

Economic Need Assessment

23 Braeside Road, Nebo (L50 SP239857)

Prepared for Pacific National Pty Ltd





'Gura Bulga'

Liz Belanjee Cameron

'Gura Bulga' – translates to Warm Green Country. Representing New South Wales.



'Dagura Buumarri'

Liz Belanjee Cameron

'Dagura Buumarri' – translates to Cold Brown Country. Representing Victoria.



'Gadalung Djarri'

Liz Belanjee Cameron

'Gadalung Djarri' – translates to Hot Red Country. Representing Queensland.

Ethos Urban acknowledges the Traditional Custodians of Country throughout Australia and recognises their continuing connection to land, waters and culture.

We pay our respects to their Elders past, present and emerging.

In supporting the Uluru Statement from the Heart, we walk with Aboriginal and Torres Strait Islander people in a movement of the Australian people for a better future.

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Alex Wilson	11 November 2024	Sean Stephens	11 November 2024
Version No.	Date of issue	Prepared by	Approved by
1.0 Draft Report	09/10/2024	AW	SS
2.0 Final Report	11/11/2024	AW	SS

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Executive Summary

Purpose of this report and proposal

Pacific National are seeking approval for the staged development of worker accommodation at Nebo in Central Queensland. The proposed site is located adjacent to the Nebo Railway Maintenance Facility located south of the town.

The current proposal is for a three-stage development scheme, with Stage 1 including 56 individual units, 16 staff units and associated ancillary facilities. Stages 2 and 3 include an additional 48 units each (168 units in total).

The availability of accommodation for workers at the Nebo Railway Maintenance Facility is limited in the surrounding area (Nebo township). At present Pacific National needs to bus staff, including train drivers, daily to and from Mackay.

The Isaac Planning Scheme which applies to the site includes guidance that non-residential accommodation “*is provided in response to a legitimate and demonstrated need*”. As such, this assessment considers the economic need for the proposed facility.

Locational Context and Proposed Development

- The Subject Site for the proposed development is located approximately 10 km south east of the Nebo township in the Isaac Regional Council area. The nearest major city to Isaac Regional Council’s main township of Moranbah, is Mackay, located some 150 km (straight line distance) to the north east, and 80 km north east of Nebo.
- Pacific National are proposing the staged development and operation of a 168 unit non-resident worker accommodation facility at their existing Nebo Railway Maintenance Facility, which is strategically located adjacent to the Goonyella Rail System. The facility would be developed across three stages, with an initial stage of 56 individual units and 16 staff units.
- A review of relevant strategic planning and policy frameworks, as they relate to Nebo, shows that the project can help achieve several policy objectives and desired outcomes. The strategic policies reinforce the opportunity for Nebo, and the Subject Site, as an appropriate location to provide much needed purpose-built non-resident workforce accommodation. The proposal further ensures strain isn’t placed on the local housing and commercial accommodation markets to the detriment of local residents and other businesses.

Economic Context

- A Study Area has been defined to reflect a 60-minute drive time from the Subject Site at Nebo, while analysis is also provided for the Isaac Local Government Area (LGA) where required.
- The Isaac LGA has a high proportion of workers employed in the mining industry with the majority of these workers being non-residents. This reflects the fly-in-fly-out and drive-in-drive-out (FIFO/DIDO) nature of the workforce in the region and the importance of having an adequate supply of non-resident workforce accommodation.
- The vacancy rate for long-term rental properties at in the Study Area was only 1.3% in June 2024, representing approximately 40 vacant properties (Data sourced from SQM Research for June 2024). This indicates a very constrained rental market which is unlikely to play a role in accommodating future non-resident workers, including workers from Pacific National’s rail operations in Nebo.
- Although a decline in production of coking coal occurred between 2019 to 2024 in Australia, official forecasts expect production to increase at a steady rate for the foreseeable future
- As coal production in the Bowen Basin region is expected to increase and reach a near-record high over the next 5 years, continued demand for rail drivers and maintenance crew is expected, including at the Nebo Rail Maintenance Facility.

Socio-Economic Profile

- The Study Area population has a higher-than-average household income and younger median age. The most common tenure ship type is renting, and the dwelling occupancy rate is lower than the regional Queensland average. A higher proportion of the population have received certificates (e.g. trades), yet on average fewer have a Bachelor’s degree or higher

- In the Study Area 32.9% of the workforce are employed as machinery operators and drivers, and 24.4% of the workforce are employed as technicians or trade workers – indicating the importance of the mining and associated industries.
- The workforce is predominately employed in activities related to mining (47.1%), and the majority of workers travel over 50 km to work (54.4%). This reflects the FIFO/DIDO nature of mining workers in the region.
- Between 2016 and 2021, the resident population of the Study Area increased by +810 residents, representing an average annual growth rate of +0.8%. Population projections indicate an additional +2,930 residents are expected for the Study Area between 2021 and 2036.

Workforce Accommodation Need Assessment

- One workforce accommodation development consisting of 98 additional units is currently proposed in the Study Area. Potential for an average of 20 additional new private dwellings per year exists (based on the average of approvals between 2017 and 2023) or a total of 240 new homes by 2036
- The Study Area is estimated to see demand for an additional +2,530 non-residents between 2021 and 2036. Using a ratio of one (1) non-resident worker to 0.6 units of workforce accommodation supply, demand for non-resident workforce accommodation in the Study Area is anticipated to be +1,520 units between 2021 and 2036.
- The analysis demonstrates that the Study Area will have a shortfall of approximately 1,420 non-resident housing units and 860 private houses by 2036
- If the proposed development delivers an additional 168 units, it will increase the supply of workforce accommodation in the Study Area by only 2.1% while still only accounting for 11.8% of the required future supply to 2036.
- Notwithstanding the above need analysis, the project is also tied directly to the operations of Pacific National at the Nebo Railway Maintenance Facility which is a critical component of the coal industry supply chain. At present, significant operational constraints are associated with the lack of local worker accommodation options which is at a cost in terms of productivity and economic benefits for the community.
- The real-world experience of Pacific National is that the current supply of commercial accommodation and workforce accommodation facilities is not able to provide a consistent and dependable local option for the Nebo Railway Maintenance Facility workforce. This is a reflection of the competing demand for worker accommodation from mines and other related operations in the area. Use of the private rental market to accommodate the non-resident workforce is not feasible based on current availability, and would lead to further distortions in the local housing market at the expense of permanent residents.

Introduction

Pacific National are seeking approval for the staged development of a workers accommodation facility at Nebo in Central Queensland. The proposed site is located adjacent to the Pacific National railway maintenance facility located south of the town.

A previous approval for workers accommodation applied to the site, although this was for a temporary facility.

The current proposal is for a permanent facility developed over three-stages, with Stage 1 including 56 individual units, 16 staff units and associated ancillary facilities. Stages 2 and 3 include an additional 48 units each.

The availability of accommodation for workers at the railway maintenance facility is limited in the surrounding area (Nebo township), and at present Pacific National needs to bus operational staff, including train drivers, daily to and from Mackay.

The Isaac Planning Scheme which applies to the site includes guidance that non-residential accommodation “*is provided in response to a legitimate and demonstrated need*”.

As such, this report considers the economic need for the proposed facility.

Methodology

In the absence of formal guidelines for workers accommodation economic needs assessments, the methodology for this economic assessment has been developed with consideration of socio-economic assessment practices.

To satisfy the primary objectives of this report the following methodology has been applied:

1. Undertake a site visit to Nebo, Mackay and the surrounding area to investigate the supply of accommodation and potential alternative locations for the proposed worker's camp.
2. Identify the underlying need rationale for the proposed workers accommodation. This includes the proximity to the Proponent's Nebo Railway Maintenance Facility, the current need for the daily bussing of key staff (including drivers) from Mackay, and the operational and other benefits of access to workers accommodation of an appropriate quality and location.
3. Review the strategic planning and economic development policy framework to confirm the planned role and function of Nebo and measures that outline expected growth and development within the region.
4. Identify and outline existing and emerging trends that may influence the planned economic and employment growth of Nebo and the surrounding region within a 60 minute drive.
5. Analyse the existing socio-economic profile of Nebo and the surrounding region to outline and identify likely strategic drivers for employment and population growth within the region.
6. Undertake a review and consider the existing supply of short-term accommodation and permanent housing in Nebo and within a 60 minute drive time.
7. Identify the alternative sources for demand for workers accommodation in the region (primarily, although not exclusively mining related) and the prospects for growth in worker accommodation demand from these sources in the future.
8. Assess the Economic Need for the proposed facility in the context of the above audit and with regard to impacts on choice to live within the region (as reflected in the needs requirements of the Isaac Planning Scheme).
9. Consider the economic benefits of the proposed development.
10. Prepare a report which outlines the key findings.

Key steps in undertaking the economic assessment have included an analysis of the existing locality and the community, including its economic profile; as well as identification and assessment of potential impacts (both direct and indirect) as a result of the proposed development.

The baseline profile for current residents and the economy within the defined Study Area was developed using published data sources, including the Australian Bureau of Statistics (ABS), with this data supplemented by additional information where available.

Economic impacts are then evaluated in terms of direct impacts and indirect impacts. In the case of both direct and indirect effects, the key metric for the analysis is an estimate of jobs and economic output.

Key Data Sources and Assumptions

The following sources have been referenced in this document:

- ABS Census of Population and Housing 2021
- ABS Census of Population and Housing 2016
- ABS Estimated Resident Population 2023
- ABS Building Approvals, 2017 to 2023
- Cordell Connect
- RP Data
- TripAdvisor
- SQM Research, August 2024
- STR.com

The following assumptions have been used in this document

- The key findings of the background studies and technical reports are accurate.
- Socio-economic data for the Study Area accurately reflects the community demographic profile.
- ABS estimated resident population figures provide an accurate estimate of the historic population.
- The Queensland Government's population projections data provides an accurate outlook for future population growth.
- Cordell Connect provides an accurate representation of the development pipeline.
- Non-resident population growth prepared by Foresight Partners for Isaac Regional Council provides a realistic estimate of the future non-resident population in the Isaac LGA.
- Forecast demand for workforce accommodation within the Study Area is equal to 60% of the forecast for Isaac LGA. This estimate is based on considerations including:
 - The Study Area has over 60% of workforce accommodation in Isaac LGA
 - Approximately 55% of the resident population of Isaac LGA is in the Study Area
 - The concentration of coal mines and supporting infrastructure (including the Goonyella railway network and Nebo Railway Maintenance Facility) within the Study Area.

Study Area Definition

For the purposes of this report, a Study Area has been defined, and the Isaac Regional Council Area has also been analysed. These areas are used to analyse relevant communities, economies, and market forces that influence the need for additional worker accommodation within Nebo and the surrounding area.

The Study Area is based on ABS Statistical Area Level 1 boundaries (ABS SA1) and represents an approximate 60-minute drive time from the Subject Site. The Study Area and Isaac Regional Council Area are shown in **Figure A**.

