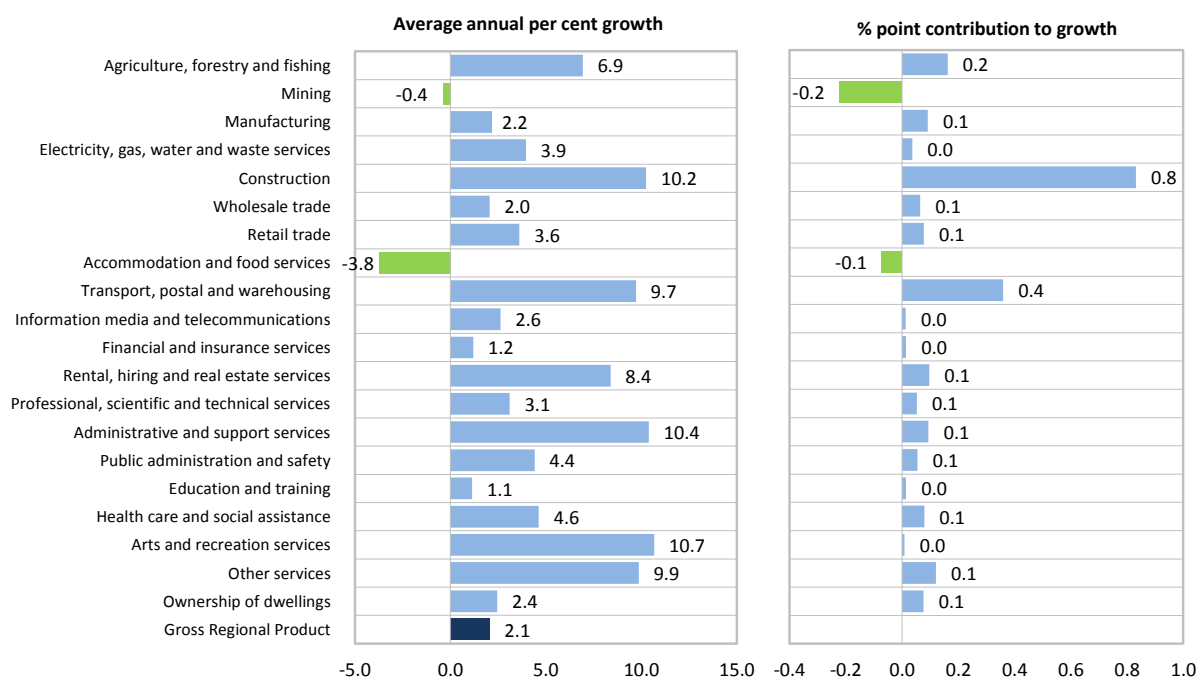
Chain volume measures (\$, 2010-11)





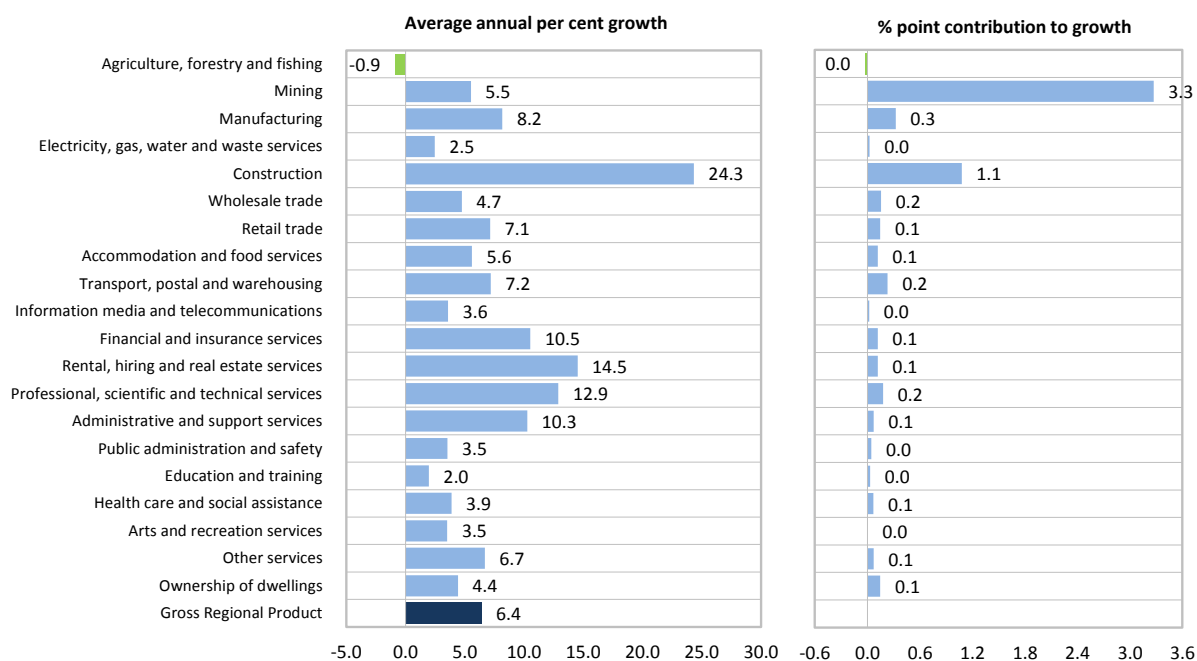
**Figure 37: Growth in Real GVA, 2006-07 to 2010-11, Mackay**

Chain volume measures (\$, 2010-11)



**Figure 38: Growth in Real GVA, 2000-01 to 2006-07, Mackay**

Chain volume measures (\$, 2010-11)



Compared with an annual average growth of 6.4 per cent in the earlier period, 2000-01 to 2006-07 (Figure 38), Mackay GRP growth moderated to an average 2.1 per cent per annum (Figure 37) in the more recent period, over the four years to 2010-11.

Due to Mackay's reliance on the mining industry, this moderation in growth reflects an easing in the growth rate of coal production. Over the most recent period, the construction industry GVA increased on average by 10.2 per cent and contributed 0.8 percentage points to Mackay's GRP growth (Figure 37). This reflects strong growth in public capital works during this period. The Transport, postal and warehousing industry was the second highest contributor to Mackay's growth, contributing 0.4 percentage point on average over the period 2006-07 to 2010-11.

#### 4.2.11 Northern

The Northern region experienced real average annual GRP growth of 2.9 per cent over the 10 years to 2010-11, compared with the State average of 4.1 per cent.

