

# Queensland's resource industry - an overview.

Major Projects Forum  
Capricorn Enterprise

**Andrew Barger**  
Queensland Resources Council

Rockhampton  
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# ABOUT QRC

The Queensland Resources Council (QRC):

- is a not-for-profit peak industry association;
- represents the commercial developers of Queensland's minerals and energy resources
- is a multi-commodity, state-based advocacy body



# THE WORLD NEEDS OUR RESOURCES

Globally, **Queensland** is the:

- #1 source of traded coking coal
- #2 source of lead
- #3 source of zinc
- #6 source of silver
- #6 source of bauxite
- #12 source of copper (#1 in Australia)
- #2 LNG exporter (Australia with Queensland CSG)
- Uranium potential
- Rare earth & 'new economy' potential



**Did you know**

**QUEENSLAND'S  
RESOURCE SECTOR**

*contributes:*

**1 NEW JOB**  
 **EVERY HOUR**

**\$1 BILLION**

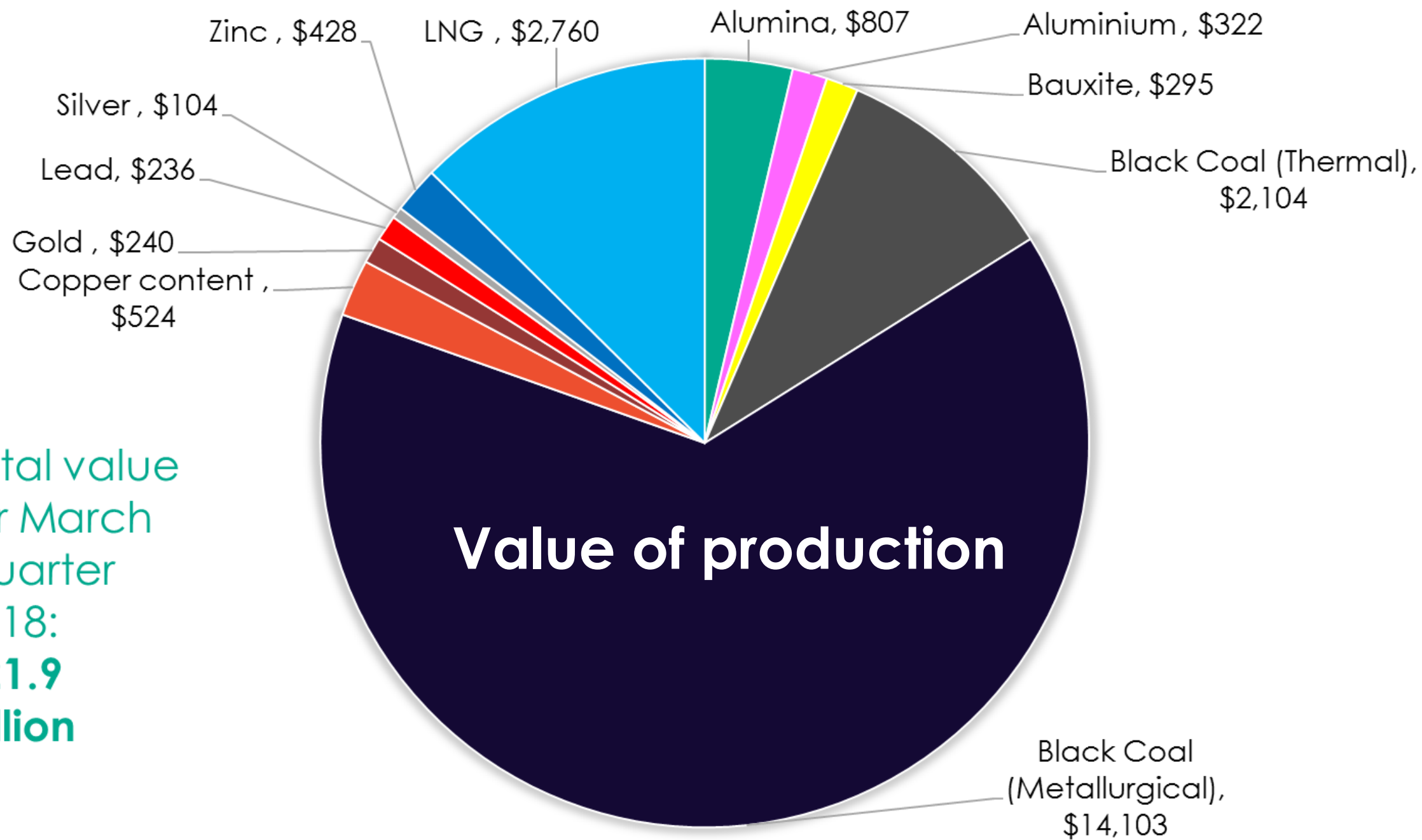


**IN EXPORTS  
EVERY WEEK**

**\$1 MILLION**  
**INVESTED EVERY HOUR**



Total value  
for March  
Quarter  
2018:  
**\$21.9  
billion**





# ALL QUEENSLANDERS BENEFIT FROM RESOURCES

**1 IN \$6**  
OF QUEENSLAND  
ECONOMY

**1 IN 8 JOBS**  
FOR  
QLD

**16,400+**  
BUSINESSES  
BENEFIT

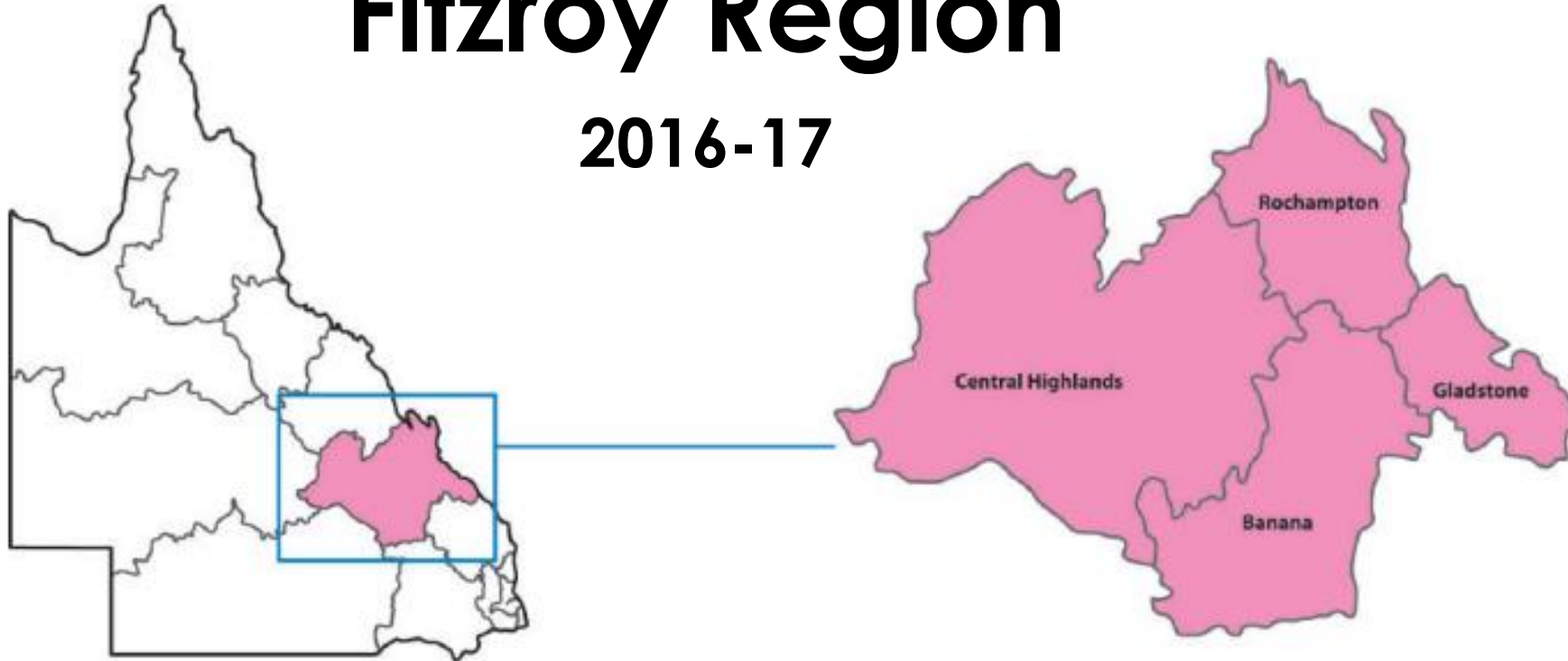
**910**  
COMMUNITY  
ORGANISATIONS  
BENEFIT

