



# 2018 VICTOR HARBOR ECONOMIC PROFILE



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.

To assist with the development of the Economic Development Strategy the Council commissioned EconSearch to prepare an economic profile of the Victor Harbor economy to highlight and identify a number of critical factors that impact and influence Victor Harbor in an economic context.

In preparing the economic profile EconSearch have used a wide range of reports and data sources, these sources have been referenced throughout the document while further detailed referencing occurs within the full report.

Commentary has been provided to assist with understanding how this information directly relates to the economic development of the City, while page references have been included to allow the reader to explore the detail provided in the full report.



# 2018 VICTOR HARBOR ECONOMIC PROFILE

## POPULATION

### Growth Projections



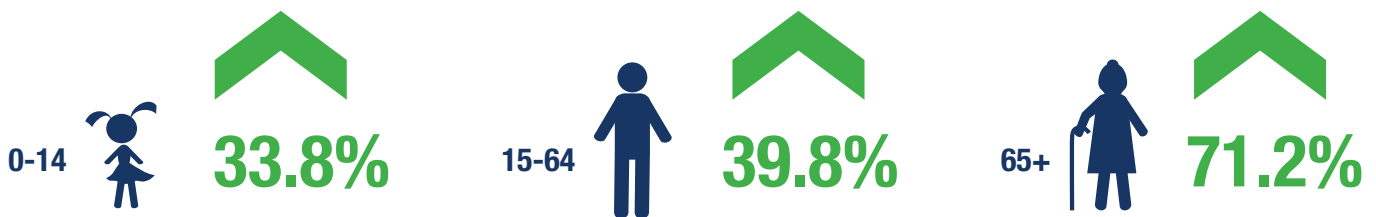
**PAGE REFERENCE 4**

Source ABS 2018 & Department of Planning and Local Government 2016

**COMMENTARY** From 2011 to 2031 the Victor Harbor population is predicted to grow by 50%, faster than Alexandrina (38%), Barossa (38%), Copper Coast (26%) and Port Lincoln (5%).

Population projections have been based on ABS 2011 resident population estimates, and trends in mortality, fertility and migration. Figures for 2011, 2016 & NOW are actuals, while 2021, 2026 and 2031 are projected.