Over the recent four years to 2010-11, the Northern region recorded average growth of 0.8 per cent over the period 2006-07 to 2010-11. This represents a moderation on the rate of growth of 4.3 per cent per annum in the earlier period, from 2000-01 to 2006-07.

#### Industry Composition

Table 16 shows the industry composition of the Northern economy based on current price estimates of GVA. The largest industry in terms of its nominal GVA share is Construction with 10.6 per cent (up 3.3 percentage points on 2000-01).

The second largest industry was the Public administration and safety industry with a 10.0 per cent share of nominal GVA (down 1.0 percentage point from 2000-01). Previously, in 2000-01, this industry was the largest as the Northern region is the hub for Commonwealth and State Government administration and defence personnel for North Queensland.

**Table 16: Composition of Gross Value Added, Northern**

Current prices

Industry	Composition		Change in Composition
	2000-01	2010-11	
	Per cent	Per cent	Percentage points
Agriculture, forestry and fishing	5.7	4.1	-1.6
Mining	5.0	2.7	-2.3
Manufacturing	10.5	9.9	-0.6
Electricity, gas, water and waste services	2.0	3.4	1.4
Construction	7.3	10.6	3.3
Wholesale trade	5.0	4.6	-0.4
Retail trade	6.4	6.0	-0.4
Accommodation and food services	3.0	2.5	-0.5
Transport, postal and warehousing	7.3	6.6	-0.7
Information media and telecommunications	3.5	2.3	-1.2
Financial and insurance services	3.7	4.2	0.5
Rental, hiring and real estate services	1.8	2.3	0.5
Professional, scientific and technical services	3.1	4.4	1.2
Administrative and support services	1.7	2.0	0.3
Public administration and safety	11.0	10.0	-1.0
Education and training	5.5	5.2	-0.3
Health care and social assistance	6.9	8.1	1.2
Arts and recreation services	0.9	0.6	-0.3
Other services	2.2	2.0	-0.2
Ownership of dwellings	7.5	8.7	1.2
<b>Gross Value Added</b>	<b>100.0</b>	<b>100.0</b>	

## Growth in Real GVA

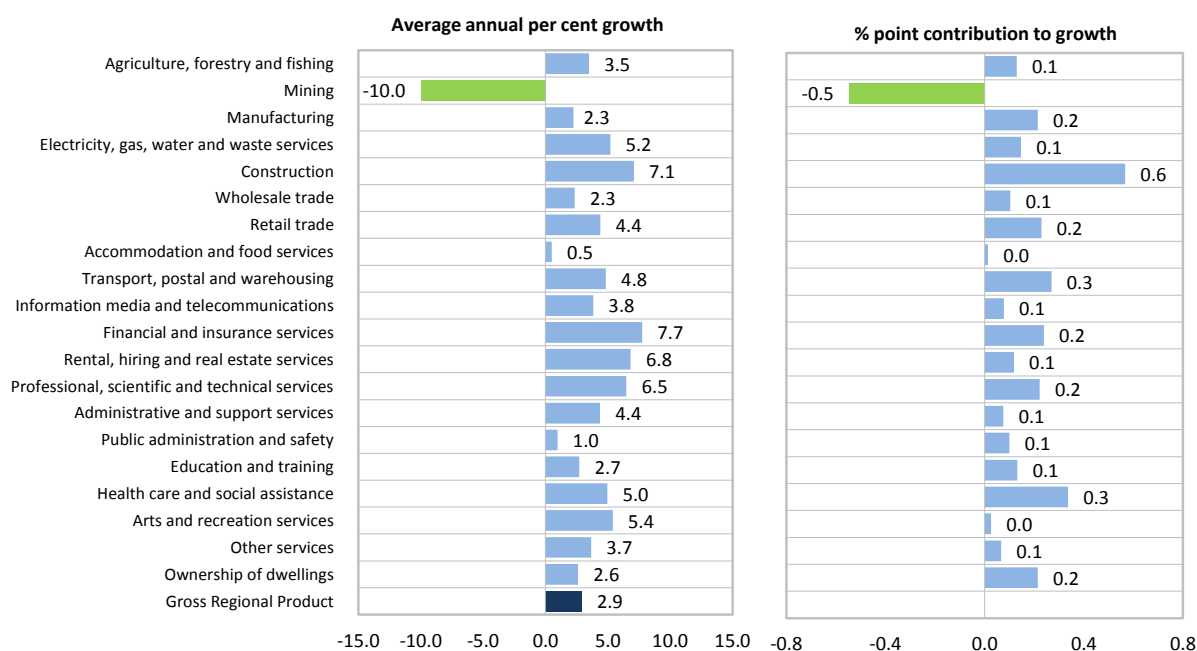
While the above discussion focuses on the current price industry composition of Northern, Figure 39 presents average annual growth in real GVA by industry and each industry's contribution to regional growth.

Average annual growth in Northern GRP was 2.9 per cent between 2000-01 and 2010-11. All industries experienced growth with the exception of mining (down 10.0 per cent in average annual terms). The decline in mining real GVA relates largely to a fall in gold production over the period as deposits were exhausted. Financial and insurance services recorded the highest average annual growth in real GVA at 7.7 per cent followed by Construction with 7.1 per cent.

The highest contributor towards growth in the Northern region was the construction industry with 0.6 percentage point followed equally by Transport, postal and warehousing, and Health care and social assistance, each contributing 0.3 percentage point.

