


Victor Harbor Economic Analysis

A report to

City of Victor Harbor

Prepared by

 *econsearch*

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EconSearch
A Division of BDO
Level 7, BDO Centre, 420 King William Street
Adelaide SA 5000
Tel: +61 (8) 7324 6190

www.econsearch.com.au

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ABBREVIATIONS

ABS	Australian Bureau of Statistics
ATO	Australian Taxation Office
DE	Department of Employment
ERP	estimated resident population
fte	full-time equivalent
GSP	gross state product
GRP	gross regional product
I-O	Input-Output (analysis)
LGA	local government area
SA	South Australia

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EXECUTIVE SUMMARY

The City of Victor Harbor has commenced work to develop an Economic Development Strategy that is intended to guide decision making around how the Council participates and invests in the economic development of the City (Victor Harbor). The Council recently adopted a framework around the development of the strategy. The framework includes the preparation of an economic analysis to inform community engagements leading to the design of the strategy.

EconSearch was commissioned by the City of Victor Harbor to prepare the economic analysis for Victor Harbor. The aim of this report is to explore a number of critical factors that impact on or influence the Victor Harbor economy, providing detail behind the data and some broader context on the make-up of the economy.

Population

In 2016/17 the estimated regional population (ERP) in Victor Harbor was 15,108 persons, representing 0.9 per cent of the state total (approximately 1.72 million persons).

Over the 10 years, 2007/08 to 2016/17, Victor Harbor experienced steady population growth, with the total population increasing by 15 per cent. Based on Planning SA projections, the population in Victor Harbor is expected to increase by almost 50 per cent by 2031 (from 2011).

It was estimated there will be an increase in the 0 to 14 year age cohort (34 per cent from 2011). The working age population (15 to 64 years) is also projected to increase (by 40 per cent from 2011). For persons 65 or older there will be a significant increase of around 71 per cent in this age cohort.

Migration

The majority of Victor Harbor residents (76 per cent) were living in Victor Harbor in 2011 (the time of the previous Census).

Of those residents who moved into the region in the 5 years to 2016 (almost 3,000 persons), around 42 per cent came from an Adelaide metropolitan local government area (LGA), 40 per cent from other SA regions, 12 per cent from interstate and 5 per cent from overseas. The majority of those residents fell between the ages of 55 and 84 (52 per cent of inward migrating residents).

Of those residents who moved out of the region (approximately 1,800 persons), around 50 per cent moved to an Adelaide metropolitan LGA, 37 per cent moved to other regions in SA and 13 per cent moved interstate. Similar to in-bound migrating residents and non-migrating residents, the majority of the residents who moved out of Victor Harbor between 2011 and 2016 fell between the ages of 55 and 84 (50 per cent of outward migrating residents).

Households

The average household size in Victor Harbor has decreased slightly from 2.18 persons per household in 2006 to 2.09 persons per household in 2016. The average household size was significantly lower than that for SA over the 10-year period (2.47 persons per household in 2006 and 2.50 persons per household in 2016).

Childless couples make up a significantly larger proportion of the households in Victor Harbour (38 per cent in 2016) than for SA as a whole (26 per cent in 2016). Conversely, Victor Harbor has a lower proportion of couples with children (17 per cent in 2016) than for SA as a whole (28 per cent in 2016). Another contrast is in the lone person households where Victor Harbor has a higher proportion (30 per cent in 2016) compared to SA (25 per cent).

The mean and median weekly household income for Victor Harbor in 2016 were significantly below that for SA as a whole. The mean household income for Victor Harbor in 2016 was approximately \$1,100 per week while the median was around \$900 per week. The mean household income for SA in 2016 was approximately \$1,500 per week while the median was around \$1,100 per week.

The mean individual taxable income in Victor Harbor was lower than the state average between 2006/07 and 2015/16, in both nominal and real terms. In Victor Harbor the mean individual taxable income increased in nominal terms from around \$40,500 in 2006/07 to almost \$57,000 in 2015/16. For SA the mean individual taxable income (in nominal terms) increased steadily over the 10 years from around \$47,000 in 2006/07 to approximately \$66,000 in 2015/16.

In 2016 the proportion of the Victor Harbor population receiving the aged pension was 29 per cent, more than double that of SA (13 per cent). Other sectors receiving government benefit, disability support pensioners (5 per cent of the Victor Harbor population in 2016), single parent payments (1 per cent) and unemployment benefits (4 per cent) were similar to that of the whole of SA.

Of the total Victor Harbor population in 2016, 39 per cent were receiving income support, 31 per cent were in paid employment and the remainder (30 per cent) were not in the labour force (e.g. children, students, stay-at-home parents, self-funded retirees). For SA the proportion of the population receiving income support was 22 per cent, 44 per cent were in paid employment and the remainder (34 per cent) were not in the labour force.

Education and employment

Between 1996 and 2016 the total number of Victor Harbor residents enrolled in a higher education institute more than doubled. This is a significantly greater increase than for SA as a whole where the total number of residents undertaking higher education increased by 50 per cent.

The number of persons employed full time in Victor Harbor declined by 2 per cent between 2006 and 2016, while the number of persons employed full-time in SA increased over the same period (2 per cent). Between 2006 and 2016, there has been a large increase in the number of persons employed on a part-time basis in Victor Harbor (37 per cent increase) and in SA (24 per cent).

Between 2006 and 2016, in both Victor Harbor and SA as a whole there has been a significant increase in the number of people unemployed and looking for full-time work (41 per cent in Victor Harbor and 48 per cent in SA) and looking for part-time work (56 per cent in Victor Harbor and 76 per cent in SA). There has also been a large increase in the number of persons not in the labour force (29 per cent increase in Victor Harbor and 14 per cent in SA between 2006 and 2016).

The total number of persons in the labour force in Victor Harbor increased by 27 per cent between 2008 and 2017. Despite some fluctuations, the labour force in SA increased over the 10 years (10 per cent increase).

The number of unemployed persons in Victor Harbor fluctuated over the period 2008 to 2017 but followed an increasing trend overall, 124 persons (approximately 52 per cent). The number of unemployed persons in SA also increased, by over 18,000 persons (48 per cent).

The unemployment rate in Victor Harbor increased over the period 2008 to 2017 and was estimated to be 6.1 per cent in December 2017. The unemployment rate in Victor Harbor was, on average, above than the unemployment rate for SA over the same period.

The underemployment rate in Victor Harbor increased slightly over the period 2008 to 2017 and was estimated to be 8.4 per cent in December 2017. The underemployment rate in Victor Harbor was, on average, above than the underemployment rate for SA over the same period.

The youth unemployment rate increased in Victor Harbor, from 9 per cent in 2006 to 15 per cent in 2016. This is similar trend to SA as a whole where youth unemployment increased from 11 per cent in 2006 to 16 per cent in 2016.

The labour force participation rate for Victor Harbor increased, from 43 per cent in 2007/08 to 45 per cent in 2015/16. The labour force participation rate in SA decreased slightly, from 62.1 in 2007/08 to 61.8 per cent in 2015/16. Over the nine-year period the participation rate for Victor Harbor was on average well below for SA as a whole.

The number of local jobs increased from 4,429 in 2006 to 4,801 in 2016, an 8 per cent increase. However, the number of employed Victor Harbor residents increased by 17 per cent between 2006 and 2016 suggesting the proportion of Victor Harbor residents working outside Victor Harbor also increased over the 10 years.

In 2016 the majority of Victor Harbor residents worked in Victor Harbor (62 per cent), 16 per cent worked elsewhere in the Fleurieu Peninsula (i.e. Alexandrina or Yankalilla LGAs), 13 per cent worked in metropolitan Adelaide and the remainder (9 per cent) in other regional SA.

It was estimated that there were approximately 4,770 jobs (around 3,930 fte jobs) in Victor Harbor in 2015/16. The top five industry contributors to total employment were health and community services (22.7 per cent), retail trade (20.2 per cent), building and construction (8.4 per cent), accommodation, cafes and restaurants (8.4 per cent) and education and training (7.1 per cent). In 2015/16 employment in South Australia was approximately 733,500 (total jobs) which means Victor Harbor accounts for approximately 0.7 per cent of total state employment.

Regional economic structure

GRP in Victor Harbor in 2015/16 was estimated to be \$440 million. The top five contributors to GRP were health and community services (14.6 per cent), ownership of dwellings (12.3 per cent), retail trade (9.6 per cent), building and construction (7.7 per cent) and finance and insurance (7.7 per cent). In 2015/16 South Australia's gross state product was \$100.3 billion which means that Victor Harbor accounts for approximately 0.4 per cent of the state economy.

Expenditure by households accounted for approximately 40 per cent of the total value of goods and services imported into the region in 2015/16. Of the intermediate sectors, the top importers in the region in 2015/16 were the building and construction (3.9 per cent) and retail trade (3.3 per cent) sectors.

Expenditure by tourists (\$163m) contributed approximately 55 per cent of the total value of exports from the region in 2015/16. Total regional expenditure by tourists (\$163m) comprised almost 2.8 per cent of the SA total expenditure by tourists in 2015/16 (\$5.9b).

The top contributors to the value of 'other exports' from the region in 2015/16 (approximately \$134m) were agriculture, forestry and fishing (\$37m), building and construction (\$28m) and health and community services (\$13m) sectors.

Victor Harbor was a net importer in 2015/16 with a trade balance (i.e. exports less imports) of approximately -\$152m.

The top five independent wealth generating industries (i.e. those industries that are generating wealth via exports and capital formation) in 2015/16 were:

1. Public administration and defence
2. Agriculture, forestry and fishing
3. Building and construction
4. Accommodation, cafes and restaurants
5. Education and training

The top five dependent wealth generating industries (i.e. those that are generating wealth from simply servicing local businesses and households) in 2015/16 were:

1. Ownership of dwellings
2. Rental, hiring and real estate services
3. Finance and Insurance
4. Retail trade
5. Health and community services

Business

Industries with the largest number of businesses were construction (20 per cent of the total number of businesses in the region), agriculture, forestry and fishing (14 per cent), rental, hiring and real estate services (10 per cent) and retail trade (9 per cent).

The majority of businesses (66 per cent) did not employ another person, 32 per cent employed between 1 and 19 persons, 2 per cent employed between 20 and 199 people and no businesses employed more than 200 people. This structure is very similar to SA as a whole.

In Victor Harbor 23 per cent of businesses earned less than \$50,000, the majority of businesses (41 per cent) earned between \$50,000 and \$200,000, 32 per cent earned between \$200,000 and \$2m, 3 per cent earned between \$2m and \$5m, 1 per cent earned between \$5m and \$10m and 1 per cent earned more \$10m, very similar to SA as a whole

Housing

The ratio of unoccupied to occupied dwellings in Victor Harbor has decreased slightly, from 40 per cent in 2006 to 39 per cent in 2016. However, the ratio of unoccupied to occupied dwellings in Victor Harbor (39 per cent in 2016) was nearly triple that of the state as a whole (14 per cent), demonstrating the large number of holiday homes and rental properties in the region.

In 2016 the proportion of properties in Victor Harbor fully owned was 32 per cent, slightly higher than for SA as a whole (27 per cent). The proportion of Victor Harbor properties being purchased (under mortgage) (16 per cent) or rented (16 per cent) was much lower than the State average (30 per cent for properties being purchased and 23 per cent for properties rented). Victor Harbor did have a greater proportion of properties in the not applicable category (28 per cent) compared to SA (12 per cent).

A measure of housing cost was estimated using a weighted average of rental payments and mortgage payments. Housing affordability is defined as housing cost divided by household income and was estimated to be 31 per cent for Victor Harbor, slightly less affordable than SA as a whole (27 per cent).

Local investment

The median house sales price for Victor Harbor has followed a steady increasing trend between 2008/09 and 2016/17, from \$347,500 to \$378,000 (9 per cent increase). Following this increase, the median house sales price for Victor Harbor declined to \$355,000 in 2017/18. Between 2008/09 and 2017/18 the median house sales price has increased in Victor Harbor (2 per cent between 2008/09 and 2017/18), Alexandrina (21 per cent), Barossa (20 per cent) and Port Lincoln (13 per cent) but declined in Copper Coast (6 per cent).

The total number of building approvals in Victor Harbor decreased by 55 per cent between 2007/08 and 2016/17, while the total value of approvals decreased by 32 per cent. Despite the total number of approvals in SA being 14 per cent lower in 2016/17 than in 2007/08, the total value was 17 per cent higher.

The average value per approval in Victor Harbor increased by 53 per cent between 2007/08 and 2016/17, from \$191,000 to \$294,000. For SA, the value per approval increased from \$202,000 in 2007/08 to \$274,000 in 2016/17, an increase of 35 per cent.

The data show that, year-to-year, the total value of non-residential building approvals in both Victor Harbor and SA has been highly variable and changes that occur in Victor Harbor do not

necessarily reflect what is happening in the state as a whole. The value of non-residential building approvals was approximately \$4m in 2016/17 but was as high as \$27m in 2009/10.

1. INTRODUCTION

The City of Victor Harbor has commenced work to develop an Economic Development Strategy that is intended to guide decision making around how the Council participates and invests in the economic development of the City (Victor Harbor). The Council recently adopted a framework around the development of the strategy. The framework includes the preparation of an economic analysis to inform community engagements leading to the design of the strategy.

EconSearch was commissioned by the City of Victor Harbor to prepare the economic analysis for Victor Harbor. The aim of this report is to explore a number of critical factors that impact on or influence the Victor Harbor economy, providing detail behind the data and some broader context on the make-up of the economy.

This report brings together a wide range of existing Australian Bureau of Statistics (ABS) and some non-ABS data and has been designed, at a broad level, to aid understanding of the composition and economic and social structure of the region, to indicate how Victor Harbor contributes to the state's economy and to help monitor trends in economic growth or decline. Most data are presented for Victor Harbor and for SA as a whole for the purpose of comparisons, with some regional comparisons. The regional economic and social indicators are categorised under the following headings:

- population (Section 2)
- migration (Section 3)
- households (Section 4)
- education and employment (Section 5)
- regional economic structure (Section 6)
- business (Section 7)
- housing (Section 8)
- local investment (Section 9).

The information included in this report is historical, as well as being the latest available at the time of preparation, enabling comparison over time. When analysing the data, care needs to be taken as time periods, definitions, methodologies, scope and coverage differ between variables. For detailed information please refer to the relevant source publications that are listed in the References.

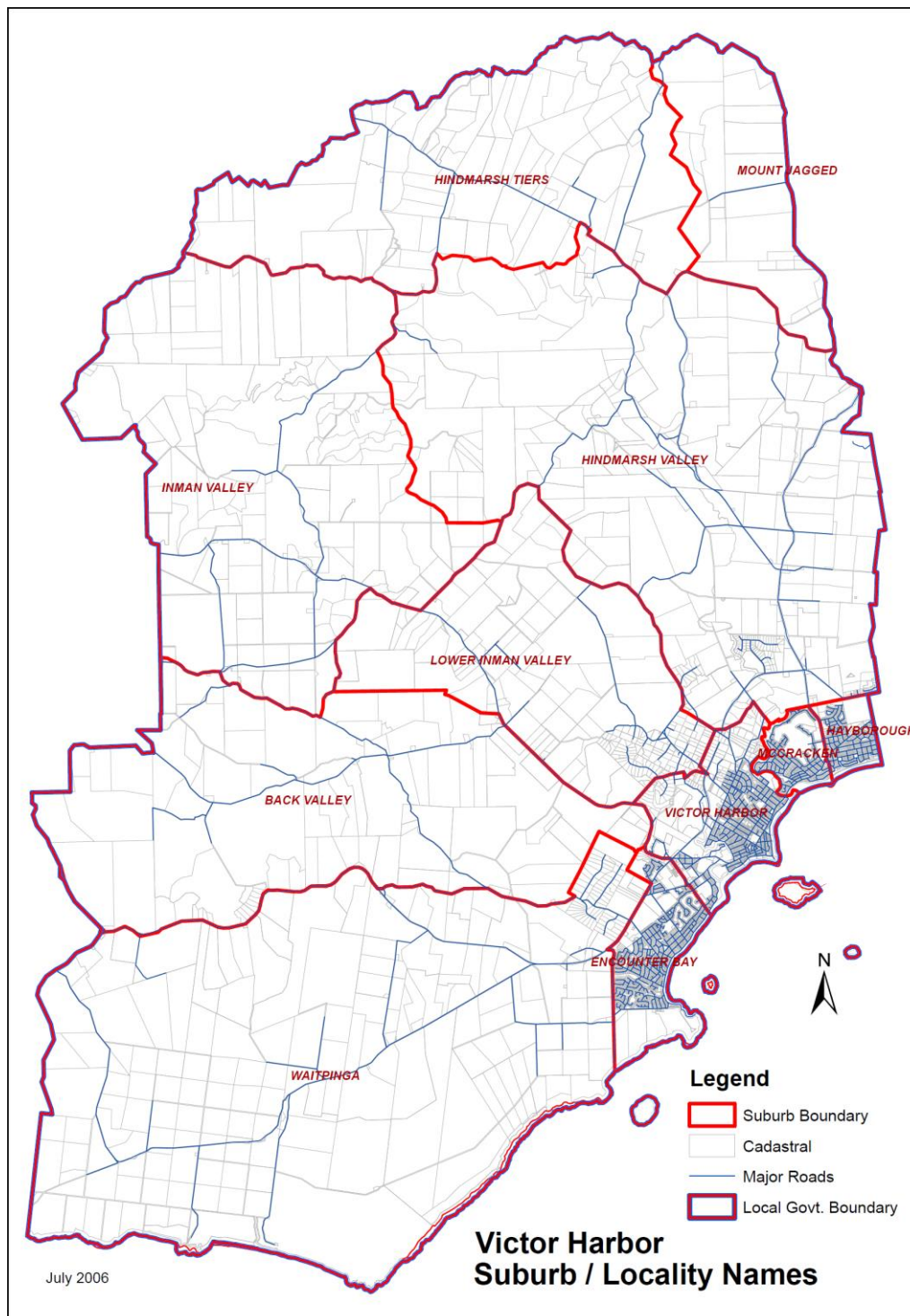
To show how Victor Harbor relates to similar local government areas (LGAs), in terms of size or industry, in South Australia statistics, where possible, have also been provided for:

- Alexandrina
- Barossa

- Copper Coast
- Port Lincoln.