### Population Projections by Age 2011 - 2031



**PAGE REFERENCE 5**

Source ABS 2018 & Department of Planning and Local Government 2016

**COMMENTARY** The age cohort of 65 and older is projected to grow by 71% from 2011 to 2031.

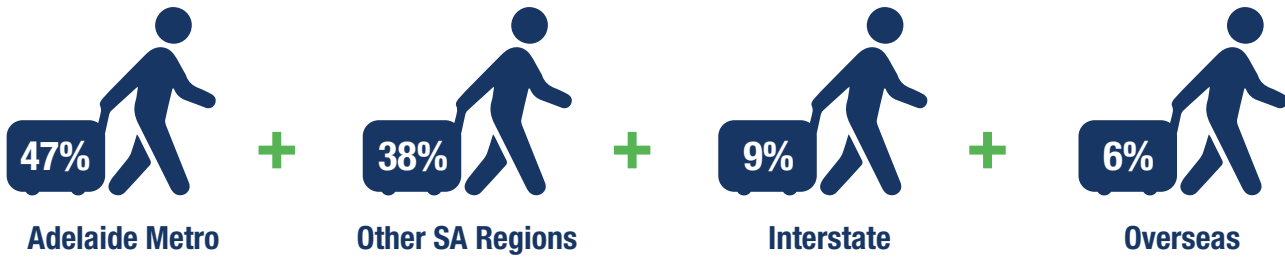


# 2018 VICTOR HARBOR ECONOMIC PROFILE

## MIGRATION

### Origin of New Residents

2011 - 2016



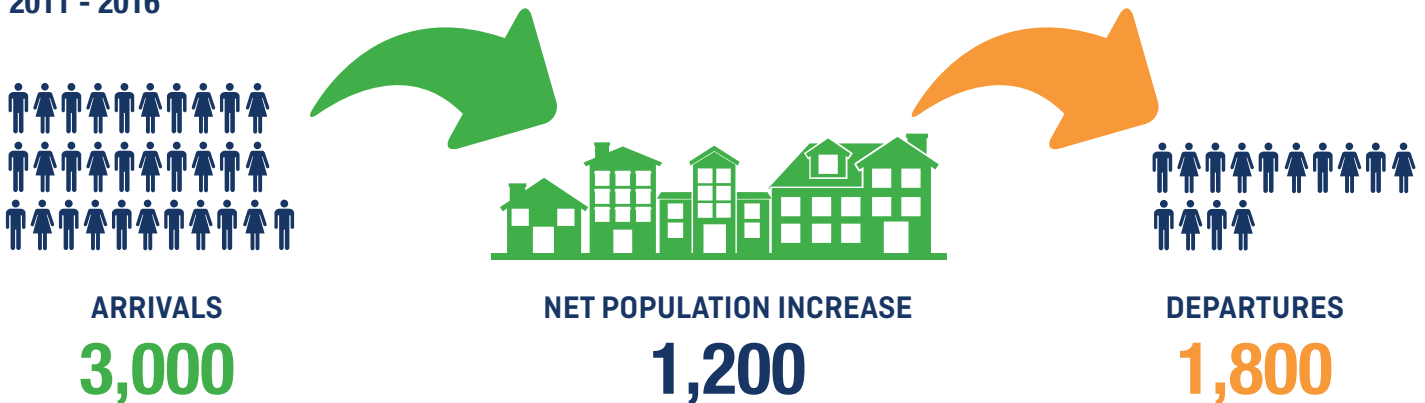
**PAGE REFERENCE 7**

Source ABS 2017

**COMMENTARY** 85% of new residents originate from South Australia. The two most common states for inward migrating residents are Victoria and Queensland.

### Arrivals versus Departures

2011 - 2016



**PAGE REFERENCE 8**

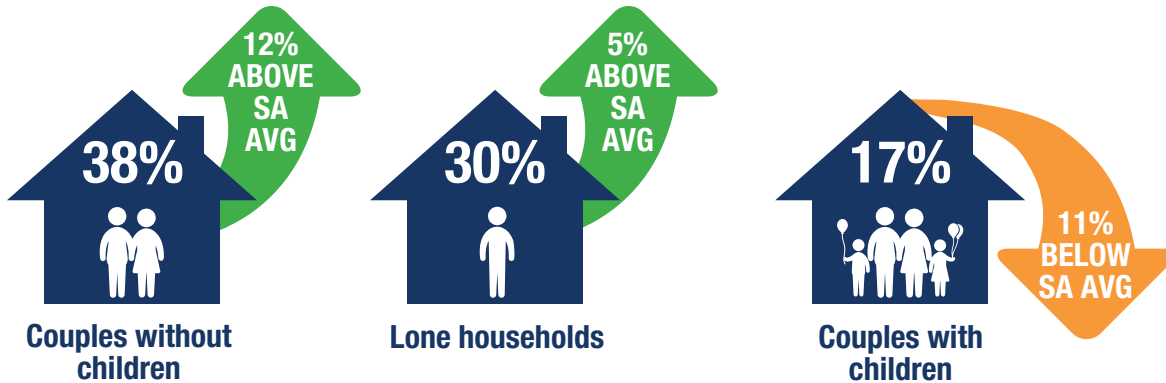
Source ABS 2017



# 2018 VICTOR HARBOR ECONOMIC PROFILE

## HOUSEHOLDS

### Household Composition



PAGE REFERENCE 10

Source ABS 2017

**COMMENTARY** Victor Harbor has a lower proportion of couples with children (17%) compared with the South Australian average of 28%. Other comparative regions all had higher rates of couples with children, Barossa (30%), Alexandrina (23%), Port Lincoln (23%) and Copper Coast (19%).

### Average Household Size



**VICTOR HARBOR**  
2.09 Persons Per Household



**SOUTH AUSTRALIA**  
2.50 Persons Per Household

PAGE REFERENCE 10

Source ABS 2017

### Household Incomes



**WEEKLY HOUSEHOLD INCOME (MEAN)**

**\$1,107**

**\$430**

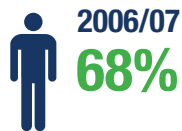
**BELOW SA AVG**

PAGE REFERENCE 11

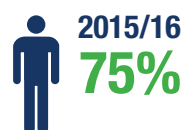
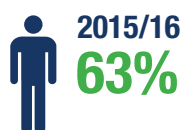
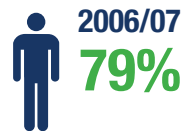
Source ABS 2017

### Taxable Individuals

**VICTOR HARBOR**



**SOUTH AUSTRALIA**



**COMMENTARY** Individuals with a taxable income greater than \$0.

PAGE REFERENCE 12

Source ATO 2018

### Taxable Incomes



**VICTOR HARBOR**

**\$56,862**

**SOUTH AUSTRALIA**

**\$65,992**

(MEAN)