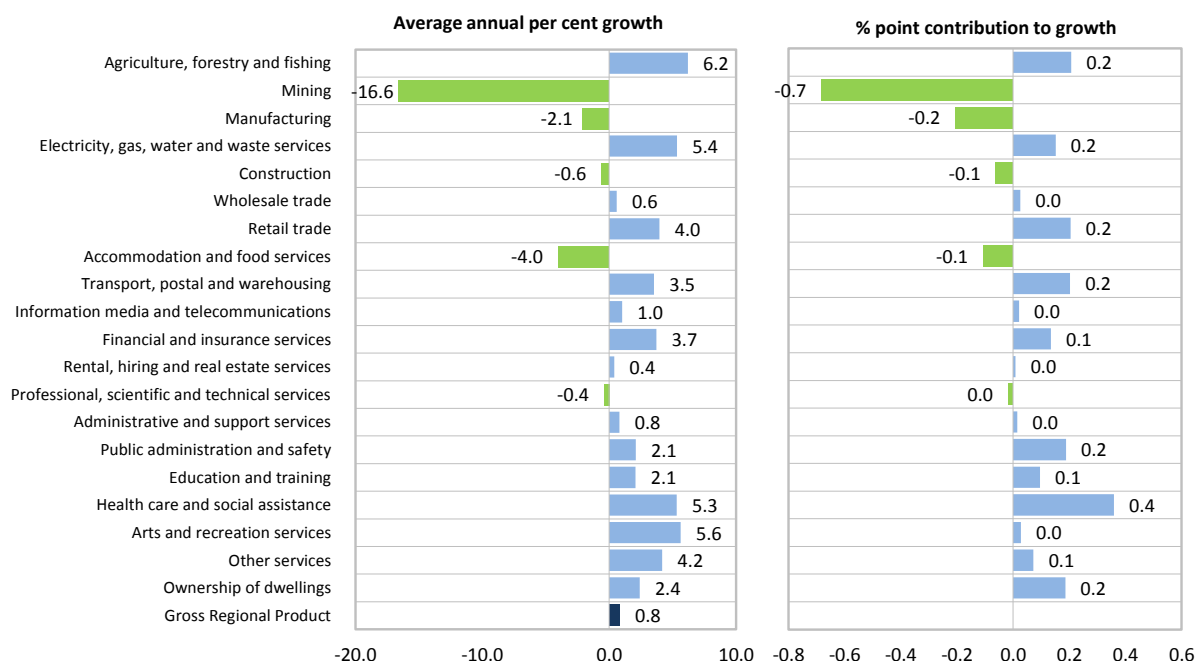
**Figure 39: Growth in Real GVA, 2000-01 to 2010-11, Northern**

Chain volume measures (\$, 2010-11)



**Figure 40: Growth in Real GVA, 2006-07 to 2010-11, Northern**

Chain volume measures (\$, 2010-11)


**Figure 41: Growth in Real GVA, 2000-01 to 2006-07, Northern**

Chain volume measures (\$, 2010-11)

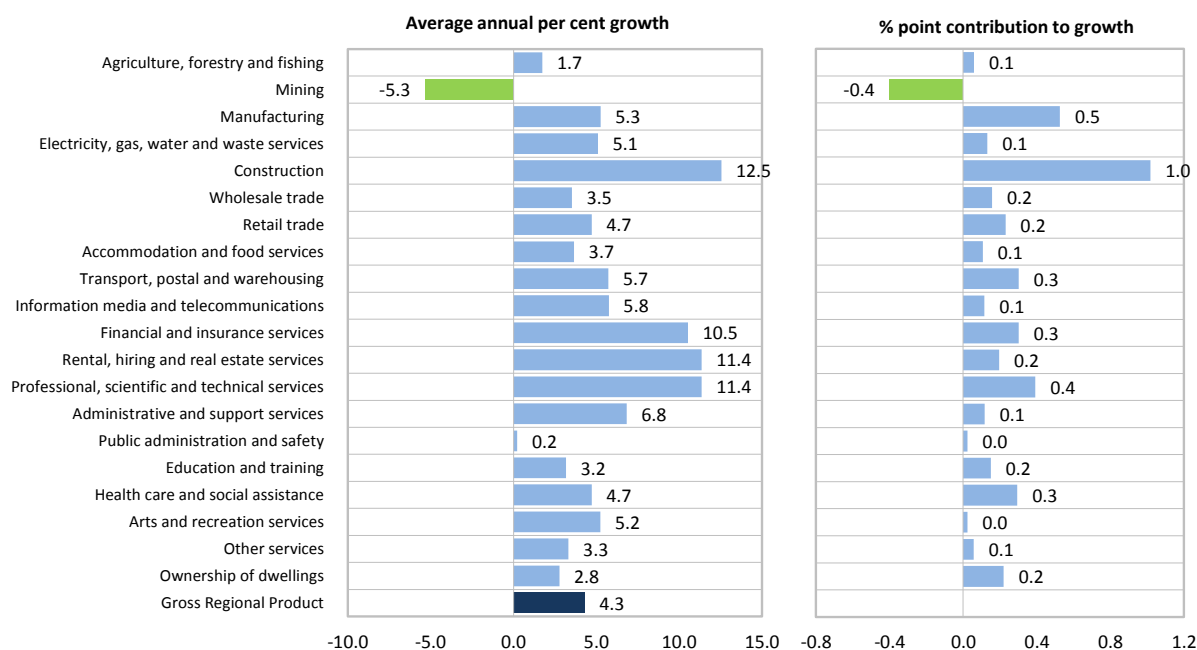


Figure 40 shows that the Northern region recorded average growth of 0.8 per cent over the period 2006-07 to 2010-11. This represents moderation on the rate of growth of 4.3 per cent per annum (Figure 41) in the earlier period, from 2000-01 to 2006-07.

Over the recent period, 2006-07 to 2010-11, the mining industry GVA declined on average by 16.6 per cent and detracted 0.7 percentage point from the region's economic growth. The downturn in the mining industry reflects a substantial decline in the region's gold production over this period.

The largest contributor to growth in the most recent period was the Health care and social assistance industry. Over the four years to 2010-11, this industry grew on average by 5.3 per cent and made an average contribution to the region's GRP of 0.4 percentage point. Additionally, combined with moderate growth in several other industries, these contributions more than offset Mining's detraction and resulted in the overall Northern GRP growth rate of 0.8 per cent (Figure 40).

The major contributor to Northern region growth in the earlier period, from 2000-01 to 2006-07, was the Construction industry contributing on average 1.0 percentage point to GRP (Figure 41). In contrast, the Construction industry detracted 0.1 percentage point from the region's GRP in the later period due to the weakening of private building activity between 2006-07 and 2010-11.

#### 4.2.12 Far North

In real terms, Far North recorded average annual growth in GRP of 2.3 per cent between 2000-01 and 2010-11, compared with the State average of 4.1 per cent.

Over the earlier period 2000-01 to 2006-07, Far North recorded average growth of 4.0 per cent. In comparison, in the more recent period, Far North's GRP was unchanged between 2006-07 and 2010-11.