Factors considered to define the boundary of the Study Areas utilised in this report include:

- Location of the project
- Existing road networks
- Location of natural and engineering boundaries such as local conservation areas, national parks, waterways and heavy infrastructure.
- Safe driving distance and time from the Subject Site (23 Braeside Road, Nebo).
- Statistical and administrative boundaries such as ABS statistical areas and local government boundaries.
- For this report, the Study Area has been defined using a 'best fit' approach aligning a combination of SA1 boundaries to reflect a 60-minute drive time from the Subject Site. The 60-minute drive time is generally considered a safe commuting drive time for workers. Commutes of less than 60 minutes are considered to minimise the effects of fatigue.
- Isaac Regional Council Area has been included to provide a basis for assessing demand for non-resident workers in the wider region, for benchmarking against the Study Area, and to reveal any unique demographic and economic characteristics relevant to this report.

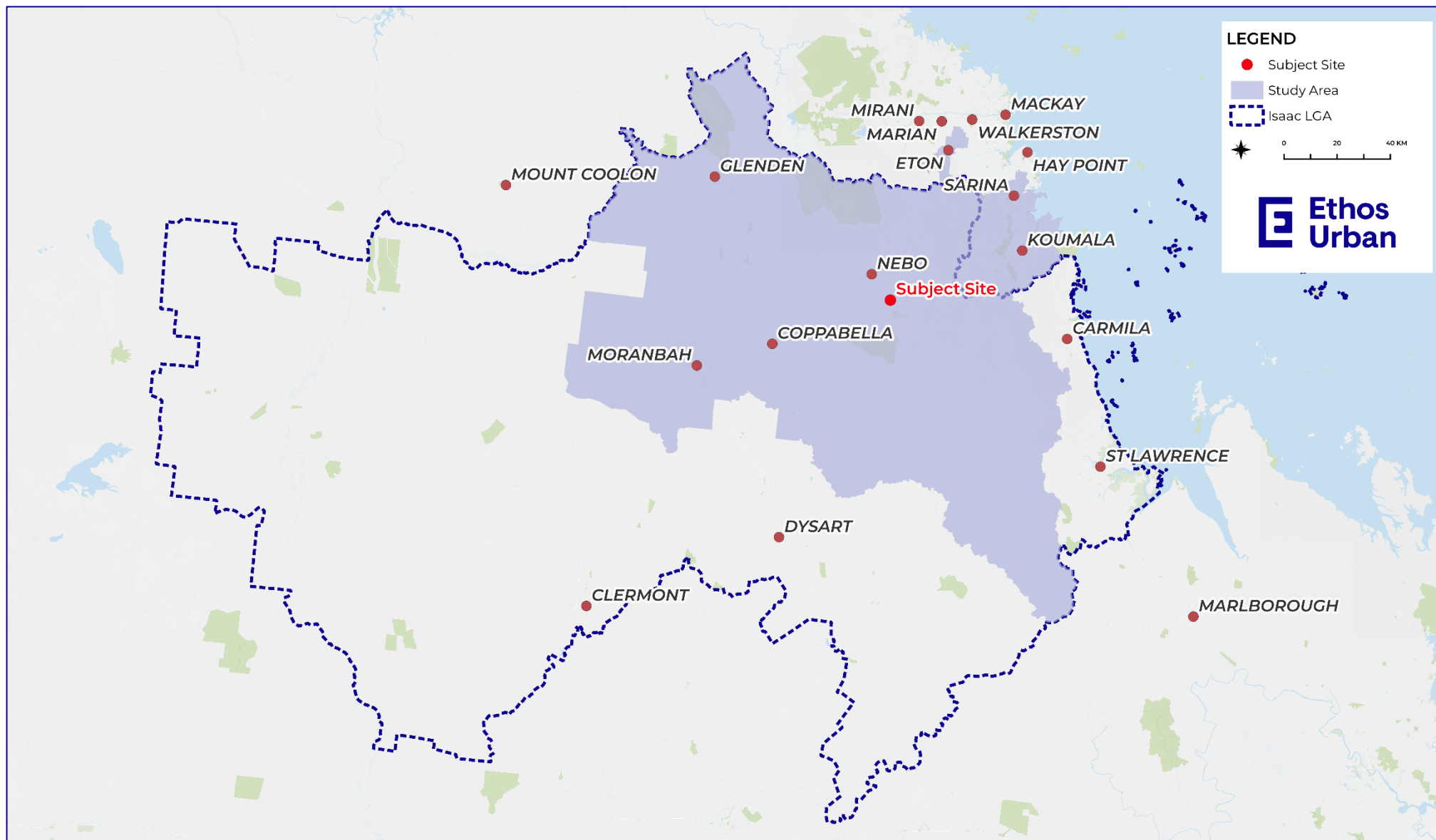


Figure A Nebo Workers Camp Economic Need Assessment Study Area

Source: Ethos Urban

1.0 Locational Context and Proposed Development

Chapter 1.0 Summary

The Subject Site for the proposed development is located approximately 10 km south east of the Nebo township in the Isaac Regional Council Area. The nearest major city to Isaac Regional Council's main township of Moranbah, is Mackay, located some 150 km (straight line distance) to the north east, and 80 km north east of Nebo.

Pacific National are proposing the staged development and operation of a 168-unit non-resident worker accommodation facility at their existing Nebo Railway Maintenance Facility, which is strategically located adjacent to the Goonyella Rail System.

A review shows that the project can help achieve several policy objectives and desired outcomes, as relate to Nebo. The strategic policies reinforce the opportunity for Nebo, and the Subject Site, as an appropriate location to provide much needed and purpose-built non-resident workforce accommodation. This further ensures additional strain isn't placed on the local housing and commercial accommodation markets.

1.1 Regional Context

The Isaac Regional Council Area, located in central Queensland contains the Great Dividing Range and extensive coal deposits. The region is a major contributor to Australia's mining industry, with coal underpinning the region's economy with over 40% of workers employed in the mining industry.

Moranbah is the main township in Isaac Regional Council with a population of 9,425 residents and a corresponding provision of key services.

Located approximately 65 minutes to the north east of Moranbah is the township of Nebo. Nebo, with a population of 1,090 persons (2021) is historically a pastoral town, although is now a key service centre for surrounding mining and agricultural activities.

The nearest major city to Moranbah is Mackay located some 150 km (straight line distance) to the north east, and 80 km north east of Nebo. Although located beyond the Isaac Regional Council area, Mackay provides regionally significant services to the wider region including the main townships in the Isaac Regional Council area.

The regional context of Isaac Regional Council area, Moranbah, Nebo and Mackay are shown in **Figure 1.1**.



Figure 1.1 Regional Context

Source Ethos Urban

1.2 Subject Site and Proposed Development

Pacific National is proposing the construction and operation of a 168-unit non-resident worker accommodation facility. The development scheme seeks to deliver 56 individual units, 16 staff units, and associated ancillary facilities for stage 1, with stages 2 and 3 consisting of an additional 48 units in each stage. The proposed development stems from the need to provide convenient and reliably available workers accommodation close to the railway maintenance facility in Nebo.

Pacific National have had long-term issues sourcing accommodation in Nebo for their non-resident workforce. As a result of the limited supply of accommodation for non-resident workers, Pacific National have resorted to having their workers stay in Mackay and commute via chartered bus or using work vehicles to travel to Nebo. This commute from Mackay to Nebo poses safety concerns with worker fatigue and general road safety dangers of early morning and afternoon driving, with a significant presence of wildlife along the Peak Downs Highway.

At times, the lack of local accommodation and easy accessibility to the Nebo Railway Maintenance Facility for the workforce results in constraints on operations. This has included in the past the cancellation or delay of work

requirements due to a lack of available staff. This has flow on effects to other parts of the coal industry supply chain.

The Subject Site is located approximately 10 km south east of the Nebo township at the location of Pacific National's Nebo Railway Maintenance Facility.

The facility is strategically located adjacent to the Goonyella Rail System which is vital infrastructure for many significant coal mines in the Bowen Basin. Goonyella Rail System connects the mines to Hay Point and Dalrymple Coal Terminals which are 22 km south east of Mackay.

The Project's local context is presented in **Figure 1.3** below, and the Proposed development Plan is shown in **Figure 1.4**.

A summary of relevant Subject Site attributes is provided below.

Address and Location	<ul style="list-style-type: none">23 Braeside Road, Nebo
Zoning	<ul style="list-style-type: none">Rural
Existing Uses	<ul style="list-style-type: none">Current Pacific National Rail Maintenance Facility
Ownership	<ul style="list-style-type: none">Freehold – Pacific National Pty Ltd
Subject Site Attributes	<ul style="list-style-type: none">Generally flat and easily developable with convenient access to Nebo via Braeside Road, and Moranbah via Oxford Downs Sarina Road.
Lot and Plan	<ul style="list-style-type: none">Lot 50 SP 239857



