

Appendix 1: Economic Profile

The economy of the Bega Valley Shire Local Government Area (LGA) and Eden Statistical Area 2 (SA2) region are profiled separately in this section of the report. Analysis was considered specifically on Eden in addition to the whole of the Bega Valley Shire LGA.

Bega Valley Shire Council Local Government Area

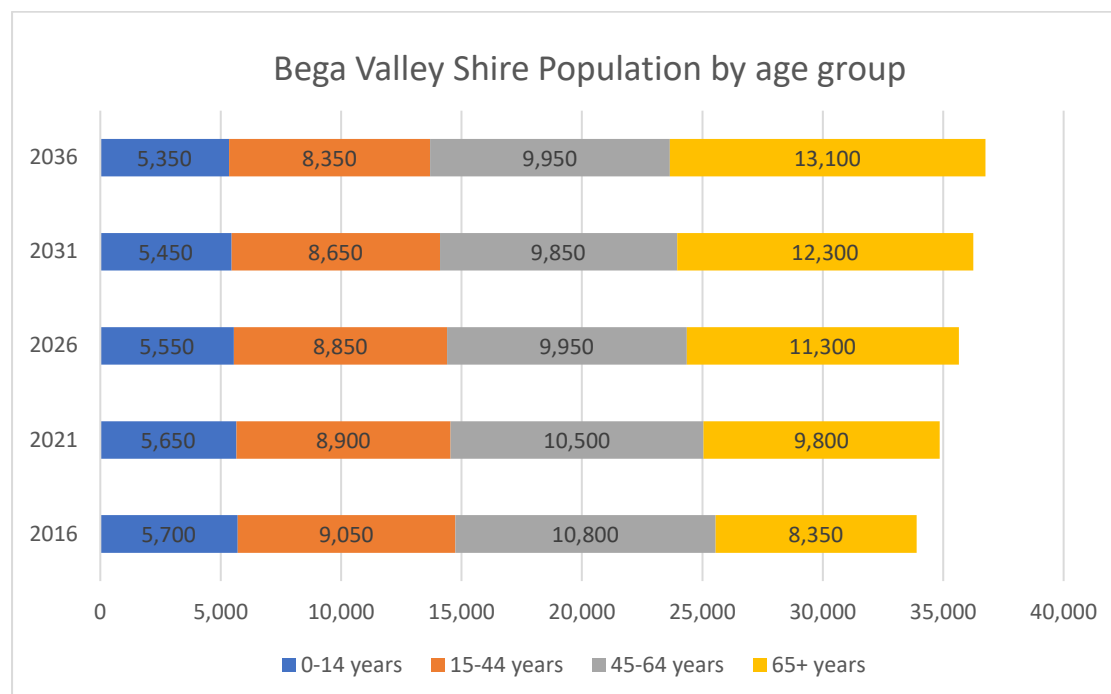
Population projections

According to the NSW Department of Planning the population for the Bega Valley Shire Local Government Area was 33,900 in 2016, growing to 36,750 by 2036 with a calculated compound annual growth rate of 0.4% per annum.¹

The Bega Valley's population is expected to age significantly. The percentage of working age (15-64 years) people is projected to decline from 59% in 2016 to 50% in 2036, while the percentage of the population aged 65 or older is projected to rise from 24.6% in 2016 to 35.6% in 2036. This represents a significant demographic challenge for the local economy as fewer people in the labour force leads to lower overall employment.

Compared to Regional NSW, the Bega Valley has a lower concentration of working age population and a higher percentage of people aged over 65. In 2016, 61% of regional NSW's population were working age, while 20% were over 65. It is projected that by 2036, 56% of regional NSW's population will be working age, with 27% over the age of 65.

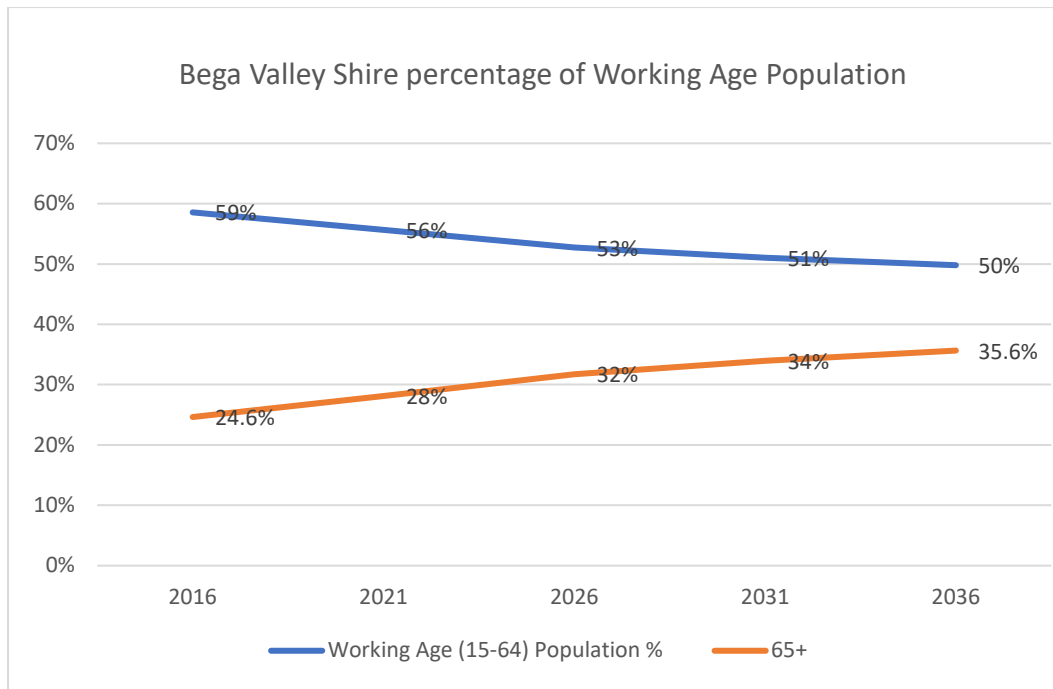
Projections by age group are illustrated in the charts below.



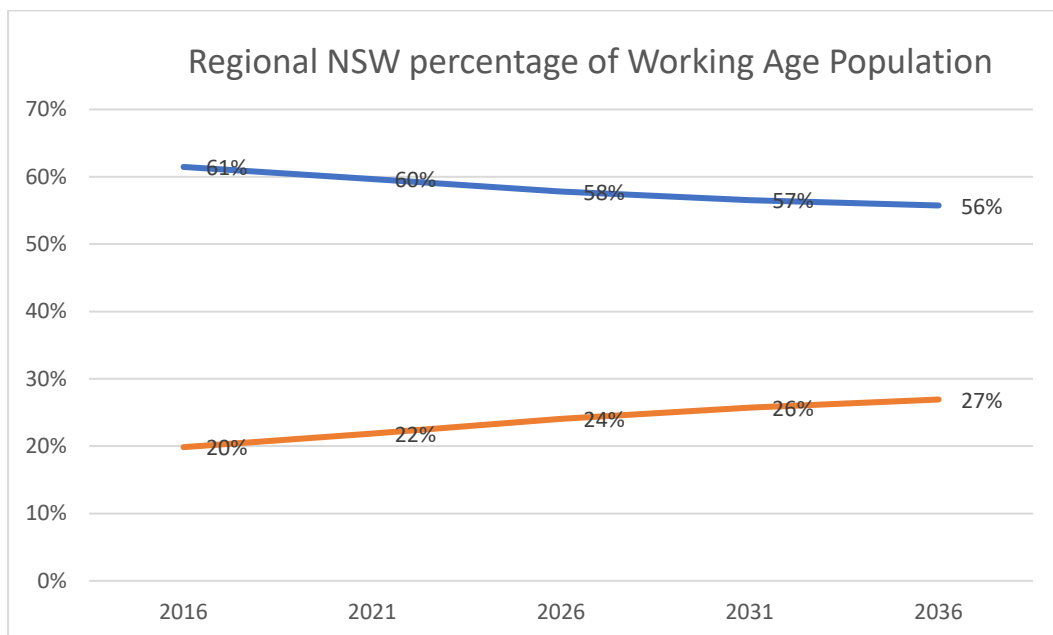
Source: NSW Department of Planning and Environment, 2016 NSW and Local Government Area population projections, 2016