PAGE REFERENCE 12

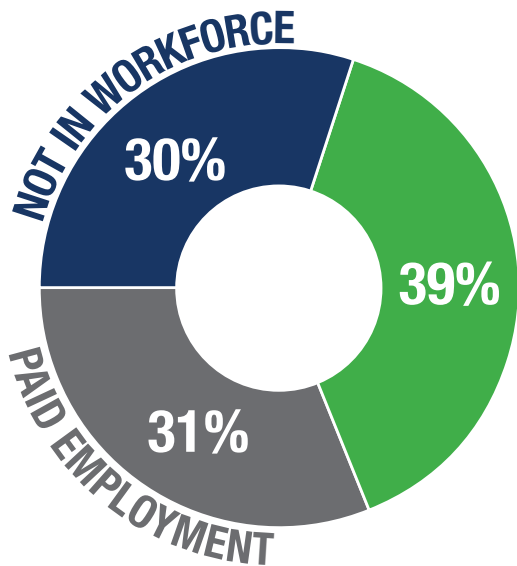
Source ATO 2018



# 2018 VICTOR HARBOR ECONOMIC PROFILE

## INCOME SUPPORT

Income Source

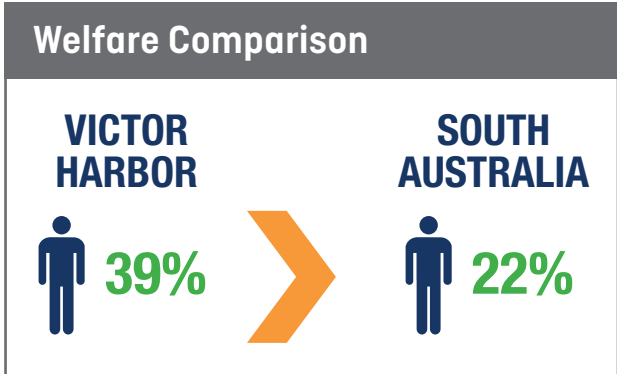
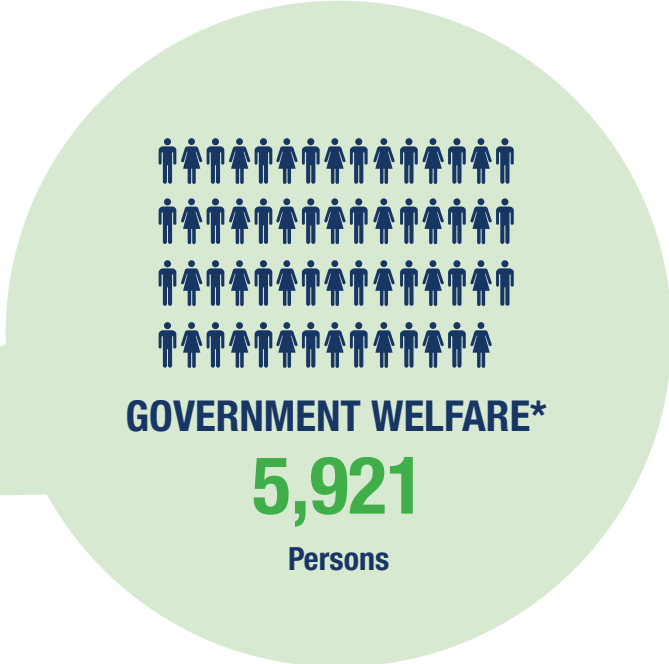


**COMMENTARY** 29% of the Victor Harbor population are receiving an aged pension, more than double the South Australian average (13%). Only 31% of the Victor Harbor population are involved in paid employment compared with 44% in South Australia.

The table on the right shows the high degree of reliance on government welfare in Victor Harbor comparative to South Australia.

**PAGE REFERENCE 15**

Source PHIDU 2018





# 2018 VICTOR HARBOR ECONOMIC PROFILE

## EDUCATION & EMPLOYMENT

### Tertiary Enrolments\*



1996-2016

2016 **1389**

1996 **687**

PAGE REFERENCE 16

Source ABS 2017

COMMENTARY 102% increase in university and pre vocational training enrolments since 1996.

### Labour Force\*



2017 **5908**

2008 **4664**

PAGE REFERENCE 18

Source ABS 2018

COMMENTARY The Victor Harbor labour force increased by 27% between 2008 and 2017.

### Employment Status



COMMENTARY Since 2006 there has been a 37% swing towards part-time employment in Victor Harbor while there has been a 2% reduction of those in full-time work.