Victor Harbor local government area (LGA) is located 80 kilometres south of Adelaide and shares boundaries with Alexandrina and Yankalilla councils. The Victor Harbor LGA and component suburbs are illustrated in Figure 1-1.

Figure 1-1 Victor Harbor LGA



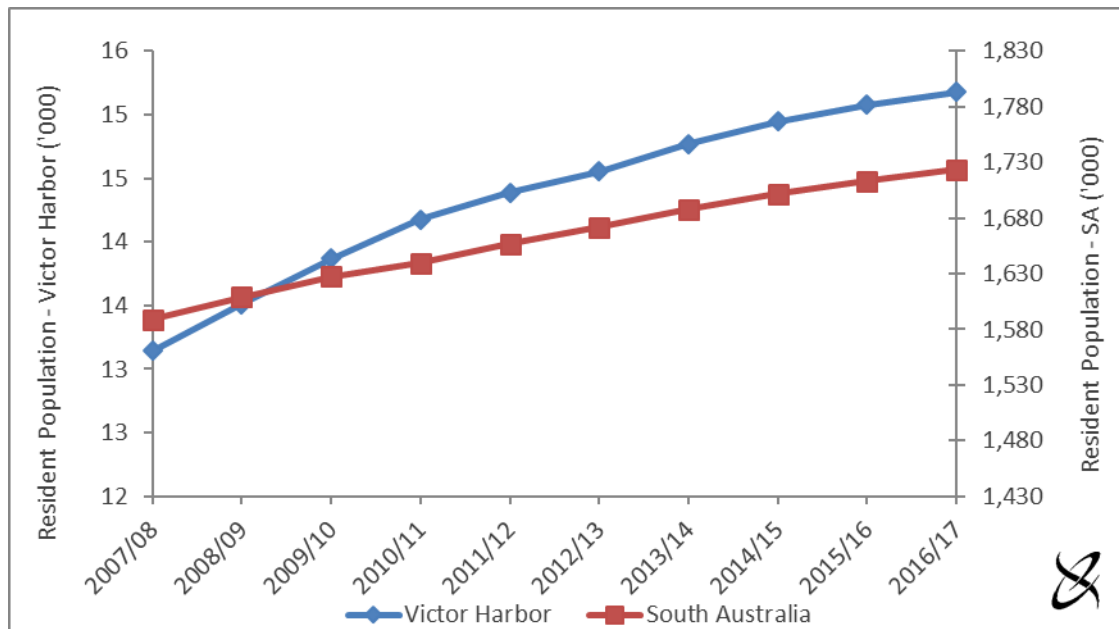
Source: <https://www.victor.sa.gov.au/webdata/resources/files/Suburbs%20District.pdf>

2. POPULATION

2.1 Historical Population

The Estimated Resident Population (ERP) for Victor Harbor and SA are illustrated in Figure 2-1 for the period 2007/08 to 2016/17. In 2016/17 the ERP in Victor Harbor was 15,108 persons, representing 0.9 per cent of the state total (approximately 1.72 million persons). Over the 10 years, 2007/08 to 2016/17, Victor Harbor experienced steady population growth, with the total population increasing by 15 per cent (approximately 2,000 persons). Similarly, SA experienced steady population growth over these years, although at a slower rate, with the population increasing by 8 per cent.

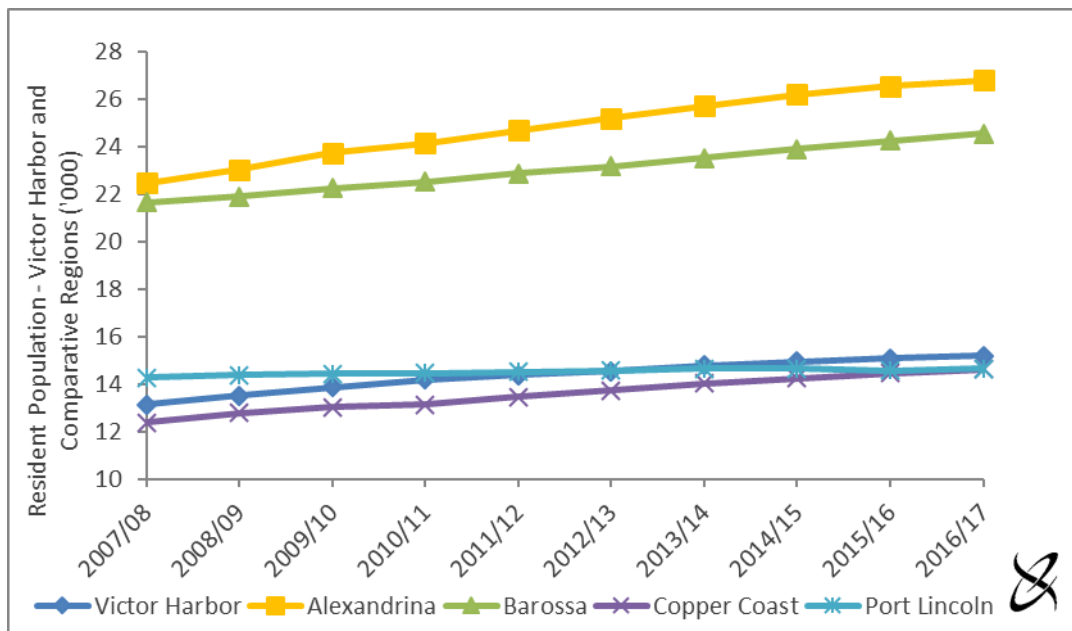
Figure 2-1 Estimated resident population in Victor Harbor and SA, 2007/08 to 2016/17



Source: ABS (2018a)

Compared to similar LGAs, Victor Harbor (15 per cent population growth between 2007/08 and 2016/17) experienced slower population growth than Alexandrina (19 per cent) and Copper Coast (18 per cent) but faster population growth than Barossa (13 per cent) and Port Lincoln (3 per cent) (Figure 2-1).

Figure 2-2 Estimated resident population in Victor Harbor and comparative regions, 2007/08 to 2016/17



Source: ABS (2018a)

2.2 Population Projections

It is possible to derive broad population projections for Victor Harbor and SA for the period 2011 to 2031 based on information published by the Department of Planning and Local Government. Population projections for Victor Harbor and SA, for the period 2011 to 2031 are detailed in Table 2-1 and illustrated in Figure 2-3.

The projections are based on ABS 2011 Census resident population estimates and trends in mortality, fertility and overseas and interstate migration. The 30-Year Plan for Greater Adelaide identifies the key strategic planning priorities for the development of the Greater Adelaide Region during the next thirty years. The Plan was based on an all-of-State projection specially prepared for that purpose in late 2007 that used preliminary 2006 Census results (Department of Planning and Local Government (DPLG) 2010a). The results presented below are the new set of official projections based on final 2011 Census results.¹

The 30-Year Plan for Greater Adelaide (The Plan) sets a target of 22,000 in the Fleurieu region over the next 30 years (DPLG 2010b). This would be an increase of approximately 50 per cent on the 2009/10 population level for the Fleurieu region (approximately 42,500 in the Alexandrina, Victor Harbor and Yankalilla LGAs).

¹ 'It is now considered that population growth in some Outer Adelaide LGAs for the early years of the 30-Year Plan (2011-26) will be slightly less than that implicitly assumed in the medium series of the all-of-State and Statistical Division projections upon which they are based. As a result, the sum of all LGA projections for the years 2011-26 will differ slightly from the State projections released in January 2011' (DPLG 2010b).

Based on the Planning SA projections, the population in Victor Harbor will increase by almost 50 per cent over the 20 years from 2011 (Census year) whereas the total SA population is expected to increase by around 18 per cent (Figure 2-3).

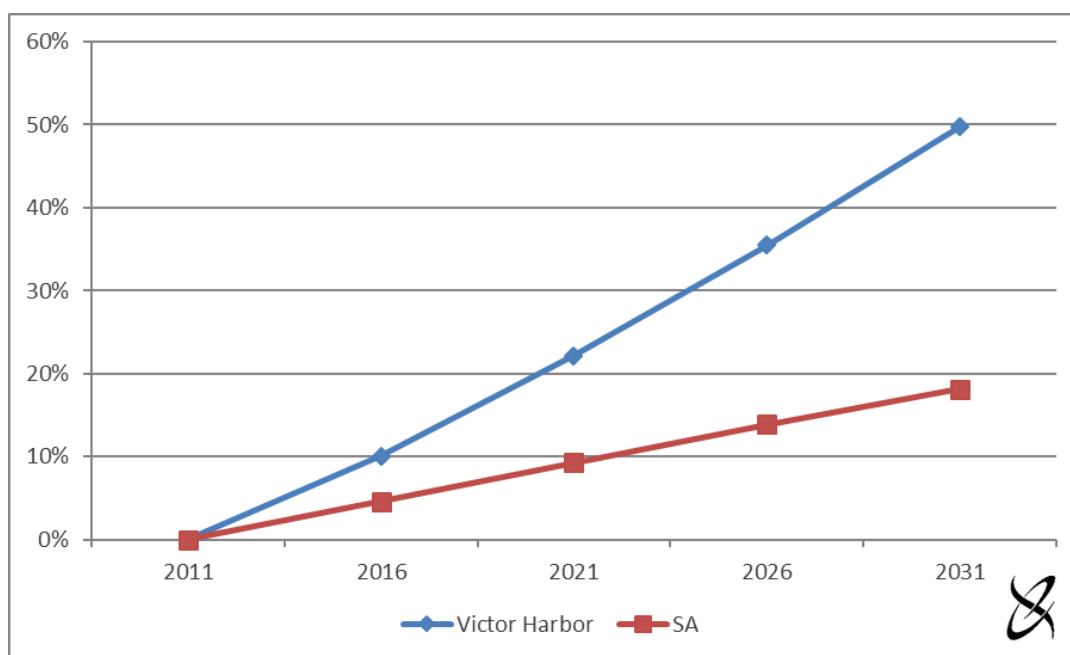
Population projections for persons aged 0 to 14 years indicate that there will be an increase (34 per cent from 2011) in this age cohort. The working age population (15 to 64 years) is also projected to increase (by 40 per cent from 2011). The population projections for persons 65 or older indicate that a significant increase of around 71 per cent in this age cohort is expected over the 20 years (Table 2-1).

Table 2-1 Population projections for Victor Harbor and SA, 2011 to 2031

Age	2011		2016			2021			2026		2031	
	Population	Population	Change	Population	Change	Population	Change	Population	Change	Population	Change	
	no.	no.	%	no.	%	no.	%	no.	%	no.	%	
Victor Harbor												
0-14	1,889	2,166	14.7%	2,323	23.0%	2,409	27.5%	2,528	33.8%			
15-64	7,418	7,694	3.7%	8,569	15.5%	9,440	27.3%	10,367	39.8%			
65+	4,869	5,747	18.0%	6,427	32.0%	7,355	51.1%	8,336	71.2%			
Total	14,176	15,607	10.1%	17,319	22.2%	19,204	35.5%	21,231	49.8%			
SA												
0-14	290,659	304,557	4.8%	318,849	9.7%	326,328	12.3%	328,519	13.0%			
15-64	1,087,362	1,107,895	1.9%	1,129,698	3.9%	1,153,799	6.1%	1,184,999	9.0%			
65+	261,593	302,847	15.8%	343,220	31.2%	386,588	47.8%	423,294	61.8%			
Total	1,639,614	1,715,299	4.6%	1,791,767	9.3%	1,866,715	13.9%	1,936,812	18.1%			

Source: DPLG (2016)

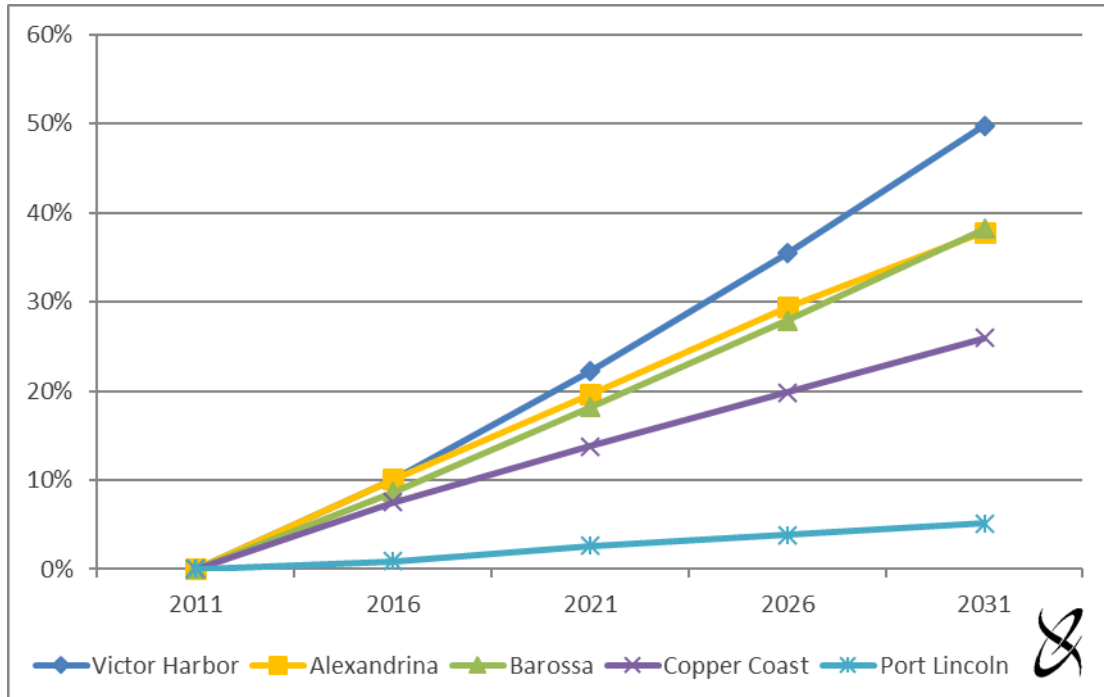
Figure 2-3 Population projections for Victor Harbor and SA, change from 2011



Source: DPLG (2016)

As detailed above, Victor Harbor can expect a population increase of almost 50 per cent between 2011 and 2031, well above the projections expected for the comparative regions. Alexandrina and Barossa LGAs can expect a population increase of 38 per cent each, with Copper Coast (26 per cent) and Port Lincoln (5 per cent) expecting lower population growth (Figure 2-4).

Figure 2-4 Population projections for Victor Harbor and comparative regions, change from 2011



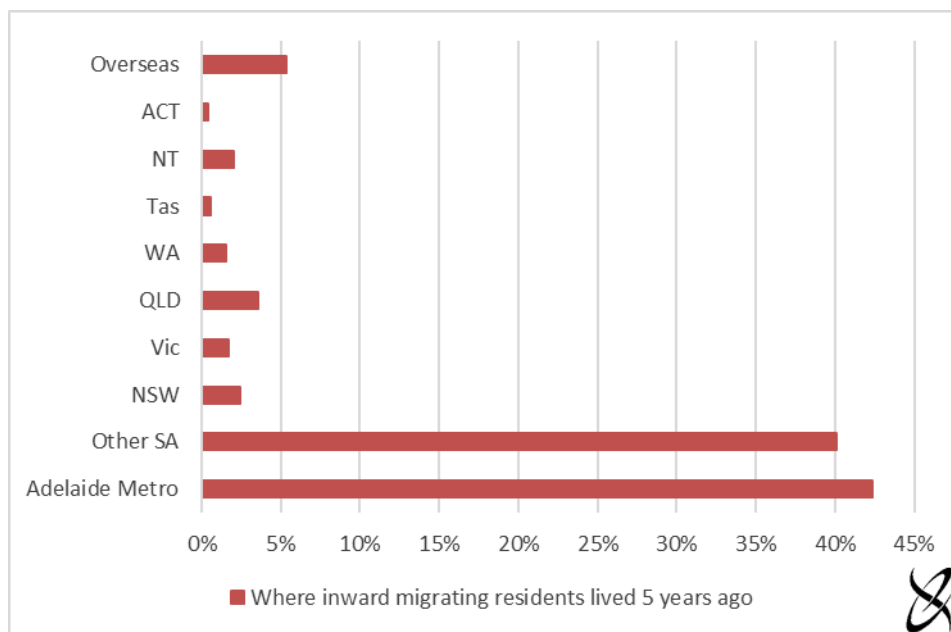
Source: DPLG (2016)

3. MIGRATION

3.1 In-Migration

The majority of Victor Harbor residents (76 per cent) were living in Victor Harbor in 2011 (the time of the previous Census). Of those residents who moved into the region in the 5 years to 2016 (almost 3,000 persons), around 42 per cent came from an Adelaide metropolitan LGA, 40 per cent from other SA regions, 12 per cent from interstate and 5 per cent from overseas (Figure 3-1).

Figure 3-1 Where inward migrating residents lived in 2011 ^a

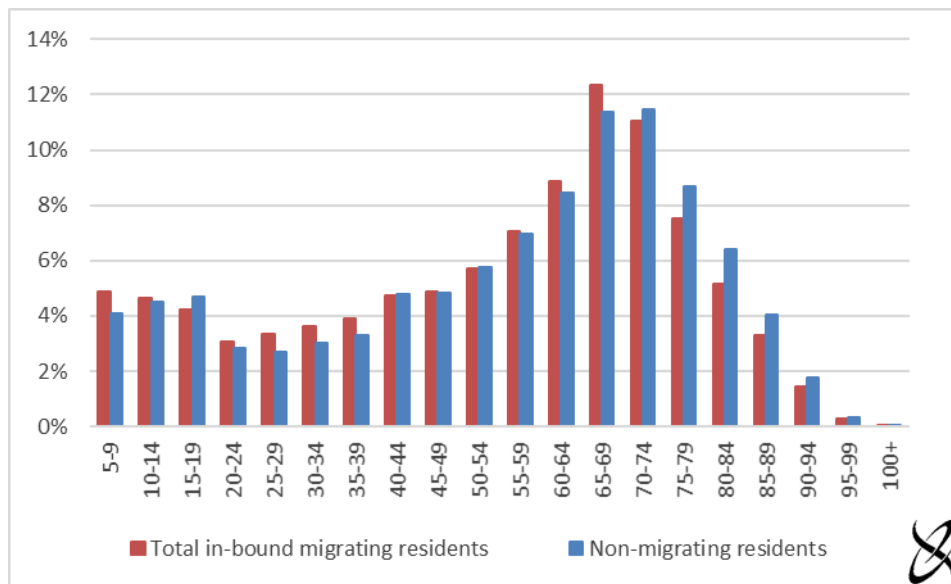


^a Excludes those Victor Harbor residents who were living in Victor Harbor 5 years ago.