¹ NSW Government Department of Planning, Industry and Environment, 2016 New South Wales State and Local Government Area population projections, 2016.

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Source: NSW Department of Planning and Environment, 2016 NSW and Local Government Area population projections, 2016



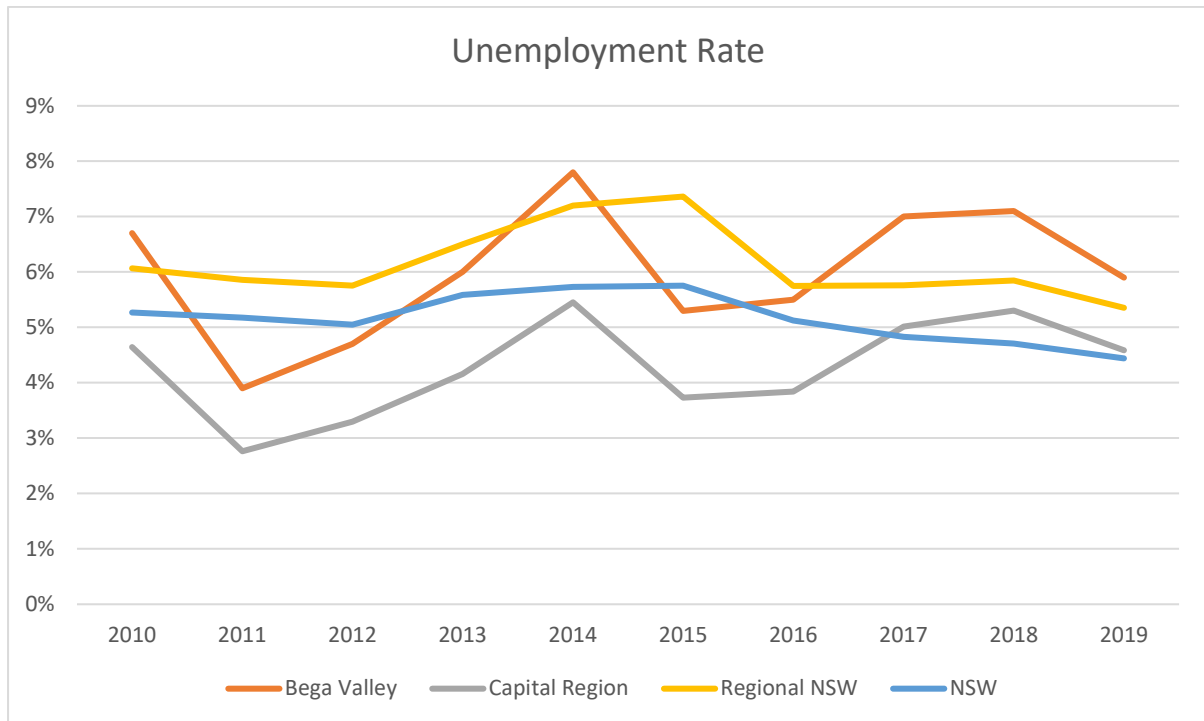
Source: NSW Department of Planning and Environment, 2016 NSW and Local Government Area population projections, 2016

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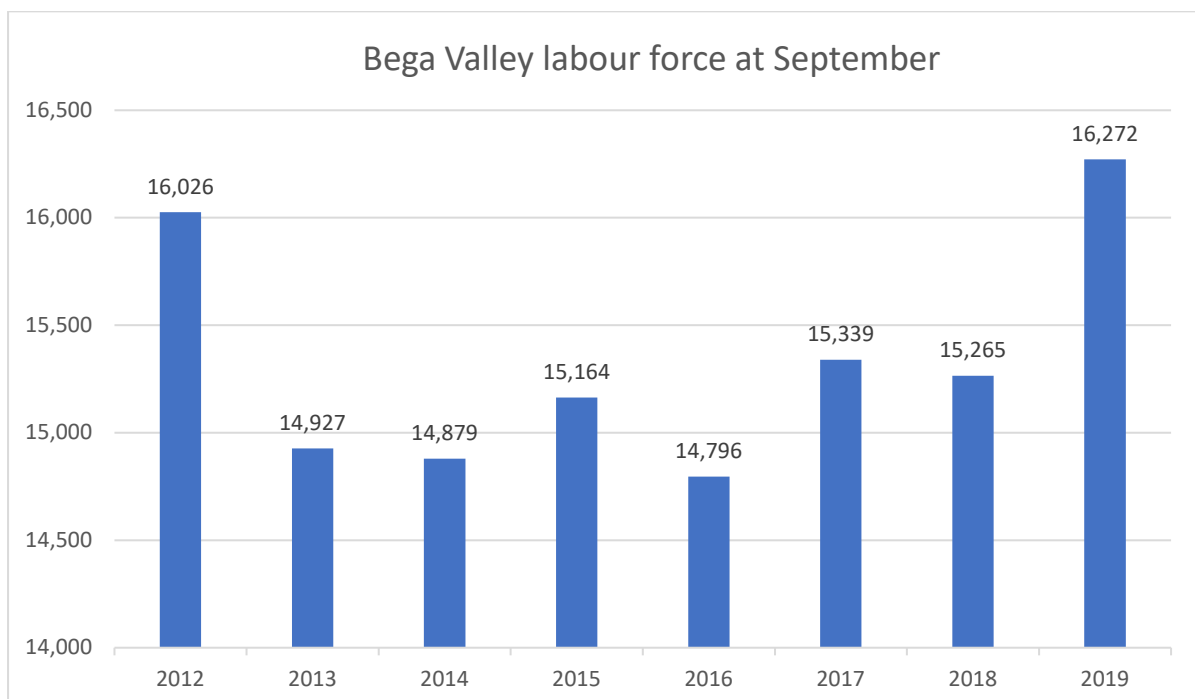
Labour force

The 2019 September quarter unemployment rate for the Bega Valley Shire was 5.4%. ²

This rate is higher than that of NSW calculated at 4.4% for the same period. The Capital Region rate was 4.2% while regional NSW was 4.7%.