Figure 1.2 **Subject Site**
Source: Ethos Urban



Figure 1.3 Subject Site Map

Source: Ethos Urban

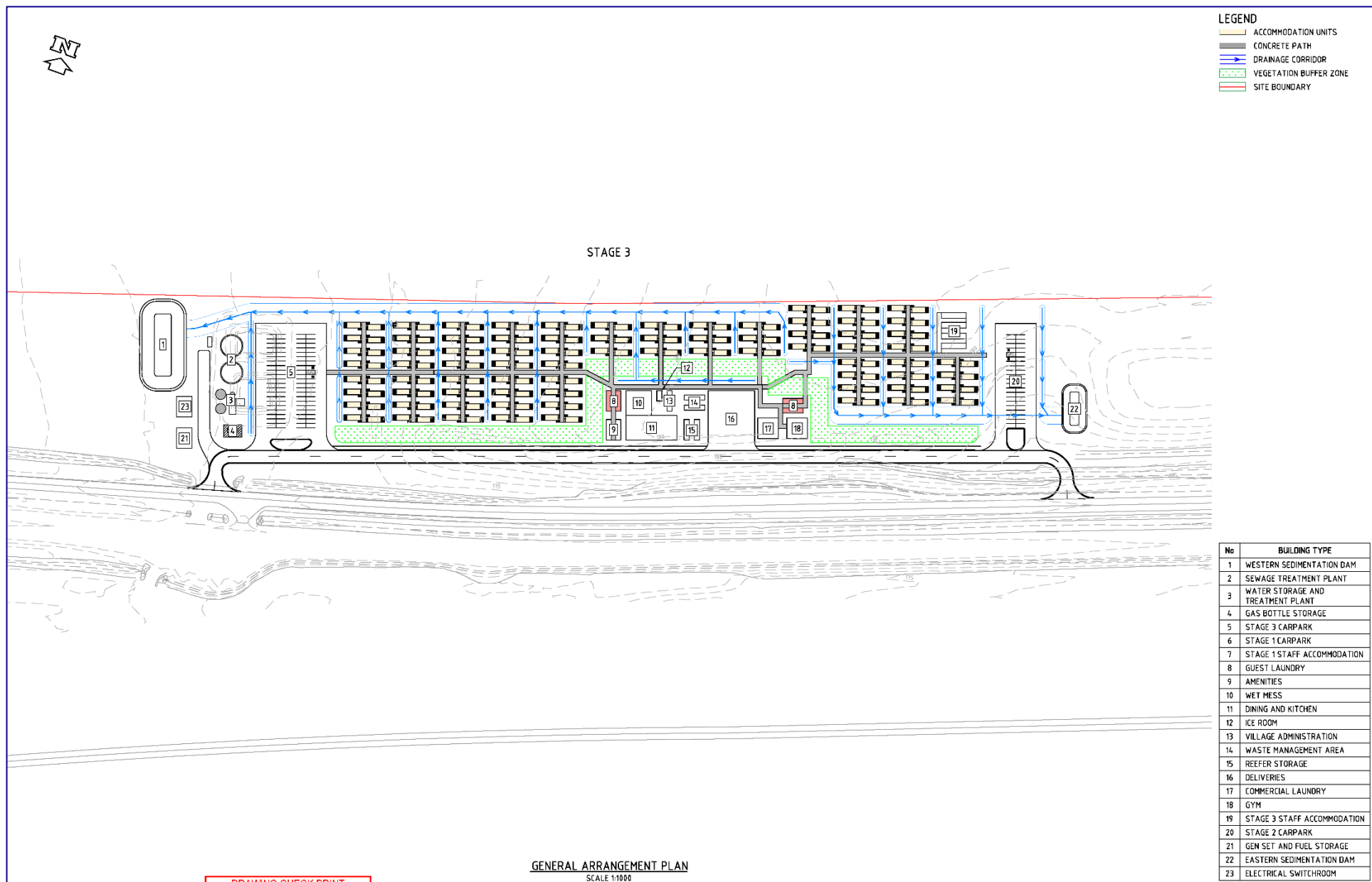


Figure 1.4 Preliminary Concept Plan

Source: Pacific National

1.3 Planning and Policy Context

A range of regional and local strategic plans and policies exist which collectively outline the future growth and development vision for non-resident workers in the Isaac Regional Council Area. Analysing this framework provides an understanding of the strategic objectives for Nebo.

The following plans and policies have been reviewed:

- Isaac Regional Council Planning Scheme
- Mackay, Isaac and Whitsunday Regional Plan – 2012
- Isaac Economic Development Framework, 2019 to 2024.

A summary of key strategic policy priorities of government and how they align to the outcomes delivered by the project is provided in **Appendix A**.

Key and relevant implications identified from the policy review include:

- **Need:** Isaac Regional Council (Council) acknowledges that workforce accommodation is a housing typology that is required for the operational needs of the region. This is primarily geared towards mining activities, Council also acknowledges that this form of accommodation will continue to be present in the region in the future. The relevant growth plan specifically notes the need to provide housing and accommodation for temporary residents and employees involved in industrial development, mining and construction, and seasonal work. (policy 7.4.6).
- **Housing Diversity:** as stated in the Planning Scheme, *“Council does not support workforce arrangements that reduce a workers choice to live in the region and have their housing needs met by permanent housing options within the region”*. This aligns with the purpose of the proposed development to accommodate non-resident workers at a purpose-built facility due to a lack of supply of appropriate and alternative options within 60-minutes of Pacific National's Nebo railway maintenance facility.
- **Housing Affordability:** The proposed development aligns with the policies relating to housing choice and affordability as outlined in the region's relevant Regional Plan (2012) by ensuring the already constrained local housing market and commercial accommodation sector is not jeopardised with further demand pressure. The Growth Plan identifies *“an efficient and sustainable settlement pattern that supports the efficient use and delivery of urban land and infrastructure, housing choice and affordability and well-planned development areas to accommodate further growth.”*.
- **Driving Economic Growth:** Council's Economic Development Framework identifies and acknowledges that minerals and natural resources are integral to Isaac's economic growth. The framework also notes that Council must find ways to engage with the future workforce. The proposed development supports these and other values by ensuring the non-resident workforce is safely and comfortably accommodated within the Isaac Regional Council Area, rather than commuting from Mackay.

A review of relevant strategic planning and policy frameworks, as they relate to Nebo, shows that the project can help achieve several policy objectives and desired outcomes.

The strategic policies reinforce the opportunity for Nebo, and the Subject Site, as an appropriate location to provide much needed purpose-built non-resident workforce accommodation, and ensure further strain isn't placed on the local housing and commercial accommodation markets.

2.0 Economic Context

Chapter 2.0 Summary

Isaac Regional Council area has a high proportion of workers in the region employed in the mining industry. Importantly, a majority of these mining workers are non-residents. This reflects the fly-in-fly-out and drive-in-drive-out (FIFO/DIDO) nature of the workforce in the region and the importance of having an adequate supply of non-resident workforce accommodation.

Average rates of dwelling approvals for private homes are not at a level that can meet demand for both resident and non-resident workers. An additional 100 resident jobs are expected to be supported in Moranbah and Nebo between 2021 and 2036 based on the LGIP. Importantly, coal production in the Bowen Basin region is expected to recover and reach a near-record high over the next 5 years. Therefore, continued demand for rail drivers and maintenance crew in the foreseeable future is expected at the Subject Site.

2.1 Employment Trends

Analysis of the composition and number of workers employed in the Isaac Regional Council provides insights into the performance of the economy and the industries that underpin it. Between the 2016 and 2021 Census periods, employment within the Isaac Regional Council Area increased by +3,190 jobs.

The Mining industry contributed 36.1% of the new jobs, as shown in **Table 2.1**. Additionally, the construction industry was also a key contributor to employment growth, representing 29.2% of the Isaac Regional Council's total growth (or +930 workers).

Table 2.1 Isaac Regional Council Employment Growth, 2016 to 2021

Industry	2016	2021	2016 to 2021	
			no.	%
Agriculture, Forestry and Fishing	1,080	1,110	+30	0.9%
Mining	11,920	13,070	+1,150	36.1%
Manufacturing	420	440	+20	0.6%
Electricity, Gas, Water and Waste Services	150	140	-10	-0.3%
Construction	670	1,600	+930	29.2%
Wholesale Trade	190	190	0	0.0%
Retail Trade	510	530	+20	0.6%
Accommodation and Food Services	900	930	+30	0.9%
Transport, Postal and Warehousing	560	610	+50	1.6%
Information Media and Telecommunications	30	30	0	0.0%
Financial and Insurance Services	30	30	0	0.0%
Rental, Hiring and Real Estate Services	130	390	+260	8.2%
Professional, Scientific and Technical Services	220	210	-10	-0.3%
Administrative and Support Services	620	1,180	+560	17.6%
Public Administration and Safety	460	500	+40	1.3%
Education and Training	760	680	-80	-2.5%
Health Care and Social Assistance	460	520	+60	1.9%
Arts and Recreation Services	60	60	0	0.0%
Other Services	400	450	+50	1.6%
Inadequately described	290	320	+30	0.9%
Not stated	190	250	+60	1.9%
Total	20,050	23,240	+3,190	100.0%

Source: Census of Population and Housing, 2021, TableBuilder – Persons Aged 15 Years and Over Place of Work

2.2 Non-Resident Worker Growth

The growth of employment in Isaac Regional Council has been driven by a significant increase in non-resident workers.

A total increase of +2,280 non-resident workers within Isaac Regional Council occurred between 2016 and 2021. Of the employment growth in the municipality, mining contributed the highest share of 35.1% of new job opportunities, while construction contributed 32.5%. The growth of the mining and construction industries reflects the importance of these two prominent industries in the Isaac Regional Council economy as shown in **Table 2.2**.

The analysis displayed in **Table 2.2** refers to the industry of employment for employed usual residents (UR) of the Isaac Regional Council, whose place of work (POW) is also the Isaac LGA. This can then be compared with the total number of employed persons working in Isaac Regional Council (including both Isaac residents and non-residents living beyond the Isaac LGA).

As a result, the analysis provides insight into the approximate number of non-resident workers employed in the Isaac LGA, and the growth in the non-resident workforce between the 2016 and 2021 Census.

Table 2.2 Isaac Regional Council Resident and Non-Resident Worker Industry of Employment

Industry	2016			2021			2016 to 2021
	Usual Residents POW Isaac	Total POW Isaac	Estimated Non-Resident Workers	Usual Residents POW Isaac	Total POW Isaac	Estimated Non-Resident Workers	Estimated Non-Resident Workers
Agriculture, Forestry and Fishing	950	1,080	130	960	1,110	150	+20
Mining	3,080	11,920	8,840	3,430	13,070	9,640	+800
Manufacturing	260	420	160	230	440	210	+50
Electricity, Gas, Water and Waste Services	90	150	60	100	140	40	-20
Construction	270	670	400	460	1,600	1,140	+740
Wholesale Trade	100	190	90	90	190	100	+10
Retail Trade	470	510	40	470	530	60	+20
Accommodation and Food Services	620	900	280	600	930	330	+50
Transport, Postal and Warehousing	340	560	220	370	610	240	+20
Information Media and Telecommunications	20	30	10	20	30	10	+0
Financial and Insurance Services	20	30	10	20	30	10	+0
Rental, Hiring and Real Estate Services	90	130	40	180	390	210	+170
Professional, Scientific and Technical Services	120	220	100	110	210	100	+0
Administrative and Support Services	300	620	320	470	1,180	710	+390
Public Administration and Safety	400	460	60	400	500	100	+40
Education and Training	620	760	140	640	680	40	-100
Health Care and Social Assistance	360	460	100	390	520	130	+30
Arts and Recreation Services	50	60	10	60	60	0	-10
Other Services	260	400	140	290	450	160	+20
Inadequately described	150	290	140	150	320	170	+30
Not stated	70	190	120	110	250	140	+20
Total	8,640	20,050	11,410	9,550	23,240	13,690	+2,280

Source: Census of Population and Housing, 2021, TableBuilder - Persons Aged 15 Years and Over Place of Work

2.3 Economic Activity

Isaac Regional Council had a total economic value add of \$26,645.2 million (\$26.6 billion) as of June 2023. The municipality's economy is overwhelmingly reliant on the mining sector which represents 92.4% of Isaac LGA's economic value add.

The Construction sector is second to mining in value add, with \$418.1 million in value add or 1.6% of the total for the municipality. Note the construction industry likely has a strong correlation to the mining sector, this further reinforces the importance and influence of the mining sector on the local economy and the other sectors.

Table 2.3 Major Economic and Employment Activity Generators in Isaac Regional Council

Industry sector	Value Add (\$m)	Share of Value Add (%)
Mining	\$24,620.6 m	92.4%
Construction	\$418.1 m	1.6%
Rental, Hiring & Real Estate Services	\$369.7 m	1.4%
Agriculture, Forestry & Fishing	\$274.7 m	1.0%
Administrative & Support Services	\$181.1 m	0.7%
Manufacturing	\$136.0 m	0.5%
Transport, Postal & Warehousing	\$127.7 m	0.5%
Public Administration & Safety	\$93.2 m	0.3%
Education & Training	\$76.9 m	0.3%
Health Care & Social Assistance	\$63.5 m	0.2%
Accommodation & Food Services	\$55.9 m	0.2%
Electricity, Gas, Water & Waste Services	\$53.8 m	0.2%
Retail Trade	\$43.8 m	0.2%
Other Services	\$38.0 m	0.1%
Wholesale Trade	\$35.1 m	0.1%
Professional, Scientific & Technical Services	\$35.0 m	0.1%
Information Media & Telecommunications	\$8.8 m	0.0%
Financial & Insurance Services	\$8.7 m	0.0%
Arts & Recreation Services	\$4.5 m	0.0%
Total	\$26,645.2 m	100.0%

Source: Remplan

2.4 Development Activity

2.4.1 Residential Building (dwelling) Approvals

Dwelling approvals provide an indication of short-term anticipated housing construction and residential growth.