There is a statewide trend to part-time employment (24%) since 2006, although not to the extent experienced in Victor Harbor

PAGE REFERENCE 18

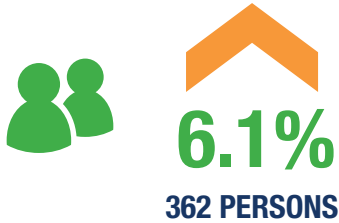
Source ABS 2017



# 2018 VICTOR HARBOR ECONOMIC PROFILE

## EDUCATION & EMPLOYMENT

### Unemployment Rate\*



**COMMENTARY** Increased from 238 persons in 2008 to 362 persons in 2017.

PAGE REFERENCE 21

Source DE 2018

### Underemployment Rate\*

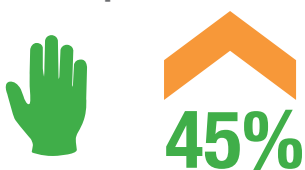


**COMMENTARY** Since 2008 the rate of underemployment has remained steady at just above 8%. Victor Harbor has a higher rate of underemployment than the comparative regions of Barossa (3.9%), Alexandrina (6.1%) and Port Lincoln (7.2%) suggesting that there are a number of part time workers that are available to work more hours.

PAGE REFERENCE 23

Source DE & EconSearch 2018

### Participation Rate\*



**COMMENTARY** In 2015/2016 Victor Harbor's participation rate was 16.8% lower than the state average indicating that fewer people are participating in the labour force. This number excludes those that are volunteering. According to the 2016 census 28% of Victor Harbor residents participated in voluntary work in the last 12 months compared with the state average of 21.5%.

PAGE REFERENCE 25

Source DE, ABS 2017 & EconSearch

### Youth Unemployment\*



**COMMENTARY** In 2006 the youth unemployment rate was 15%, higher than comparative regions of Barossa (11%), Port Lincoln (12%), Alexandrina (13%) while the same as Copper Coast.

PAGE REFERENCE 24

Source ABS 2017

### Youth Employment



**COMMENTARY** In 2006, there were 249 youths employed full-time, while in 2016 the number of youths employed full-time had dropped to 151. The number of youths employed part-time rose from 287 in 2006 to 396 in 2016.

PAGE REFERENCE 24

Source ABS 2017

### Forecasted New Jobs (Fleurieu & Kangaroo Island)

2017 to 2022	Health & Community Services	650
	Retail Trade	210
	Accommodation, Cafe's & Restaurants	160
	Building & Construction	140
	Education & Training	130

