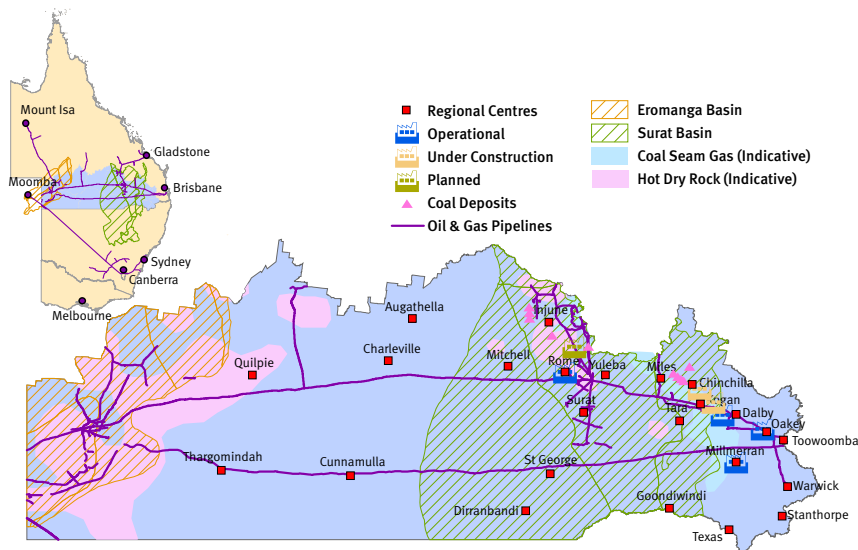


Darling Downs and Southwest Queensland - Energy infrastructure and resources



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Note: This map is for discussion purposes only and is not intended to be a complete assessment of the regional infrastructure and resources.

Regional Strengths

The priority industry sectors for this region include:

Energy resources and production

The major gas and oil fields and extensive coal zones within the region offer significant opportunities for economic development based on power generation and energy resources. The region provides the overwhelming majority of the State's natural gas, crude oil and coal seam methane gas. The region also contains in excess of four billion tonnes of commercially viable, open cut coal around the shallow margins of the Surat Basin.

The recent escalation of developments associated with energy resources in the Surat Energy Resources Province has had a significant impact on a large portion of the region. The expected sustained global demand for coal and an increased domestic demand for electricity will continue to push expansion in this sector. The proposed rails links will assist this growth.

Some communities in the region have already benefited greatly from the development of energy resources, through local businesses providing services for these projects. Most recently the development of coal seam methane gas and the construction of power generation facilities around the towns of Dalby, Chinchilla and Roma have created opportunities for local business. The development of the region's energy resources is likely to provide a significant flow-on effect to other sectors, particularly construction, infrastructure, transport and logistics.

As well as power generation from fossil fuels, geo-thermal (Hot Dry Rocks) power generation is being considered in the south-western shires. Proponents are also considering investment in ethanol plants using grains. The by-product is suitable for animal feed, making integrated ethanol production and feedlot development potentially viable.

Examples of major projects underway or being investigated include:

- Kogan Creek Power Station – 750MW integrated coal mine/power station near Chinchilla, (\$1.2 billion)
- Braemar Power Station (\$368 million) near Dalby
- Spring Gully Power Station – gas-fired power station near Roma/Injune (\$1 billion total for stages 1 & 2)

Transport and logistics

A number of areas in the region offer strategic location opportunities as inter-modal links for road and rail distribution centres. The region has the potential to develop major freight and logistics centres, with specialist skills in warehousing, distribution and material handling.

The Darling Downs and South West have access to significant road routes, including major highways leading east to Brisbane and south to Sydney and Melbourne. A network of highways and development roads link to mining and agricultural centres such as Mt Isa and Longreach.

Major infrastructure projects which enhance transport capability are underway to improve transport facilities and enhance opportunities for development of all sectors of the economy including resources, food processing, agribusiness and manufacturing.

For example, an area of about 1,600 hectares at Charlton/Wellcamp immediately west of Toowoomba has been planned as a future major industrial area. This area is located at the intersection of the Warrego Highway and the future realignment of the Brisbane to Melbourne national highway. Australian Transport Energy Corridor Ltd has announced it will invest up to \$100 million to develop further areas of the Charlton-Wellcamp precinct.