For the Study Area (Nebo and 60-minute drive time), observations for dwellings approvals include:

- Between 2017 and 2023, separate houses represented 98% of all new dwelling approvals.
- A significant dwelling approvals spike in 2021 coincides with the COVID-19 pandemic period with many regional areas in Queensland and Australia also observing a similar trend.
- Since the peak year of 2021, a notable slowdown in residential building approvals has occurred in 2022 and 2023, although these years remain above the average of the period between 2017 and 2020.

The level of residential building approvals since 2021 reflects a potential total increase of 85 dwellings, noting it is unlikely all of these dwellings will be completed. This level of new dwelling stock has the potential to deliver 210 new bedrooms (representing an average of 2.5 bedrooms per dwelling).

A visual representation of the Study Area residential building approvals is shown in **Figure 2.1**.

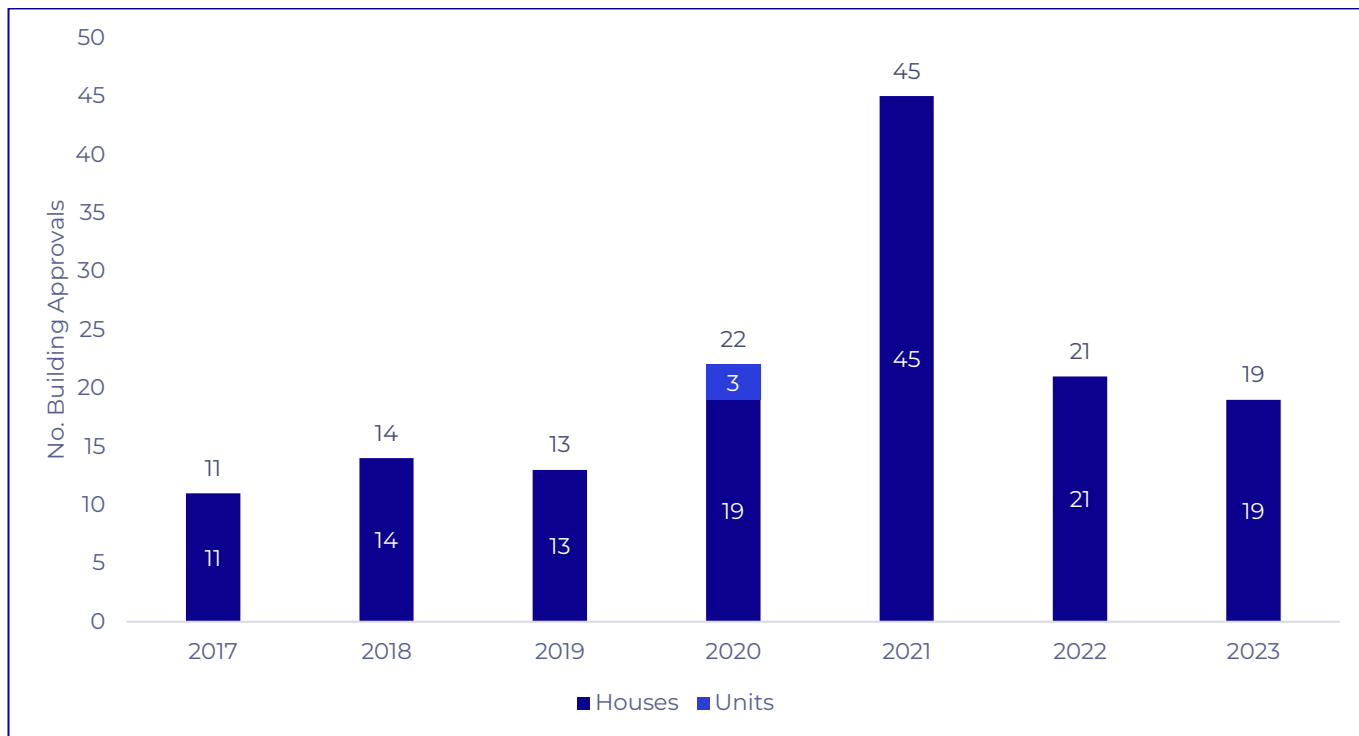


Figure 2.1 Study Area Residential Building Approvals

Source: ABS Building Approvals by SA1

2.5 Rental Market Conditions

The vacancy rate for long-term rental properties at in the Study Area was only 1.3% in June 2024, representing approximately 40 vacant properties (Data sourced from SQM Research for June 2024). This indicates a very constrained rental market in the Study Area.

Further, recent data from SQM Research highlights significant increases in rental prices for dwellings in the Isaac Regional Council.

As such, the local rental market is unlikely to play a role in accommodating future non-resident workers. This includes workers at Pacific National's rail operations in Nebo.

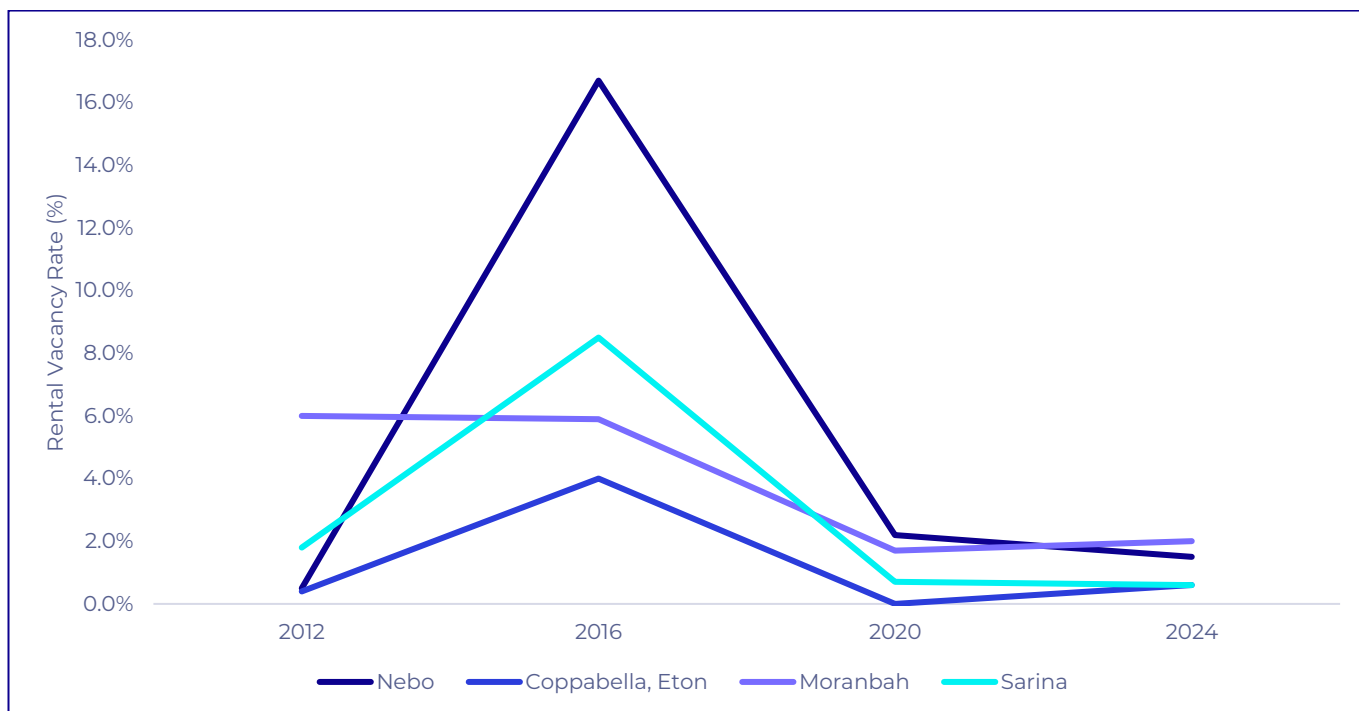


Figure 2.2 Study Area Main Townships Rental Vacancy Rate, 2012 to 2024

Source: SQM Research; compiled by Ethos Urban

2.6 Economic and Employment Growth

Council's Local Government Infrastructure Plan (LGIP) provides an indication of the expected economic and employment growth in Isaac Regional Council and at a township level.

As the key objective of the LGIP is to “*identify future planning for trunk infrastructure that is necessary to service urban development*”, it outlines key planning growth assumptions i.e. population, employment and floor space growth. It is understood these estimates represent permanent residents, rather than considering the influence of non-local workers living in the region.

The residential development category ‘other dwelling’ outlined in the Isaac LGIP includes the following uses:

- Community residence
- Home based business
- **Workforce accommodation**
- Outstation
- Party House
- Relocatable home park
- Residential care facility
- Rooming accommodation
- Rural workers' accommodation
- Tourist Park.

The planned growth estimates for Nebo (Town and Rural) and Moranbah, reflecting the main townships in the Study Area are outlined in **Table 2.4**.

A review of these planned growth assumptions in the LGIP indicates:

- **Population (residents):** Nebo (Town and Rural) is expected to see an increase of 26 additional residents living in ‘other dwellings’ between 2021 and 2036. The ultimate development capacity for the population in ‘other dwellings’ is estimated at 242 residents.

The permanent resident population capacity of Nebo and Moranbah is estimated to be approximately 4,050 and 14,960 residents respectively.

Population growth of +440 residents in Nebo and +890 residents in Moranbah is anticipated between 2021 and 2036, or 5.9% (Moranbah) and 10.8% (Nebo) of the ultimate population capacity in each town.

- **Employment (jobs):** The ultimate industrial employment capacity of Nebo and Moranbah is approximately 590 and 1,780 jobs respectively. Between 2021 and 2036 the employment growth within Nebo is expected to be +50 jobs and in Moranbah +60 jobs, this accounts for 8.4% of the ultimate employment capacity in Nebo and 3.3% of the employment capacity in Moranbah.
- **Dwellings:** The Nebo (Town and Rural) is stated as having an ultimate capacity for 146 ‘other dwellings’ with a forecast increase of 16 additional dwellings between 2021 and 2036.

The ultimate development capacity for dwellings is 1,610 in Nebo and 5,970 dwellings in Moranbah. With 880 supportable dwellings in Nebo by 2036 and 5,400 dwellings in Moranbah, Nebo is expected to still have relatively significant dwelling capacity in 2036 ,while Moranbah will be approaching capacity.