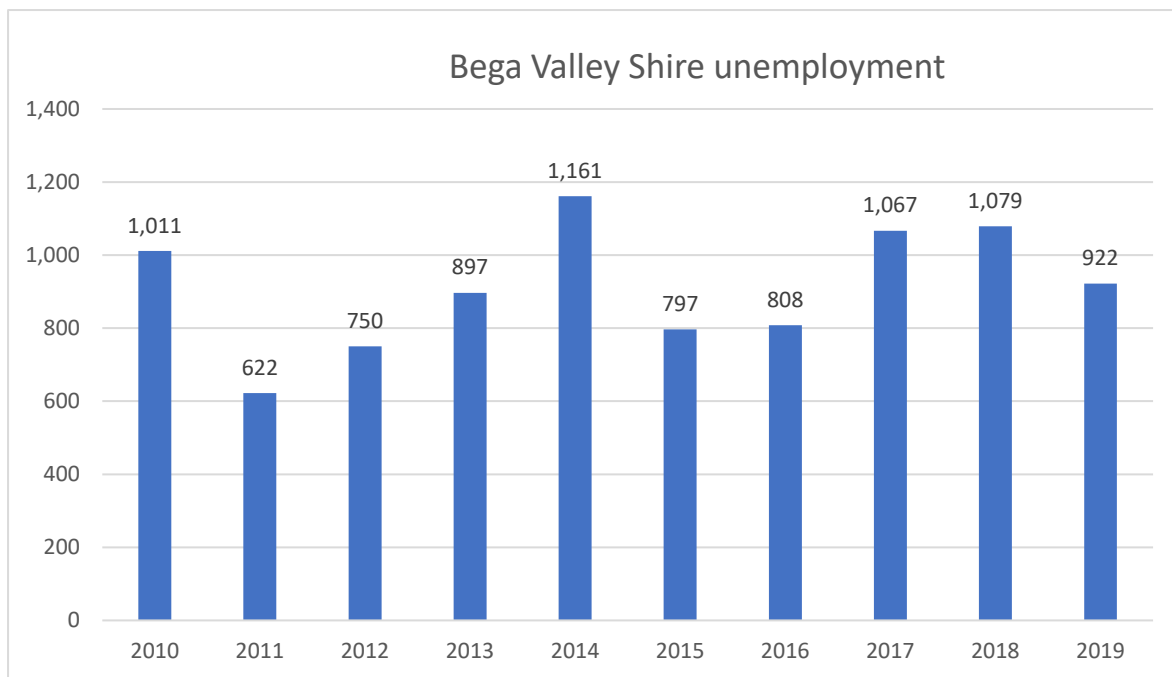
Sources: Small Area Labour Markets, 2019 September Quarter, NSW Parliament site



Source: Small Area Labour Markets, 2019 September Quarter

² Australian Department of Jobs and Small Business, Small area labour markets, September 2019.

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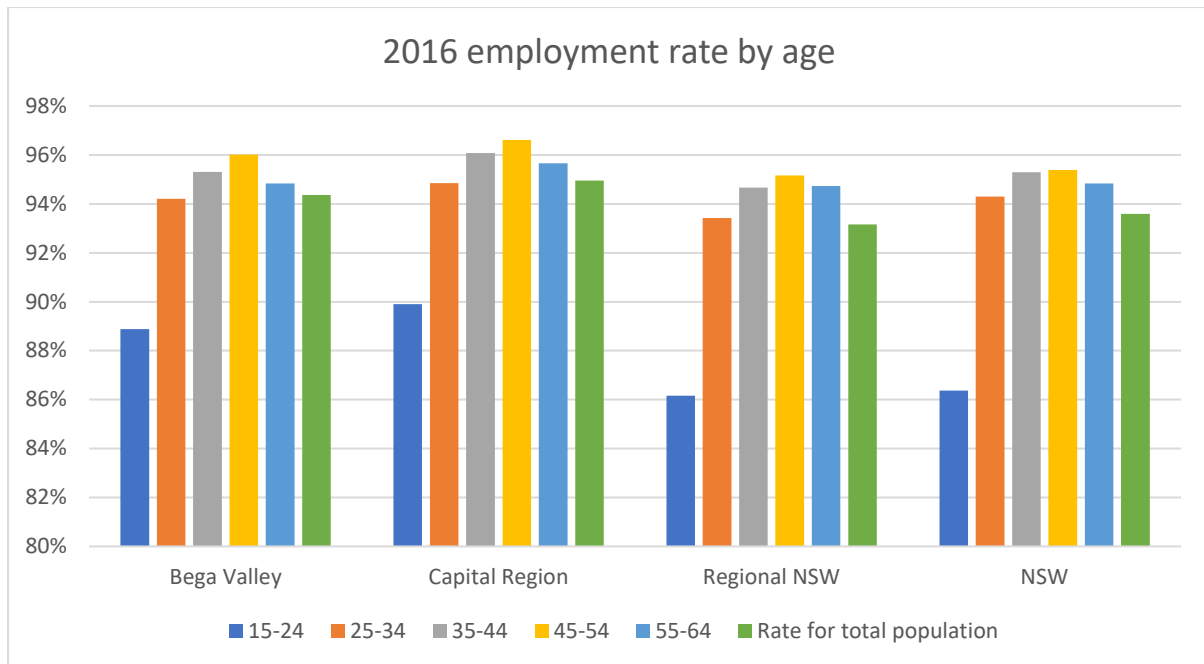
Source: Small Area Labour Markets, 2019 June Quarter

The unemployment rate in the Bega Valley declined in 2019. The unemployment rate peaked at 7.8% in 2014, fell to 5.3% in 2015, then rose again to 7% for 2017 and 2018. This mirrors the general trend of the Capital Region, although the Capital Region experienced a substantially lower unemployment rate for all years.

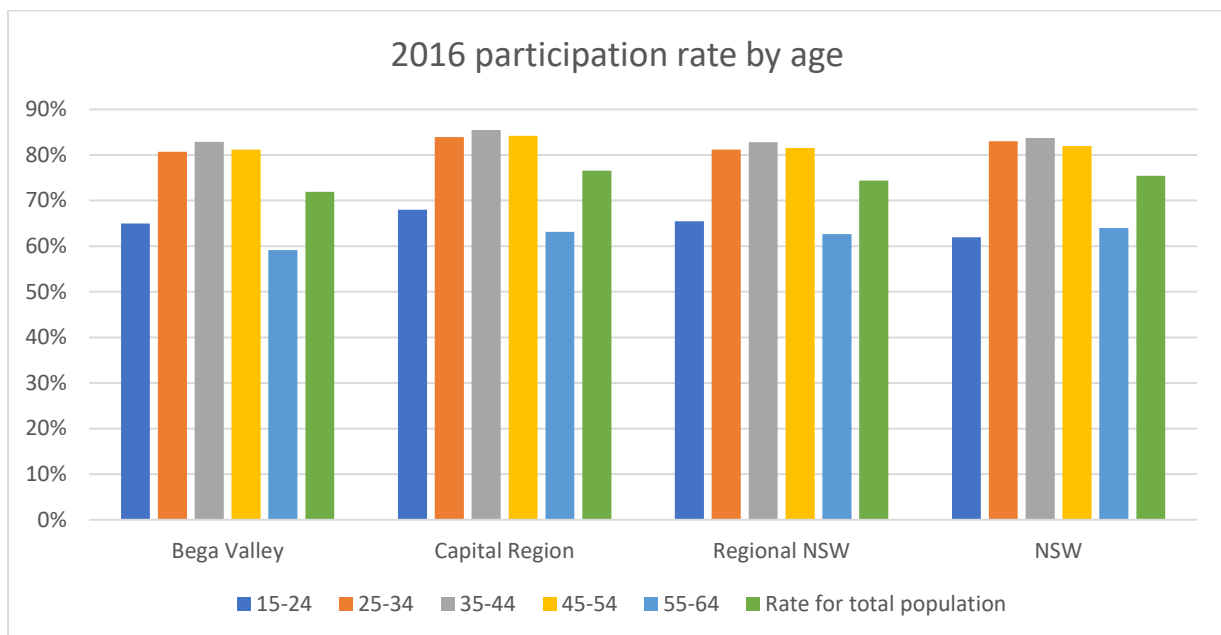
When examined by age group, employment amongst people aged 15-24 in the Bega Valley Shire LGA remains substantially lower than other age groups. This is common to the data in the Capital Region, Regional NSW and NSW. Employment in the 25-34 age group is also slightly lower than in the 35-44, 45-54, and 55-64 groups for all regions.