Source Training & Skills Commission 2017  
Regional Profile released June 2018



# 2018 VICTOR HARBOR ECONOMIC PROFILE

## EMPLOYMENT

Local Jobs versus Employed Residents\*

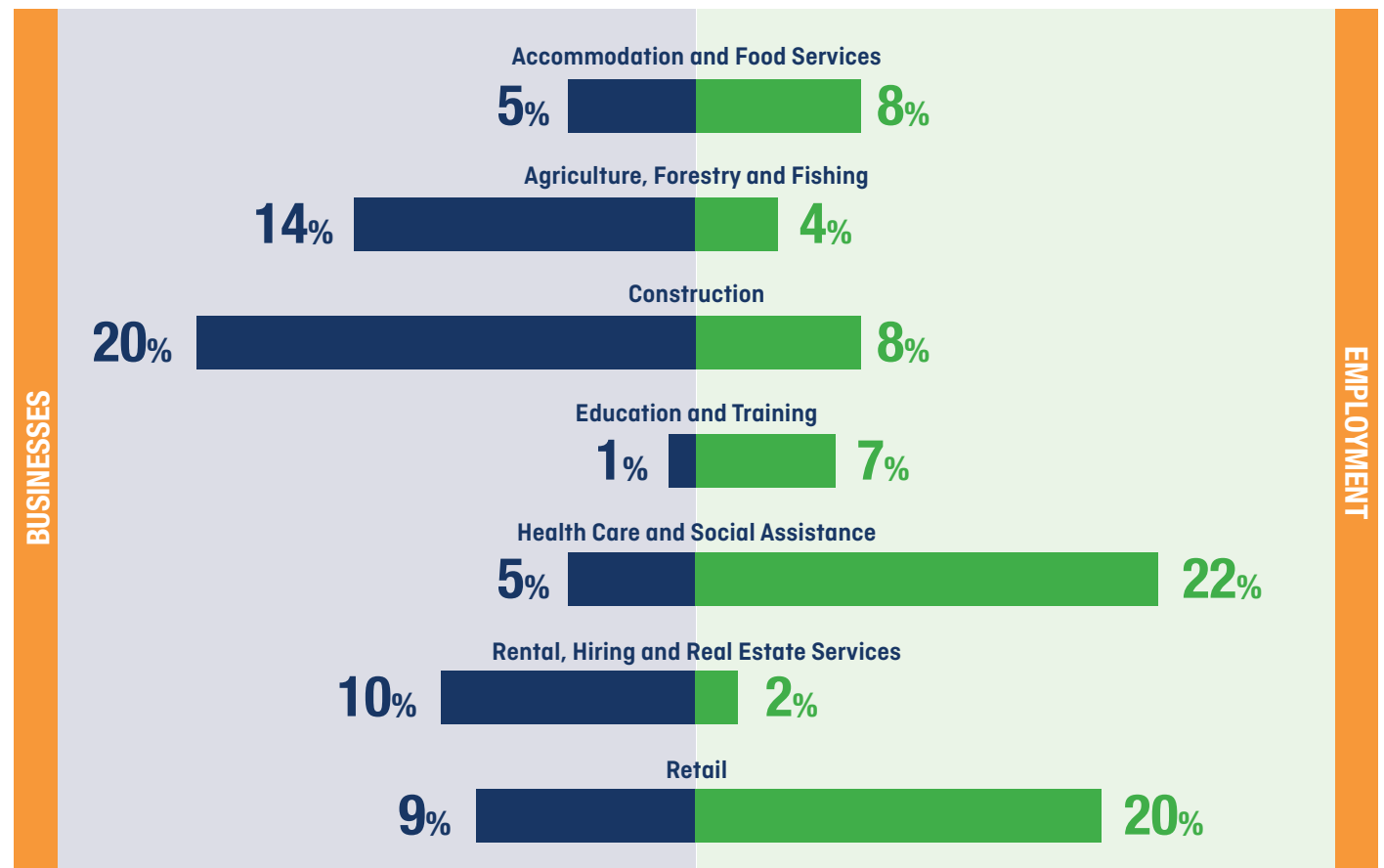


PAGE REFERENCE 26

Source EconomyID

COMMENTARY Since 2006 the number of local jobs has increased by 8% while the number of employed residents has increased by 17% suggesting that locals are increasingly employed outside of the area.

## Businesses versus Employment



PAGE REFERENCE 35 & 28

Source ABS 2018 &  
EconSearch 2017





# 2018 VICTOR HARBOR ECONOMIC PROFILE

## IMPORTS & EXPORTS\*

Gross Regional Product (GRP)\*



**TOTAL GRP**  
**\$440 mil**  
0.4% of SA Economy



### TOP FIVE CONTRIBUTORS

Health & Community Services	14.6%
Ownership of Dwellings	12.3%
Retail Trade	9.6%
Building & Construction	7.7%
Finance & Insurance	7.7%

**PAGE REFERENCE 30**

Source EconSearch 2017

**COMMENTARY** Gross Regional Product (GRP) is a measure of net economic activity. GRP has been provided to identify the size of the Victor Harbor economy within a state context, while understanding the value of each component to the economy. Further explanatory notes are provided at the rear of this document.

## EXPORTS

Tourism



**\$163 mil**  
2015/2016

Agriculture



**\$37 mil**  
2015/2016

Building & Construction



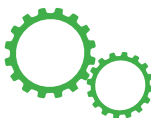
**\$25 mil**  
2015/2016

Health & Community Services



**\$11 mil**  
2015/2016

Manufacturing



**\$7 mil**  
2015/2016

Transport & Storage



**\$5 mil**  
2015/2016

**PAGE REFERENCE 33**

Source EconSearch 2017

**COMMENTARY** A regional input-output model was applied to 2015/2016 year data to determine the economic structure of the Victor Harbor economy. Exports represent the value of goods and services sold from the region to consumers from other regions, interstate or overseas.

## Trade Balance\*



EXPORTS

**\$297 mil**



TRADE BALANCE

**- \$152 mil**



IMPORTS

**\$449 mil**

**PAGE REFERENCE 33**

Source EconSearch 2017

**COMMENTARY** The Victor Harbor economy has a significant negative trade balance [-\$152 million] where the cost of exports only represents 60% of imports. The underlying reasons for the negative trade balance have not been investigated in the report.



# 2018 VICTOR HARBOR ECONOMIC PROFILE

## WEALTH CREATION INDUSTRIES\*

Independent Wealth Generating Industries

**TOP**  
**5**

PAGE REFERENCE 34

Source EconSearch 2015/16

- 1 Public Administration & Defence
- 2 Agriculture, Forestry & Fishing
- 3 Building & Construction
- 4 Accommodation, Cafe's & Restaurants
- 5 Education & Training

Industries that generate new net wealth in the economy.



## Dependent Wealth Generating Industries

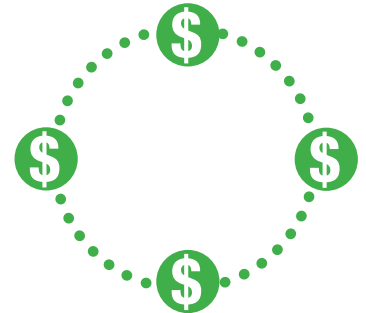
**TOP**  
**5**

PAGE REFERENCE 34

Source EconSearch 2015/16

- 1 Ownership of Dwellings
- 2 Rental, Hiring & Real Estate Services
- 3 Finance & Insurance
- 4 Retail Trade
- 5 Health & Community Services

Industries that re-circulate existing wealth in the economy.