Table 2.4 LGIP Existing and Projected Population (Nebo Town and Rural and Moranbah)

Area	Development Type	2018	2021	2026	2031	2036	2021 to 2036	Ultimate Development (capacity)
Population								
Moranbah	Single dwelling	10,800	11,255	11,706	12,046	12,044	+789	13,317
	Multiple dwelling	610	636	661	681	681	+45	752
	Other dwelling	724	754	785	807	807	+53	893
	Total	12,134	12,645	13,152	13,534	13,532	+887	14,962
Nebo (Town & Rural)	Single dwelling	1,341	1,584	1,639	1,727	1,973	+389	3,602
	Multiple dwelling	76	90	93	98	111	+21	203
	Other dwelling	90	106	110	116	132	+26	242
	Total	1,507	1,779	1,842	1,940	2,216	+437	4,047
Employees								
Moranbah	Retail	378	391	404	413	413	+22	450
	Commercial	1,440	1,478	1,515	1,544	1,544	+66	1,650
	Industry	1,594	1,627	1,661	1,685	1,685	+58	1,779
	Community Purposes	597	614	630	643	643	+29	689
	Rural and Other Uses	4,772	4,874	4,976	5,052	5,052	+178	5,339
	Total	8,781	8,984	9,186	9,338	9,337	+353	9,906
Nebo (Town & Rural)	Retail	38	46	47	51	59	+13	112
	Commercial	146	169	174	181	203	+34	353
	Industry	298	330	337	349	380	+50	592
	Community Purposes	123	146	152	159	183	+37	335
	Rural and Other Uses	802	868	882	906	971	+103	1,409
	Total	1,408	1,557	1,591	1,645	1,797	+240	2,803
Dwellings								
Moranbah	Single dwelling	3,940	4,119	4,307	4,458	4,486	+367	4,959
	Multiple dwelling	374	391	409	424	426	+35	471
	Other dwelling	429	448	468	485	488	+40	539
	Total	4,743	4,958	5,185	5,367	5,399	+441	5,970
Nebo (Town & Rural)	Single dwelling	490	579	603	639	734	+155	1,342
	Multiple dwelling	46	55	57	61	69	+14	128
	Other dwelling	53	63	65	69	79	+16	146
	Total	589	698	726	769	884	+186	1,614

Source: Isaac Regional Planning Scheme 2021 – Version 1.1; Table SC3.1.1

2.7 Economic And Population Review 2023, Isaac Local Government Area

A review of non-resident population projections, prepared by Foresight Partners in 2023 for Isaac Regional Council, provides projections of non-resident workers that will be present in Isaac between 2011 to 2036 (refer **Table 2.5**).

Three further scenarios are presented in the Foresight report which reflects varying levels of demand for coal (High, Medium, low) from the region. With regard to the forecast demand for Australian coal (see **Section 2.8**), scenario 2 (high) has been referenced when assessing future demand for workforce accommodation.

Table 2.5 Foresight Partners - Non-resident Population Projections, Isaac Regional Council, 2011 to 2036

	2011	2016	2021	2026	2031	2036	Incr. 2021-36
Scenario 1 – medium	13,590	9,445	12,080	14,220	14,800	15,500	+3,420
Scenario 2 – high	13,590	9,445	12,080	14,220	15,400	16,300	+4,220
Scenario 3 – low	13,590	9,445	12,080	14,220	14,500	14,500	+2,420

Source: Population and Economic Review – Isaac LGA, December 2023 (pg. 42)

One of the report's key findings is that Isaac Regional Council's economy is "strongly influenced by the cycles in the resource sector".

The key conclusion of the Foresight report is:

“Over the short term (5-10 years), moderate growth is anticipated, in both the permanent resident and non-resident populations. The scale and location of this growth will largely depend on employment opportunities, housing availability, and private investment in the resources sector.”

Thus, the demand for workforce accommodation in the Study Area, Isaac and the wider Bowen Basin is principally driven by the demand for coal.

2.8 Coking (Metallurgical) Coal Mining Sector

2.8.1 Coking Coal in Australia

The quality of Australian coal is a key factor in the international demand for both thermal and coking coal.

Australian black coal, on average, has lower ash and moisture and a higher carbon content than coal from other countries. Accordingly, the energy produced from a tonne of Australian coal is higher than energy from coal produced by other countries and emits less carbon dioxide and impurities, such as sulphur and metals. While coal remains a relatively cheap source of energy, Australian coal will continue to have a competitive advantage because of its higher quality relative to global peers.

Coking coal is predominantly mined in New South Wales in the Sydney Basin extending from Newcastle to Wollongong), and Queensland mainly within the Bowen Basin.

The Bowen Basin is Australia's largest coal deposit and produces a significant share of Australia's exported coking coal.

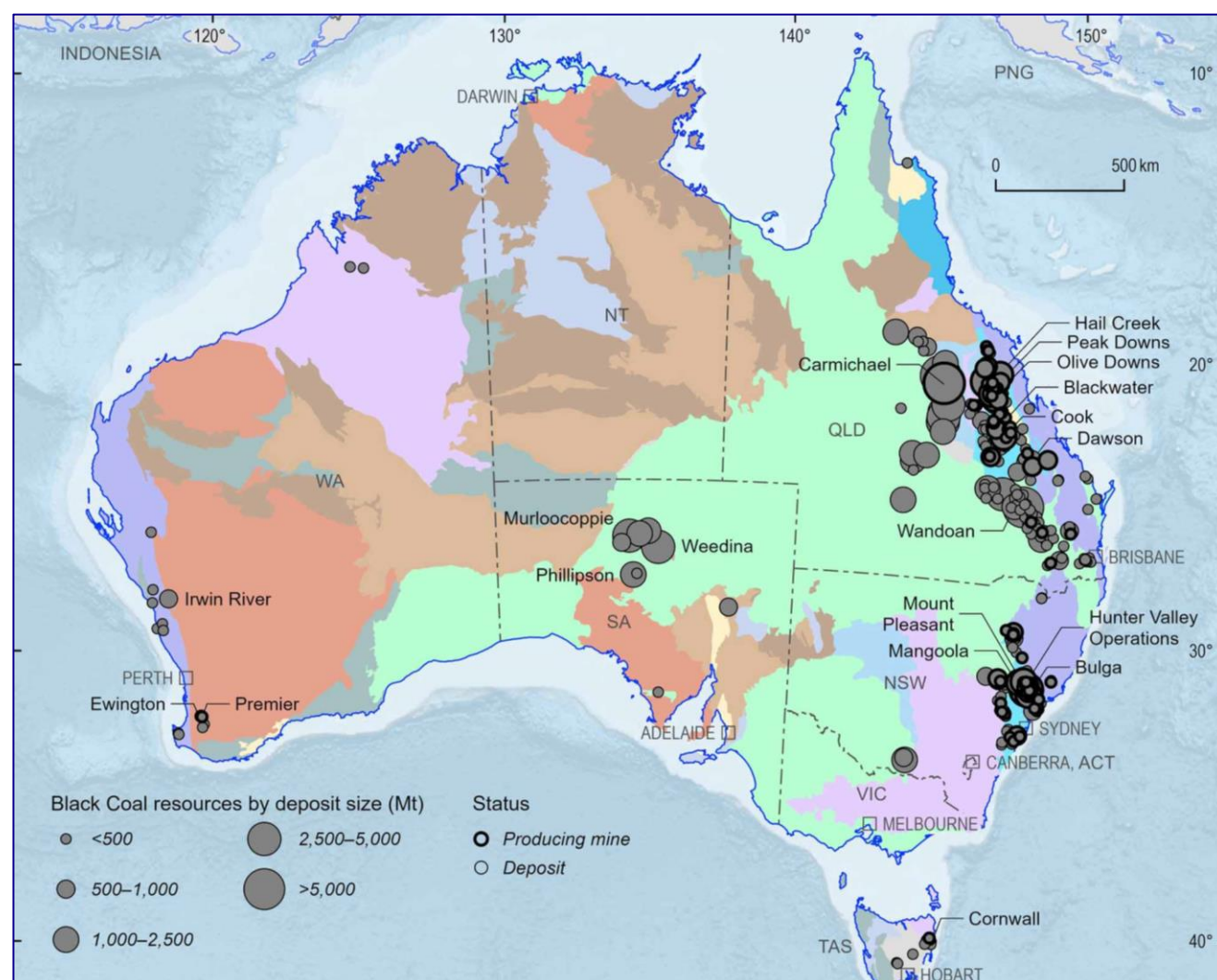


Figure 2.3 Australian Black Coal Deposits and Operating Mines, 2022

Source: Australian Government, Geoscience Australia

Although a decline in production of coking coal occurred between 2019 to 2024 in Australia, official forecasts expect production to increase to 184 Mt in 2027 before moderating to 175 Mt in 2029. At 175Mt, total production will remain just short of record levels, and over 50% above the levels being achieved 20 years ago.

Total coking coal production in Australia is expected to be stable in Australia for the foreseeable future as shown in **Figure 2.4**.

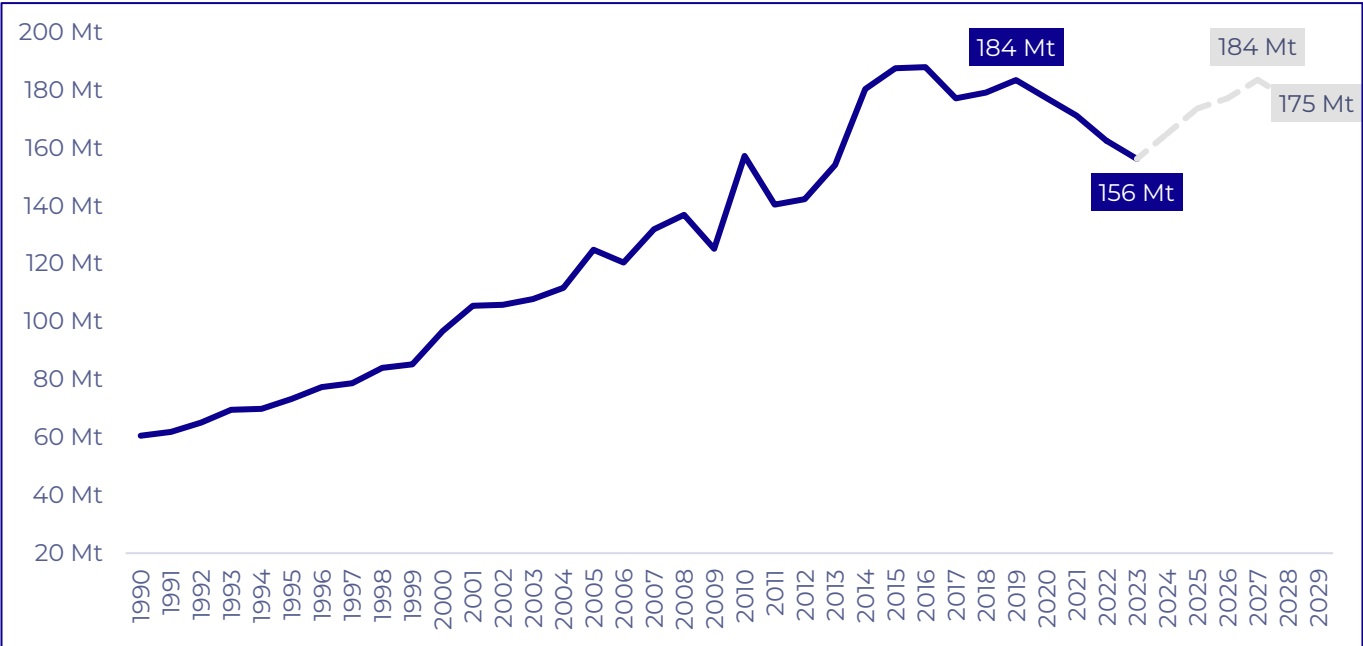


Figure 2.4 Australian Production of Coking (Metallurgical) Coal Trends and Forecast, 1990 to 2029
Source: Department of Industry, Science and Resources, Commonwealth of Australia, Resources and Energy Quarterly, March 2024.