Source: ABS (2017a)

The age profile of those residents who moved into Victor Harbor is provided in Figure 3-2 and compared to that of non-migrating residents. The majority of those residents who moved to Victor Harbor between 2011 and 2016 fell between the ages of 55 and 84 (52 per cent of inward migrating residents), which was similar to non-migrating residents (Figure 3-2).

Figure 3-2 Age profile of in-bound migrating Victor Harbor residents, 2016

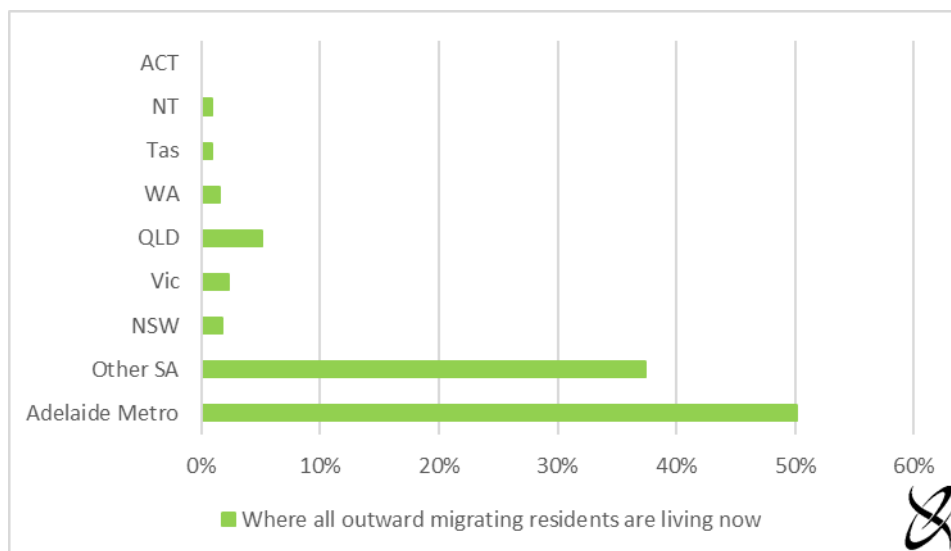


Source: ABS (2017a)

3.2 Out-Migration

As noted above, the majority of Victor Harbor residents (76 per cent) who were living in Victor Harbor in 2011 are still living there (2016). Of those residents who moved out of the region (approximately 1,800 persons), around 50 per cent moved to an Adelaide metropolitan Local Government Area (LGA), 37 per cent moved to other regions in SA and 13 per cent moved interstate (Figure 3-3).

Figure 3-3 Where outward migrating residents were living in 2016 ^a



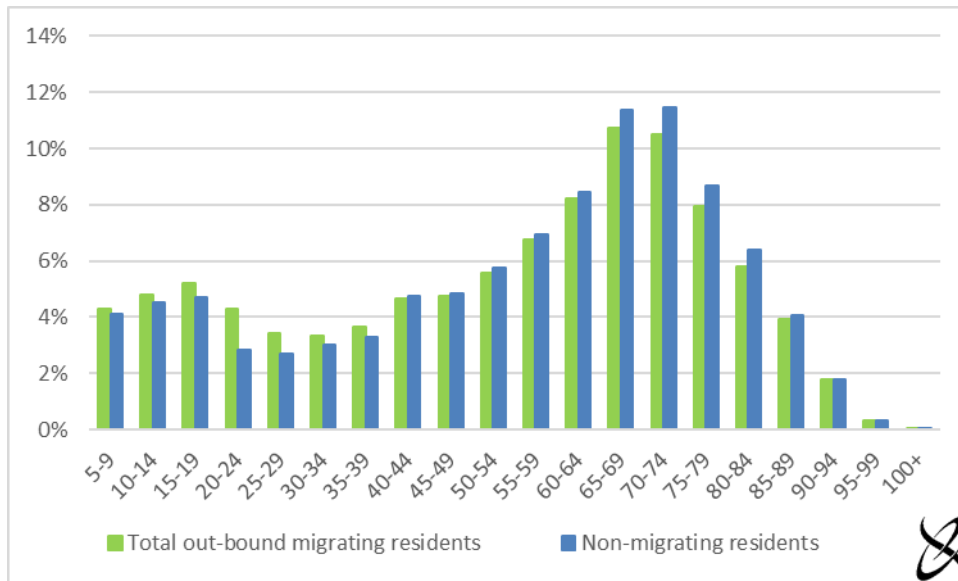
^a Excludes those Victor Harbor residents who were living in Victor Harbor 5 years ago.

Source: ABS (2017a)

The age profile of those residents who moved out of the region is provided in Figure 3-4. Similar to in-bound migrating residents and non-migrating residents, the majority of the residents who

moved out of Victor Harbor between 2011 and 2016 fell between the ages of 55 and 84 (50 per cent of outward migrating residents) (Figure 3-4).

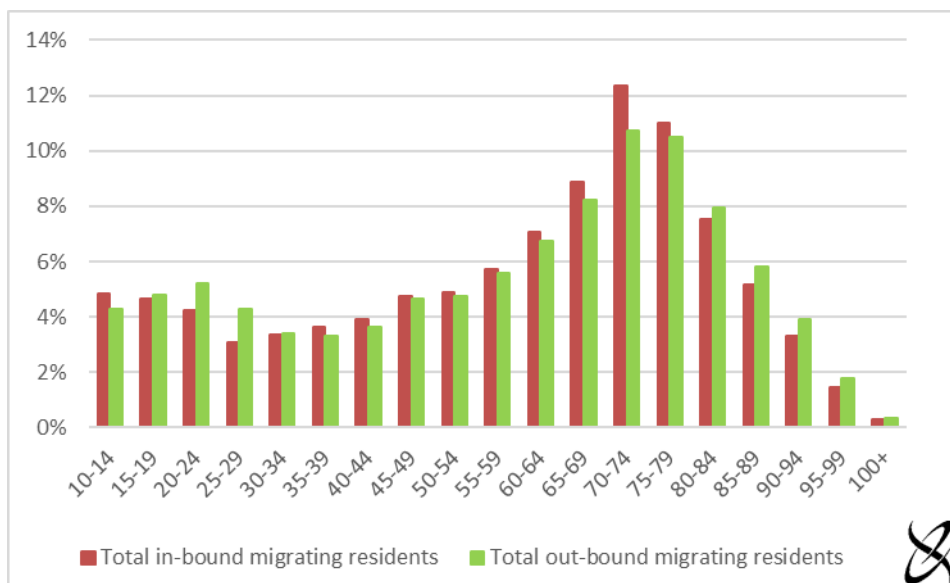
Figure 3-4 Age profile of out-bound migrating Victor Harbor residents, 2016



Source: ABS (2017a)

Two previous charts compared the age profile of non-migrating Victor Harbor residents with in-bound migrating residents (Figure 3-2) and out-bound migrating residents (Figure 3-4). Figure 3-5 compares the age profile of the in-bound and out-bound migrating residents. As noted earlier, between 2011 and 2016 the number of in-migrating residents (almost 3,000 persons) was almost double the number of out-migrating residents (approximately 1,800 persons). The age profile of the two groups was similar.

Figure 3-5 Age profile of in-bound and out-bound Victor Harbor residents, 2016



Source: ABS (2017a)

4. HOUSEHOLDS

4.1 Average Household Size

The average household size has decreased slightly from 2.18 persons per household in 2006 to 2.09 persons per household in 2016 (ABS 2017a). The average household size was significantly lower than that for SA over the 10-year period. Average household size for SA increased from 2.47 persons per household in 2006 to 2.50 persons per household in 2016 (ABS 2017a).

In 2016 the average household size in Victor Harbor (2.09 persons per household) was lower than all the comparative regions of Alexandrina (2.28 persons per household), Barossa (2.45 persons per household), Copper Coast (2.20 persons per household) and Port Lincoln (2.29 persons per household).

4.2 Household Composition

Household composition for Victor Harbor and SA for 2011 and 2016 is detailed in Table 4-1. Childless couples make up a significantly larger proportion of the households in Victor Harbour (38 per cent in 2016) than for SA as a whole (26 per cent in 2016). Conversely, Victor Harbor has a lower proportion of couples with children (17 per cent in 2016) than for SA as a whole (28 per cent in 2016). Another contrast is in the lone person households where Victor Harbor has a higher proportion (30 per cent in 2016) compared to SA (25 per cent). The number of households in this category over the two census years increased considerably for Victor Harbor (from 27 per cent in 2011 to 30 per cent in 2016) but remained the same for SA (25 per cent in both 2011 and 2016).

Table 4-1 Household composition, Victor Harbor and SA, 2011 and 2016

	Victor Harbor		South Australia	
	2011	2016	2011	2016
Couples without children	39%	38%	27%	26%
Couples with children	16%	17%	28%	28%
One parent families	8%	8%	12%	12%
Other families	1%	1%	1%	1%
Group household	2%	2%	3%	3%
Lone person	27%	30%	25%	25%
Other not classifiable household	4%	3%	2%	3%
Visitor only households	2%	2%	1%	1%
Total households	100%	100%	100%	100%

Source: ABS (2017a)

When compared to other similar regions Victor Harbor has a higher number of couples without children and lone person households but a lower number of couples without children (Table 4-2).

Table 4-2 Household composition, Victor Harbor and comparative regions, 2016

	Alexandrina	Barossa	Copper Coast	Port Lincoln	Victor Harbor
Couples without children	35%	31%	33%	27%	38%
Couples with children	23%	30%	19%	23%	17%
One parent families	9%	9%	10%	12%	8%
Other families	1%	1%	1%	1%	1%
Group household	2%	2%	2%	3%	2%
Lone person	25%	23%	27%	27%	30%
Other not classifiable household	4%	3%	5%	5%	3%
Visitor only households	2%	1%	3%	2%	2%
Total households	100%	100%	100%	100%	100%

Source: ABS (2017a)

4.3 Household Income

The mean and median weekly household income for Victor Harbor, SA and comparative regions in 2016 is detailed in Table 4-3. The mean and median weekly household income for Victor Harbor in 2016 were significantly below that for SA as a whole. The mean household income for Victor Harbor in 2016 was approximately \$1,100 per week while the median was around \$900 per week (ABS 2017a). The mean household income for SA in 2016 was approximately \$1,500 per week while the median was around \$1,100 per week (ABS 2017a).

In terms of mean weekly household income, Victor Harbor (\$1,107 per household per week) has the lowest out of the comparative regions, with Copper Coast the second lowest (\$1,195 per household per week). Regarding median household weekly income, Alexandrina is the lowest (\$725 per household per week), then Victor Harbor, Barossa and Copper Coast (\$900 per household per week) and Port Lincoln (\$1,375 per household per week) (Table 4-3).

Table 4-3 Mean and median weekly household income, Victor Harbor, SA and comparative regions, 2016

	Median	Mean
Victor Harbor	900	1,107
Alexandrina	725	1,277
Barossa	900	1,567
Copper Coast	900	1,195
Port Lincoln	1,375	1,384
South Australia	1,125	1,537

Source: ABS (2017a)

4.4 Individual Taxable Income

This section provides information on average annual income relevant to Victor Harbor and SA. The proportion of taxable individuals and the mean taxable income are presented in Table 4-4 for Victor Harbor and SA, for the period 2006/07 to 2015/16.

The proportion of taxable individuals² (compared to non-taxable individuals³) in Victor Harbor decreased from 68 per cent in 2006/07 to 63 per cent in 2015/16. In the 2015/16, there were around 3,800 taxable and 2,300 non-taxable individuals in Victor Harbor. Despite a decrease over the 10 years (from 79 per cent to 75 per cent), the proportion of taxable individuals in SA as a whole was greater than Victor Harbor in all years.

The mean individual taxable incomes in Victor Harbor and SA for the period 2006/07 to 2015/16 are illustrated in Figure 4-1 (nominal terms) and Figure 4-2 (real terms). The real mean individual taxable income is the nominal income adjusted by the purchasing power of money. The consumer price index (CPI) has been used to make this adjustment (ABS 2018b). It enables meaningful comparisons of incomes to be made between years.

Taxable income is the amount remaining after deducting from assessable income all allowable deductions under the Income Tax Assessment Act 1936. Taxable income is the amount to which tax rates are applied. Average taxable income in an area is the taxable income per person (calculated by dividing the total taxable income for the region by the total number of taxable individuals).

The mean individual taxable income in Victor Harbor was lower than the state average over the whole period, in both nominal and real terms. In Victor Harbor the mean individual taxable income increased in nominal terms from around \$40,500 in 2006/07 to almost \$57,000 in 2015/16. For SA the mean individual taxable income (in nominal terms) increased steadily over the 10 years from around \$47,000 in 2006/07 to approximately \$66,000 in 2015/16 (Table 4-4 and Figure 4-1).

² Refers to personal taxpayers who submitted a return with net tax payable of more than \$0.

³ An individual is considered non-taxable when the net tax payable by the individual is equal to \$0.

Table 4-4 Taxable individuals and taxable income in Victor Harbor and SA, 2006/07 to 2015/16

	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
Victor Harbor										
Proportion of taxable individuals (%) ^a	68%	66%	61%	60%	61%	63%	60%	62%	63%	63%
Mean taxable income - nominal (\$) ^b	40,536	41,868	45,804	50,469	50,076	51,308	55,409	56,962	57,852	56,862
Mean taxable income - real (\$) ^c	40,536	40,034	43,136	46,232	44,158	44,702	47,284	47,135	47,289	46,178
South Australia										
Proportion of taxable individuals (%) ^a	79%	78%	75%	74%	74%	77%	74%	75%	75%	75%
Mean taxable income - nominal (\$) ^b	46,643	48,669	51,932	54,349	57,448	58,933	63,048	64,808	65,248	65,992
Mean taxable income - real (\$) ^c	46,643	46,537	48,907	49,787	50,658	51,346	53,804	53,628	53,335	53,592

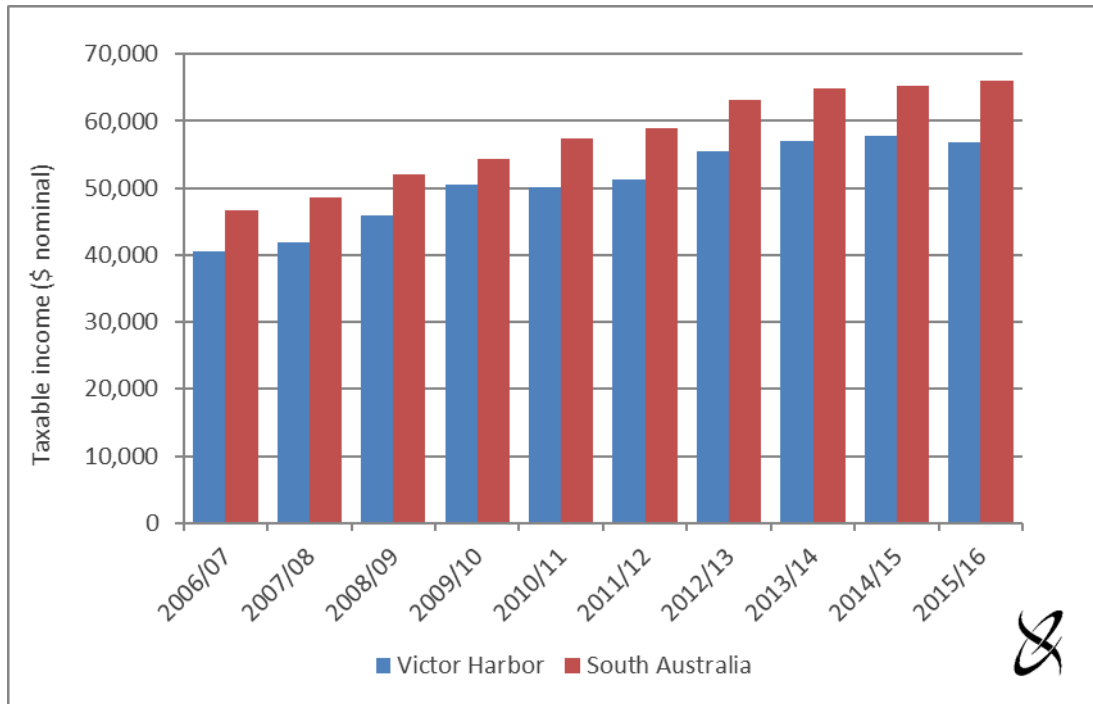
^a Refers to personal taxpayers who submitted a return with net tax payable of more than \$0.

^b Mean (average) taxable income refers only to taxable individuals and is calculated by dividing net taxable income of the region as a whole by the number of taxable individuals.

^c The real mean individual taxable income is the nominal income adjusted by the purchasing power of money. The consumer price index (CPI) has been used to make this adjustment (ABS 2018b). It enables meaningful comparisons of incomes to be made between years.