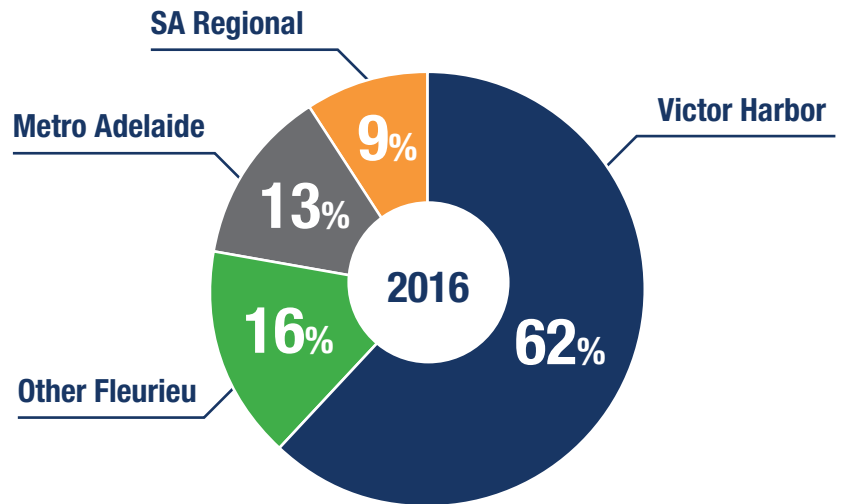
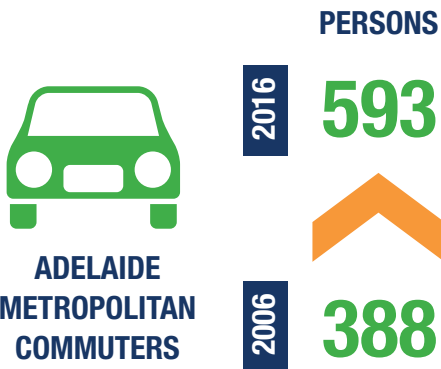
**COMMENTARY** Industries were ranked in accordance with the proportion that each industry sells its goods and services to other local businesses and households including the proportion it sells to capital formation (buildings & roads) and the extent of the industries exports.



# 2018 VICTOR HARBOR ECONOMIC PROFILE

## COMMUTING TO WORK

### Commuting Locations



PAGE REFERENCE 27

Source ABS 2017

COMMENTARY In 2016 popular commuter destinations included Alexandrina (654), Onkaparinga (202) and Adelaide CBD (92).

## BUSINESS

### Businesses by Industry



COMMENTARY Local businesses involved in the construction sector (20%) represent the most local businesses while those in the Agriculture, Forestry and Fishing sector represent 14% of local businesses.



PAGE REFERENCE 35

Source ABS 2018



# 2018 VICTOR HARBOR ECONOMIC PROFILE

## BUSINESS

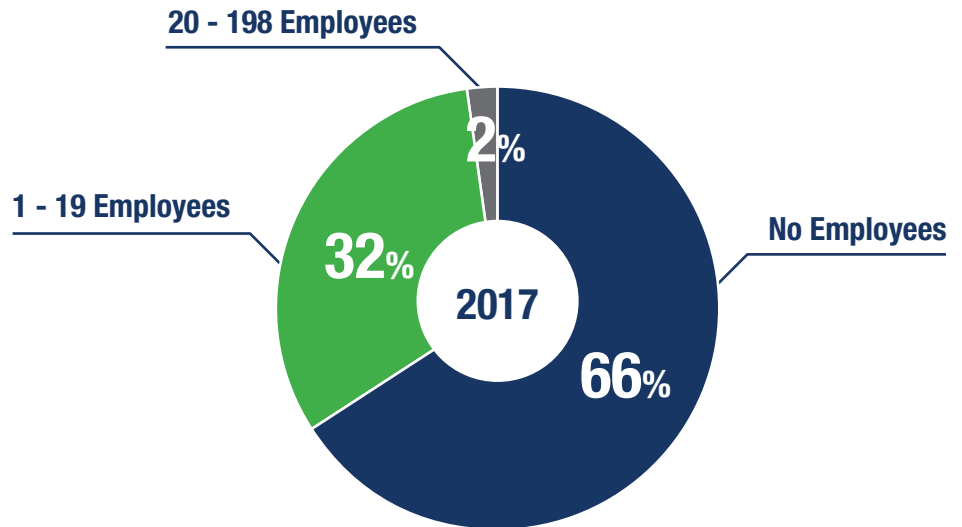
### Businesses by Employment



These results are similar to SA as a whole.