Metal and machinery manufacturing

The Toowoomba sub-region enjoys a strong metals and machinery manufacturing infrastructure with a number of large exporters in foundry, fabrication and assembly activities. The region's manufacturing strength is demonstrated by the long history of supplying agricultural products and services. In recent times, firms have enhanced production and marketing to supply new markets. This is possible because of industry expertise and familiarity with the cycles, specific agricultural sector requirements, a well-developed supply chain and industry inter-linkages.

Expansion and development in the food and agribusiness sectors offers potential opportunities for further investment and export trade in metal and machinery manufacturing.

Metals processing capacity has developed, particularly in Toowoomba and Dalby. A number of firms are actively involved in collaborative activities to sustain and improve their international competitiveness. The major defence facilities in the region provide opportunities for manufacturing firms. The Department of Defence's Oakey Army Aviation Centre expansion (\$76 million) and Cabarlah redevelopment (\$24 million) were recently completed.

Fibre composites

Research and development in fibre composites is making Toowoomba a hub for new, cutting edge building and construction products. These lightweight, high strength materials have enormous potential in world-wide markets. The automotive, marine and aerospace sectors are key growth sectors for fibre composite products, as well as in the construction and refurbishment of public infrastructure. Increasing global demand for fibre composite products provides an incentive for this region to expand this sector through continued research and manufacturing capacity, supply chain and cluster development and international market development.

The Centre of Excellence in Engineered Fibre Composites at the University of Southern Queensland has a national and international reputation for research in this area. Local firm, Wagners Composite Fibre Technologies, has developed a manufacturing and export capability in a range of civil construction applications. Firms such as Buchanan Advanced Composites and LSM Advanced Composites are applying this new technology for use in the aviation and aerospace, marine and automotive sectors.

Based on this regional capability and expertise, the State Government has invested \$10 million to assist the development of a fibre composites manufacturing cluster in Toowoomba.

Agribusiness and food processing

The region's strong agricultural sector remains the major employer in the region. Crop and livestock production and processing generates approximately 25 per cent of the State's total production. The major agricultural products from these areas are crops including wheat, barley, sorghum, sunflower, soy beans and cotton. Livestock production is primarily beef, wool, pork and poultry products.

The need to diversify the region's primary agricultural production has led to investment and growth in the wine and game meat industries. Water-use efficiency programs and sound water management practices and policies will ensure sustained development of the industry.

Future opportunities for the region include:

- biotechnology to value-add to agricultural commodities, including development of drought-resistant and industrial crops
- further value-adding to food processing and packaging, organic production and supply chain cluster development
- to investigate and commercialise drought technologies and regional expertise
- integrated projects such as feedlot/ethanol plants

Recently completed projects include the Nippon Meat Packers' Oakey Abattoir Expansion (\$75 million) and the Australian Meat Holding's Beef City expansion (\$11 million). Projects under consideration include the Dalby Bio-refinery Project (\$45 million), Lemontree Ethanol Pty Ltd, Millmerran Ethanol Plant (\$60 million) and the Downs Fuel Farmers ethanol plant (\$100 million) in Wambo Shire.

Education

Toowoomba is a leading regional and inter-regional centre for the education industry, providing high standard education and training services. The region offers specialty training and technical skills education in agriculture and engineering, among other industries.

The region offers extensive potential for education services for both regional and overseas students. The region provides both academic and vocational training, from primary to postgraduate level. Existing educational facilities include the University of Southern Queensland, the Dalby Agricultural College, the Southern Queensland Institute of TAFE, and eight secondary and primary schools in Toowoomba provide boarding facilities.





Tourism

The Darling Downs and South West Queensland tourism industry has a wide variety of businesses servicing domestic and international tourists. History and heritage tourism is a major drawcard, with the region's long term connection with farming and the outback experience providing ongoing opportunities in the industry. A range of cultural events, such as the world renowned Toowoomba Carnival of Flowers, and iconic sites, such as the School of the Air, add to the attractiveness of the region for visitors.

The development of significant industries such as energy has opened opportunities in industrial tourism, which includes visits to power stations and other facilities.

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