Participation rates for each age group are similar for all regions. The participation rate for the 15-24 and 55-64 age groups are substantially lower than the 25-34, 35-44, 45-54 age groups for all regions.

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Source: ABS 2016 Census



Source: ABS 2016 Census

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Employment by industry

ABS data from the 2011 and 2016 Census was analysed to identify trends in employment by industry. The results are listed in the table below.

Industry Sector	Bega Valley Shire LGA 2011 employment	Bega Valley Shire LGA 2016 employment	Percentage change
Agriculture, Forestry and Fishing	858	924	8%
Mining	32	33	3%
Manufacturing	1,215	1,060	-13%
Electricity, Gas, Water and Waste Services	140	130	-7%
Construction	1,141	1,202	5%
Wholesale Trade	367	241	-34%
Retail Trade	1,602	1,524	-5%
Accommodation and Food Services	1,453	1,412	-3%
Transport, Postal and Warehousing	538	439	-18%
Information Media and Telecommunications	108	113	5%
Financial and Insurance Services	194	178	-8%
Rental, Hiring and Real Estate Services	184	182	-1%
Professional, Scientific and Technical Services	566	561	-1%
Administrative and Support Services	339	428	26%
Public Administration and Safety	681	697	2%
Education and Training	1,013	988	-2%
Health Care and Social Assistance	1,708	1,895	11%
Arts and Recreation Services	193	218	13%
Other Services	447	462	3%

Source: ABS 2011, 2016 Census

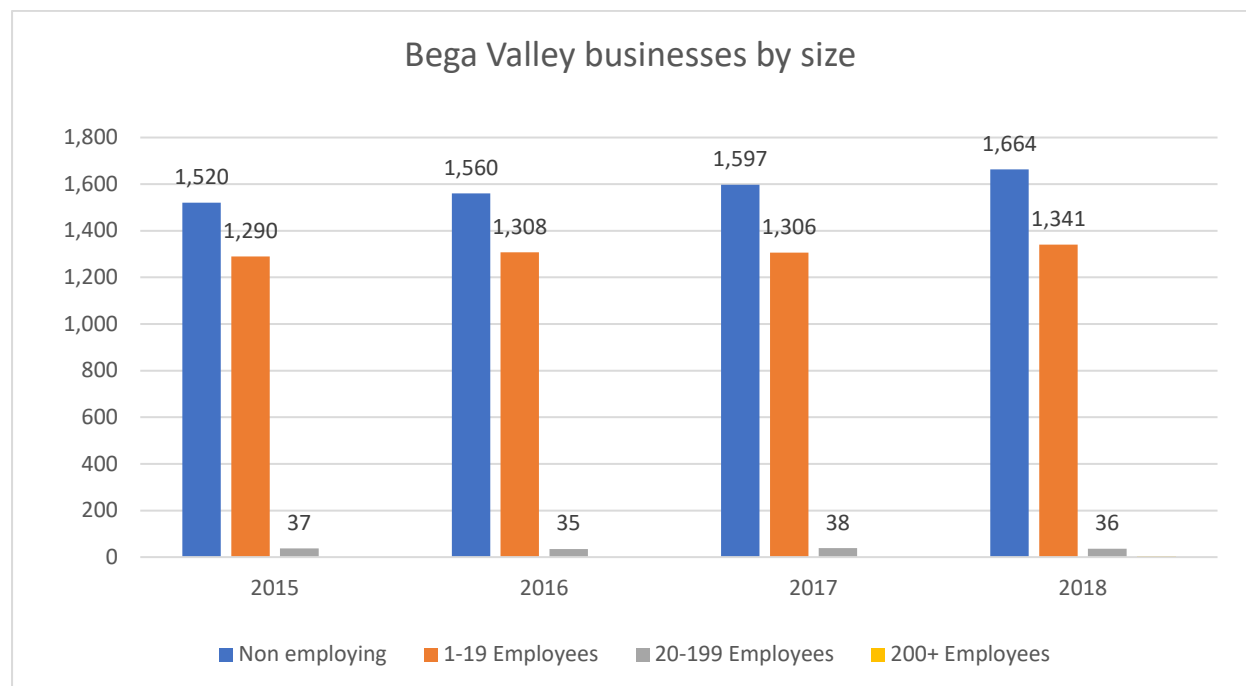
The most notably growth in employment has occurred in the Administrative and Support services sector with Arts and Recreation services and Healthcare and Social assistance also experiencing strong growth.

Wholesale trade experienced the largest decline (-34%) with Transport, Postal and Warehousing and Manufacturing industries also experiencing large negative growth from 2011 to 2016.

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Counts of business

ABS data was used to determine the number of businesses by size and industry in the Bega Valley Shire LGA from 2015 to 2018.