**PAGE REFERENCE 35**

Source ABS 2018



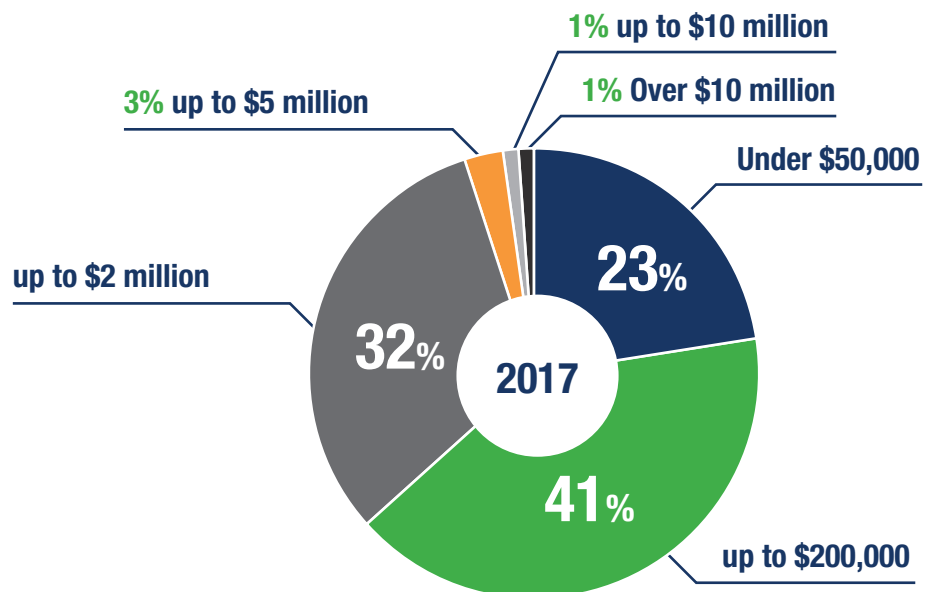
### Business Count by Turnover\*



These results are similar to SA as a whole.

**PAGE REFERENCE 36**

Source ABS 2018





# 2018 VICTOR HARBOR ECONOMIC PROFILE

## HOUSING

### Unoccupied Private Dwellings



Victor Harbor  
**39%**

South Australia  
**14%**

PAGE REFERENCE 38

Source ABS 2017

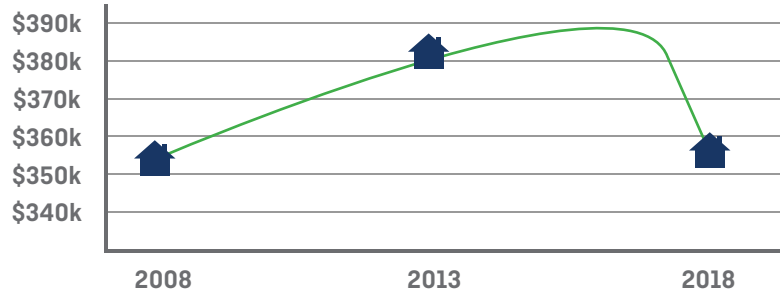
**COMMENTARY** The percentage of unoccupied private dwellings in Victor Harbor is similar to the Alexandrina & Copper Coast Local Government Areas.

## LOCAL INVESTMENT

### Median House Prices



**2.4%**  
Since 2008/09



PAGE REFERENCE 40

Source CoreLogic RP Data 2018

**COMMENTARY** The median house sale price rose steadily by 9% from 2008/2009 to 2016/2017 while dropping by over 6% in 2017/2018 resulting in an overall increase of 2.4% since 2008/2009. Median house sale prices have risen in Alexandrina (21%) and Barossa (20%) since 2008/2009 and are now comparable to Victor Harbor. The current median house sale price in the Victor Harbor Local Government Area is \$355,000.

