

Projects

Emerald Airport Runway Maintenance Economic Analysis

Economic evaluation and economic contribution analysis of a new maintenance treatment of the Emerald Airport runway.



LOCATION

Emerald, QLD

CLIENT

Central Highlands Regional Council

COST-BENEFIT ANALYSIS

ECONOMIC CONTRIBUTION

Background

The Central Highlands is a local government area in Queensland, approximately 250km west of Rockhampton. The region is home to over 30,000 residents, including the communities of Blackwater, Capella and Emerald amongst 10 others.

The region incorporates a significant portion of the Bowen Basin and is also located near the Galilee Basin. Coal mining forms the dominant industry in the region and is a key driver of the local economy. The Emerald Airport serves a critical function in supporting the transportation of the FIFO workforce. It is wholly owned by the Central Highlands Regional Council. The airport has two runways, with the primary runway a 1,900m long and 30m wide sealed runway.

The Central Highlands Regional Council was proposing to conduct a new maintenance treatment of the runway. The bituminous surface enrichment project was expected to offer significant cost savings and also prolong the life of the asset.

Our role

The Central Highlands Regional Council engaged NineSquared to undertake a preliminary economic evaluation of the proposed Emerald Airport runway enrichment project.

Two separate analyses were conducted as part of this project. Since the bituminous surface enrichment project was expected to offer significant cost savings and prolong the life of the asset, a discounted cash flow analysis was undertaken of the existing operations and the proposed upgrade. This provided the Council with an understanding of the expected cost of the initial upgrade along with the ongoing cost savings associated with the project.

An economic contribution analysis was undertaken to capture the wider impacts of the project on the local community. For the purpose of this study, economic contribution was measured in terms of gross

output, value added product and total employment. In addition to these economic impacts, the fiscal impact to government was also calculated in terms of payroll tax.

The economic evaluation formed part of Council's funding submission to the Federal Government's "National Stronger Regions" program. As a result of this analysis, the project began pre-construction works in 2019.

FOR FURTHER INFORMATION

For more information, find one of our experts at ninesquared.com.au/people