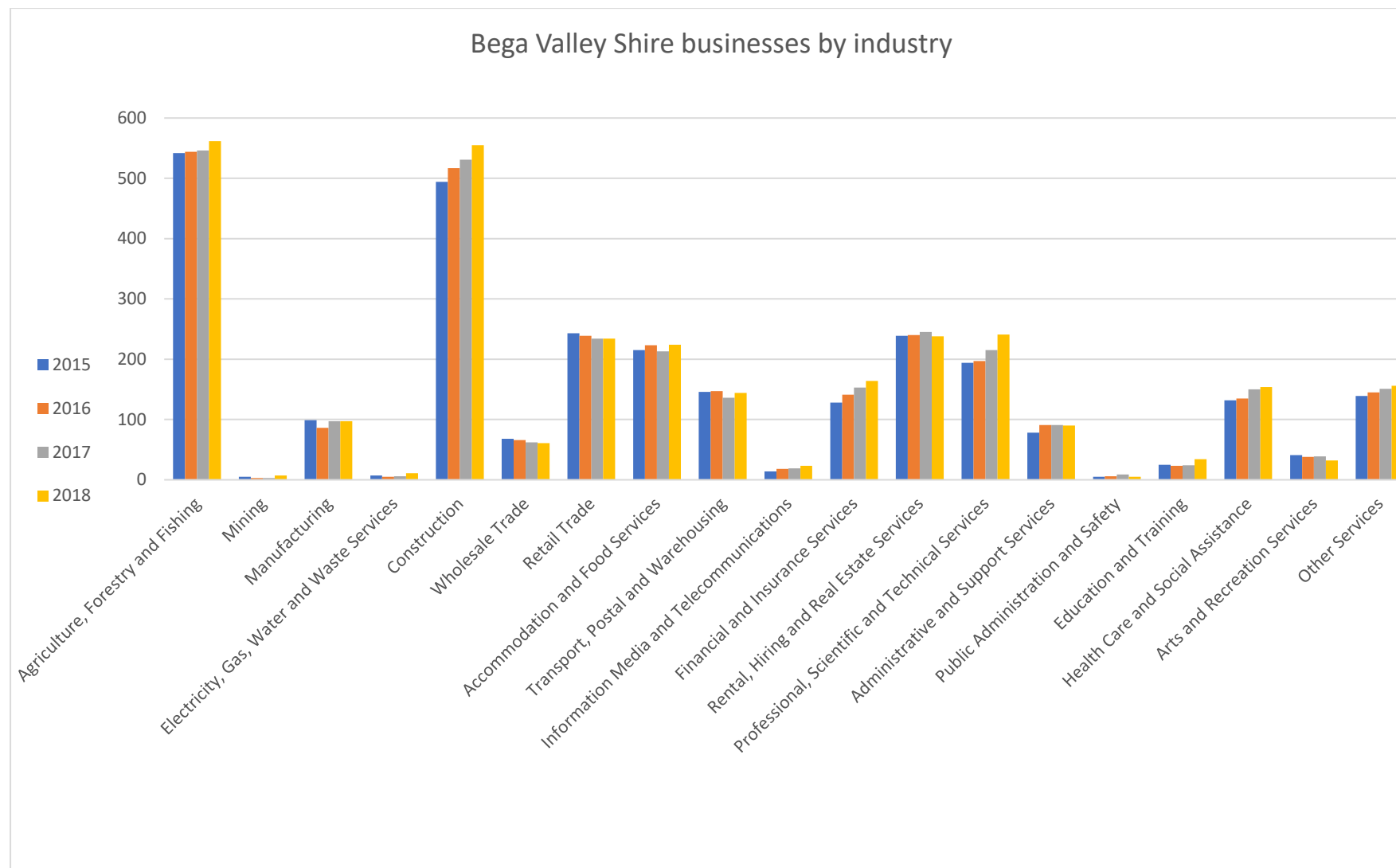
Source: ABS cat no. 8165 Counts of Australian Businesses, including Entries and Exits June 2015 to June 2018

The spread of businesses across industry sectors has remained static over the past 3 years (to 2018) with minor growth in the number of businesses in the following sectors:

- Agriculture, Forestry and Fishing
- Construction
- Professional, Scientific and Technical Services
- Accommodation and Food services
- Health Care and Social assistance

An outline of the changes in the number of businesses between 2015 and 2018 is shown in the graph below.

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Source: ABS cat no. 8165 Counts of Australian Businesses, including Entries and Exits June 2015 to June 2018

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Most businesses in the Bega Valley Shire for all years are non employing and the number of non employing businesses is increasing faster than any other business size. Nearly every business in the Bega Valley Shire employs less than 20 people.

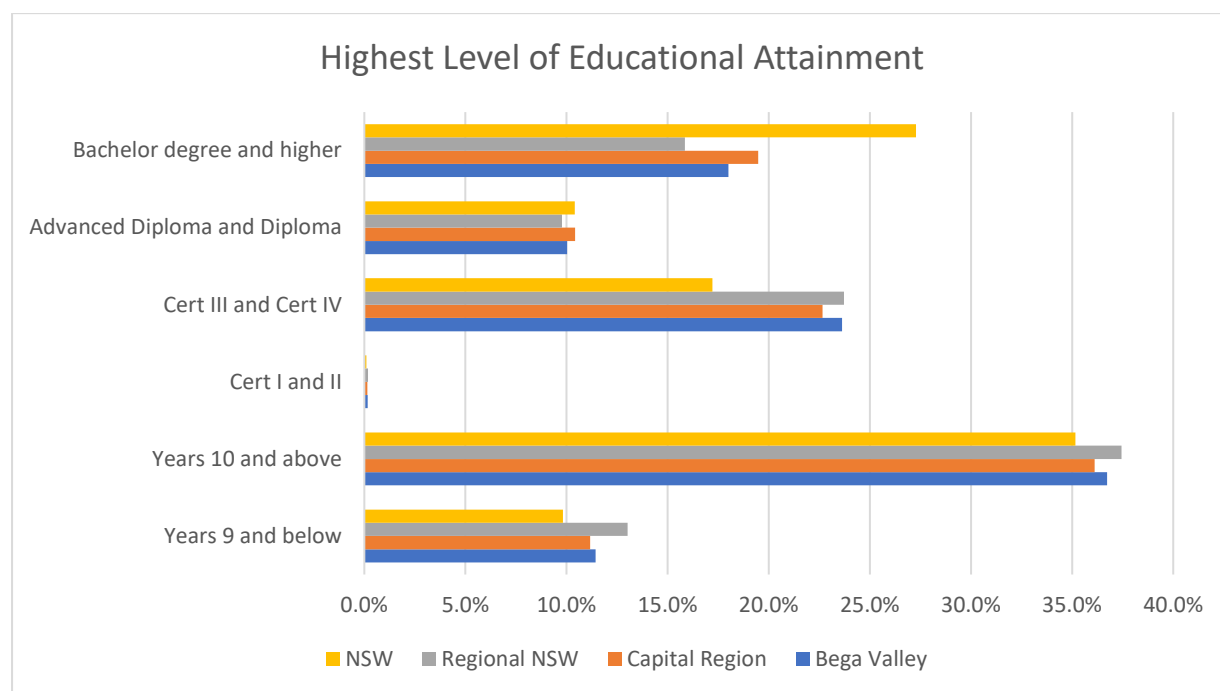
The industry with the largest number of businesses is Agriculture, Forestry and Fishing with Construction a very close second. The next 3 industries with the most businesses are Rental, hiring and Real estate services, Accommodation and Food services, and Professional, Scientific and Technical services. The counts of businesses by industry sector have remained stable from 2015 to 2018 with Agriculture, Forestry and Fishing and construction showing a slight increasing trend.

Education and skills

Data from the 2016 Census was analysed to determine the highest level of education of Bega Valley residents.

The Bega Valley Shire has a lower rate of residents holding a bachelor's degree or higher than the Capital Region and NSW, but a higher rate than regional NSW.

Rates for Certificate III and Certificate IV are higher in the Bega Valley, Capital Region, regional NSW than NSW. Rates for other levels of education are similar across all regions.



Source: ABS 2016 Census

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Incomes

Calculations from 2016 ABS Census data shows that the Bega Valley Shire had an average annual income of \$36,685. This is low compared to the Capital Region, regional NSW and NSW averages.

	Average income		
	2016	2011	% change
Bega Valley Shire	\$ 36,685	\$30,582	20.0%
Capital Region	\$ 44,318	\$36,823	20.4%
Regional NSW	\$ 40,077	\$33,351	20.2%
NSW	\$ 45,819	\$37,910	20.9%

Source: ABS 2016 Census

SEIFA Ranking

Socio-Economic Indexes for Areas (SEIFA) is a metric developed by the Australian Bureau of Statistics that measures economic disadvantage of regions based on Census data.