#### Industry Composition

Table 17 shows the industry composition of the Far North economy based on current price estimates of GVA. The composition of nominal GVA is more evenly spread among the 20 industries than is the case in other regions of Queensland. Ownership of dwellings is the largest industry accounting for 10.3 per cent of nominal GVA (up 2.3 percentage points) while Health care and social assistance, and Public administration and safety make up 8.1 per cent and 7.9 per cent respectively.

Construction, and Transport, postal and warehousing were also prominent industries in Far North in 2010-11, accounting for 7.5 per cent and 7.4 per cent respectively of nominal GVA. Agriculture, forestry and fishing recorded the highest change in share with a decline of 3.3 percentage points from 2000-01, while Health care and social assistance recorded the largest increase at 2.4 percentage points.

**Table 17: Composition of Gross Value Added, Far North**

Current prices

Industry	Composition		Change in Composition
	2000-01	2010-11	
	Per cent	Per cent	Percentage points
Agriculture, forestry and fishing	10.5	7.2	-3.3
Mining	4.9	6.4	1.6
Manufacturing	7.9	5.3	-2.6
Electricity, gas, water and waste services	1.8	2.6	0.8
Construction	6.3	7.5	1.2
Wholesale trade	4.8	4.0	-0.8
Retail trade	7.1	6.6	-0.4
Accommodation and food services	6.8	4.6	-2.3
Transport, postal and warehousing	8.3	7.4	-0.9
Information media and telecommunications	2.7	2.0	-0.7
Financial and insurance services	3.3	3.6	0.3
Rental, hiring and real estate services	2.1	2.5	0.4
Professional, scientific and technical services	2.8	3.5	0.7
Administrative and support services	2.4	2.4	0.0
Public administration and safety	6.8	7.9	1.1
Education and training	4.6	5.1	0.5
Health care and social assistance	5.7	8.1	2.4
Arts and recreation services	1.2	0.8	-0.4
Other services	2.1	2.3	0.1
Ownership of dwellings	7.9	10.3	2.3
<b>Gross Value Added</b>	<b>100.0</b>	<b>100.0</b>	

## Growth in Real GVA

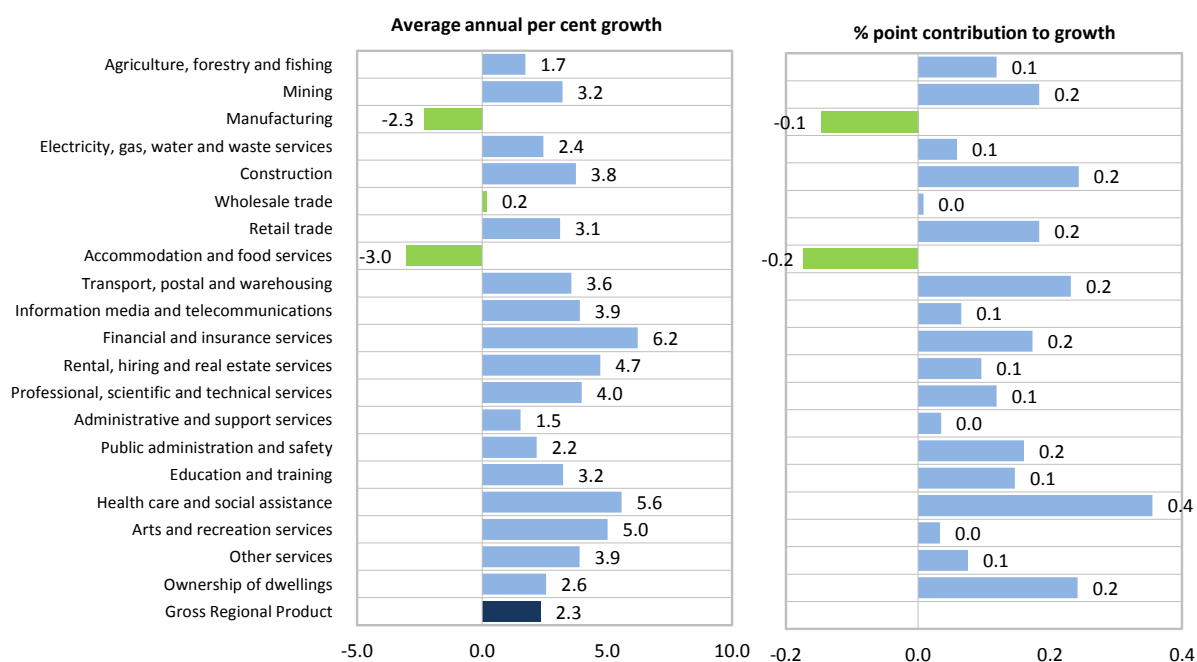
While the above discussion focuses on the current price industry composition of Far North, Figure 42 presents average annual growth in real GVA by industry and each industry's contribution to regional growth.

Average annual growth in Far North's real GRP was 2.3 per cent over the 10 years to 2010-11. The fastest growing industry in the region was Financial and insurance services (6.2 per cent) followed by Health care and social assistance (5.6 per cent) and Arts and recreation services (5.0 per cent). The Accommodation and food services industry recorded the largest decline, down by 3.0 per cent, while manufacturing was the only other industry to contract in the region, down 2.3 per cent. Similar to the Northern SD, the decline in mining real GVA related to a fall in gold production over the period.

Over the period 2000-01 to 2010-11, the main contributor to growth in Far North was the Health care and social assistance industry, which added 0.4 percentage point to growth. While Accommodation and food services and Manufacturing detracted 0.2 and 0.1 percentage point respectively, all other industries had a marginal or neutral impact on real GRP growth in the region.