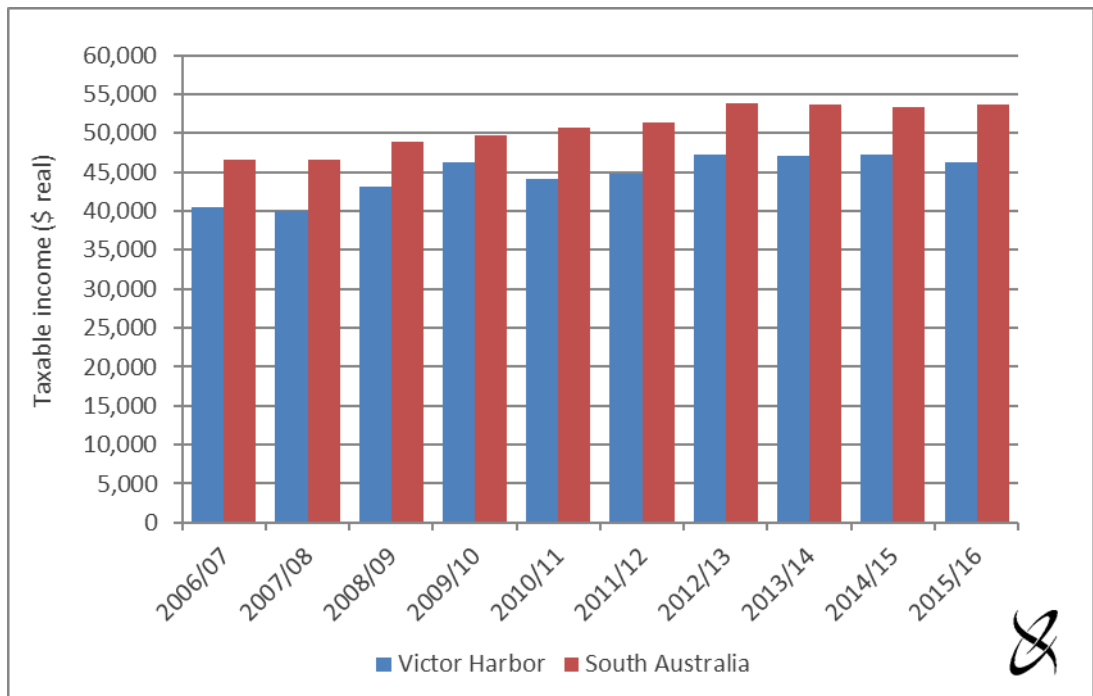
Source: ATO (2018) and ABS (2018b)

Figure 4-1 Nominal mean individual taxable income in Victor Harbor and SA, 2006/07 to 2015/16



Source: ATO (2018)

Figure 4-2 Real mean individual taxable income in Victor Harbor and SA, 2006/07 to 2015/16^a



^a In 2006/07 dollars.

Source: ATO (2018) and ABS (2018b)

4.5 Income Support

The number and proportion of the population receiving income support in Victor Harbor, SA and comparative regions between 2009 and 2016 is detailed in Table 4-5. In 2016 the proportion of the Victor Harbor population receiving the aged pension was 29 per cent, more than double that of SA (13 per cent). Other sectors receiving government benefit, disability support pensioners (5 per cent of the Victor Harbor population in 2016), single parent payments (1 per cent) and unemployment benefits (4 per cent) were similar to that of the whole of SA.

Table 4-5 Income support, Victor Harbor and SA, 2009, 2014 and 2016

	Age pensioners			Disability support pensioners			Single parent payment beneficiaries			People receiving an unemployment benefit		
	2009	2014	2016	2009	2014	2016	2009	2014	2016	2009	2014	2016
Victor Harbor												
Number	3,387	4,080	4,340	687	859	806	175	130	149	449	666	626
% of Population	25%	28%	29%	5%	6%	5%	1%	1%	1%	3%	5%	4%
South Australia												
Number	195,892	205,945	215,691	73,866	74,239	69,190	25,487	18,552	18,285	48,992	72,445	75,459
% of Population	12%	12%	13%	5%	4%	4%	2%	1%	1%	3%	4%	4%
Alexandrina												
Number	4,821	4,835	5,355	1,197	1,215	1,167	298	243	233	958	1,002	1,060
% of Population	21%	19%	20%	5%	5%	4%	1%	1%	1%	4%	4%	4%
Barossa												
Number	3,129	3,075	3,269	644	658	648	223	169	181	567	624	651
% of Population	14%	13%	13%	3%	3%	3%	1%	1%	1%	3%	3%	3%
Copper Coast												
Number	2,755	2,775	2,976	1,024	1,002	946	233	218	202	789	798	953
% of Population	21%	20%	21%	8%	7%	7%	2%	2%	1%	6%	6%	7%
Port Lincoln												
Number	1,905	1,894	1,983	723	718	675	329	270	254	794	830	843
% of Population	13%	13%	14%	5%	5%	5%	2%	2%	2%	5%	6%	6%

Source: PHIDU 2018

Of the total population in 2016, 39 per cent were receiving income support, 31 per cent were in paid employment and the remainder (30 per cent) were not in the labour force (e.g. children, students, stay-at-home parents, self-funded retirees). For SA the proportion of the population receiving income support was 22 per cent, 44 per cent were in paid employment and the remainder (34 per cent) were not in the labour force.

When compared to similar regions in 2016, Victor Harbor has the highest proportion of the population receiving aged care benefit (29 per cent), higher than Alexandrina (20 per cent), Barossa (13 per cent, Copper Coast (21 per cent) and Port Lincoln (14 per cent) (Table 4-5).

5. EDUCATION AND EMPLOYMENT

5.1 Tertiary Enrolments

Enrolments at universities, technical colleges and other education institutes for five census years (1996, 2001, 2006, 2011 and 2016) are summarised in Table 5-1 for Victor Harbor and South Australia. Between 1996 and 2016 the total number of Victor Harbor residents enrolled in a higher education institute more than doubled. This is a significantly greater increase than for SA as a whole where the total number of residents undertaking higher education increased by 50 per cent.

Table 5-1 Higher education enrolments for Victor Harbor and SA, 1996, 2001, 2006, 2011 and 2016 ^a (no. of persons)

	Victor Harbor					South Australia				
	1996	2001	2006	2011	2016	1996	2001	2006	2011	2016
TAFE										
Full-time students	21	42	30	49	52	8,743	10,616	9,581	12,075	12,017
Part-time students	115	157	141	168	114	25,333	25,896	22,725	22,374	19,124
Not Stated	3	0	0	0	7	255	227	441	390	257
Total	139	199	171	217	173	34,331	36,739	32,747	34,839	31,398
University										
Full-time students	23	35	44	80	106	29,712	31,303	37,104	47,223	58,559
Part-time students	43	46	46	64	83	17,283	17,528	16,309	18,387	19,923
Not Stated	0	0	0	0	0	158	164	313	354	298
Total	66	81	90	144	189	47,153	48,995	53,726	65,964	78,780
Other ^a										
Full-time students	6	9	11	18	15	2,282	2,675	2,654	3,469	4,042
Part-time students	22	34	40	44	36	4,455	7,796	6,842	7,380	7,273
Not Stated	0	7	3	0	0	109	188	245	246	187
Total	28	50	54	62	51	6,846	10,659	9,741	11,095	11,502
Institute type and/or status not stated	454	292	932	1,097	976	63,526	52,718	105,797	98,693	106,439
Total	687	622	1,247	1,520	1,389	151,856	149,111	202,011	210,591	228,119

^a 'Other education institution' includes residents who did not state the type of educational institution.

Source: ABS (2017a)

5.2 Employment and Labour Force

This section reports on the major labour force characteristics relevant to Victor Harbor and SA. The major labour force statistics include:

- employment status

- labour force⁴
- number of unemployed persons
- unemployment rate⁵
- underemployment rate⁶
- youth employment
- participation rate⁷
- local jobs and employed residents
- employment by industry.

5.2.1 Employment status

The employment status in Victor Harbor and SA in 2006, 2011 and 2016 is detailed in Table 5-2. The number of persons employed full time in Victor Harbor declined by 2 per cent between 2006 and 2016, while the number of persons employed full-time in SA increased over the same period (2 per cent). Between 2006 and 2016, there has been a large increase in the number of persons employed on a part-time basis in Victor Harbor (37 per cent increase) and in SA (24 per cent).

Table 5-2 Employment status, Victor Harbor and SA, 2006, 2011 and 2016

	Victor Harbor			South Australia		
	2006	2011	2016	2006	2011	2016
Full-time employed	2,107	2,244	2,075	426,181	445,075	435,113
Part-time Employed	1,657	2,026	2,268	218,542	247,599	270,416
Other employed	297	376	304	45,173	46,682	40,588
Unemployed, looking for full-time work	151	208	213	23,985	27,147	35,453
Unemployed, looking for part-time work	94	126	147	14,193	17,823	25,036
Not in the labour force	5,439	6,193	7,034	441,818	466,428	501,989
Not stated or applicable	2,270	2,661	2,618	344,445	345,813	368,071
Total	12,015	13,834	14,659	1,514,337	1,596,567	1,676,666

Source: ABS (2017a)

Between 2006 and 2016, in both Victor Harbor and SA as a whole there has been a significant increase in the number of people unemployed and looking for full-time work (41 per cent in Victor Harbor and 48 per cent in SA) and looking for part-time work (56 per cent in Victor Harbor

⁴ The labour force is defined as the total number of employed and unemployed persons (ABS 2018e).

⁵ The unemployment rate is defined as the number of unemployed persons expressed as a percentage of the total labour force (ABS 2018e).

⁶ The underemployment rate is defined as the number of underemployed workers expressed as a percentage of the labour force (Abs2018e).

⁷ The participation rate is a measure of the total labour force as a proportion of the civilian population (persons aged 15 and over) (ABS 2018e).

and 76 per cent in SA). There has also been a large increase in the number of persons not in the labour force (29 per cent increase in Victor Harbor and 14 per cent in SA between 2006 and 2016 (Table 5-2).

The employment status in Victor Harbor and comparative regions in 2016 is detailed in Table 5-3. Of the total population Victor Harbor has the lowest proportion of employed persons (full-time, part-time and other) (31 per cent) compared to Copper Coast (34 per cent), Alexandrina (38 per cent), Port Lincoln (42 per cent) and Barossa (46 per cent).

Table 5-3 Employment status, Victor Harbor and comparative regions, 2016

	Victor Harbor	Alexandrina	Barossa	Copper Coast	Port Lincoln
Full-time employed	2,075	5,201	6,601	2,576	3,354
Part-time Employed	2,268	4,231	3,936	2,035	2,398
Other employed	304	638	629	355	378
Unemployed, looking for full-time work	213	364	321	301	259
Unemployed, looking for part-time work	147	260	213	177	159
Not in the labour force	7,034	9,695	6,428	5,592	3,969
Not stated or applicable	2,618	5,476	5,430	3,116	3,550
Total	14,659	25,865	23,558	14,152	14,067

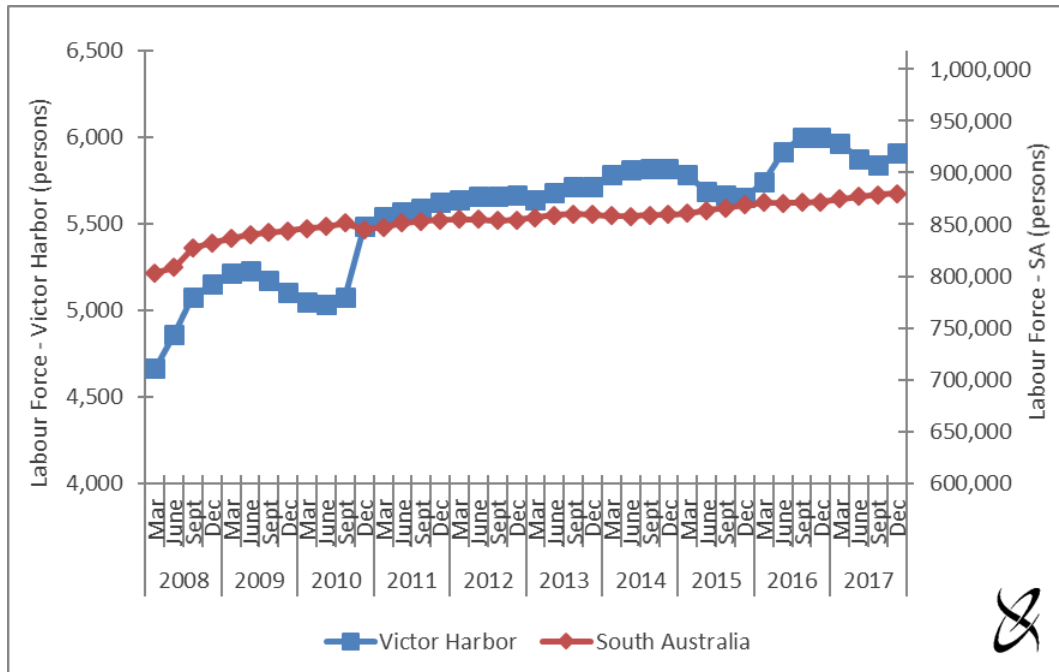
Source: ABS (2017a)

5.2.2 Labour force

The total number of persons in the labour force is illustrated for Victor Harbor and SA in Figure 5-1 and Victor Harbor and comparative regions in Figure 5-2, for the period 2008 to 2017. The total number of persons in the labour force in Victor Harbor fluctuated over the years 2008 to 2017 ranging from 4,664 in March 2008 to 5,908 in December 2007, an increase of 27 per cent. Despite some fluctuations, the labour force in SA increased over the 10 years from 803,000 in March 2008 to 880,000 in December 2017 (10 per cent increase) (Figure 5-1).

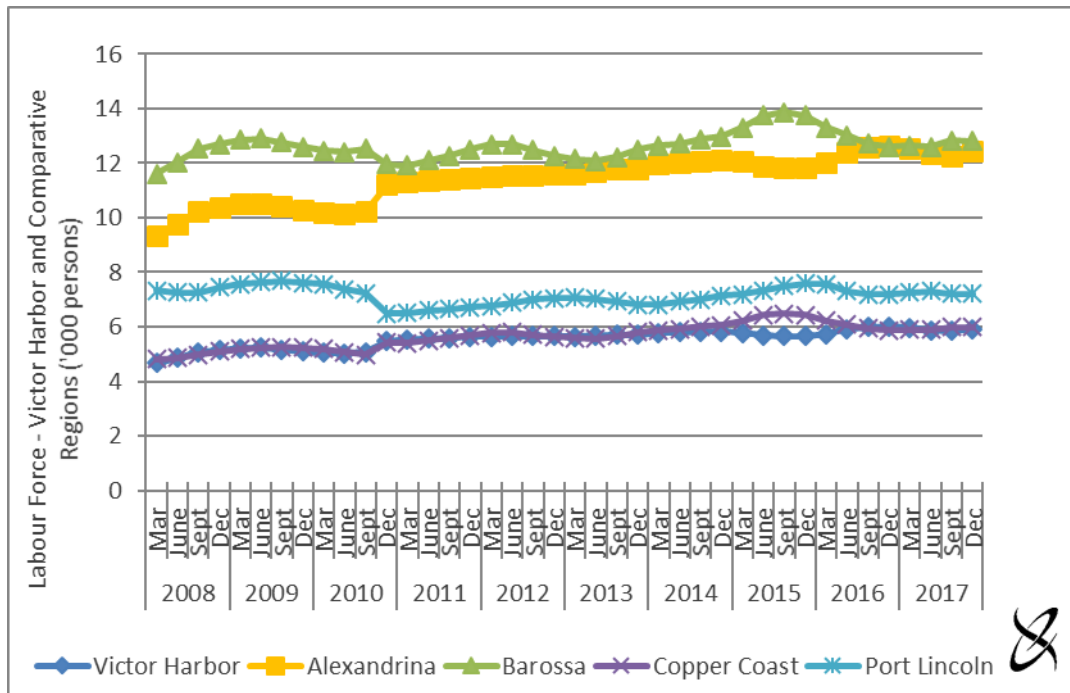
Of the comparative regions and over the period 2008 to 2017, Victor Harbor has had higher growth in the labour force (27 per cent) than Port Lincoln (-2 per cent), Barossa (10 per cent) and Copper Coast (24 per cent) but lower labour force growth than Alexandrina (33 per cent) (Figure 5-2).

Figure 5-1 Labour force in Victor Harbor and SA, 2008 to 2017



Source: DE (2018)

Figure 5-2 Labour force in Victor Harbor and comparative regions, 2008 to 2017

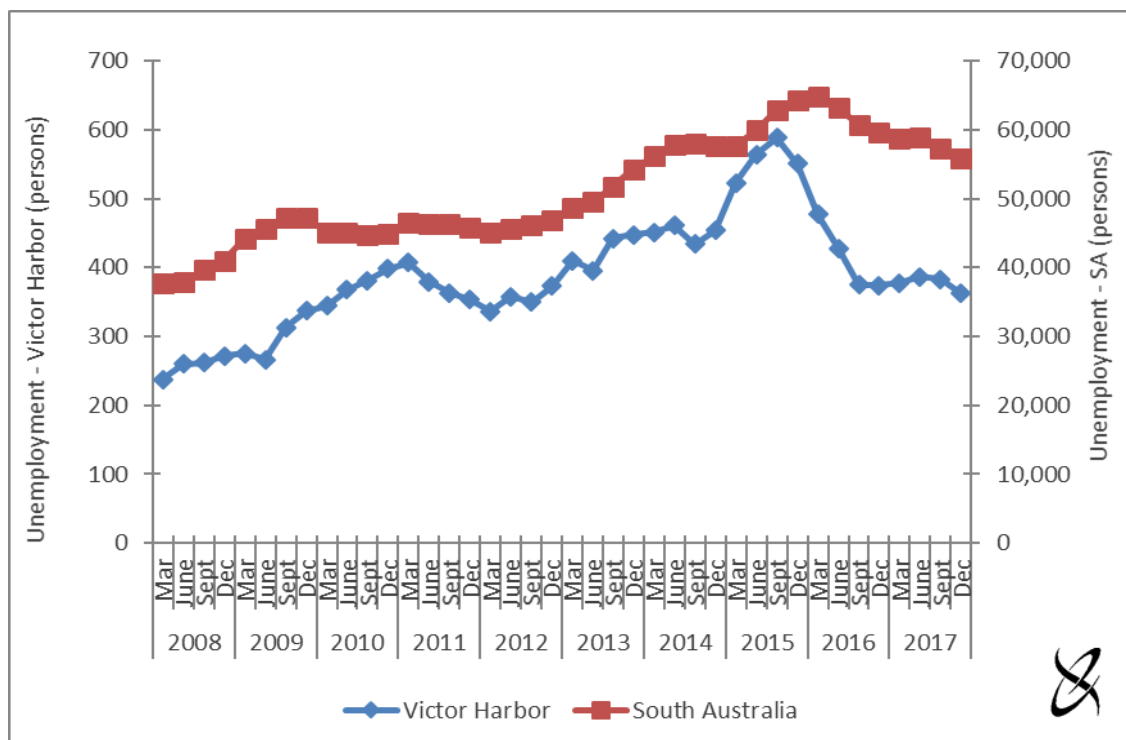


Source: DE (2018)

5.2.3 Unemployed persons

The number of unemployed persons is illustrated for Victor Harbor and SA in Figure 5-3 and for Victor Harbor and comparative regions in Figure 5-4, for the period 2008 to 2017. The number of unemployed persons in Victor Harbor fluctuated over the period 2008 to 2017 but followed an increasing trend overall. The total number of unemployed persons in the region ranged between 238 in March 2008 and 362 in December 2017, an increase of 124 persons (approximately 52 per cent) in Victor Harbor. The number of unemployed persons in SA also increased, by over 18,000 persons (48 per cent) (Figure 5-3).