**RESOURCES SECTOR  
FOOTPRINT**  
**0.1%** TOTAL QUEENSLAND  
LAND SURFACE  
USED BY SECTOR



# Fitzroy Region

2016-17



The resources industry directly delivered Fitzroy with:

- **\$1.2 billion** in wages to 9,858 employees
- **\$1.8 billion** from 2,763 local businesses
- **182** local community groups supported

# WHAT ARE RESOURCES WORTH TO ROCKHAMPTON?

2016-2017  
financial year

## INDUSTRY'S DIRECT CONTRIBUTIONS

IN 2016-17, THE QUEENSLAND RESOURCES SECTOR PROVIDED THE FOLLOWING DIRECT ECONOMIC IMPACT TO ROCKHAMPTON:



**\$143 MILLION** IN WAGES PAID TO

**1,280** FULL TIME EMPLOYEES



**\$322 MILLION** SPENT ON

GOODS & SERVICES  
PURCHASED  
LOCALLY



**852**

LOCAL BUSINESSES  
BENEFITED



COMMUNITY  
CONTRIBUTIONS



**35**

COMMUNITY  
ORGANISATIONS  
BENEFITED



**\$3.8 BILLION** SHARED  
IN ROYALTIES ACROSS  
QUEENSLAND



USING ONLY **0.1%** QUEENSLAND'S  
LAND MASS

## LOCAL PROSPERITY

THE TOTAL ECONOMIC CONTRIBUTION  
TO THE ROCKHAMPTON ECONOMY IN 2016-17:

**\$991 MILLION**  
GROSS REGIONAL PRODUCT

[ 18% OF ROCKHAMPTON'S  
TOTAL GRP ]



**5,631**

FULL TIME EMPLOYEES

[ 14% TOTAL ROCKHAMPTON  
EMPLOYMENT ]

## FLOW-ON BENEFITS

LOCAL SPENDING AND EMPLOYMENT SUPPORTS:



**4,351**

ADDITIONAL F/T EMPLOYEES

+ ADDITIONAL VALUE  
ADD OF

**\$526  
MILLION**

HOW?

LOCAL BUSINESSES  
SOURCED

EMPLOYEES' LOCAL SPENDING

THE RESOURCES SECTOR DELIVERS BETTER OUTCOMES FOR  
THE ROCKHAMPTON COMMUNITY:



EDUCATION



LAW & ORDER



HEALTH



ROADS



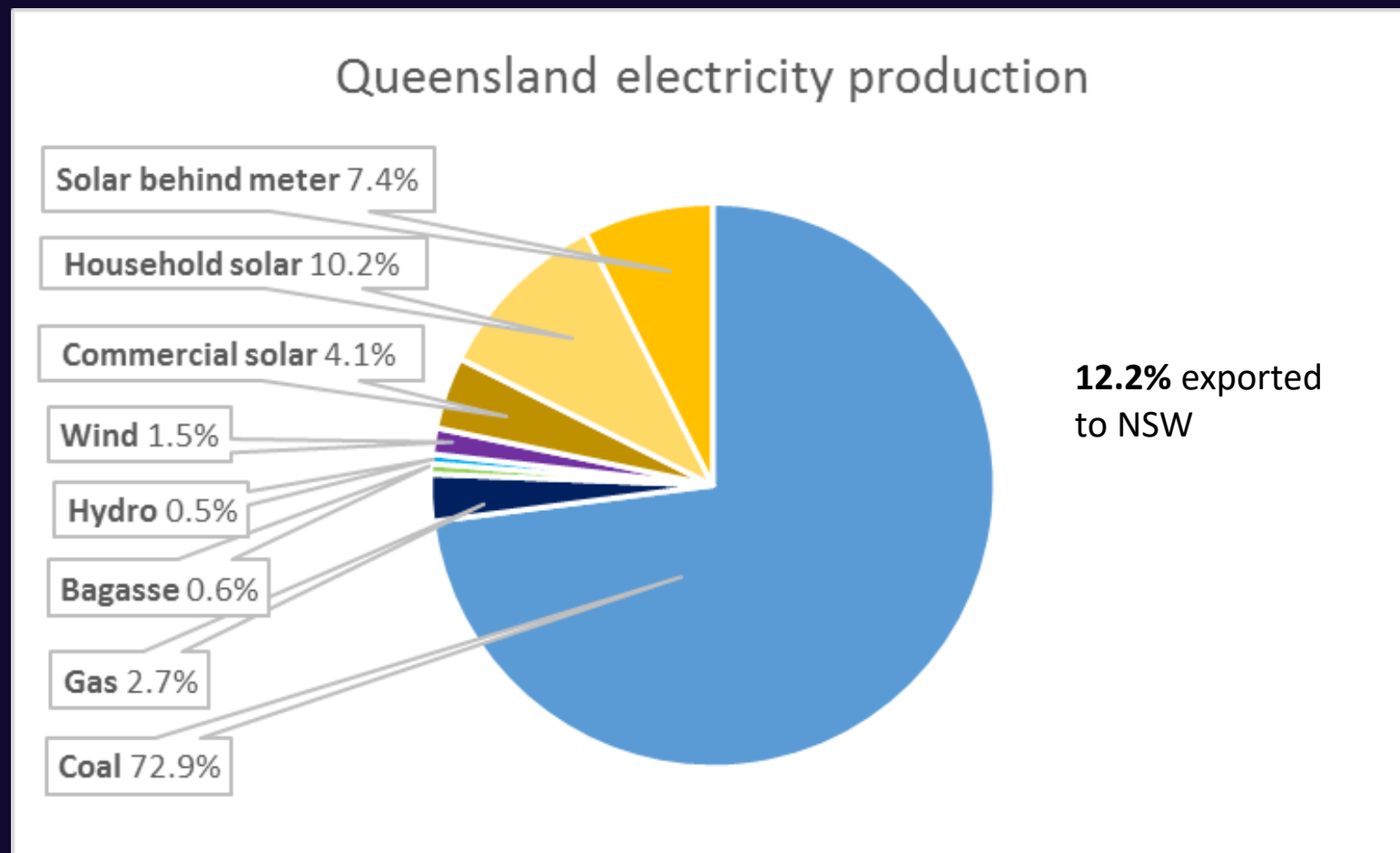
# Queensland's transition challenge

## Middle of a Queensland working day:

- 76% fossil fuels
- 24% renewable

## Queensland Government goals

- 50% renewables by 2030
- Net zero emissions by 2050



Source: NEMWatch by Global-Room, 1:05 pm Thursday 25 Oct 2018  
<http://reneweconomy.com.au/nem-watch/>