2.8.2 Northern Queensland Bulk Ports - Bowen Basin

Hay Point and Dalrymple Coal Terminals are the two main coal terminals servicing the Bowen Basin. Goonyella Rail System connects Hay Point and Dalrymple coal terminals to over 30 coal mines in the Bowen Basin. This rail line runs adjacent to the Subject Site with the Pacific National Nebo Maintenance Facility positioned at the approximate mid-point. The Goonyella Rail System is primarily operated by Pacific National and Aurizon.



Figure 2.5 Pacific National Locomotive at Dalrymple Bay Coal Terminal
Source: <https://dbinfrastructure.com.au/tour>

Overall, the main coal terminals in Mackay have seen a steady level of throughput between 2021 to 2024 with the two coal terminals generally seeing a throughput range between 96 Mt to 100 Mt since 2019 as shown in **Figure 2.6**.

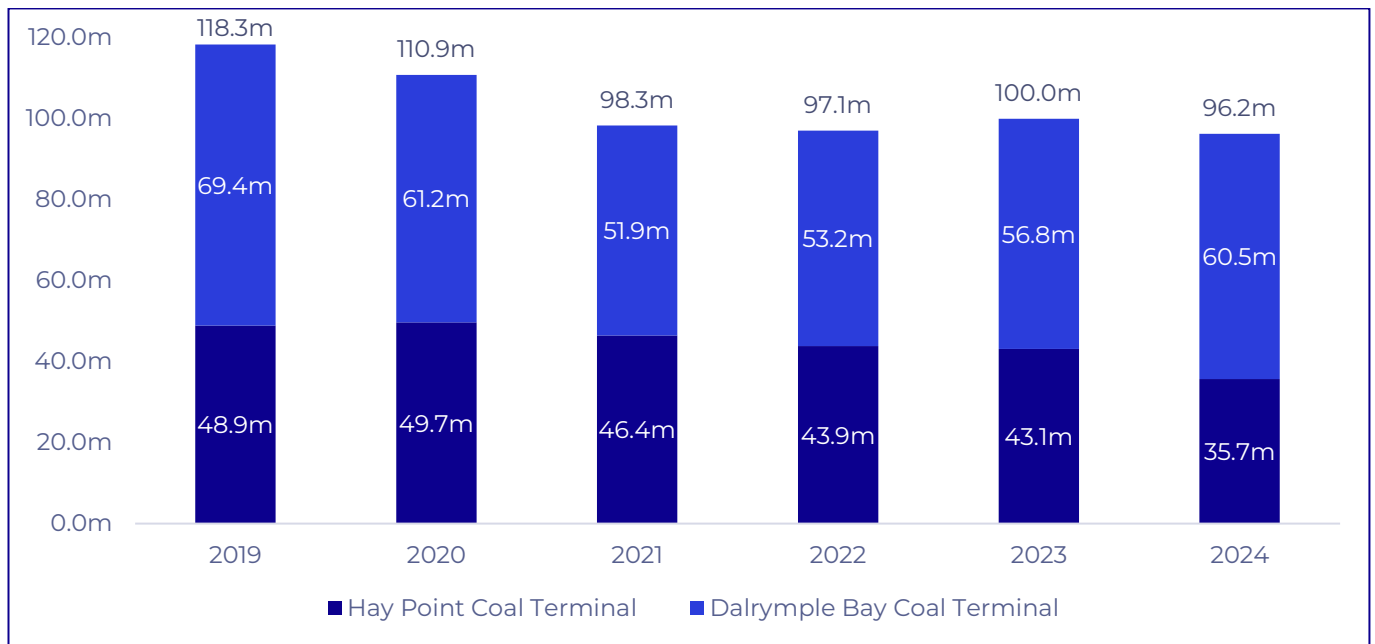


Figure 2.6 Port Throughputs (Volumes by Tonnes), 2019 to 2024 Financial Year

Source: North Queensland Bulk Ports Corporation, August 2024

The demand for coking coal was negatively impacted by COVID-19 related economic slowdowns internationally, including an unofficial halt on Australian coal imports by the Chinese government.

Pacific National's Nebo Rail Maintenance Facility (the Subject Site) is located in the Bowen Basin, Australia's largest producer of coking (metallurgical) coal. Pacific National's operations in Nebo are directly related to the production of coal in the Bowen Basin and transportation to Hay Point and Dalrymple Coal Terminals.

The above analysis demonstrates the importance of the coking coal industry in Australia and the local region. The trends and official forecast of production show demand for coal in Australia (and the Bowen Basin) is expected to increase. As such, it is critical Pacific National has reliable operations in Nebo which includes ensuring appropriate and consistent workforce accommodation is provided.

3.0 Socio-Economic Profile

Chapter 3.0 Summary

The Study Area's population has a higher-than-average household income and younger median age. The most common housing tenure is renting, while the dwelling occupancy rate is lower than the regional Queensland average. In terms of education, a higher proportion of the population have received certificates (e.g. trades), yet on average fewer have a bachelor's degree. The workforce of the Study Area is predominately employed in activities related to mining (47.1%), and the majority of workers travel over 50 km to work (54.4%). This reflects the FIFO/DIDO nature of mining workers in the region.

3.1 Resident Profile

Demographic data has been sourced from the 2021 ABS Census to provide a general overview of the demographic characteristics of residents within the Study Area. Key characteristics of the Study Area population include:



Income

The median annual household income in the Study Area is \$119,570, substantially higher than the regional Queensland baseline of \$79,320 (+50.7%). Correspondingly, median individual income is \$56,290, higher (+45.2%) than the regional benchmark of \$38,760.



Age Profile

The median age of the Study Area is 35.5 years, substantially younger than the regional Queensland benchmark of 40.5 years. The Study Area has a notably higher proportion of adults aged between 25-49 years (39.8%) compared to regional Queensland (31.5%).



Household Composition

A higher proportion of households in the Study Area are comprised of couple families with children (36.1%), compared to regional Queensland (27.7%). Fewer households are couples with no children (28.3%) compared to the regional Queensland average (30.0%), while lone-person households make up fewer households (22.1%) than the regional benchmark (25.7%).

Dwelling occupancy in the Study Area is significantly lower (77.3%) than the regional Queensland average (88.4%). An occupancy rate in the order of 75% is common in remote towns. Over time, many homes deteriorate and remain unoccupied due to their poor condition. While these properties are categorised as 'unoccupied', substantial investment would be required to restore them.



Dwelling Tenure

The most common tenure type in the Study Area is renting (44.2%), occurring at a substantially higher rate than the regional Queensland average (31.3%). Correspondingly, fewer dwellings are owed with a mortgage (29.6%), while outright ownership of housing in the Study Area (23.0%) is substantially lower than the regional benchmark (32.9%).



Education

A higher proportion of the Study Area population has a certificate (65.8%), compared to regional Queensland (47.9%). However, a smaller proportion of the Study Area population have a degree (16.1%) relative to the regional Queensland average (24.2%).



Dwelling Structure

A high proportion of dwellings in the Study Area are separate houses (88.5%), compared to the regional Queensland benchmark (76.5%). The proportion of semi-detached dwellings in the Study Area (10.2%) and across regional Queensland (12.1%) are roughly comparable. The Study Area contains nearly no flats, units or apartments (0.7%).

3.2 Worker Profile

The analysis provides a general overview of the demographic characteristics of resident workers within the Study Area and is compared to the Regional Queensland benchmark. Key demographic characteristics of workers within the Study Area include:



The employment profiles are particularly distinct, with a predominant share of the workforce employed in activities related to mining (47.1%) reflecting the region's reliance on the sector. In contrast, only 5.7% are employed in agriculture, indicating a minimal focus on traditional rural sectors, further only 6.8% of workers are employed in construction, again another typically a prominent industry in regional and rural economies.



Occupations in the Study Area are predominately classified in two major fields, a significant share, 32.9% of the Study Area's workforce are employed as machinery operators and drivers, reflecting the region's reliance on equipment operators driven by the mining sector. Additionally, 24.4% of the workforce are employed as technicians or trade workers, again, highlighting the importance of industrial work in the region.



Travel to Work

The majority of workers in the Study Area commute to their jobs by Vehicle (61.0% of workers). This shows the Study Area's reliance on personal or company vehicles for transportation. This reflects the remoteness of the Study Area and the associated lack of public transport and most workers having company ute (or equivalent). For comparison, the regional Queensland benchmark has 72.3% of workers using vehicles.

It is noted, however, for the Study Area the second largest mode was 'Did not go to work' with 20.1% (compared to 11.2% for regional Queensland). It is assumed this high share of residents not attending work is associated with FIFO and DIDO nature of the region, with many work not being rostered on.



Distance to Work

A significant share of Study Area workers travel substantial distances to their place of work, with 26.6% commuting between 50 km to 250 km, and 27.8% covering 250+ km. This highlights the remoteness of the region and the vast distances between workers' places of residence and job sites (such as mines).

3.3 Future Community Profile

In 2021, the Study Area had an ERP of 21,210. A detailed summary of population projections is presented in **Table 3.1**, and the key findings are below:

- Between 2016 and 2021, the population of the Study Area increased by +810 residents, representing an average annual growth rate of +0.8%. In comparison, the Isaac LGA also grew by +0.8% within the same period.
- Population projections for the Study Area estimate an additional +2,930 residents between 2021 and 2036, to a total population of 24,140. This represents an average annual increase of +0.9%, or an additional +200 residents each year.

With respect to the rural and remote nature of the Study Area, the growth of residents since 2016 and anticipated growth to 2041 reflects the region's resilience and reliance of the mining industry.

Table 3.1 Population Projections – Study Area

Area	2016	2021	2036	Growth 2021 to 2036		
				Total (no.)	AAG (no.)	AAGR (%)
Study Area	20,400	21,210	24,140	+2,930	+200	+0.9%
Isaac Regional Council	21,540	22,420	24,850	+2,430	+160	+0.7%

Source: Queensland Governments Statisticians Office – Population Projections Medium Series, ABS ERP, Ethos Urban

Note: The Study Area covers areas in Isaac Regional Council and Mackay Regional Council

Resident population projections have been prepared using the latest official projections from the Queensland Government Statisticians Office (Medium Series) and rebased to account for the latest ABS Estimated Resident Population (ERP).

4.0 Workers Accommodation Need Assessment

Chapter 4.0 Summary

The Study Area contains some accommodation that could potentially be used by non-resident workers. However, supply in Nebo is at capacity resulting in difficulties for Pacific National to secure reliable and appropriate accommodation for their non-resident workforce. Limited future supply of non-resident worker accommodation is planned for the Study Area, with shortages expected to continue impacting Pacific National operations without the subject proposal proceeding.