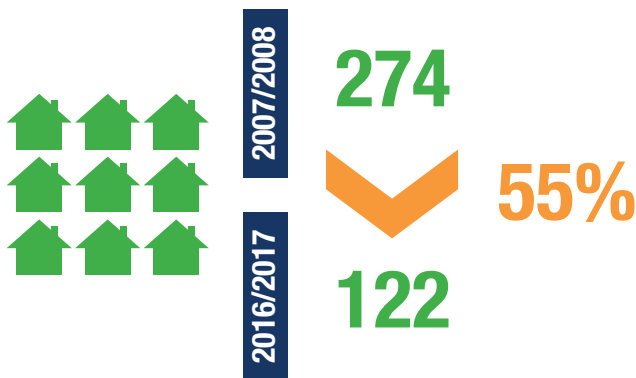


# 2018 VICTOR HARBOR ECONOMIC PROFILE

## LOCAL INVESTMENT

### Residential Dwelling Approvals

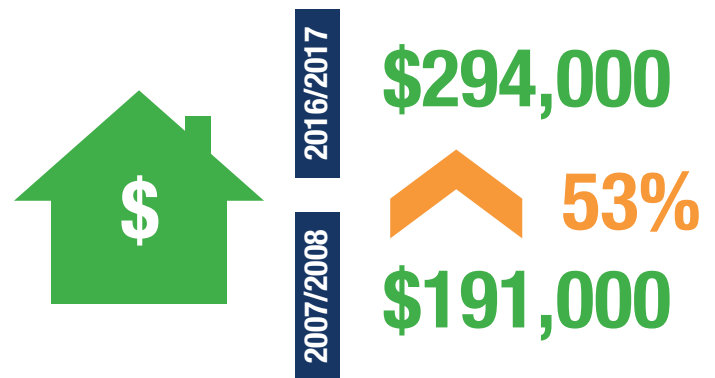
#### Number of Dwelling Approvals per annum



PAGE REFERENCE 41

Source ABS 2018

#### Average Value of Dwelling Approvals per annum



PAGE REFERENCE 42

Source ABS 2018

**COMMENTARY** The number of residential dwelling approvals granted annually has more than halved between 2007/2008 (\$52 million) and 2016/2017 (\$36 million). During the same period the average value per approval has increased by 53% from \$191,000 to \$294,000. The increase in values has been attributed to the increasing costs to build and an increasing number of higher value properties being built in the area.

### Recent Approvals



**Retail/Shop Approvals**  
**\$31.5 mil**  
2016/17 & 2017/18

**COMMENTARY** Since 2017 a number of large and prominent retail developments have been approved, including ALDI (\$10 million) and Bunnings / Coles (\$20 million) while Woolworths have undertaken a retail fit-out valued at \$665,000. Over the same period there has been a number of retail fit-outs valued in-excess of \$100,000 in the Victor Central Shopping Complex.

Source City of Victor Harbor 2018



# 2018 VICTOR HARBOR ECONOMIC PROFILE

## EXPLANATORY NOTES

### Definitions\*:

**VICTOR HARBOR** is defined as the City of Victor Harbor Local Government Area.

**LOCAL** is defined as City of Victor Harbor Local Government Area.

**HOUSEHOLD INCOME** is a measure of the combined incomes of all people sharing a particular household or place of residence. It includes every form of income, including salaries and wages, retirement income, government payments and investment gains.

**GOVERNMENT WELFARE** includes those on the aged pension, disability support pension, single parent payments and unemployment benefits.

**LABOUR FORCE** data provides a measure the number of people who are employed. They are not a measure of the number of jobs.

**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.

**UNEMPLOYMENT RATE** is defined as the number of unemployed people expressed as a percentage of the labour force (employed plus unemployed). The measure identifies the proportion of the labour force that is under-utilised.

**UNDEREMPLOYMENT** is a measure of the those in the employed population who are willing and available to work more. The rate allows for a better understanding the underutilisation of the employed population.

**PARTICIPATION RATE** is defined as the labour force (persons employed or unemployed) expressed as a percentage of the population.

**YOUTH UNEMPLOYMENT** is the number of young unemployed people (15 to 24 years) expressed as a proportion of the labour force.

**LOCAL JOBS** are jobs that exist or substantially occur within the locally defined area (City of Victor Harbor)

**EMPLOYED RESIDENTS** are individuals that live within a defined area that are employed.

**LABOUR FORCE** is defined as the total number of employed and unemployed persons.

**GROSS REGIONAL PRODUCT (GRP)** is a measure of the net contribution of an activity to the regional economy . GRP 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 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.

**EXPORTS** 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.

**TRADE BALANCE** is the difference between what is exported from the region and what is imported into the region.

**WEALTH CREATION INDUSTRIES** are industries that contribute new net wealth to the economy as a opposed to industries that simply re circulate existing wealth or income generated. In the report these have been grouped into industries that are independent or generate the largest amounts of new net wealth and those industries that are dependent on local income generated.

**TURNOVER** the amount of money taken by a business in a particular period.

**TERTIARY ENROLEMENTS** relates to enrolements at universities, technical colleges and other education institutes.

### Modelling description:

In order to measure the size of the regional economy EconSearch constructed a RISE (Regional Industry Structure and Employment) model for 2015/16 for Victor Harbor. Input-output (I-O) models are widely used to assess the economic impact of existing or changing levels of economic activity. Over the past decade EconSearch has developed an extended input-output model known as the RISE model (Regional Industry Structure & Employment) that has been extensively applied by Local Government, regional (State Government regions) and at State levels. Information on the regional economy drawn from the RISE model is crosschecked with other information gathered from other relevant databases and resources.