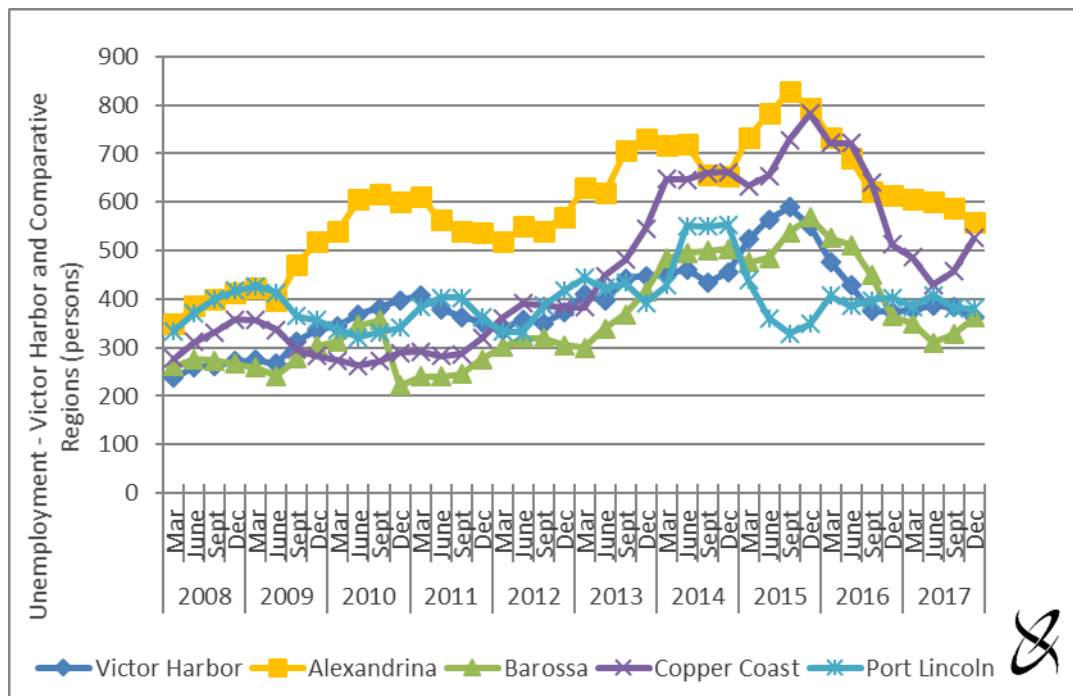
Figure 5-3 Unemployed persons in Victor Harbor and SA, 2008 to 2017



Source: DE (2018)

Of the comparative regions and over the period 2008 to 2017, Victor Harbor has had higher growth in the number of persons unemployed (52 per cent) than Port Lincoln (14 per cent) and Barossa (39 per cent) but lower growth in the number of persons unemployed in Alexandrina (60 per cent) and Copper Coast (90 per cent) (Figure 5-4).

Figure 5-4 Unemployed persons in Victor Harbor and comparative regions, 2008 to 2017



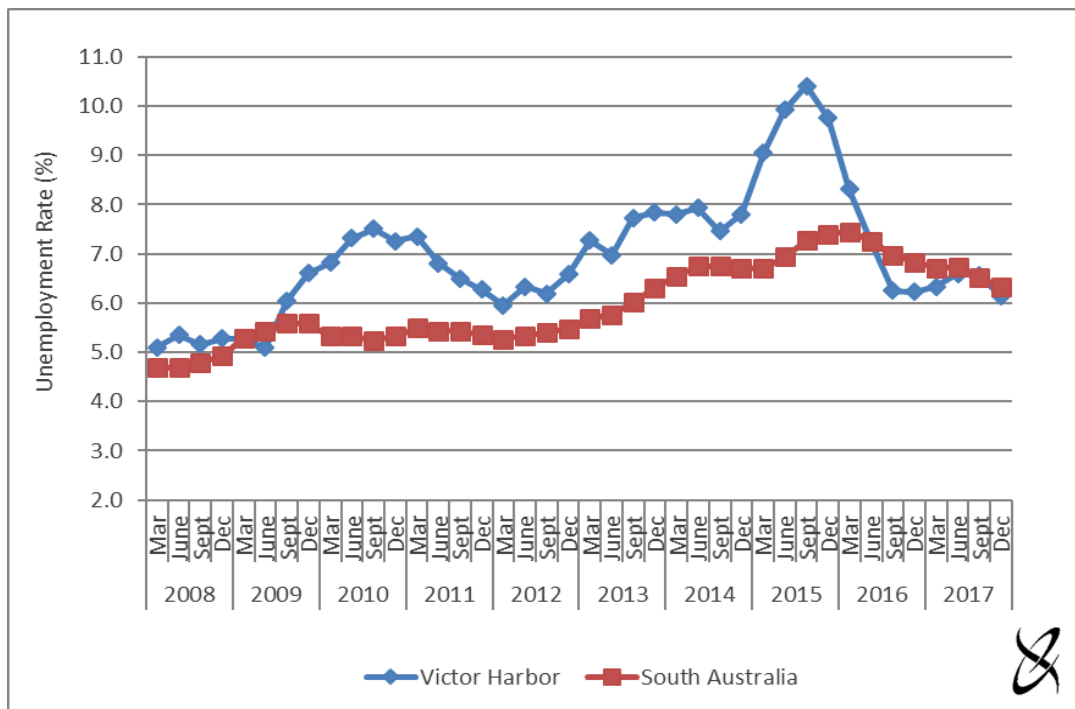
Source: DE (2018)

5.2.4 Unemployment rate

The unemployment rates are illustrated for Victor Harbor and SA in Figure 5-5 and for Victor Harbor and comparative region in Figure 5-6, for the period 2008 to 2017. The unemployment rate in Victor Harbor increased over the period 2008 to 2017 and was estimated to be 6.1 per cent in December 2017. The unemployment rate in Victor Harbor was, on average, above than the unemployment rate for SA over the same period.

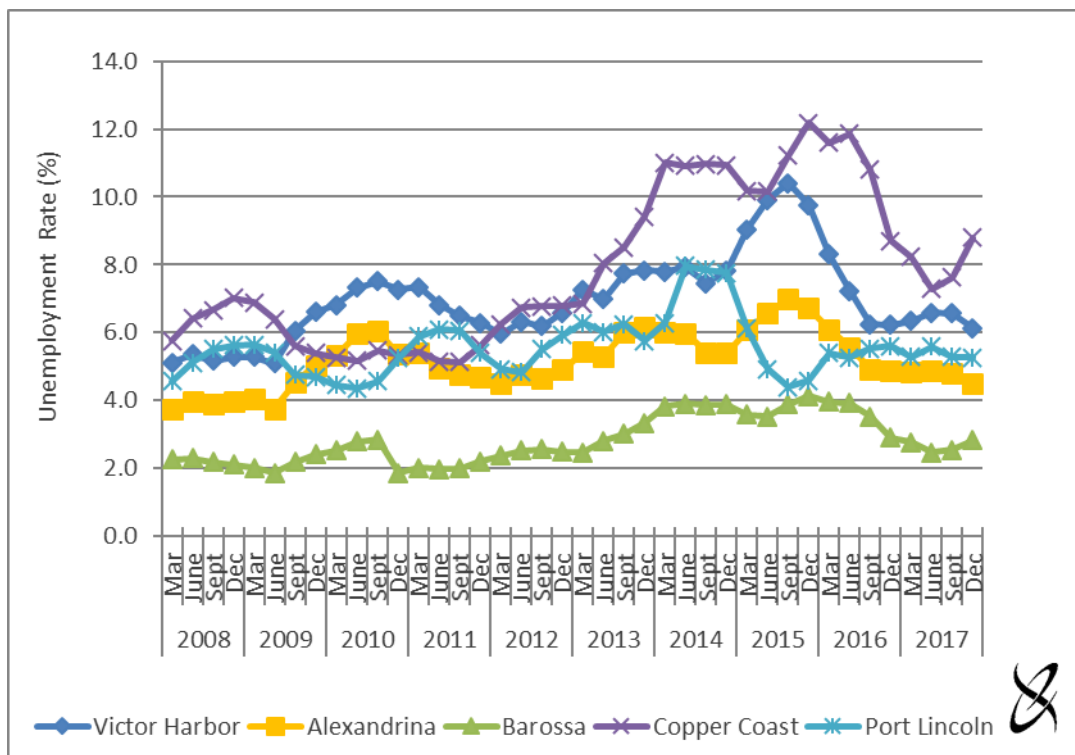
Of the comparative regions in December 2017, Victor Harbor had a higher unemployment rate (6.1 per cent) than Barossa (2.8 per cent), Alexandrina (4.5 per cent), Port Lincoln (5.3 per cent) and but a lower unemployment rate than Copper Coast (8.8 per cent) (Figure 5-6).

Figure 5-5 Unemployment rate in Victor Harbor and SA, 2008 to 2017



Source: DE (2018) and EconSearch analysis

Figure 5-6 Unemployment rate in Victor Harbor and comparative regions, 2008 to 2017



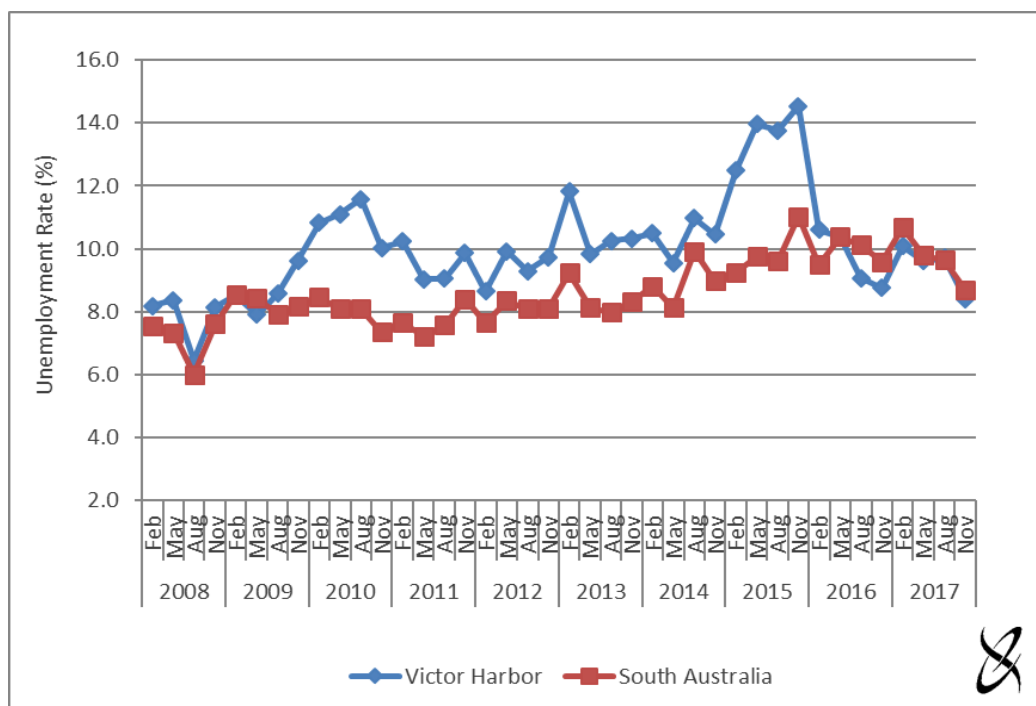
Source: DE (2018) and EconSearch analysis

5.2.5 Underemployment rate

As previously stated the underemployment rate is defined as the number of underemployed workers expressed as a percentage of the labour force. An underemployed person is defined as a person aged 15 years and over who wants, and is available for, more hours of work than they currently have (ABS 2018e).

Underemployment rates are illustrated for Victor Harbor and SA in Figure 5-7 and for Victor Harbor and comparative regions in Figure 5-8, for the period 2008 to 2017. The underemployment rate in Victor Harbor increased slightly over the period 2008 to 2017 and was estimated to be 8.4 per cent in December 2017. The underemployment rate in Victor Harbor was, on average, above than the underemployment rate for SA over the same period.

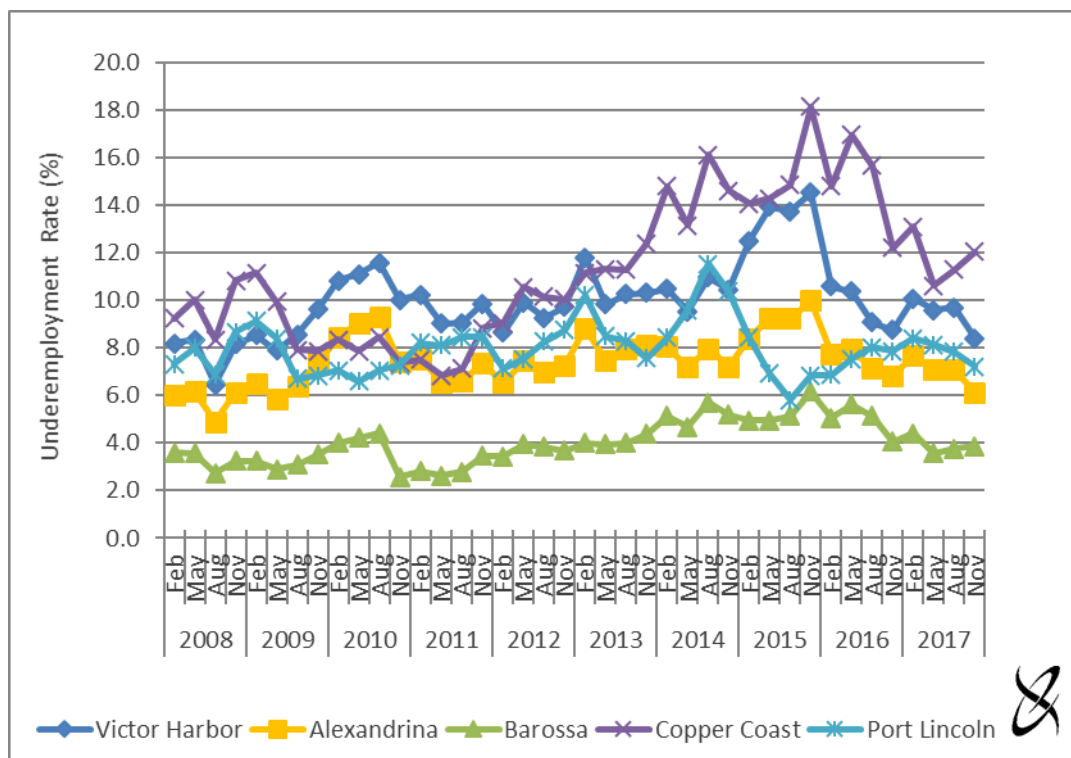
Figure 5-7 Underemployment rate in Victor Harbor and SA, 2008 to 2017



Source: DE (2018), ABS (2018e) and EconSearch analysis

Of the comparative regions in December 2017, Victor Harbor had a higher underemployment rate (8.4 per cent) than Barossa (3.9 per cent), Alexandrina (6.1 per cent), Port Lincoln (7.2 per cent) and but a lower underemployment rate than Copper Coast (12.0 per cent) (Figure 5-6).

Figure 5-8 Underemployment rate in Victor Harbor and comparative regions, 2008 to 2017



Source: DE (2018), ABS (2018e) and EconSearch analysis

5.2.6 Youth unemployment

Youth⁸ employment status in Victor Harbor and SA for 2006, 2011 and 2016 is detailed in Table 5-4. The youth unemployment rate increased in Victor Harbor, from 9 per cent in 2006 to 15 per cent in 2016. This is similar trend to SA as a whole where youth unemployment increased from 11 per cent in 2006 to 16 per cent in 2016.

Table 5-4 Youth employment status, Victor Harbor and SA, 2006, 2011 and 2016

	Victor Harbor			South Australia		
	2006	2011	2016	2006	2011	2016
Full-time employed	249	200	151	53,555	47,908	37,564
Part-time Employed	287	365	396	52,439	57,809	61,517
Other employed	52	64	33	8,506	7,806	5,896
Unemployed, looking for full-time work	35	52	54	7,546	8,186	8,658
Unemployed, looking for part-time work	25	41	48	6,070	8,249	12,080
Not in the labour force	275	278	350	63,554	70,670	73,709
Not stated or applicable	48	73	51	9,189	8,214	9,253
Total	971	1,073	1,083	200,859	208,842	208,677
Youth Unemployment rate	9%	13%	15%	11%	13%	16%

Source: ABS (2017a)

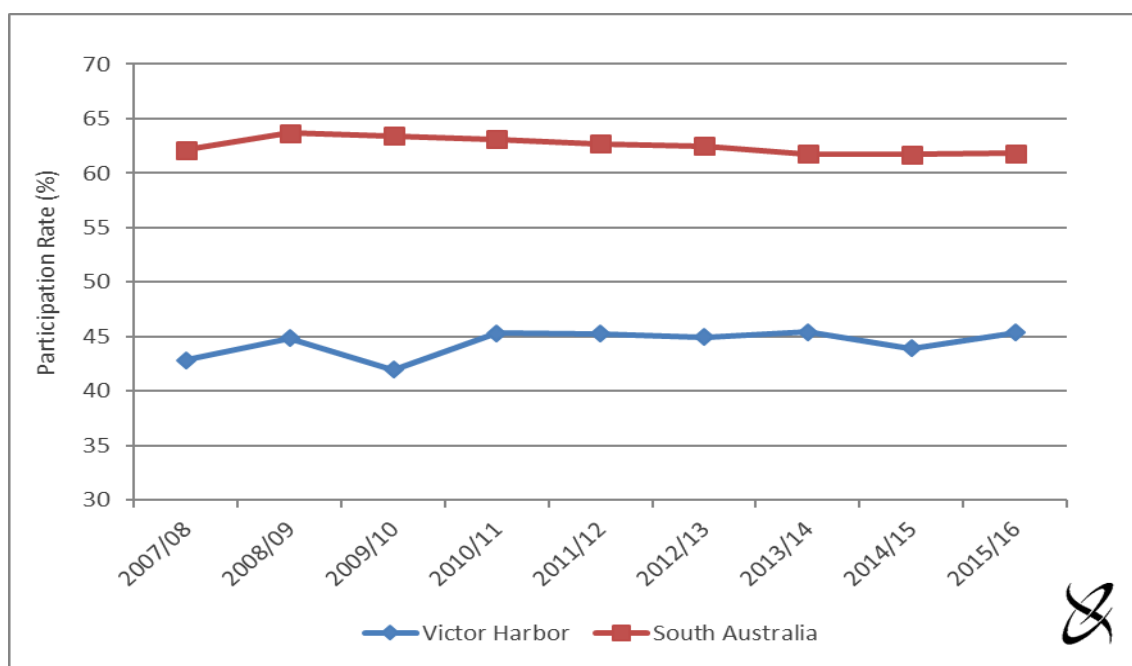
⁸ Persons aged 15 to 24 years old.