An undersupply of worker accommodation units already exists in Nebo as reflected in the real-world operational constraints faced by Pacific National. No additional supply of workers accommodation beyond that in the subject proposal is currently proposed for the town. The analysis in this report has identified a need for non-resident workforce accommodation of approximately 1,420 additional units in the Study Area by 2036.

4.1 Existing Supply

A review of the existing supply of housing within the major townships of the Study Area has been undertaken. These townships are within a drivetime of 60 minutes from the Subject Site at 23 Braeside Road.

The key types of housing are:

- **Commercial Accommodation** refers to accommodation types like motels, hotels, cabins at caravan/holiday parks
- **Short Term Rental** – Privately owned houses actively available for rent booked via AirBnb and Vrbo
- **Workforce Accommodation** – purpose-built facilities offering a mix of facilities, predominantly in ensuite, dual occupancy or dormitory style formats, located near a project site or in a key mining town.
- **Permanent Private Housing** - This represents all privately owned houses (occupied and unoccupied)

A summary of the existing supply of housing in the Study Area is shown in **Table 4.1**, detailed analysis is provided in **Appendix B**.

Table 4.1 Summary of Existing Housing Supply – Study Area

Township	Non-Resident Accommodation			Permanent Residents
	Commercial Accommodation (rooms)	Short Term Rentals (Listings)	Workforce Accommodation (Units)	Permanent Private Housing
Nebo	30	-	790	242
Moranbah	405	4	3,578	3,714
Coppabella	0	-	3,591	81
Sarina	67	2	-	1,424
Koumala	12	-	-	275
Total Existing Supply at 2024	514	6	7,959	5,736

Source: Ethos Urban

4.2 Planned Development and Future Supply

Workers Accommodation

A limited pipeline exists for future workforce accommodation development in the Study Area. At present, only one (1) new development is proposed, as outlined below.

Village National Coal Country Properties are proposing a 533-unit non-resident workers accommodation facility at Lot 78 (102 Goonyella Rd, Moranbah) and Lot 5 (111 Belyando Ave, Moranbah). The development application outlines a proposal for a '*Material Change of Use for Non-resident Worker Accommodation*'. The development is a 'permissible development' in accordance with the Isaac Regional Council residential zone.

On Lot 5, an approval for non-resident Worker Accommodation already exists with this currently approaching full development, with 435 units understood to be completed. The approved concept includes:

- 456 Dwelling Units
- Short Term Accommodation - 30 Dwelling Units
- Relocatable Home Park - 59 Dwelling Units
- Food Premises (750m²)
- Shop (200m²)
- Business or Medical Centre (200m²)
- Indoor Sport, Entertainment and Recreation (Gym 200m²)
- Indoor Entertainment (Hotel or Tavern 350m²)
- 96 Rooms
- Laundry/Amenities Building (temporary)

The planning report for the current application which seeks to supersede the approval states that:

'Development application (Planning Report 400463) intends to supersede the current approval on Lot 5 by amalgamating the two lots and also reducing the overall number of accommodation rooms on the entire site'

As such, the proposal represents only a net increase in the supply of workers accommodation equivalent to 77 units (533 units in application less 456 units currently constructed). However, in real terms, an increase of 98 units represents total future growth, as 435 units have been constructed, and have been for many years.

Private Dwellings

Adopting the average of approvals between 2017 and 2023, an average of 20 additional private dwellings per annum or a total of 260 new homes over the period to 2036 is anticipated for the Study Area. This supply is principally to permanent residents, although may also include some rentals used for workers accommodation.

Total Supply

Assuming the historic rates of dwelling approvals and the proposed workforce accommodation developments, outlined above occur, an estimate of the total existing and future supply of housing within the Study Area can be determined, **Table 4.2** below outlines the existing and potential supply to 2036.

Table 4.2 Study Area Estimated Housing and Accommodation Supply At 2036

Township	Non-Resident Accommodation			Permanent Residents
	Commercial Accommodation (rooms)	Short Term Rentals (Listings)	Workforce Accommodation (Units)	Permanent Private Housing
Nebo	30	-	790	242
Moranbah	405	4	3,578	3,714
Coppabella	0	-	3,591	81
Sarina	67	2	-	1,424
Koumala	12	-	-	275
Total Existing Supply at 2024	514	6	7,959	5,736
Building approvals (@ 20 approvals per year)				240
Planned and approved workforce accommodation			98	
Total future housing supply			98	240
Total Supply at 2036	514	6	8,057	5,976

Notes Building approvals estimate applied a historic per annum rate of 20 per year which was the average between 2017 and 2023

4.3 Demand

Two primary factors influence the demand for housing and accommodation in the Study Area:

- **Resident Population Growth.** Net natural population growth (births – deaths) and net permanent resident migration are the two sources of resident population growth and therefore demand for additional housing stock.

In a rural/remote region such as the Study Area, the levels of resident population growth is expected to be comparatively low when compared to regional, peri urban and urban localities. As such, demand for new housing is also relatively subdued.

- **Non-Resident (Workforce) Population Growth.** Large-scale mining activities on an ongoing basis require a large and diverse labour source to satisfy the needs of various mining projects in remote locations, thus resulting in sustained demand for non-resident worker accommodation.

In a rural/regional context, the housing options required to support non-resident population growth is typically supplied through short-term or temporary accommodation housing, in the form of worker's accommodation or short-term/ commercial accommodation.

In forecasting demand for accommodation in the Study Area, official figures from the 'Economic and Population Review, 2023' have been adopted for Isaac Regional Council.

As identified in **Chapter 2.0**, the Bowen Basin has a significant role in Australia's coal mining production and an expectation of overall growth in the volume of coal mined in the region over coming years is apparent. This means the 'high growth' scenario in the review prepared for Council has been adopted.

Due to the limitations on directly comparing datasets between the Mackay and Isaac LGAs on non-resident workforce growth, it is challenging to isolate demand within the Study Area.

As such, it is assumed that 60% of the forecast non-resident workforce growth for the Isaac LGA is equivalent to the non-resident workforce growth that would occur in the Study Area. This includes the portion of the Study Area located within Mackay LGA.

This estimate of 60% is considered a reasonable basis for assessing demand based on considerations including:

- The Study Area has over 60% of workforce accommodation in Isaac LGA
- Approximately 55% of the resident population of Isaac LGA is in the Study Area
- The concentration of coal mines and supporting infrastructure (including the Goonyella railway network and Nebo Railway Maintenance Facility) within the Study Area.

On this basis, the Study Area is expected to have an additional +2,530 non-resident workers between 2021 and 2036.

At the current time, the estimated ratio of non-resident workers to workforce accommodation units in the Study Area is approximately 60%. That is, for each non-resident worker is a supply of 0.6 worker accommodation units, this is driven by the FIFO/DIDO nature of the workforce rostering.

Applying the current ratio of one (1) non-resident worker to 0.6 units of workforce accommodation supply, demand for non-resident workforce accommodation in the Study Area is anticipated to be +1,520 units between 2021 to 2036 as shown in **Table 4.3**.

Table 4.3 Forecast Demand for Housing and Accommodation 2021 to 2036

Area	Non -Resident Workers Growth (2021-2036) ⁽¹⁾	Demand for Units (2021 – 2036) ^{(2)/(4)}	Permanent Resident Population Growth (2021 to 2036)	Demand for Permanent Resident Housing ⁽³⁾
Study Area	+2,530	+1,520	+2,930	+1,100

Note: ⁽¹⁾ Assumes the Study Area growth is the equivalent of 60% Isaac Regional Council's total estimated growth, Scenario 2 from Table 2.5

⁽²⁾ Assumes for every one non-resident worker, 0.6 rooms are required

⁽³⁾ Assumes an average household size of 2.7 based the 2021 ABS Census

⁽⁴⁾ No material additional supply has been delivered between 2021 and 2023

4.4 Economic Need

Nebo Railway Maintenance Facility

The economic need for the proposed development is primarily associated with the current operational requirements of Pacific National in terms of providing railway staff, including drivers and maintenance staff, with a dependable local accommodation option.

As identified in **Section 1.2** of this report, at the current time Pacific National rely on bussing staff from Mackay to the Nebo Railway Maintenance Facility. This comes at cost in terms of financial implications for Pacific National, as well as lost productivity and the safety implications for railway staff who have a lengthy commute time before and after work shifts.

At times, pacific National has had to cancel or delay operations due to a lack of staff resulting from worker accommodation shortages. This comes at both a commercial and economic cost, and has implications for the balance of the coal industry supply chain.

Existing accommodation options within Nebo are not able to adequately meet the needs of Pacific National. This has been reflected in local providers themselves informing Pacific National of their own inability to accommodate additional non-resident workers.

Thus, the real-world experience of Pacific National is that the current supply of commercial accommodation and workforce accommodation facilities is not able to provide a consistent and dependable local option for the Nebo Railway Maintenance Facility workforce. This is a reflection of the competing demand for worker accommodation from mines and other related operations in the area.

As such, the proposed facility represents an outcome which provides:

- A dedicated and reliable accommodation facility directly able to serve non-resident workers of the Nebo Railway Maintenance Facility
- A scale, location and nature which is directly tied to serving the Nebo Railway Maintenance Facility and is not intended to compete more broadly with other worker accommodation providers and facilities
- For the operational requirements of Pacific National to be more effectively and efficiently met
- A freeing up of some capacity in the worker accommodation market which allows for other user groups (such as mining operations) to access existing accommodation options without competing for room nights with Pacific National
- Reduces the ability for disruption and impacts to the local housing market which is to the cost of permanent residnets.

Regional Housing and Accommodation Market

At the current time, the pipeline of workforce accommodation in the Study Area is limited to the modest proposed expansion of an existing facility at Moranbah (98 additional units), on the western edge of the Study Area (which reflects a one hour drive time).

Note that worker accommodation options at Moranbah only provide a limited drive time saving (in the order of 10 minutes) relative to access from Mackay. In this respect, although Moranbah is within the Study Area, the provision of worker accommodation within Nebo itself is the key focus for economic and community need considerations.

The analysis demonstrates that the Study Area will have a shortfall of approximately 1,420 non-resident housing units and 860 private houses by 2036, as shown in **Table 4.4**.

Table 4.4 Economic Need for Housing and Accommodation, 2021 to 2036

Study Area	Workforce Accommodation	Permanent Private Housing
Supply <u>Increase</u>	98	240
Demand	1,520	1,100
Need (Shortfall)	1,422	860

Source: Ethos Urban

This need assessment therefore considers both forms of housing (permanent private housing and workforce accommodation) to provide a complete view of housing options and choice available for residents (private homes) and non-resident workers (commercial accommodation, worker accommodation and to a lesser degree private homes).

This analysis therefore finds that permanent private housing won't deliver enough supply to accommodate non-resident workers. Noting Council's policy statement that permanent housing should be the focus for delivering housing and workforce accommodation in the Isaac municipality, as per the Isaac Planning scheme and Council's position on workforce accommodation:

"Council does not support workforce arrangements that reduce a workers choice to live in the region and have their housing needs met by permanent housing options within the region's established communities"

If the Project were to deliver the planned additional 168 units, it would increase the supply of workforce accommodation in the Study Area by only 2.1% while still only accounting for 11.8% of the required future supply. Moreover, the proposed development would successfully accommodate all non-resident Pacific National workers and avoid further pressure being applied to the local housing market and commercial accommodation sector.