**Figure 42: Growth in Real GVA, 2000-01 to 2010-11, Far North**

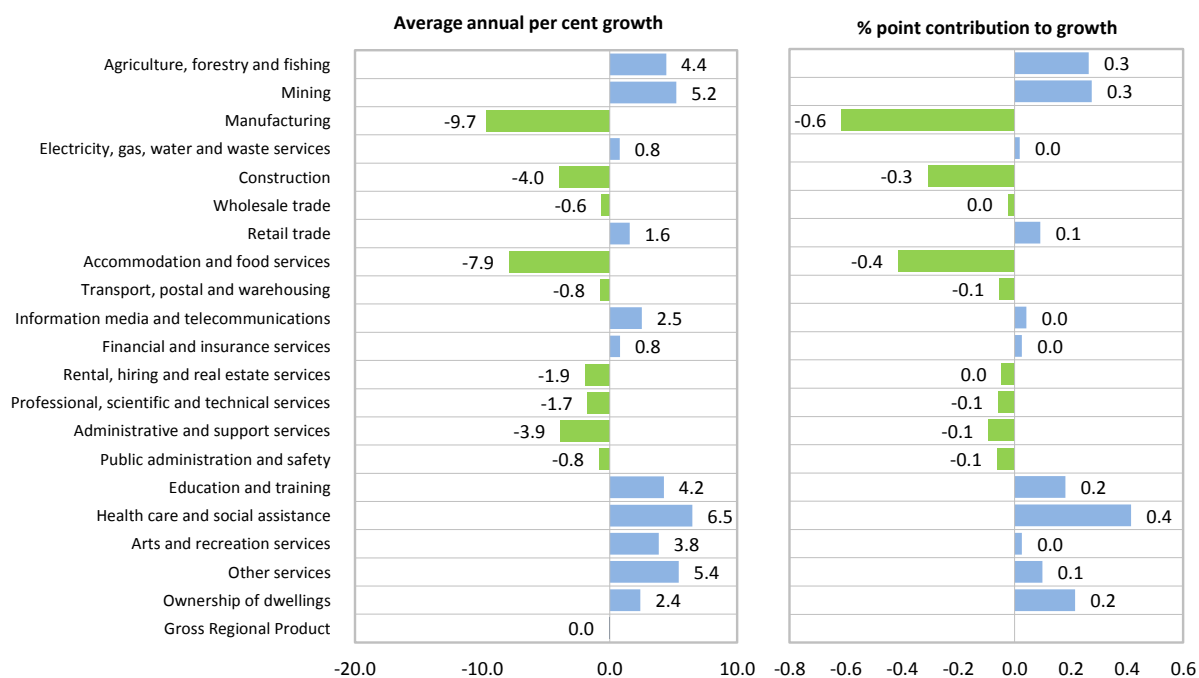
Chain volume measures (\$, 2010-11)





**Figure 43: Growth in Real GVA, 2006-07 to 2010-11, Far North**

Chain volume measures (\$, 2010-11)


**Figure 44: Growth in Real GVA, 2000-01 to 2010-11, Far North**

Chain volume measures (\$, 2010-11)

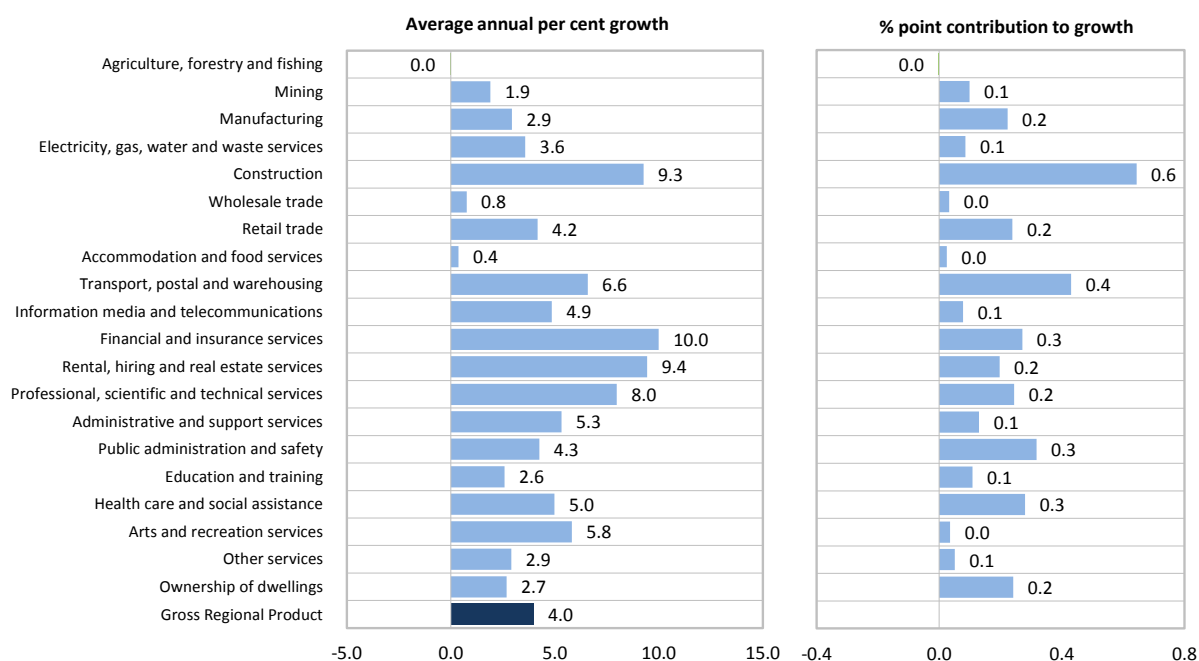


Figure 44 shows that the Far North recorded average growth of 4.0 per cent over the earlier period 2000-01 to 2006-07. In comparison, in the more recent period, Far North's GRP was unchanged between 2006-07 and 2010-11 (Figure 43).

Over the most recent period, the Manufacturing industry GVA declined on average by 9.7 per cent and detracted 0.6 percentage point while the Construction industry declined on average by 4.0 per cent and detracted 0.3 percentage point from GRP growth. This weakness in the Construction industry reflects a substantial decline in private building activity in the Far North between 2006-07 and 2010-11.

Reflecting the decline in both domestic and overseas visitor nights spent in the region between 2006-07 and 2010-11, Accommodation and food services GVA declined by on average by 7.9 per cent and detracted 0.4 percentage point from Far North's GVA growth over this period.

These detractions from growth were offset by contributions from Health care and social assistance (0.4 percentage point), Agriculture, forestry and fishing, and Mining industries (0.3 percentage point each). For mining GVA, the average annual increase of 5.2 per cent between 2006-07 and 2010-11 reflected higher production of bauxite and copper concentrate.

### 4.2.13 North West

The North West economy recorded average annual growth of 0.1 per cent over the 10 years to 2010-11, the slowest growing region in Queensland.

Over the earlier period from 2000-01 to 2006-07, North West recorded an average decline of 1.8 per cent per annum. Regional growth then rebounded, to increase an average 3.0 per cent per annum over the more recent period to 2010-11.