Economic disadvantage as a numerical score where the mean is equal to 1000. SEIFA is available at the Statistical Area 2 (SA2)³ level and Local Government Area level and regions are scored and ranked ordinally.

SEIFA rankings for economic disadvantage for Eden and the Bega Valley Local Government Area are displayed in the table below.

	2016 SEIFA NSW Ranking	2011 SEIFA Ranking	Change
Eden	68 (of 558)	23 (of 521)	45
Bega Valley	72 (of 130)	71(of 153)	1

Source: ABS

The Bega Valley was ranked 72nd out of 130 Local Government Areas in 2016, meaning it was the 72nd most economically disadvantaged Local Government Area in NSW.

This ranking has remained stable since 2011. Eden was ranked 68th out of 558 SA2 regions in 2016, meaning it was the 68th most economically disadvantaged SA2 region. This ranking is an improvement by 45 places compared to Eden's 2011 ranking of 23rd, suggesting that economic conditions in Eden have improved significantly between 2011 and 2016. Nevertheless Eden remains one of the most relatively disadvantaged SA2 areas in New South Wales with its population on average being more disadvantaged than 87% of SA2s in the State.

³ SA2s represent a community that interacts together socially and economically and approximate to Significant Urban Areas and Tourism Regions in the Australian Statistical Geography Standard (ASGS) Non-ABS Structures. There are 558 in NSW and 2,310 SA2 regions covering the whole of Australia.

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Eden Profile

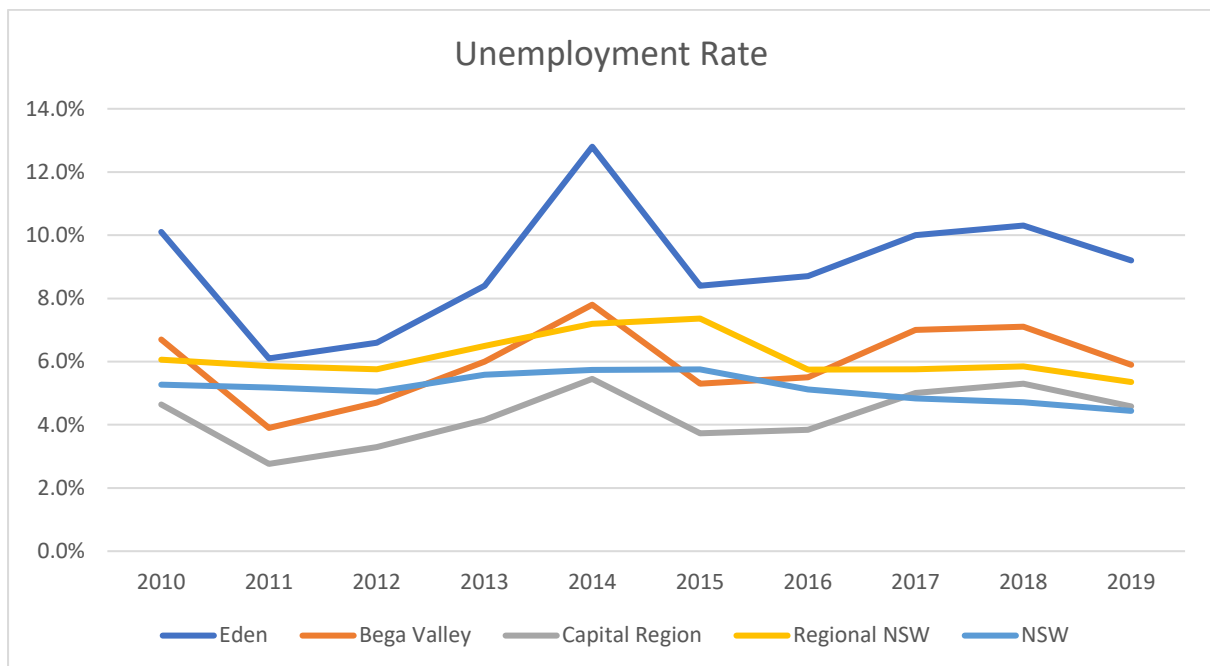
Population

Eden Coast Estimated Residential Population	Number	% change
2012	3,911	
2013	3,904	-0.2%
2014	3,902	-0.1%
2015	3,901	0.0%
2016	3,907	0.2%
2017	3,888	-0.5%
2018	3,877	-0.3%

Source: Bega Valley Shire economic model

Labour Force

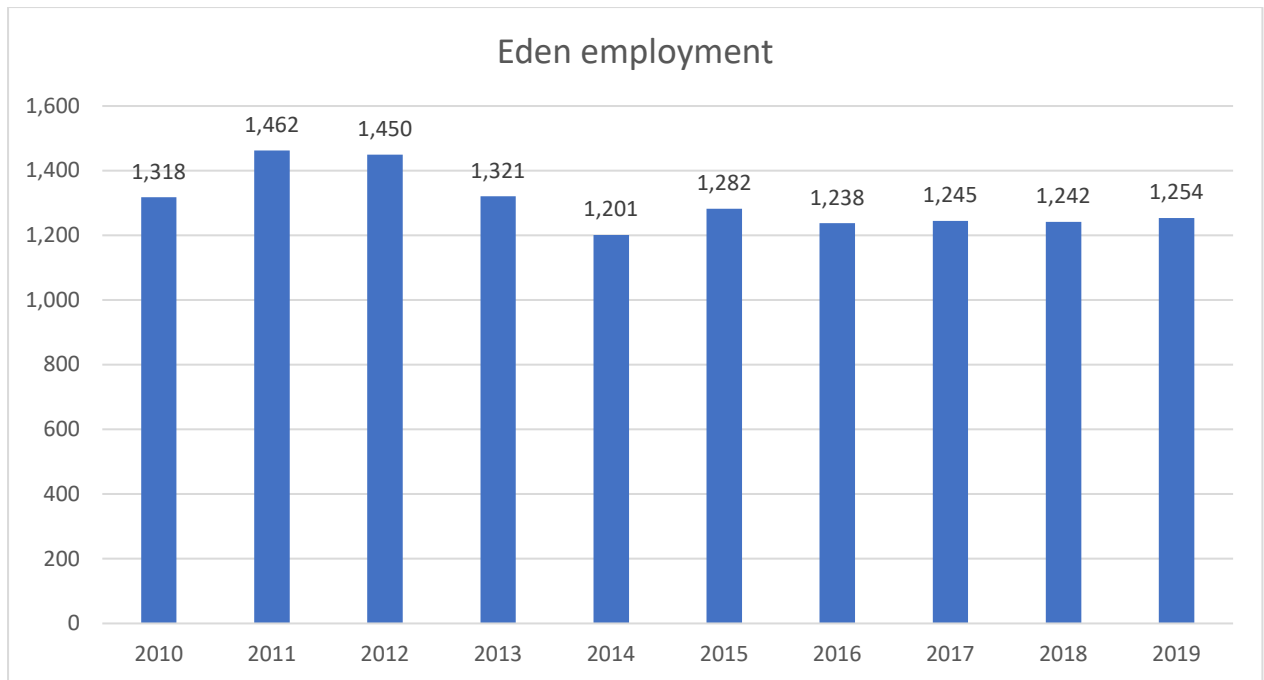
The September 2019 quarter unemployment rate was 8.1%.⁴ This rate is higher than that of NSW, Bega Valley Shire, Capital Region and regional NSW.