As the analysis above makes clear, a need exists for additional housing options for non-resident workers within the Study Area to support the growth and development of the region. This is notwithstanding the need associated with delivering a dependable local accommodation option for non-resident workers of the Nebo Railway Maintenance Facility.

4.5 Summary of Economic Benefits

A range of economic benefits can be associated with the proposed development of workforce accommodation at the Nebo Railway Maintenance Facility which are summarised in **Appendix C**. These benefits include:

- Direct construction investment estimated at \$52 million
- Support 130 full-time equivalent job years during construction
- Enable the creation of 12 jobs for ongoing operation and maintenance of the facility expected to be predominantly held by local residents.

Appendix A Planning Context

Isaac Regional Council Planning Scheme

The Isaac Regional Council Planning Scheme under Clause 3.3.1.3 Non-residential workforce accommodation notes the following:

1. Existing Workforce accommodation within the region's urban centres provides substantial accommodation for non-resident workers. These existing facilities are located in the Specialised centre zone. No further development is intended in the Specialised centre zone until this specialised accommodation use ceases.
2. Workforce accommodation is provided in response to a legitimate and demonstrated need ⁽¹¹⁾.

(11) Council acknowledges that Workforce accommodation is a housing form which arises in response to the operational needs of industries in the region. Council acknowledges that this form of development will continue to be present in the region in the future. Council supports well designed and suitably located Workforce accommodation. Council does not support workforce arrangements that reduce a workers choice to live in the region and have their housing needs met by permanent housing options within the region's established communities. Significant amounts of NRWA is constructed and approved in the region as indicated on the Strategic Framework Maps in Schedule 2 (SC2.2). New proposals must demonstrate need in the context of this supply.

Mackay, Isaac and Whitsunday Regional Plan – 2012

Managing Growth

The regional plan outlines a purpose for managing growth as:

An efficient and sustainable settlement pattern that supports the efficient use and delivery of urban land and infrastructure, housing choice and affordability and well-planned development areas to accommodate further growth.

Under the Housing Choice and Affordability sub-section, the policies relevant to the proposal include:

- Provide housing and accommodation for temporary residents and employees involved in industrial development, mining and construction, and seasonal work. (policy 7.4.6)
- Ensure the scale and number of people accommodated by non-resident worker accommodation is compatible with the nearby permanent resident population. (policy 7.4.7)
- Facilitate the location of non-resident worker accommodation to ensure access to services and community integration, and social cohesion with the existing community. (policy 7.4.8)

Isaac Economic Development Framework, 2019 to 2024

Finalised in February 2019, the development framework provides an overview of the economic profile and drivers of the municipality and outlines the strategic direction to 2024.

The strategy outlines the role of local government (Council) and the how Council can influence economic development in the municipality. The Strategy outlines the following in relation to Council's role and tools:

- “Local Governments play a key role in facilitating economic prosperity. They are structured to respond to and service the local needs of the community and are attuned to regional constraints and opportunities.”
- “Local Government’s work should be complementary to private sector efforts, not competitive or duplicative.”
- “Local governments have numerous levers to create an environment conducive to economic growth, investment and job creation” these levers are outlined in **Table A.1**.

Table A.1 Local Government Levers for Economic Development

Local Government Levers	Description
Advocate	For good ideas, policy change and infrastructure investments from the Queensland and Australian governments.
Facilitate	Positive outcomes through relationships with key local service providers; partnerships with adjoining jurisdictions and organisations; interpretation and dispersal of important baseline data on key statistics, demographics, trends and other pertinent information; convening partners to identify pathways, resources and responsibilities for achieving priorities.
Regulate	Through a sound regulatory framework, and provide certainty for existing businesses, potential investors and the community.
Plan	Direct and facilitate future growth by working with the community and development industry.
Provide Services	Provide a range of important and valuable services for the local economy, including infrastructure, waste collection, place-making and multiple other services.
Collaborate	Public-private partnerships are an extremely effective means of delivering mutually beneficial initiatives that require the different capabilities of private and government sectors.

Source: Isaac Economic Development Framework, 2019 to 2024 (pg. 05)

Council's values for driving economic growth are outlined in **Table A.2**, the majority of the values identified by Council are particularly relevant to the proposed development and include:

- **Natural Resources** – mining (coal) is an integral component of Isaac's economy, with Pacific National being a key component in the mining industry in Isaac and the wider Bowen Basin.
- **People** – the values outline that there is a need to increase population and to the engage future workforce. The proposed development is consistent with this value by allowing the workforce to live locally (increase population while rostered on and engaged by being based near Nebo) while also creating job opportunities for permanent residents
- **Capital** – The proposed development reflects significant investment for the region with the permanent accommodation camp having an estimated cost of \$52 million
- **Connectivity** – The proposed development is associated with the connectivity values of Council, with the supply chain strengthened by a more productive workforce at the Pacific National Nebo depot.
- **Liveability** – Liveability is a key focus of Council, including the liveability of workers. The new accommodation facility is expected to provide workers with modern and comfortable accommodation that reflects contemporary expectations.

Table A.2 Economic Development Values for Economic Development

Values	Description
Natural Resources	Natural resources includes the land, flora, fauna, soils, water, minerals, oil, gas, Natural Resources waterways, fisheries, coastal areas, and Isaac's knowledge about these things. These resources are integral to Isaac's economic growth and underpin priority industries, in particular agriculture, energy, mining and tourism.
People	People have a two-fold impact on the economy – they are the consumers of goods and services and are the workforce that supplies labour and knowledge. For our economy to grow, we must increase our population and find ways to engage the future workforce. Helping people reskill, upskill and reinvent their jobs will be essential.
Capital	Capital refers to different types of funding for businesses to invest in required technology, education, plant and equipment that support future growth. Capital also includes investment in the infrastructure that helps the economy function – road, rail, air transport, pipelines, poles and wires, energy, water, buildings and telecommunications networks.
Connectivity	Better connectivity is critical to ongoing economic growth to strengthen our supply chains to improve the movement of people, goods and information, as well as connect with people who may exchange information, buy our products and services, or help us build relationships and partnerships to develop and reach markets.

Values	Description
Enterprise & Innovation	Enterprise and innovation occurs when entrepreneurs, universities and governments strive to improve the products and services they deliver. Innovative structures and management strategies can help unlock the latent economic potential of our economy.
Liveability	A constant focus on improving liveability is important to promote Isaac as an attractive place to live, work, study, visit, research and raise families. Unless we can convince other people of this, we will find it difficult to sustain a workforce that can support business growth and grow our population. A small population limits the range of choices available to Isaac residents and affects the cost of living and the cost of doing business.

Source: Isaac Economic Development Framework, 2019 to 2024 (pg. 08)

Appendix B Accommodation Supply

Existing Commercial Accommodation

These selected townships have a limited supply and mix of accommodation noting the relatively low number of established motels, hotels, guest houses, caravan/holiday parks (including cabins) in the Study Area. Most accommodation options are located in Moranbah (refer to **Table B.1**), which is just within an approximate 60 minute drive to the Subject Site and provides regional-level services. More limited options in smaller townships are located closer to the Subject Site including Nebo and Sarina.

The following accommodation has been identified in the Study Area townships as of July 2024:

- 490 hotel, motel and serviced apartment rooms
- 24 cabins (caravan/holiday parks)

Table B.1 Commercial Accommodation located in the Study Area, July 2024

Township	Establishments	Rooms	Cabins	Total Supply (Rooms)
Nebo	1	30	0	30
Sarina	10	43	24	67
Koumala	1	12	0	12
Moranbah	9	405	0	405
Study Area	21	490	24	514

Source: Ethos Urban; Trip Advisor; STR
Note: na: not available

Short Term Rental Market

Approximately six (6) active short-term rentals are advertised on Airbnb and Vrbo (www.airdna.co) in the Study Area, four (4) active listings in Moranbah and only one (2) active listing in Sarina (July 2024). These active rentals have an average of 1.5 bedrooms per rental. Therefore, in the order of nine (9) rooms could be available in the Study Area through the short-term rental market. As such, the short-term rental market is not a viable source of accommodation for existing or future workers.

Existing Workforce Accommodation Supply

A review of existing non-resident worker accommodation has been undertaken within the main townships in the Study Area which covers a 60-minute driving distance from the Subject Site, and shown in **Table B.2**. Noting 60-minutes (or less) is generally considered a safe driving threshold for commuting workers.

In the Study Area, approximately 7,960 accommodation units exist in Moranbah, Coppabella and Nebo across thirteen (13) purpose-built facilities. In Nebo specifically, a supply of 790 units exists across two facilities. Based on conversations between Pacific National and Civeo, the Civeo Nebo Village, Coppabella and Moranbah all are currently at capacity with no additional availability for Pacific National employees in the foreseeable future.

Nebo Junction Accommodation Village is in a similar position with only ad hoc availability for a small number of units. As such, Pacific National are regularly required to outsource – whether it be the Nebo Hotel, Nebo Junction Village or on occasion, Mackay using shuttle buses, and extending to work coming to a halt due to no availability of accommodation.

Table B.2 Study Area Existing Non-Resident Worker Accommodation

Facility Name	No. Rooms
Moranbah	
Civeo Moranbah Village	1,200
Leichhardt Accommodation Village	600
Moranbah BMA SPV	596
Grosvenor Village & Accommodation	498
Coal Country Village (Village National Moranbah)	437
Smart Stay Villages	143
Sirrom Francis St Village (Moranbah Accommodation Centre)	52
Sirrom Acacia Village	52
Coppabella	
QRI Village	295
Civeo Coppabella Village	3,048
Terowie Village	248
Nebo	
Civeo Nebo Village	490
Nebo Junction Accommodation Village	300
Total	7,959

Source: Isaac Regional Council Planning Scheme Workforce Accommodation Locations Strategic Frameworks; Isaac Tourism Trails Strategy, 2024; Ethos Urban

Figure B.1 Civeo Moranbah Village



Source: Ethos Urban

Figure B.2 Civeo Coppabella Village



Source: Ethos Urban

Appendix C Economic Benefits Summary

Summary of Economic Benefits

The proposed development of workforce accommodation at the Subject Site will support a range of positive economic benefits, including:

- **Provide significant direct investment:** The proposed development will directly invest \$52 million into the local and national economies
- **Support greater economic activity:** during construction, the project will support significant economic activity, generating \$42.8 million in value added output per annum to the local and national economy.
- **Catalyse employment opportunities:** The construction of the proposed development will support 130 direct FTE and a further 180 indirect FTE in the national economy. During operation, the facility will support 12 direct jobs on an ongoing basis.
- **Create a high-amenity purpose-built accommodation facility:** Pacific National will deliver a modern workforce accommodation facility delivering worker housing that responds to modern standards and requirements, ensuring safe and comfortable accommodation of Pacific National workers. This includes drivers and maintenance staff for whom a convenient and comfortable accommodation facility will substantially reduce commute times, and enhance productivity and safety.

\$52 million in direct investment

+310 total FTE job-years over the construction period

Including 130 direct construction FTE job-years

+\$42.8 million total value added over the construction period

Including \$16.6 million in direct value added