### Industry Composition

Table 18 illustrates the industry composition of the North West economy based on current price estimates of GVA. Mining accounted for more than two thirds of nominal GVA in the North West in 2010-11, up 6.1 percentage points from 2000-01. This represents the largest change in composition by any industry in the North West region. Agriculture, forestry and fishing (at 6.7 per cent) and Construction (at 5.5 per cent) were the next largest industries in the North West region. Together, these three industries make up over 79 per cent of North West's nominal GVA.

**Table 18: Composition of Gross Value Added, North West**

Current prices

Industry	Composition		Change in Composition
	2000-01	2010-11	
	Per cent	Per cent	Percentage points
Agriculture, forestry and fishing	7.1	6.7	-0.4
Mining	61.0	67.1	6.1
Manufacturing	4.5	2.8	-1.7
Electricity, gas, water and waste services	1.0	1.3	0.3
Construction	3.9	5.5	1.6
Wholesale trade	2.3	1.7	-0.7
Retail trade	2.1	1.2	-0.9
Accommodation and food services	1.5	0.9	-0.6
Transport, postal and warehousing	3.4	2.5	-0.9
Information media and telecommunications	0.8	0.4	-0.4
Financial and insurance services	0.9	0.6	-0.2
Rental, hiring and real estate services	0.7	0.7	-0.1
Professional, scientific and technical services	0.8	0.6	-0.2
Administrative and support services	0.9	1.0	0.1
Public administration and safety	2.6	1.9	-0.7
Education and training	1.6	1.1	-0.5
Health care and social assistance	1.9	1.8	-0.2
Arts and recreation services	0.2	0.1	-0.1
Other services	1.2	0.7	-0.5
Ownership of dwellings	1.6	1.6	0.0
<b>Gross Value Added</b>	<b>100.0</b>	<b>100.0</b>	

## Growth in Real GVA

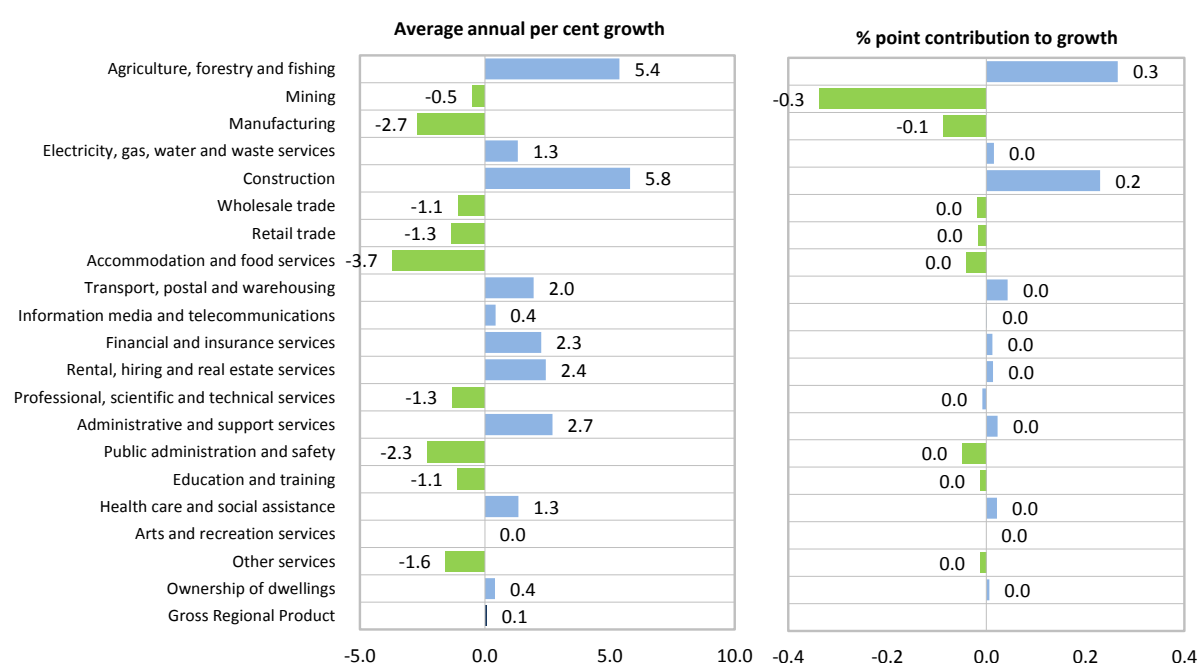
While the above discussion focuses on the current price industry composition of North West, Figure 45 presents average annual growth in real GVA by industry and each industry's contribution to regional growth.

The North West region experienced a 0.1 per cent rise in real GRP over the 10 years to 2010-11 reflecting mixed industry results.

The Agriculture, forestry and fishing and Construction industries contributed positively to growth, 0.3 and 0.2 percentage point respectively. These offset the detractions by the Mining and Manufacturing industries (0.3 and 0.1 percentage point respectively). All other industries had a neutral impact on real GRP growth in the North West.

**Figure 45: Growth in Real GVA, 2000-01 to 2010-11, North West<sup>5</sup>**

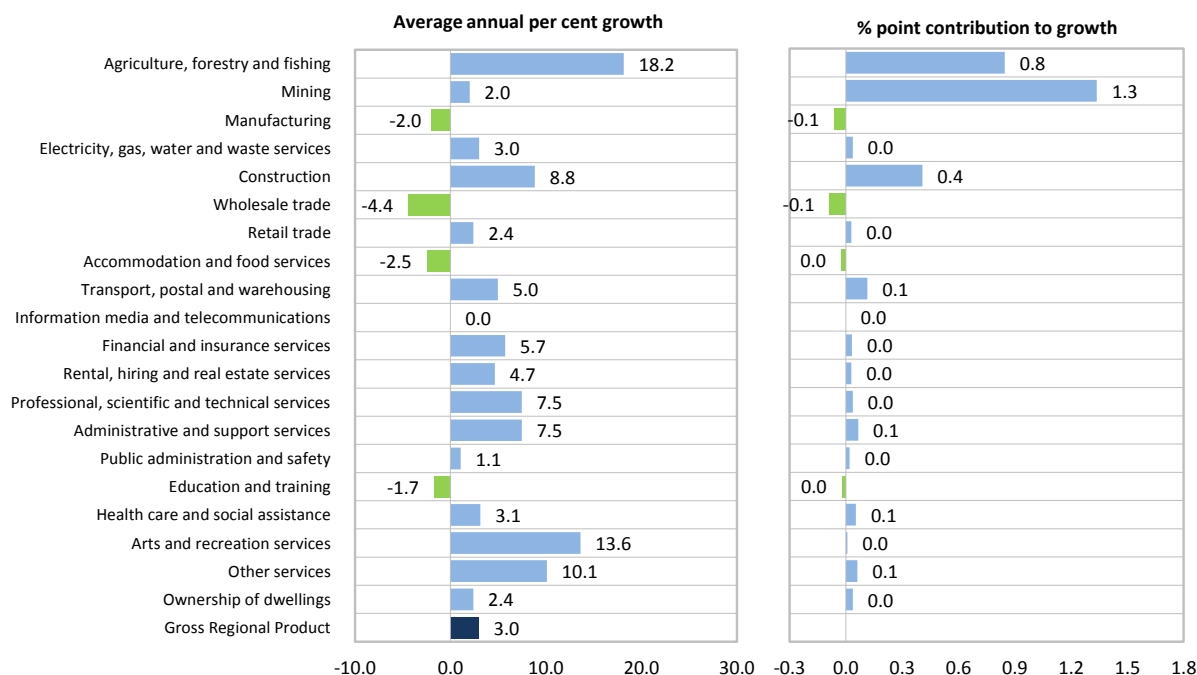
Chain volume measures (\$, 2010-11)