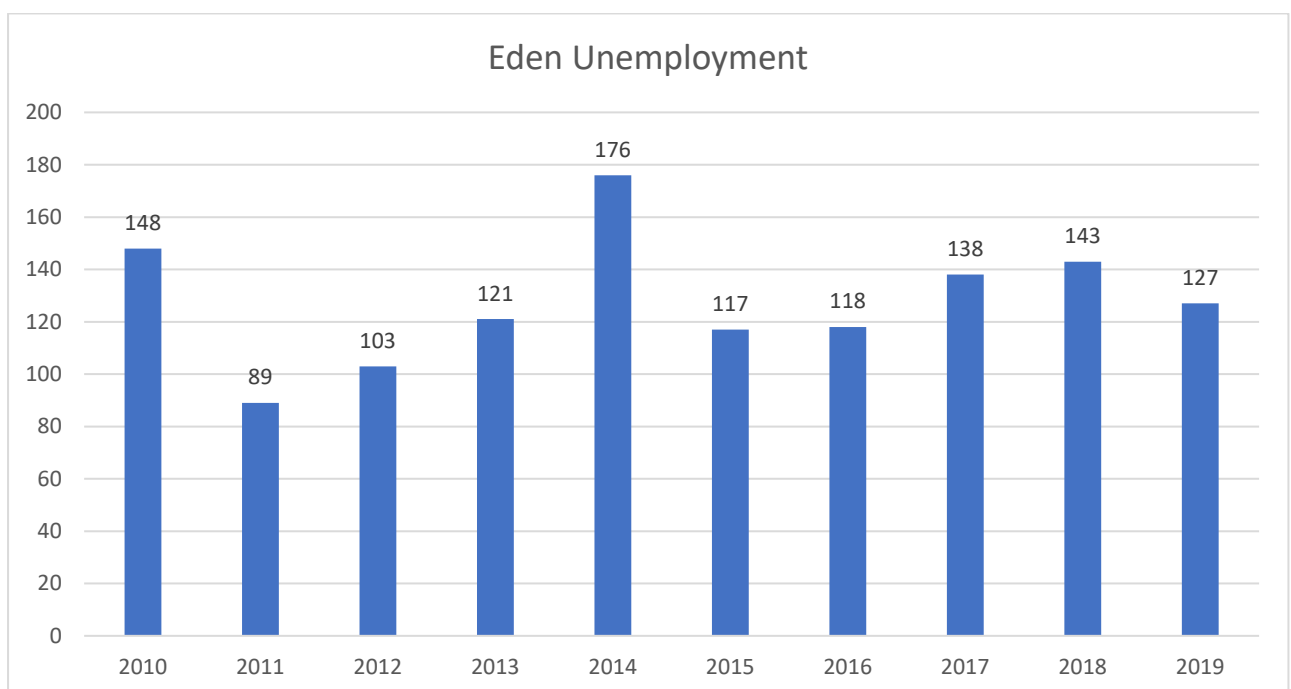
Source: Small Area Labour Markets, 2019 September Quarter

⁴ Australian Department of Jobs and Small Business, Small area labour markets, September 2019.

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Source: Small Area Labour Markets, 2019 June Quarter

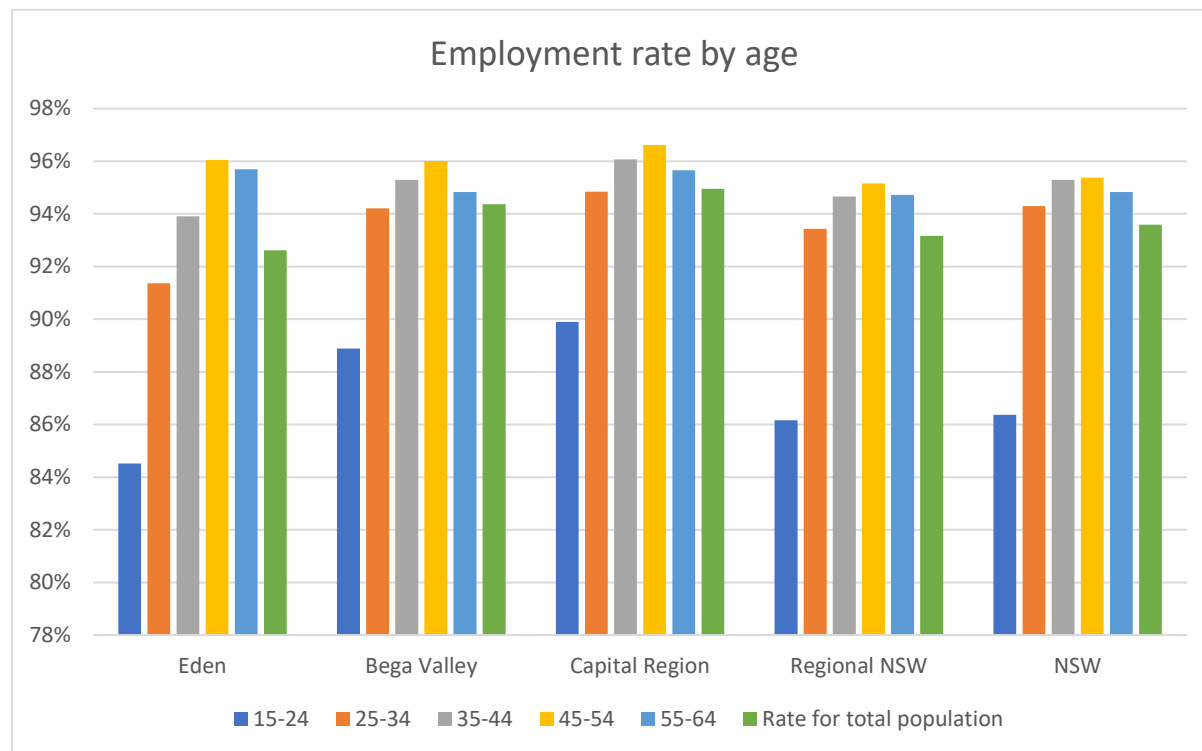


Source: Small Area Labour Markets, 2019 June Quarter

The unemployment rate in Eden is currently showing a slight declining trend. The unemployment rate peaked at 12.8% in 2014, fell to 8.4% in 2015, then rose again to around 10% for 2017 and 2018. This mirrors the general trend of the Bega Valley Shire and Capital Region, although both regions experienced substantially lower unemployment rates for all years.