Of the comparative regions in 2016, Victor Harbor had a higher youth unemployment rate (15 per cent) than Barossa (11 per cent), Port Lincoln (12 per cent), Alexandrina (13 per cent) and the same youth unemployment rate as Copper Coast (15 per cent) (ABS 2017a)).

5.2.7 Participation rate

The participation rate is illustrated for Victor Harbor and SA in Figure 5-9 for the period 2007/08 to 2015/16⁹. The labour force participation rate for Victor Harbor increased over the nine years (2007/08 to 2015/16), from 43 per cent in 2007/08 to 45 per cent in 2015/16. The labour force participation rate in SA decreased slightly, from 62.1 in 2007/08 to 61.8 per cent in 2015/16. Over the nine year period the participation rate for Victor Harbor was on average well below for SA as a whole (Figure 5-9).

Figure 5-9 Participation rate in Victor Harbor and SA, 2007/08 to 2015/16

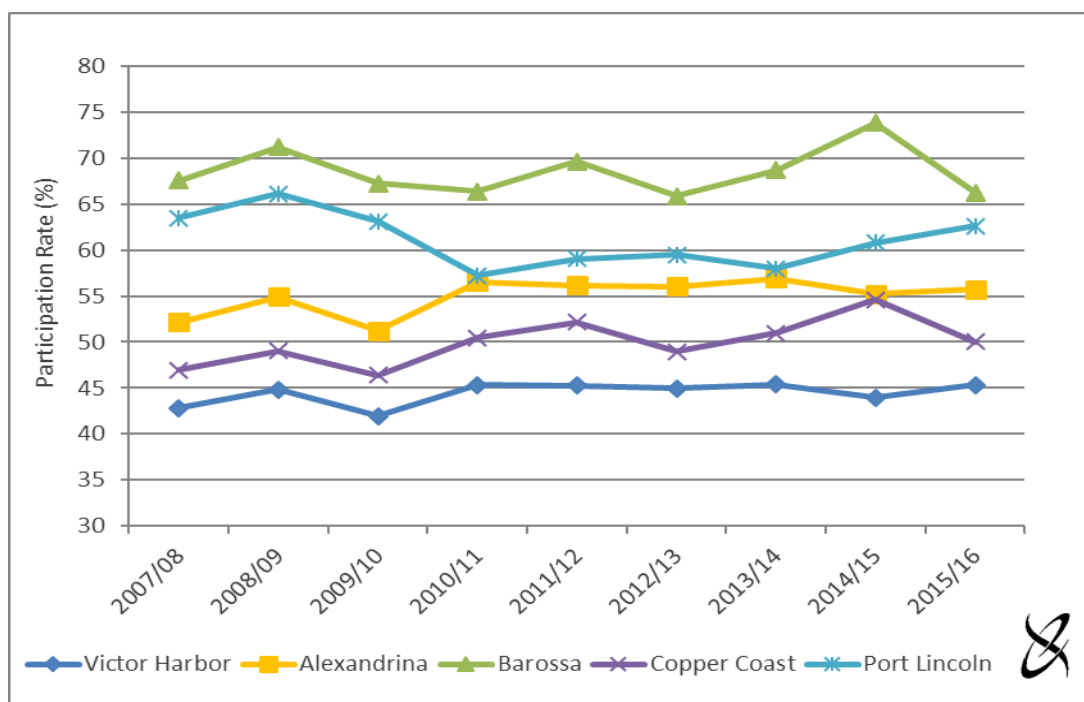


Source: DE (2018), ABS (2017b) and EconSearch analysis

Over the period 2007/08 to 2015/16, Victor Harbor had a lower participation rate than all other comparative regions (Figure 5-10). In 2015/16 Victor Harbor had a participation rate of 45 per cent, lower than Copper Coast (50 per cent), Alexandrina (56 per cent), Port Lincoln (63 per cent) and Barossa (66 per cent) (Figure 5-10).

⁹ Whilst employment data (DE 2018) is available for December quarter 2017 the most recently published population by age data (ABS 2017b) is for 2015/16, which limits the estimation of the participation rate to 2015/16.

Figure 5-10 Participation rate in Victor Harbor and comparative regions, 2007/08 to 2015/16



Source: DE (2018), ABS (2017b) and EconSearch analysis

5.2.8 Local jobs and employed residents

The number of local jobs and employed residents in Victor Harbor and SA between 2006 and 2016 is detailed in Table 5-5. The number of local jobs increased from 4,429 in 2006 to 4,801 in 2016, an 8 per cent increase. Similarly, the number of jobs in SA increased by 9 per cent over the same period. However, the number and proportion of employed Victor Harbor residents has increased by 17 per cent between 2006 and 2016 suggesting the proportion of Victor Harbor residents working outside Victor Harbor also increased over the 10 years.

Table 5-5 Local jobs and employed residents, Victor Harbor and SA, 2006, 2011 and 2016

	Victor Harbor	South Australia
Local Jobs		
2006	4,429	743,540
2011	4,842	805,391
2015	4,813	n.a.
2016	4,801	812,945
Employed Residents		
2006	4,442	743,100
2011	5,121	804,842
2015	5,182	n.a.
2016	5,178	807,755

Source: <https://economy.id.com.au/victor-harbor>

5.2.9 Place of work

A breakdown of where Victor Harbor residents worked in 2006, 2011 and 2016 is detailed in Table 5-6. In 2016 the majority of Victor Harbor residents worked in Victor Harbor (62 per cent), 16 per cent worked elsewhere in the Fleurieu Peninsula (i.e. Alexandrina or Yankalilla LGAs), 13 per cent worked in metropolitan Adelaide and the remainder (9 per cent) in other regional SA.

Table 5-6 Place of work, Victor Harbor residents, 2011 and 2016

	2006		2011		2016	
Victor Harbor	2,515	66%	2,714	62%	2,799	62%
Rest of Fleurieu Peninsula ^a	543	14%	574	13%	730	16%
Metropolitan Adelaide	388	10%	538	12%	593	13%
Other Regional SA	389	10%	552	13%	425	9%
Total	3,835	100%	4,378	100%	4,547	100%

^a Alexandrina and Yankalilla LGAs.

Source: ABS (2017a)

5.2.10 Employment by industry

It was estimated that there were approximately 4,770 jobs (around 3,930 fte jobs) in Victor Harbor in 2015/16 (Table 5-7). A sectoral breakdown of employment, household income and household expenditure for Victor Harbor in 2015/16 is provided in Table 5-7. The top five industry contributors to total employment in the region in 2015/16 were:

- health and community services (22.7 per cent)
- retail trade (20.2 per cent)
- building and construction (8.4 per cent)
- accommodation, cafes and restaurants (8.4 per cent)
- education and training (7.1 per cent).

In 2015/16 employment in South Australia was approximately 733,500 (total jobs) which means Victor Harbor accounts for approximately 0.7 per cent of total state employment.

Table 5-7 Employment, household income and household expenditure, Victor Harbor, 2015/16 ^a

SECTOR	Total Employment		FTE Employment		Household Income		Household Expenditure	
	(jobs)	(%)	(fte)	(%)	(\$m)	(%)	(\$m)	(%)
Agriculture, forestry and fishing	182	3.8%	196	5.0%	12	5.0%	2	0.4%
Mining	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Manufacturing	194	4.1%	162	4.1%	9	3.7%	6	1.4%
Electricity, gas and water	17	0.4%	19	0.5%	1	0.4%	3	0.6%
Building and construction	401	8.4%	392	10.0%	30	12.4%	0	0.1%
Wholesale trade	51	1.1%	50	1.3%	5	1.9%	6	1.4%
Retail trade	962	20.2%	688	17.5%	32	13.2%	33	7.9%
Accommodation, cafes & restaurants	399	8.4%	298	7.6%	13	5.5%	9	2.1%
Transport and storage	123	2.6%	100	2.6%	7	2.9%	4	0.9%
Communication and publishing services	94	2.0%	86	2.2%	5	2.0%	13	3.2%
Finance and insurance	67	1.4%	69	1.8%	8	3.3%	16	3.9%
Ownership of dwellings ^b	0	0.0%	0	0.0%	0	0.0%	62	14.9%
Rental Hiring Real Estate Services	92	1.9%	79	2.0%	6	2.6%	0	0.1%
Prof Scientific Tech Services	169	3.6%	133	3.4%	7	2.7%	0	0.1%
Admin Support Services	192	4.0%	133	3.4%	6	2.4%	1	0.3%
Public administration and defence	218	4.6%	196	5.0%	14	5.6%	1	0.2%
Education and training	340	7.1%	312	7.9%	20	8.1%	11	2.7%
Health and community services	1,081	22.7%	853	21.7%	62	25.1%	38	9.2%
Cultural and recreational services	51	1.1%	29	0.7%	2	1.0%	1	0.2%
Personal and other services	136	2.9%	133	3.4%	5	2.2%	2	0.5%
Total Intermediate	4,768	100.0%	3,926	100.0%	245	100.0%	209	50.1%
PRIMARY INPUTS								
Household Income	-	-	-	-	-	-	0	0.0%
GOS and GMI ^c	-	-	-	-	-	-	0	0.0%
Taxes Less Subsidies	-	-	-	-	-	-	29	7.0%
Imports	-	-	-	-	-	-	179	42.9%
Primary Inputs Total	-	-	-	-	-	-	208	49.9%
GRAND TOTAL	4,768	100.0%	3,926	100.0%	245	100.0%	417	100.0%

^a The economic profile of the regional economy is also available in terms of a 78-sector industry classification if required.

^b The ownership of dwellings sector is a notional sector designed to impute a return to the state's housing stock. Total value of output in this sector is an estimate of rent earned on leased dwellings and imputed rent on the balance of owner-occupied dwellings.

^c Gross operating surplus and gross mixed income.

Source: EconSearch (2017)

6. ECONOMIC STRUCTURE OF THE REGIONAL ECONOMY

For the purpose of describing the current level of economic activity in Victor Harbor, a regional input-output (I-O) model was used for 2015/16. A profile of the economic structure of the Victor Harbor regional economy for 2015/16 provided below is consistent with the method and data sources used in EconSearch (2017).

Economic activity in the region in 2015/16 is presented in terms of the following indicators¹⁰:

- employment
- output
- household income
- other value added
- gross regional product (GRP)
- imports
- tourism expenditure
- exports.

Employment is a measure of the number of working proprietors, managers, directors and other employees, in terms of the number of full-time equivalents and total (i.e. full-time and part-time) jobs. Employment is measured by place of remuneration rather than place of residence.

(Value of) Output is a measure of the gross revenue of goods and services produced by commercial organisations (e.g. farm-gate value of production) and gross expenditure by government agencies. Total output needs to be used with care as it includes elements of double counting (e.g. the value of winery output includes the farm-gate value of grapes) and overstates the real contribution to economic activity.

Household income is a component of GRP and is a measure of wages and salaries paid in cash and in kind, drawings by owner operators and other payments to labour including overtime payments, employer's superannuation contributions and income tax, but excluding payroll tax.

Other value added is another component of GRP and includes gross operating surplus (excluding the drawings of working proprietors) and all taxes, less subsidies.

Gross regional product (GRP) is a measure of the net contribution of an activity to the regional economy¹¹. Gross regional product is measured as value of output less the cost of goods and services (including imports) used in producing the output. In other words, it can be measured as

¹⁰ Employment and household income is detailed in Section 5.2.10.

¹¹ Similarly, contribution to gross state product (GSP) is a measure of the net contribution of an activity to the state economy.

household income plus other value added (gross operating surplus and all taxes, less subsidies). It represents payments to the primary inputs of production (labour, capital and land).

Imports are a measure of the value of goods and services purchased by intermediate sectors and by components of final demand in the region/state of interest from other regions, interstate and overseas.

Tourism expenditure is a measure of the value of sales of goods and services to visitors to the state or region.

Exports (other) are a measure of the value of goods and services sold from the region/state of interest to consumers in other regions, interstate and overseas, net of sales to visitors to the region.

A brief summary of the regional economic structure for Victor Harbor follows. These data were derived from the regional economic impact model. The economic profiles of the regional economy has been prepared in terms of a 20-sector industry classification¹². Economic activity in the region is described in terms of:

- employment¹³
- gross regional product (GRP)
- imports and exports.

6.1 Gross Regional Product

GRP in Victor Harbor in 2015/16 was estimated to be \$440 million (Table 6-1). The contribution of an individual industry to GRP is calculated as the sum of household income, gross operating surplus and gross mixed income and indirect taxes less subsidies. In 2015/16, the top five contributors to GRP were:

- health and community services (14.6 per cent)
- ownership of dwellings (12.3 per cent)
- retail trade (9.6 per cent)
- building and construction (7.7 per cent)
- finance and insurance (7.7 per cent)

In 2015/16 South Australia's gross state product was \$100.3 billion which means that Victor Harbor accounts for approximately 0.4 per cent of the state economy.

¹² The economic profile of the regional economy is also available in terms of a 78-sector industry classification if required.

¹³ Employment and household income is detailed in Section 5.2.10.

Table 6-1 Components of gross regional product in Victor Harbor by industry, 2015/16 ^a

SECTOR	Household Income		GOS and GMI ^c		Taxes less Subsidies		Gross Regional Product	
	(\$m)	(%)	(\$m)	(%)	(\$m)	(%)	(\$m)	(%)
Agriculture, forestry and fishing	12	5.0%	11	8.6%	1	4.1%	24	5.5%
Mining	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Manufacturing	9	3.7%	3	2.1%	1	2.4%	12	2.8%
Electricity, gas and water	1	0.4%	2	1.2%	1	5.1%	4	0.8%
Building and construction	30	12.4%	3	2.0%	1	4.9%	34	7.7%
Wholesale trade	5	1.9%	3	2.4%	0	1.8%	8	1.8%
Retail trade	32	13.2%	8	6.1%	2	8.8%	42	9.6%
Accommodation, cafes & restaurants	13	5.5%	4	2.9%	2	10.9%	19	4.4%
Transport and storage	7	2.9%	3	2.3%	1	2.5%	11	2.4%
Communication and publishing services	5	2.0%	8	5.8%	0	1.4%	13	2.9%
Finance and insurance	8	3.3%	24	18.7%	2	8.8%	34	7.7%
Ownership of dwellings ^b	0	0.0%	49	37.7%	5	25.9%	54	12.3%
Rental Hiring Real Estate Services	6	2.6%	7	5.7%	2	9.1%	16	3.6%
Prof Scientific Tech Services	7	2.7%	0	0.0%	0	1.0%	7	1.6%
Admin Support Services	6	2.4%	0	0.0%	0	1.7%	6	1.4%
Public administration and defence	14	5.6%	2	1.7%	1	2.6%	16	3.7%
Education and training	20	8.1%	1	1.0%	0	1.5%	21	4.9%
Health and community services	62	25.1%	1	1.1%	1	6.3%	64	14.6%
Cultural and recreational services	2	1.0%	0	0.3%	0	-0.1%	3	0.7%
Personal and other services	5	2.2%	0	0.3%	0	1.3%	6	1.4%
Total Intermediate	245	100.0%	129	100.0%	21	100.0%	394	89.7%
Net Taxes in Final Demand	-	-	-	-	-	-	45	10.3%
Gross Regional Product	-	-	-	-	-	-	440	100.0%

^{a-c} See footnotes for Table 5-7.

Source: EconSearch (2017)

6.2 Imports and Exports

A breakdown of the value of imports and exports by industry sector for Victor Harbor in 2015/16 is provided in Table 6-2. These data were derived from the I-O model for the region. Some of the key points to note from these data follow.

- Expenditure by households accounted for approximately 40 per cent of the total value of goods and services imported into the region in 2015/16 from intrastate (i.e. other regions within SA), interstate and overseas.
- Of the intermediate sectors, the top importers in the region in 2015/16 were the building and construction (3.9 per cent) and retail trade (3.3 per cent) sectors.
- Expenditure by tourists (\$163m) contributed approximately 55 per cent of the total value of exports from the region in 2015/16. The balance (i.e. 'other exports' approximately \$134m) represents the value of goods and services purchased by consumers (i.e. households, businesses, governments, etc.) in other regions within SA, interstate and internationally.
- Total regional expenditure by tourists (\$163m) comprised almost 2.8 per cent of the SA total expenditure by tourists in 2015/16 (\$5.9b).
- The top contributors to the value of 'other exports' from the region in 2015/16 were agriculture, forestry and fishing (\$37m), building and construction (\$28m) and health and community services (\$13m) sectors.
- The trade balance (i.e. exports less imports) in Victor Harbor in 2015/16 was approximately -\$152m.