<sup>5</sup> For the North West region, the boundary between mining and manufacturing activity is somewhat blurred and changes in these two industries should be treated with some caution.

**Figure 46: Growth in Real GVA, 2006-07 to 2010-11, North West<sup>5</sup>**

Chain volume measures (\$, 2010-11)


**Figure 47: Growth in Real GVA, 2000-01 to 2006-07, North West<sup>5</sup>**

Chain volume measures (\$, 2010-11)



Over the more recent period to 2010-11, North West growth rebounded to average 3.0 per cent per annum (Figure 46) compared with an average decline of 1.8 per cent over the earlier period from 2000-01 to 2006-07 (Figure 47). This rebound in the North West region reflects a recovery in the Agriculture, forestry and fishing and Mining industries.

As this region is largely dependent on Mining, an increase in lead and zinc concentrate production between 2006-07 and 2010-11 resulted in Mining GVA increasing on average by 2.0 per cent and contributing 1.3 percentage points to the overall North West GRP growth of 3.0 per cent. Reflecting an increase in cattle disposals between 2006-07 and 2010-11, Agriculture, forestry and fishing GVA increased by an average annual 18.2 per cent and contributed 0.8 percentage point to the region's growth.

## 5 Glossary of terms

### **Chain volume measures (CVM)**

Chain volume measures (or real) estimates of GRP are presented to provide time series of production aggregates which are free of the direct effects of price changes. Current price estimates of production appearing in this publication have two components: a price and a quantity. Because these two components change from one period to the next, estimates of current price growth in GRP reflect both changes in quantity and price. In order to estimate changes in the underlying 'volume' of GRP between two periods the price effect needs to be removed. This is achieved by measuring GRP in each period using the same unit prices (i.e. the prices from a reference year). CVM are therefore derived to estimate the 'real' movement in GRP over time. In this publication, the CVM reference period is 2010-11.

### **Compensation of employees (COE)**

The total remuneration, in cash or in kind, payable by an enterprise to an employee in return for work done by the employee during the accounting period. It is further classified into two sub-components: wages and salaries, and employers' social contributions. Compensation of employees is not payable in respect of unpaid work undertaken voluntarily, including the work done by members of a household within an unincorporated enterprise owned by the same household. Compensation of employees excludes any taxes payable by the employer on the wage and salary bill (e.g. payroll tax).

### **Current prices**

Estimates are valued at the prices of the period to which the observation relates. For example, estimates for 2000-01 are valued using 2000-01 prices. This contrasts to chain volume measures where the prices used in valuation refer to the prices of the reference period (refer Chain volume measures, above).

### **Gross mixed income (GMI)**

The surplus or deficit accruing to owners of unincorporated enterprises from the process of production. It includes elements of both owners' returns on labour inputs and operating surplus (returns on capital inputs) within a region.

### **Gross operating surplus (GOS)**

The operating surplus accruing to all enterprises, except unincorporated enterprises, from their operations in a region. It is the excess of gross output over the sum of intermediate consumption, compensation of employees, and taxes less subsidies on production and imports. It is calculated before deduction of consumption of fixed capital, dividends, interest, royalties and land rent, and direct taxes payable, but after deducting the inventory valuation adjustment. Gross operating surplus is also calculated for general government, and it equals general government's consumption of fixed capital.

### **Gross regional product (GRP)**

GRP is defined equivalently to gross state product (GSP) but refers to production within a region territory rather than to the state as a whole.

### **Gross state product (GSP)**

GSP is defined equivalently to gross domestic product (GDP) but refers to production within a state or territory rather than to the nation as a whole.

### **Gross Value Added**

The contribution of an industry to the overall production in an economy (the value of output minus the value of inputs used in production). It is also factor income plus taxes less subsidies on production.

### **Implicit price deflator**

Obtained by dividing a current price value by its real counterpart (the chain volume measure). When calculated from the major national accounting aggregates, such as gross domestic product, implicit price deflators relate to a broader range of goods and services in the economy than that represented by any of the individual price indexes that are published by the ABS.

### **Subsidies on production**

Consist of all subsidies, except subsidies on products, which resident enterprises may receive as a consequence of engaging in production. Subsidies on production include: subsidies related to the payroll or workforce numbers, including subsidies payable on the total wage or salary bill, on numbers employed, or on the employment of particular types of persons, e.g. persons with disabilities or persons who have been unemployed for a long period. The subsidies may also be intended to cover some or all of the costs of training schemes organised or financed by enterprises. Subsidies aimed at reducing pollution are also included. See also Subsidies on products and imports.

### **Subsidies on products and imports**

Subsidies payable per unit of a good or service. The subsidy may be a specific amount of money per unit of quantity of a good or service, or it may be calculated ad valorem as a specified percentage of the price per unit. A subsidy may also be calculated as the difference between a specified target price and the market price actually paid by a purchaser. A subsidy on a product usually becomes payable when the product is produced, sold or imported, but it may also become payable in other circumstances, such as when a product is exported, leased, transferred, delivered or used for own consumption or own capital formation.

### **Taxes less subsidies on production, products and imports**

Defined as 'taxes on products' plus 'taxes on production' less 'subsidies on products' less 'subsidies on production'.