# LOCAL CONTENT

64%

QUEENSLAND  
SHARE OF TOTAL  
PURCHASES

34%

INTERSTATE  
SHARE OF TOTAL  
PURCHASES

98%

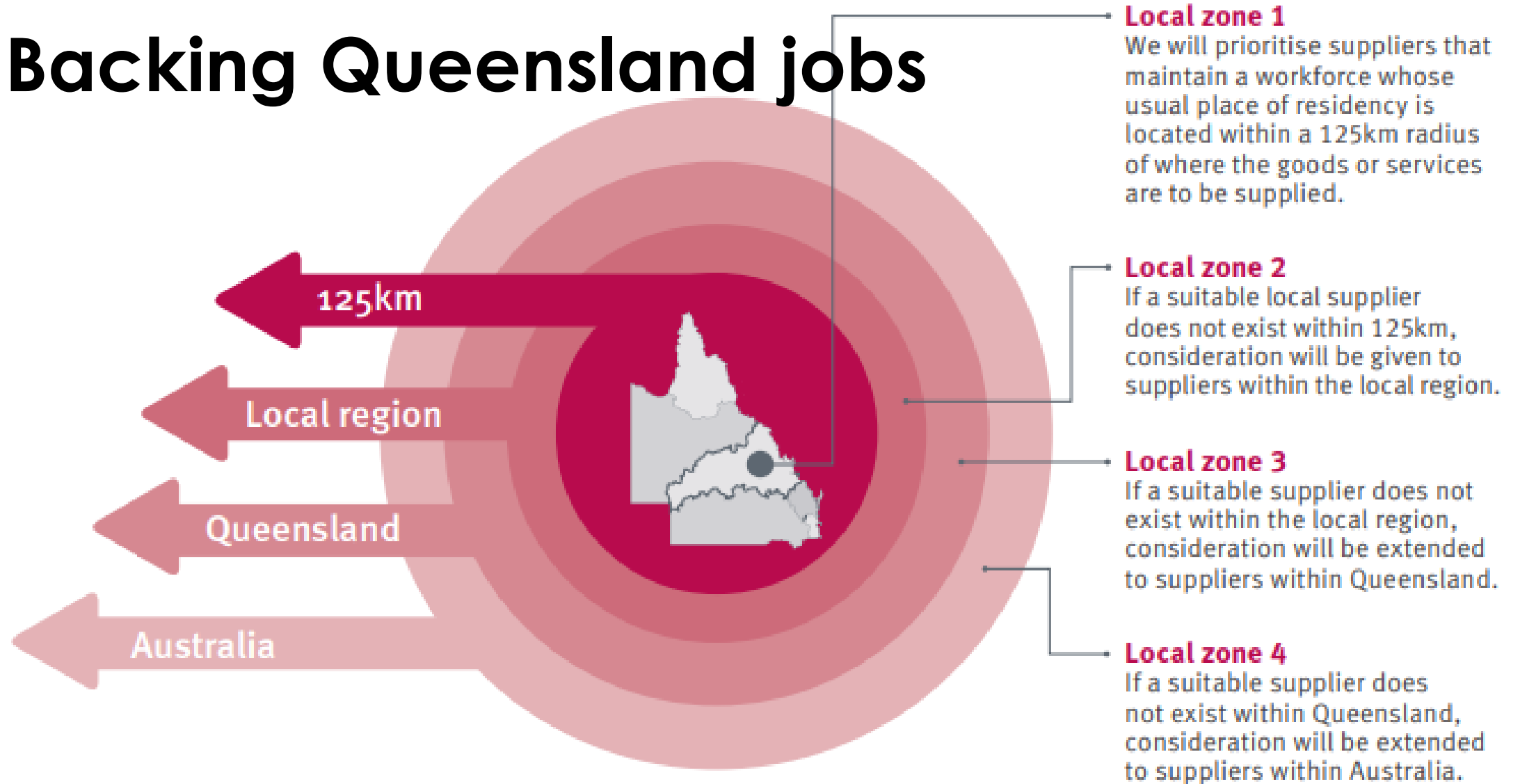
AUSTRALIAN  
SHARE OF TOTAL  
PURCHASES

In 2016-17, resource companies bought **\$25.4 billion** in goods and services:

- **\$16.2 billion** purchased in Queensland
- **\$8.6 billion** from interstate, and
- **\$0.6 billion** from outside Australia

Payment terms remains a vexed issue with no consistent industry approach.

# Backing Queensland jobs



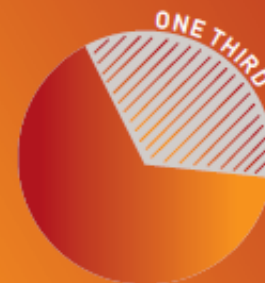


# IMPACTS OF EXTENDED PAYMENT TERMS

This information is derived from the report 'Economic Analysis of Impacts of Extended Payment Terms' conducted by Lytton Advisory on behalf of Resource Industry Network. Available to download: [www.resourceindustrynetwork.org.au](http://www.resourceindustrynetwork.org.au)

## OVER THE NEXT 5 YEARS

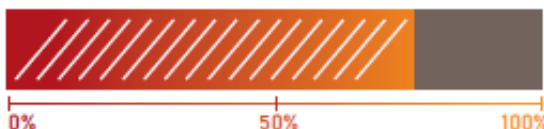
REVERTING TO 30-DAY  
PAYMENT TERMS would  
**ADD** to the regional economy:



**ONE THIRD**  
of suppliers have  
half their revenue or  
more on extended  
payment terms

**ONLY 4%** can always match  
extended payment terms with their suppliers

**TWO THIRDS**  
of suppliers have  
found it difficult to  
get finance since  
extended payment  
terms have come in



**75%** OF SUPPLIERS



affected by extended payments  
terms are cutting back on new  
capital equipment



are not hiring new employees  
to expand business

**70%** unable to invest  
in pursuing new  
technology etc



## CASE STUDY

based on two otherwise identical firms  
currently operating in the industry



## EXTENDED PAYMENT TERMS

## WHERE ARE WE HEADED?