Table 6-2 Value of imports and exports by industry, Victor Harbor, 2015/16 ^a

SECTOR	Tourism		Other Exports		Total Exports		Imports	
	(\$m)	(%)	(\$m)	(%)	(\$m)	(%)	(\$m)	(%)
Agriculture, forestry and fishing	0	0.0%	37	27.4%	37	12.3%	13	2.9%
Mining	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Manufacturing	4	2.6%	8	6.3%	13	4.3%	11	2.5%
Electricity, gas and water	0	0.0%	6	4.6%	6	2.1%	6	1.3%
Building and construction	0	0.0%	28	21.2%	28	9.5%	18	3.9%
Wholesale trade	5	2.8%	1	0.7%	5	1.8%	6	1.4%
Retail trade	31	19.1%	0	0.0%	31	10.5%	15	3.3%
Accommodation, cafes & restaurants	27	16.7%	0	0.0%	27	9.2%	10	2.3%
Transport and storage	3	1.7%	4	3.3%	7	2.5%	4	0.8%
Communication and publishing services	0	0.0%	4	3.1%	4	1.4%	7	1.6%
Finance and insurance	0	0.0%	16	12.1%	16	5.5%	12	2.7%
Ownership of dwellings ^b	8	4.8%	0	0.0%	8	2.6%	8	1.9%
Rental Hiring Real Estate Services	1	0.7%	3	2.4%	4	1.5%	8	1.8%
Prof Scientific Tech Services	0	0.0%	2	1.4%	2	0.6%	2	0.4%
Admin Support Services	0	0.0%	2	1.4%	2	0.6%	4	0.8%
Public administration and defence	0	0.0%	3	2.3%	3	1.0%	7	1.6%
Education and training	0	0.0%	3	2.6%	3	1.2%	5	1.0%
Health and community services	0	0.0%	13	9.4%	13	4.2%	12	2.6%
Cultural and recreational services	0	0.0%	2	1.8%	2	0.8%	1	0.2%
Personal and other services	6	3.4%	0	0.0%	6	1.9%	2	0.5%
Total Intermediate	85	51.9%	134	99.9%	218	73.5%	150	33.3%
PRIMARY INPUTS								
Household Income	0	0.0%	0	0.0%	0	0.0%	-	-
GOS and GMI ^c	0	0.0%	0	0.0%	0	0.0%	-	-
Taxes Less Subsidies	12	7.4%	0	0.1%	12	4.1%	-	-
Imports	67	40.7%	0	0.0%	67	22.4%	-	-
Primary Inputs Total	79	48.1%	0	0.1%	79	26.5%	-	-
FINAL DEMAND								
Household Expenditure	-	-	-	-	-	-	179	39.9%
Government Expenditure	-	-	-	-	-	-	7	1.5%
Gross Fixed Capital	-	-	-	-	-	-	47	10.4%
Change in Inventories	-	-	-	-	-	-	0	0.0%
Tourism	-	-	-	-	-	-	67	14.8%
Other Exports	-	-	-	-	-	-	0	0.0%
Final Demand Total	-	-	-	-	-	-	299	66.7%
GRAND TOTAL	163	100.0%	134	100.0%	297	100.0%	449	100%

^{a-c} See footnotes for Table 5-7.

Source: EconSearch 2017

6.3 Wealth Creation Industries

To provide some context and background information on industries that contribute net worth to the community as opposed to industries that simply circulate the wealth created, an assessment was made of the gross value added (gross operating surplus plus wages and salaries) generated by each industry in the local economy. Industries were ranked by this gross measure of wealth generation (income to labour and capital). The rankings were then modified according to the proportion each industry sells its goods and services to other local businesses and households and the proportion it sells to capital formation (buildings, roads, etc.) and exports. The modified rankings distinguish “independent” wealth generators (i.e. those industries that are generating wealth via exports and capital formation) from “dependent” wealth generators (i.e. those that are generating wealth from servicing local businesses and households).

The top five independent wealth generating industries (i.e. those industries that are generating wealth via exports and capital formation) in 2015/16 were:

1. Public administration and defence
2. Agriculture, forestry and fishing
3. Building and construction
4. Accommodation, cafes and restaurants
5. Education and training

The top five dependent wealth generating industries (i.e. those that are generating wealth from simply servicing local businesses and households) in 2015/16 were:

1. Ownership of dwellings
2. Rental, hiring and real estate services
3. Finance and Insurance
4. Retail trade
5. Health and community services

7. BUSINESS

7.1 Business Count by Employment Range

A count of businesses by industry and the number of people employed is detailed in Table 7-1 for Victor Harbor and in Table 7-2 for SA as a whole for 2017. Industries with the largest number of businesses were construction (20 per cent of the total number of businesses in the region), agriculture, forestry and fishing (14 per cent), rental, hiring and real estate services (10 per cent) and retail trade (9 per cent) (Table 7-1). For SA the industries with the largest number of businesses were construction (15 per cent of total businesses in SA), agriculture, forestry and fishing (12 per cent), rental, hiring and real estate services (12 per cent) and financial and insurance services (11 per cent) (Table 7-2).

In Victor Harbor the majority of businesses (66 per cent) did not employ another person, 32 per cent employed between 1 and 19 persons, 2 per cent employed between 20 and 199 people and no businesses employed more than 200 people, very similar to SA as a whole (Table 7-1 and Table 7-2).

Table 7-1 Count of businesses by number of people employed, Victor Harbor, June 2017

Industry	Victor Harbor					Share of Total Businesses
	Non employing	1-19	20-199	200+	Total	
A Agriculture, Forestry and Fishing	104	30	3	0	137	14%
B Mining	0	3	0	0	3	0%
C Manufacturing	18	18	0	0	36	4%
D Electricity, Gas, Water and Waste Services	3	3	0	0	6	1%
E Construction	147	48	3	0	198	20%
F Wholesale Trade	18	13	0	0	31	3%
G Retail Trade	37	48	0	0	85	9%
H Accommodation and Food Services	17	27	5	0	49	5%
I Transport, Postal and Warehousing	31	11	0	0	42	4%
J Information Media and Telecommunications	4	3	0	0	7	1%
K Financial and Insurance Services	51	10	0	0	61	6%
L Rental, Hiring and Real Estate Services	84	11	0	0	95	10%
M Professional, Scientific and Technical Services	64	27	0	0	91	9%
N Administrative and Support Services	10	7	3	0	20	2%
O Public Administration and Safety	3	3	0	0	6	1%
P Education and Training	3	3	3	0	9	1%
Q Health Care and Social Assistance	21	27	0	0	48	5%
R Arts and Recreation Services	8	3	0	0	11	1%
S Other Services	20	18	0	0	38	4%
Not Classified	14	3	0	0	17	2%
Total	657	316	17	0	990	100%
Share of Total Businesses	66%	32%	2%	0%	100%	

Source: ABS (2018c)

Table 7-2 Count of businesses by number of people employed, SA, June 2017

Industry	South Australia					Share of Total Businesses
	Non employing	1-19	20-199	200+	Total	
A Agriculture, Forestry and Fishing	10,935	5,960	221	3	17,119	12%
B Mining	335	161	14	0	510	0%
C Manufacturing	2,913	2,764	386	3	6,066	4%
D Electricity, Gas, Water and Waste Services	276	197	15	0	488	0%
E Construction	14,687	6,998	212	3	21,900	15%
F Wholesale Trade	2,575	2,072	166	0	4,813	3%
G Retail Trade	3,593	4,552	338	6	8,489	6%
H Accommodation and Food Services	1,611	3,764	499	9	5,883	4%
I Transport, Postal and Warehousing	6,486	1,878	124	3	8,491	6%
J Information Media and Telecommunications	597	291	18	0	906	1%
K Financial and Insurance Services	13,161	2,145	48	6	15,360	11%
L Rental, Hiring and Real Estate Services	14,982	1,759	74	0	16,815	12%
M Professional, Scientific and Technical Services	8,229	5,150	251	0	13,630	9%
N Administrative and Support Services	3,154	1,697	200	12	5,063	3%
O Public Administration and Safety	191	175	30	0	396	0%
P Education and Training	815	516	111	6	1,448	1%
Q Health Care and Social Assistance	5,247	3,227	251	18	8,743	6%
R Arts and Recreation Services	934	437	45	0	1,416	1%
S Other Services	3,049	2,915	57	0	6,021	4%
Not Classified	1,357	277	9	0	1,643	1%
Total	95,127	46,935	3,069	69	145,200	100%
Share of Total Businesses	66%	32%	2%	0%	100%	

Source: ABS (2018c)

7.2 Business Count by Turnover Range

A count of businesses by industry and the turnover range is detailed in Table 7-3 for Victor Harbor and in Table 7-4 for SA as a whole for 2017. In Victor Harbor 23 per cent of businesses earned less than \$50,000, the majority of businesses (41 per cent) earned between \$50,000 and \$200,000, 32 per cent earned between \$200,000 and \$2m, 3 per cent earned between \$2m and \$5m, 1 per cent earned between \$5m and \$10m and 1 per cent earned more \$10m, very similar to SA as a whole (Table 7-3 and Table 7-4).

Table 7-3 Count of businesses by turnover range, Victor Harbor, June 2017

Industry	Victor Harbor						Total	Share of Total Businesses
	Zero to less than \$50k	\$50k to less than \$200k	\$200k to less than \$2m	\$2m to less than \$5m	\$5m to less than \$10m	\$10m or more		
A Agriculture, Forestry and Fishing	40	53	35	6	0	3	137	14%
B Mining	0	0	0	0	0	0	0	0%
C Manufacturing	8	14	20	0	0	0	42	4%
D Electricity, Gas, Water and Waste Services	3	0	0	3	0	0	6	1%
E Construction	27	95	61	6	3	0	192	19%
F Wholesale Trade	3	8	13	3	0	3	30	3%
G Retail Trade	11	20	44	5	0	3	83	8%
H Accommodation and Food Services	3	11	27	3	3	3	50	5%
I Transport, Postal and Warehousing	13	25	8	0	0	0	46	5%
J Information Media and Telecommunications	0	0	6	0	0	0	6	1%
K Financial and Insurance Services	32	22	10	0	0	0	64	6%
L Rental, Hiring and Real Estate Services	34	44	17	3	0	0	98	10%
M Professional, Scientific and Technical Services	26	43	16	0	0	0	85	9%
N Administrative and Support Services	4	13	5	3	0	0	25	3%
O Public Administration and Safety	0	3	3	0	0	0	6	1%
P Education and Training	3	3	3	0	0	0	9	1%
Q Health Care and Social Assistance	0	22	20	0	0	0	42	4%
R Arts and Recreation Services	3	6	5	0	0	0	14	1%
S Other Services	10	17	15	0	0	0	42	4%
Not Classified	3	5	4	0	0	0	12	1%
Total	223	404	312	32	6	12	989	100%
Share of Total Businesses	23%	41%	32%	3%	1%	1%	100%	

Source: ABS (2018c)

Table 7-4 Count of businesses by turnover range, SA, June 2017

Industry	South Australia						Total	Share of Total Businesses
	Zero to less than \$50k	\$50k to less than \$200k	\$200k to less than \$2m	\$2m to less than \$5m	\$5m to less than \$10m	\$10m or more		
A Agriculture, Forestry and Fishing	4,456	5,099	6,777	585	118	70	17,105	12%
B Mining	220	103	113	21	15	19	491	0%
C Manufacturing	1,151	1,719	2,397	443	182	190	6,082	4%
D Electricity, Gas, Water and Waste Services	115	122	173	25	13	20	468	0%
E Construction	3,511	10,067	7,227	727	248	171	21,951	15%
F Wholesale Trade	909	1,320	1,758	432	204	230	4,853	3%
G Retail Trade	1,267	1,997	3,834	842	313	263	8,516	6%
H Accommodation and Food Services	535	1,481	3,340	321	117	56	5,850	4%
I Transport, Postal and Warehousing	3,649	2,809	1,739	206	77	63	8,543	6%
J Information Media and Telecommunications	316	338	219	30	3	0	906	1%
K Financial and Insurance Services	9,081	3,780	2,198	142	60	61	15,322	11%
L Rental, Hiring and Real Estate Services	4,720	7,130	4,545	323	88	45	16,851	12%
M Professional, Scientific and Technical Services	3,759	5,041	4,125	395	135	94	13,549	9%
N Administrative and Support Services	1,493	1,901	1,321	164	63	55	4,997	3%
O Public Administration and Safety	97	121	143	9	10	0	380	0%
P Education and Training	375	552	391	51	14	40	1,423	1%
Q Health Care and Social Assistance	1,295	2,722	4,352	285	65	37	8,756	6%
R Arts and Recreation Services	433	573	372	16	6	9	1,409	1%
S Other Services	902	2,563	2,372	133	27	15	6,012	4%
Not Classified	439	688	449	34	9	0	1,619	1%
Total	38,723	50,126	47,845	5,184	1,767	1,438	145,083	100%
Share of Total Businesses	27%	35%	33%	4%	1%	1%	100%	

Source: ABS (2018c)

8. HOUSING

8.1 Dwellings

The number of dwellings by occupation type for Victor Harbor and SA in 2006 and 2011 and 2016 is detailed in Table 8-1. The ratio of unoccupied to occupied dwellings in Victor Harbor has decreased slightly, from 40 per cent in 2006 to 39 per cent in 2016. However, the ratio of unoccupied to occupied dwellings in Victor Harbor is nearly triple that of the state as a whole (14 per cent in 2016).

Table 8-1 Number of dwellings by occupation type, Victor Harbor and SA, 2006, 2011 and 2016

	Victor Harbor			South Australia		
	2006	2011	2016	2006	2011	2016
Occupied private dwellings	5,231	6,140	6,617	609,908	643,897	673,545
Unoccupied private dwellings	2,108	2,296	2,572	69,753	83,779	92,244
Other ^a	20	20	19	1,527	1,500	1,471
Total	7,360	8,454	9,206	681,189	729,172	767,264
<i>Unoccupied to occupied dwellings ratio</i>	40%	37%	39%	11%	13%	14%

^a Other dwellings include non-private, migratory, off-shore and shipping dwellings.

Source: ABS 2017a

In 2016 Victor Harbor had a similar ratio of unoccupied to occupied dwellings (39 per cent) to Alexandrina (42 per cent) and Copper Coast (40 per cent). These three regions had a significantly higher ration of unoccupied to occupied dwellings than Port Lincoln (17 per cent) and Barossa (9 per cent) (ABS 2017a).

8.2 Home Ownership

The number of dwellings by tenure for Victor Harbor and SA in 2006 and 2011 and 2016 is detailed in Table 8-2. In 2016 the proportion of properties in Victor harbor fully owned was 32 per cent, slightly higher than for SA as a whole (27 per cent). The proportion of Victor Harbor properties being purchased (under mortgage) (16 per cent) or rented (16 per cent) was much lower than the State (30 per cent for properties being purchased and 23 per cent for properties rented). Victor Harbor did have a large proportion of properties in the not applicable category (28 per cent) compared to SA (12 per cent).

In 2016 the proportion of properties in Victor harbor fully owned was 32 per cent, similar to Barossa (32 per cent) but higher than Alexandrina and Copper Coast (28 per cent each) and Port Lincoln (23 per cent). The proportion of Victor Harbor properties being purchased was lower than all comparative regions. The proportion of properties in Victor Harbor being rented was

similar to Alexandrina (13 per cent), Barossa (16 per cent) and Copper Coast (18 per cent but much lower than Port Lincoln (28 per cent) (ABS 2017a).

Table 8-2 Number of dwellings by tenure type, Victor Harbor and SA, 2006, 2011 and 2016

	Victor Harbor			South Australia		
	2006	2011	2016	2006	2011	2016
Fully owned	2,455	2,744	2,981	205,439	206,055	208,759
Being purchased	1,197	1,419	1,512	202,935	218,308	226,417
Being purchased under a rent/buy scheme	4	4	4	1,138	1,169	625
Rented	1,012	1,271	1,470	149,874	169,678	179,508
Being occupied rent-free	65	65	54	6,411	6,306	6,027
Being occupied under a life tenure scheme	117	146	153	4,981	5,460	6,912
Other tenure type	29	62	43	2,846	3,828	3,349
Not stated	354	432	400	36,287	33,088	41,945
Not applicable	2,123	2,314	2,595	71,281	85,277	93,722
Total	7,360	8,454	9,206	681,189	729,172	767,264

Source: ABS 2017a

8.3 Housing Affordability

An indicator of housing affordability was estimated using ABS Census data on mortgage repayments, rent and income (ABS 2017a). A measure of housing cost was estimated using a weighted average of rental payments and mortgage payments. Housing affordability is defined as housing cost divided by household income and was estimated to be 31 per cent for Victor Harbor, slightly less affordable than SA as a whole (27 per cent).

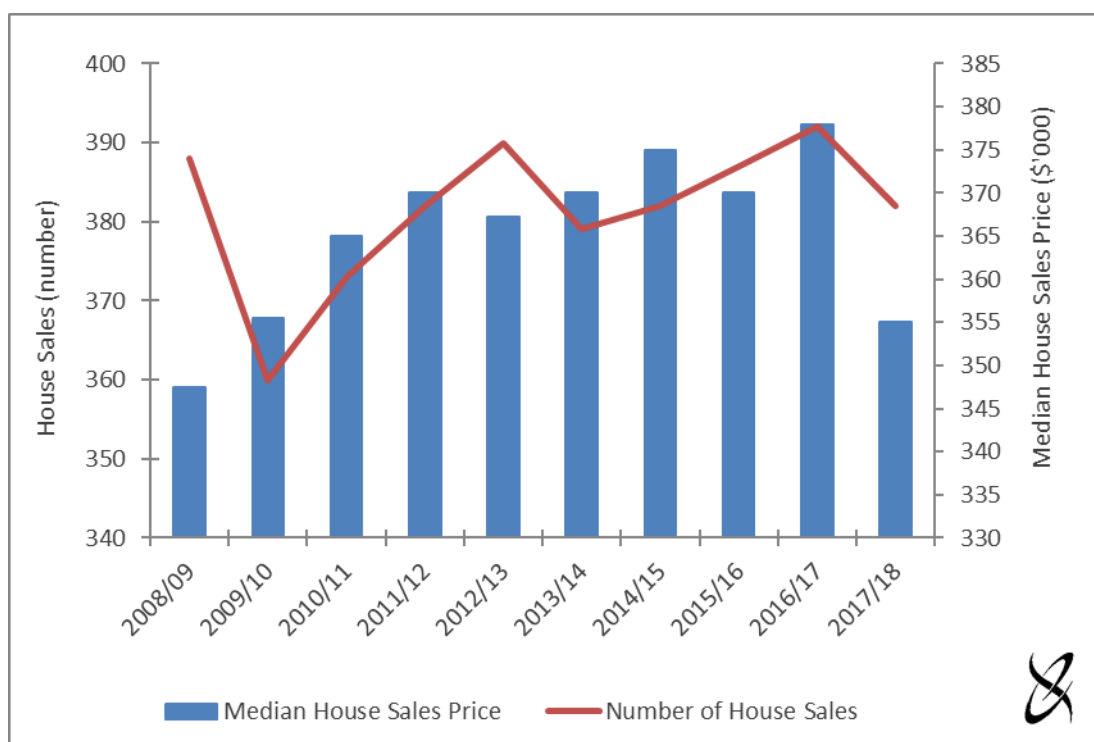
Of the comparative regions in 2016, Victor Harbor was less affordable than Port Lincoln (18 per cent), had the same housing affordability as Copper Coast (27 per cent) and was more affordable than Barossa (35 per cent) and Alexandrina (39 per cent).