### **Taxes on production**

Consist of all taxes that enterprises incur as a result of engaging in production, except taxes on products. Taxes on production include: taxes related to the payroll or workforce numbers excluding compulsory social security contributions paid by employers and any taxes paid by the employees themselves out of their wages or salaries; recurrent taxes on land, buildings or other structures; some business and professional licences where no service is provided by the Government in return; taxes on the use of fixed assets or other activities; stamp duties; taxes on pollution; and taxes on international transactions.

### **Taxes on products and imports**

Taxes payable per unit of some good or service. The tax may be a specific amount of money per unit of quantity of a good or service (quantity being measured either in terms of discrete units or continuous physical variables such as volume, weight, strength, distance, time, etc.), or it may be calculated ad valorem as a specified percentage of the price per unit or value of the goods or services transacted. A tax on a product usually becomes payable when the product is produced, sold or imported, but it may also become payable in other circumstances, such as when a good is exported, leased, transferred, delivered, or used for own consumption or own capital formation.

### **Total factor income**

The sum of compensation of employees (COE), gross operating surplus (GOS) and gross mixed income (GMI). In effect, that part of the cost of producing gross domestic product which consists of gross payments to factors of production (labour and capital). It represents the value added by these factors in the process of production.

## 6 Methodology

Estimates of GRP are produced using the income approach which aggregates the income generated by employees, government and firms. By summing compensation of employees, gross operating surplus, and gross mixed income, total factor income is derived. Total factor income is then converted to GVA by adding on taxes less subsidies on production from the ABS State Accounts. The sum of GVA across all industries plus taxes less subsidies on products (from ABS *Australian National Accounts: State Accounts, Catalogue 5220.0*) equals GRP.

Estimates of GVA for each ANZSIC 2006 industry division, plus Ownership of dwellings are provided at division level. For some industries, the compilation of GVA and its indicators are done at sub-division level and then aggregated to the division level. For further information about ANZSIC 2006, refer to ABS publication *Australian and New Zealand Standard Industrial Classification (ANZSIC), 2006 (Catalogue 1292.0)*.

Industry division level estimates of COE, GOSMI and taxes less subsidies on production were sourced from the ABS *Australian National Accounts: State Accounts (Catalogue 5220.0)*, and benchmarked to Queensland State Accounts totals. Industry estimates of COE and GOSMI were allocated across Queensland's 13 regions using a number of techniques defined below.

Estimates of GRP are (where possible) based on data representing place of work of employees rather than place of usual residence. This gives a more accurate representation of the production activity within a region.

### Chain volume measures

Implicit price deflators used to derive chain volume measures of GRP by industry are sourced from ABS *Australian National Accounts: State Accounts (Catalogue 5220.0)*, with one exception. The chained volume measure for the mining industry were developed by quantity revaluation of each region's production using data from Queensland Government Department of Natural Resources and Mines then applying each region's implicit price deflator to the current price value added estimates.

### Compensation of employees

In all cases COE was allocated to regions by industry using 'employee not owning business' weighted by individual income ranges for each region sourced from customised data from the ABS *Census of Population and Housing, Working Population Profiles (Catalogue 2006.0)*.

For the Agriculture, forestry and fishing and Accommodation and food services industries this allocation was done at the ANZSIC subdivision level.

### Gross operating surplus and gross mixed income

Methods for allocating GOSMI vary widely across the 19 industries. Where no other data are available, industry total employment weighted by individual income ranges for each region from customised data from the ABS *Census of Population and Housing, Working Population Profiles (Catalogue 2006.0)* were used to allocate GOSMI across regions.

### **Agriculture, forestry and fishing**

GOSMI was allocated to regions using value of production sourced from the Queensland Department of Agriculture, Fisheries and Forestry and ABS *Agricultural Commodities: Small Area Data, Australia (Catalogue 7125.0)* and *Value of Agricultural Commodities Produced, Australia (Catalogue 7503.0)*.

### **Mining**

GOSMI was allocated using the value of mineral production in each region. Value of mineral production for each region and mineral type was sourced from the Queensland Department of Natural Resources and Mines.

### **Electricity, gas, water and waste services**

GOSMI was split between electricity generation and the remaining components of this industry using shares from *Queensland Industry Structure, 2006-07* published on the Queensland Treasury and Trade website. Electricity generation GOSMI was allocated to regions based on the generation capacity. For the remainder of this industry, GOSMI was allocated across regions using population shares.

### **Construction**

GOSMI was allocated to regions using a combination of building approvals sourced from ABS *Building Approvals, Australia (Catalogue 8731.0)*, capital outlays by Statistical Division sourced from various *State Budget Capital Statement, Budget Paper No. 3* and details of major private engineering construction projects.

### **Accommodation and food services**

GOSMI was split between Accommodation and Food and beverages services by firstly estimating an Australian split using data on industry value added less wages and salaries published in ABS *Australian Industry 2010-11 (Catalogue 8155.0)*. Queensland share of accommodation GOSMI was then estimated based on its share of takings from accommodation sourced from ABS *Tourist Accommodation, Australia (Catalogue 8635.0)* with the food and beverages services GOSMI derived as a residual. Accommodation GOSMI was allocated across regions using accommodation takings sourced from ABS *Tourist Accommodation, Small Area Data, Queensland (Catalogue 8635.3.55.001)*. Food and beverages services GOSMI was allocated across regions using industry total employment weighted by individual income ranges for each region from customised data from the ABS *Census of Population and Housing, Working Population Profiles (Catalogue 2006.0)*.

### **Information, media and telecommunications**

GOSMI was allocated to regions using a combination of total employment weighted by individual income ranges and population shares.

### **Health care and social assistance**

GOSMI was allocated to regions using a combination of total employment weighted by individual income ranges and population shares.

### **Ownership of Dwellings**

GOSMI was allocated to regions using a share of total dwellings weighted by median rent from the *ABS Census of Population and Housing, Community Profiles (Catalogue 2005.0)*.

### **Net taxes on production**

Net taxes on production are allocated to industries using shares from *ABS Australian National Accounts: State Accounts (Catalogue 5220.0)*. These are then allocated to regions using factor income shares.

### **Net taxes on products**

Net taxes on products are allocated to regions using an equal weighting of population and income shares. As there is no adequate method to allocate net taxes on products on an industry basis the industry composition of regions is analysed using GVA rather than GRP.

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