9. LOCAL INVESTMENT

9.1 Property Prices

The median house sales price and number of properties sold for Victor Harbor for the period 2008/09 to 2017/18 is illustrated Figure 9-1. This figure shows the median house sales price for Victor Harbor has followed a steady increasing trend between 2008/09 and 2016/17, from \$347,500 to \$378,000 (9 per cent increase). Following this increase, the median house sales price for Victor Harbor declined to \$355,000 in 2017/18.

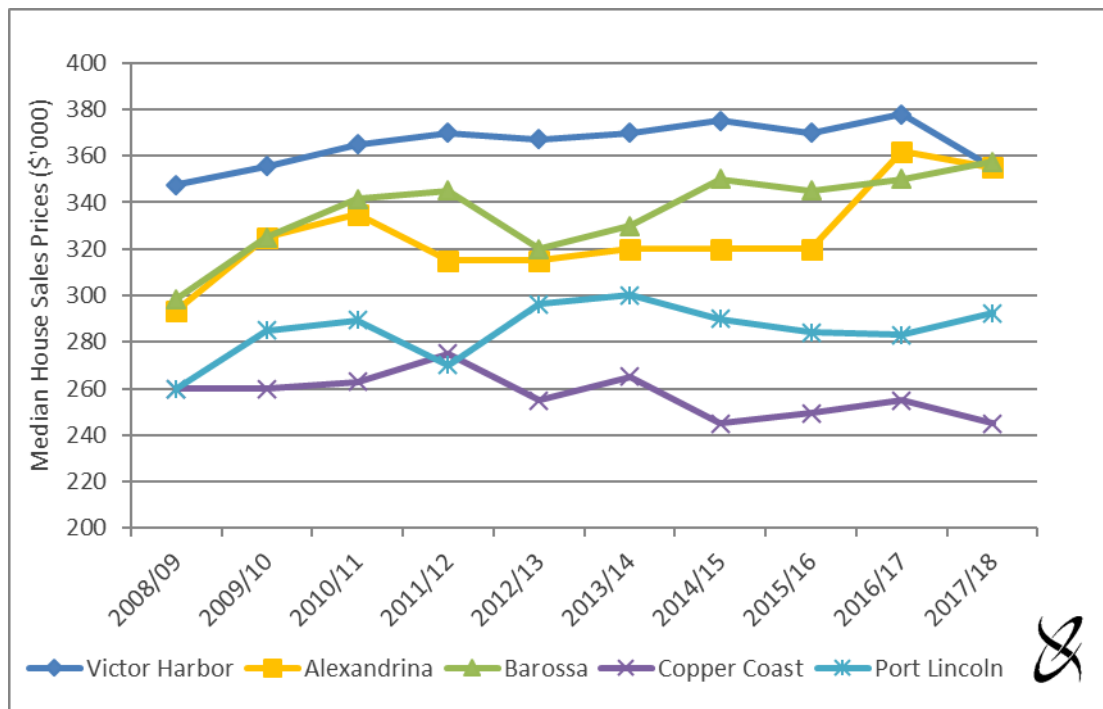
Figure 9-1 Median house sales price and number of sales in Victor Harbor, 2008/09 to 2017/18



Source: CoreLogic RP Data (2018)

The median house sales price in Victor Harbor and comparison regions is detailed in Figure 9-2 for the period 2008/09 to 2017/18. This figure illustrates growth in median house sales prices over the period in Victor Harbor (2 per cent between 2008/09 and 2017/18), Alexandrina (21 per cent), Barossa (20 per cent) and Port Lincoln (13 per cent) but decline in Copper Coast (6 per cent).

Figure 9-2 Median house sales price in Victor Harbor and comparative regions, 2008/09 to 2017/18



Source: CoreLogic RP Data (2018)

9.2 Residential Building Approvals

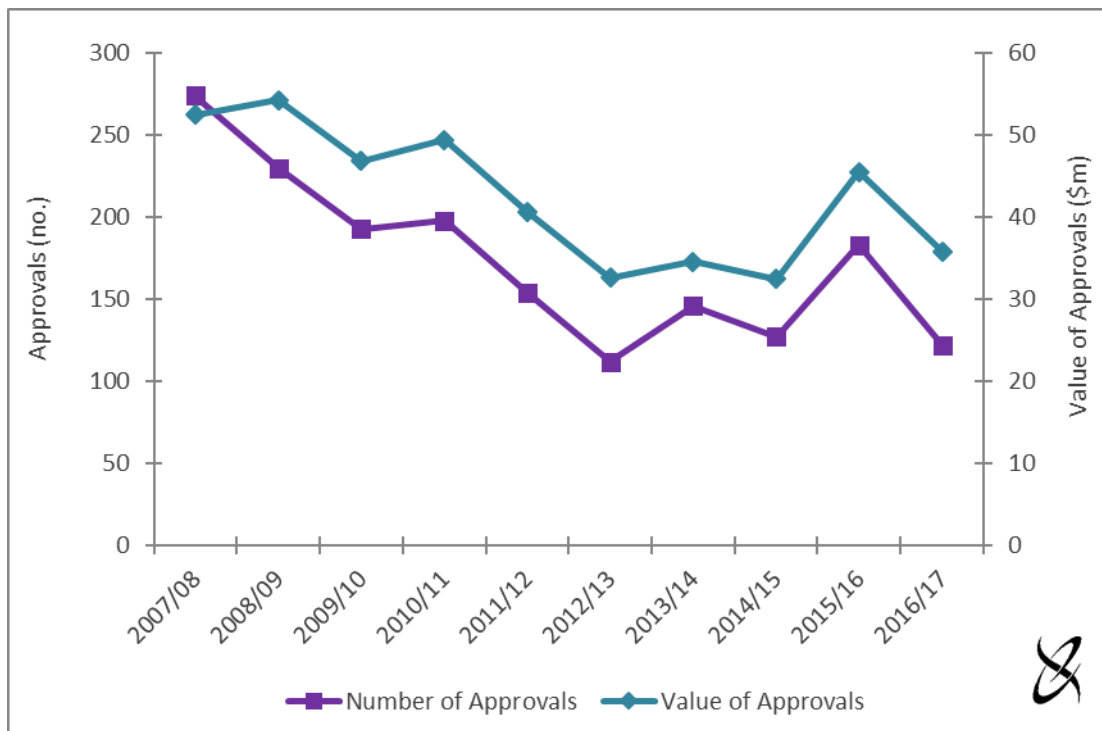
This section provides the number and value of approvals for new residential dwellings in Victor Harbor and SA. The number and total value of approvals in Victor Harbor and SA are illustrated in Figure 9-3 and Figure 9-4 respectively for the period 2007/08 to 2016/17.

The total number of building approvals in Victor Harbor decreased overall from 274 in 2007/08 to 122 in 2016/17, a fall of 55 per cent. The total value of approvals decreased as well over the same period, from \$52 million in 2001/08 to \$36 million in 2016/17, a decline of 32 per cent (Figure 9-3).

Comparison of the two end years (2007/08 and 2016/17) highlights the significant increase in the value of building approvals in SA. Despite the total number of approvals being 14 per cent lower in 2016/17 than in 2007/08, the total value was 17 per cent higher (Figure 9-4).

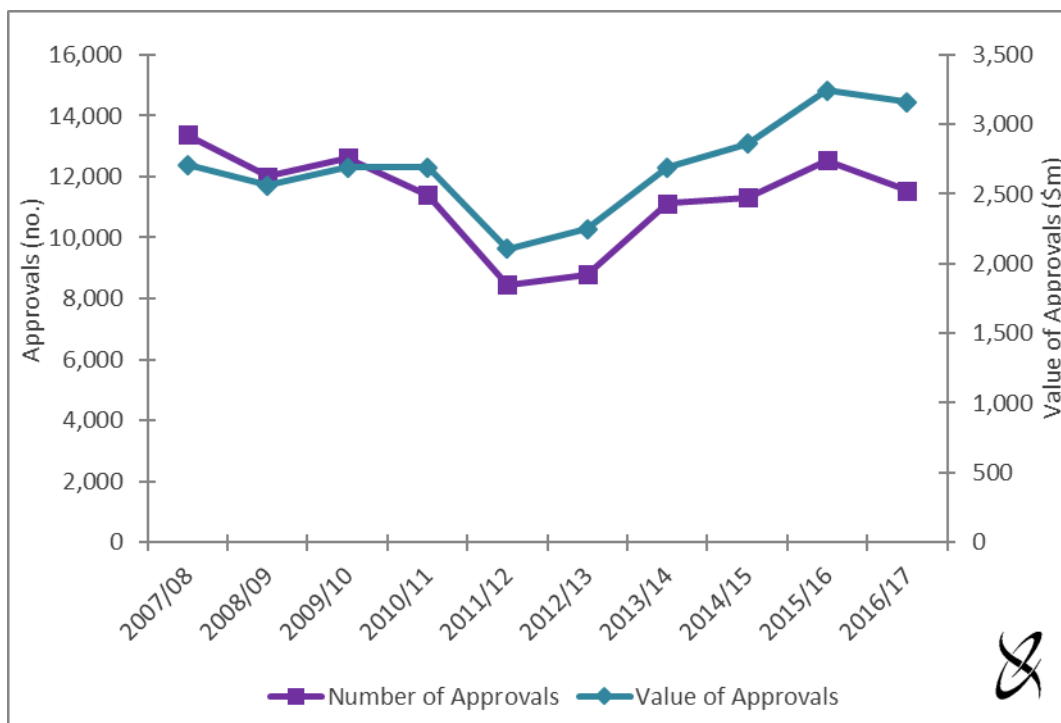
The average value per approval in Victor Harbor and SA is illustrated in Figure 9-5 and in Victor Harbor and comparative regions in Figure 9-6. The average value per approval in Victor Harbor increased by 53 per cent between 2007/18 and 2016/17, from \$191,000 to \$294,000. For SA, the value per approval increased from \$202,000 in 2007/08 to \$274,000 in 2016/17, an increase of 35 per cent (Figure 9-5).

Figure 9-3 Number and value of new residential dwelling approvals in Victor Harbor, 2007/18 to 2016/17



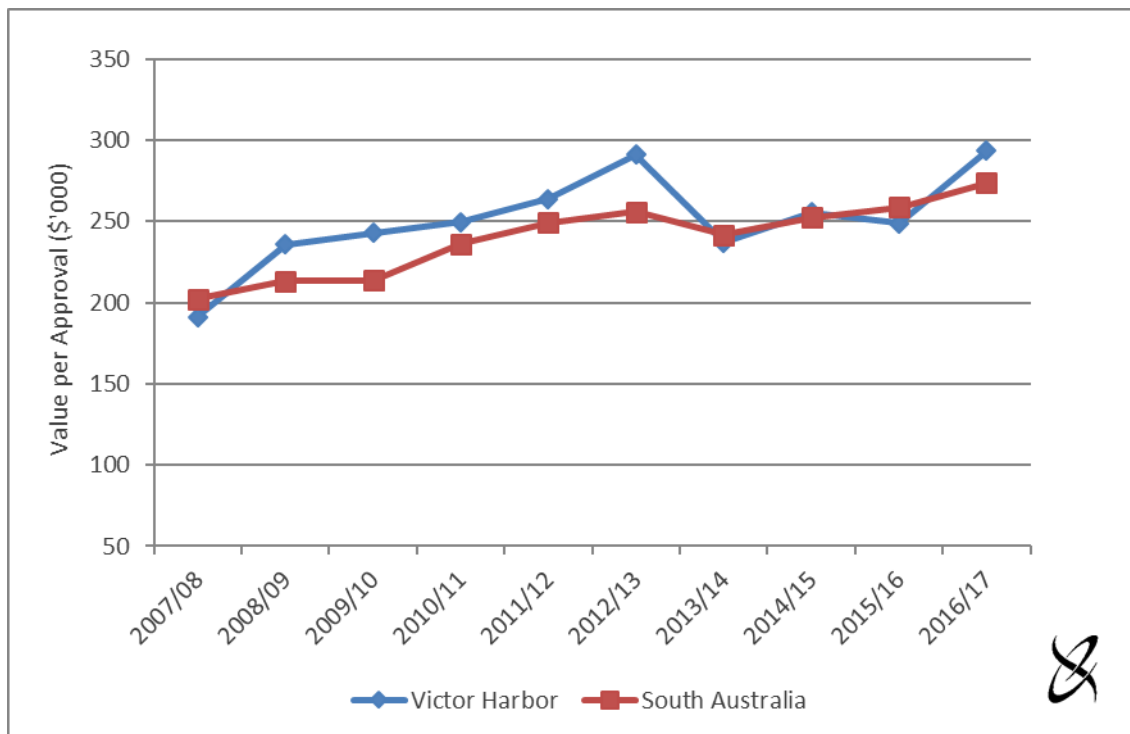
Source: ABS (2018d)

Figure 9-4 Number and value of new residential dwelling approvals in SA, 2007/08 to 2016/17



Source: ABS (2018d)

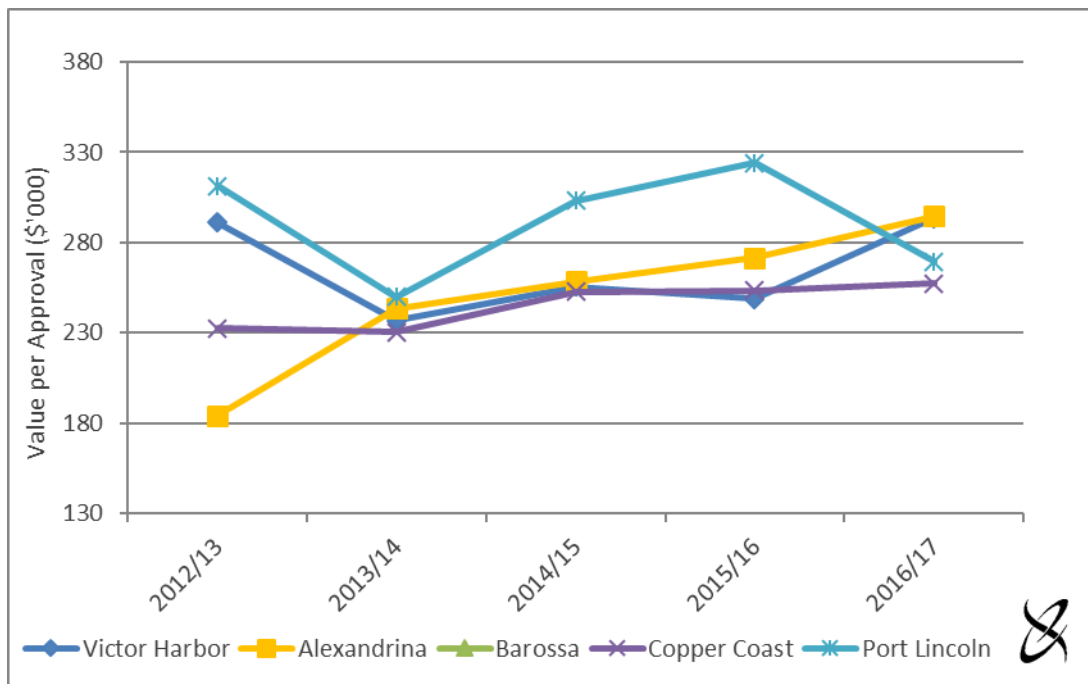
Figure 9-5 Average value per approval in Victor Harbor and SA, 2007/08 to 2016/17



Source: ABS (2018d)

Of the comparative regions in 2016, the average value per approval was lowest in Copper Coast (\$257,000) and highest in Victor Harbor (\$294,000) and Alexandrina (\$295,000) (Figure 9-6).

Figure 9-6 Average value per approval in Victor Harbor and comparative regions, 2012/13 to 2016/17



Source: ABS (2018d)

9.3 Non-Residential Building Approvals

The value of non-residential building approvals in Victor Harbor and SA for the period 2007/08 to 2016/17 is detailed in Table 9-1.

Table 9-1 Non-residential building approvals, Victor Harbor and SA, 2007/08 to 2016/17

	Victor Harbor		South Australia	
	Value (\$m)	Change on Previous Year	Value (\$m)	Change on Previous Year
2007/08	26	-	2,177	-
2008/09	10	-63%	1,831	-16%
2009/10	27	181%	2,669	46%
2010/11	9	-67%	1,785	-33%
2011/12	7	-18%	4,052	127%
2012/13	5	-36%	1,823	-55%
2013/14	13	186%	1,510	-17%
2014/15	6	-55%	1,443	-4%
2015/16	14	128%	2,194	52%
2016/17	4	-69%	2,446	11%

Source: ABS (2018d)

The data show that, year-to-year, the total value of non-residential building approvals in both Victor Harbor, SA and comparative regions is highly variable and changes that occur in Victor Harbor do not necessarily reflect what is happening in the state as a whole. The value of non-residential building approvals was approximately \$4m in 2016/17 but was as high as \$27m in 2009/10 (Table 9-1).

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Disclaimer

The assignment is a consulting engagement as outlined in the 'Framework for Assurance Engagements', issued by the Auditing and Assurances Standards Board, Section 17. Consulting engagements employ an assurance practitioner's technical skills, education, observations, experiences and knowledge of the consulting process. The consulting process is an analytical process that typically involves some combination of activities relating to: objective-setting, fact-finding, definition of problems or opportunities, evaluation of alternatives, development of recommendations including actions, communication of results, and sometimes implementation and follow-up.

The nature and scope of work has been determined by agreement between BDO and the Client. This consulting engagement does not meet the definition of an assurance engagement as defined in the 'Framework for Assurance Engagements', issued by the Auditing and Assurances Standards Board, Section 10.

Except as otherwise noted in this report, we have not performed any testing on the information provided to confirm its completeness and accuracy. Accordingly, we do not express such an audit opinion and readers of the report should draw their own conclusions from the results of the review, based on the scope, agreed-upon procedures carried out and findings.