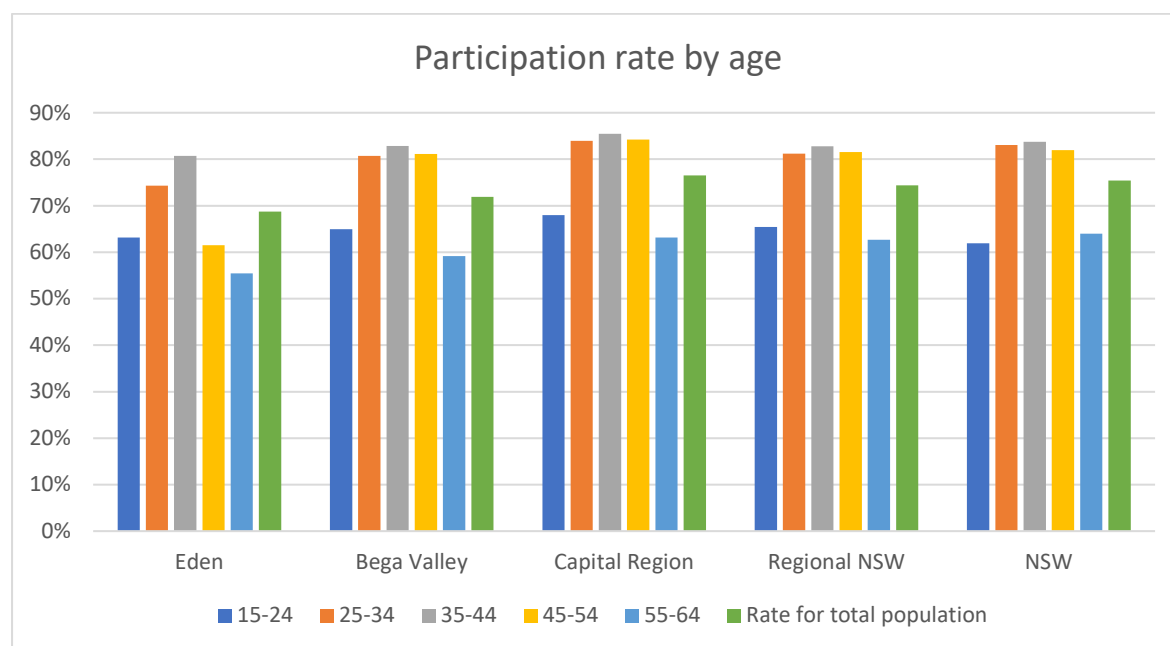
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When examined by age group, employment amongst people aged 15-24 in the Bega Valley Shire remains substantially lower than other age groups. This is a statistic shared by the Capital Region, regional NSW and NSW. Employment in the 25-34 age group is also lower than in the 35-44, 45-54 and 55-64 groups for all regions. Employment in the 15-24, 25-34 and 35-44 age groups is substantially lower in Eden than the other regions.



Source: ABS 2016 Census

The participation rates in Eden are lower across all age groups when compared to all other regions. This is especially so for the 45-54 age group.



Source: ABS 2016 Census

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Employment by industry

ABS data from the 2011 and 2016 Census was analysed to identify trends in employment by industry in Eden. The results are listed in the table below.

	Eden 2011	Eden 2016	Percentage change
Agriculture, Forestry and Fishing	85	86	1%
Mining	9	6	-33%
Manufacturing	129	84	-35%
Electricity, Gas, Water and Waste Services	12	8	-33%
Construction	94	71	-24%
Wholesale Trade	46	43	-7%
Retail Trade	164	150	-9%
Accommodation and Food Services	181	138	-24%
Transport, Postal and Warehousing	91	64	-30%
Information Media and Telecommunications	3	4	33%
Financial and Insurance Services	10	8	-20%
Rental, Hiring and Real Estate Services	15	14	-7%
Professional, Scientific and Technical Services	45	41	-9%
Administrative and Support Services	37	52	41%
Public Administration and Safety	52	47	-10%
Education and Training	55	74	35%
Health Care and Social Assistance	130	118	-9%
Arts and Recreation Services	10	16	60%
Other Services	49	57	16%

Source: ABS 2011, 2016 Census

Many industries in Eden have seen a significant decline in employment including:

- Manufacturing
- Mining
- Electricity, Gas, Water and Waste services
- Transport, Postal and Warehousing
- Construction
- Financial and Insurance services.

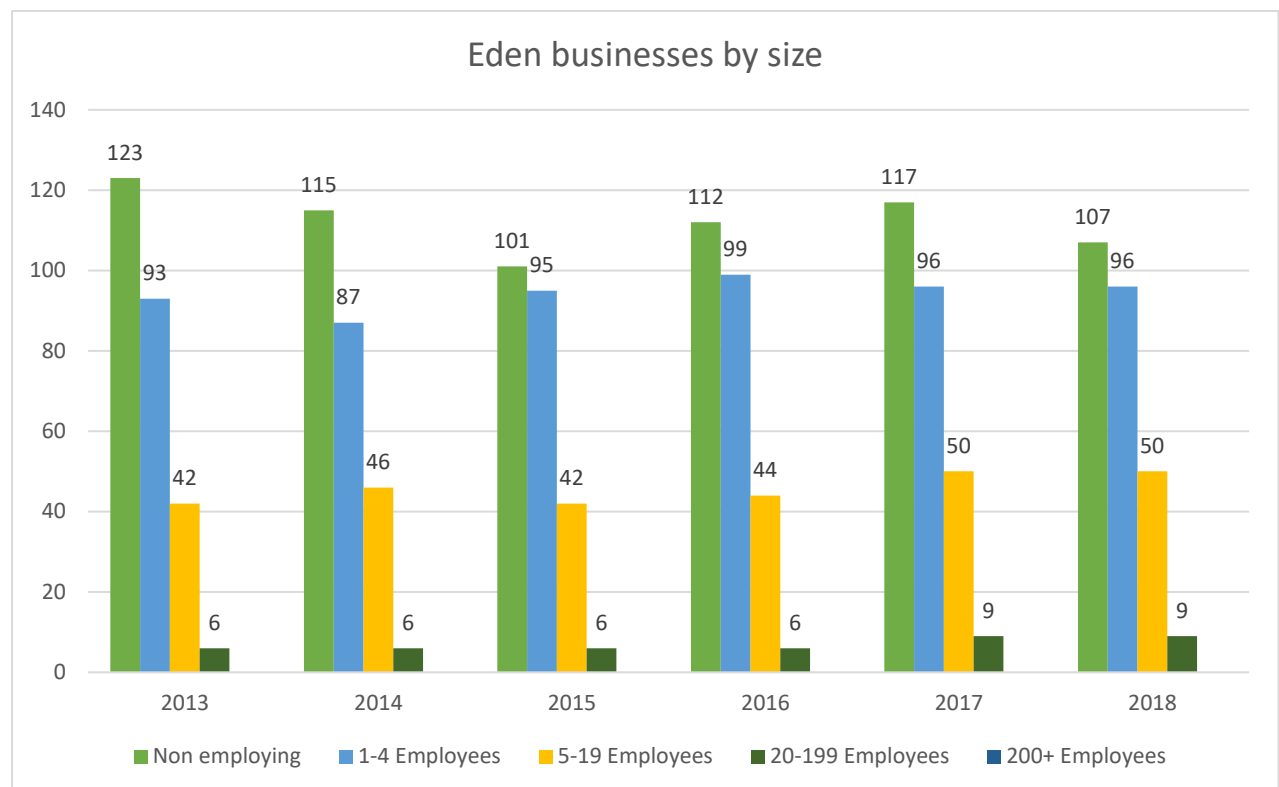
There has, however, been very strong growth in:

- Arts and Recreation services
- Administrative and Support services
- Education and Training
- Information, Media and Telecommunications.

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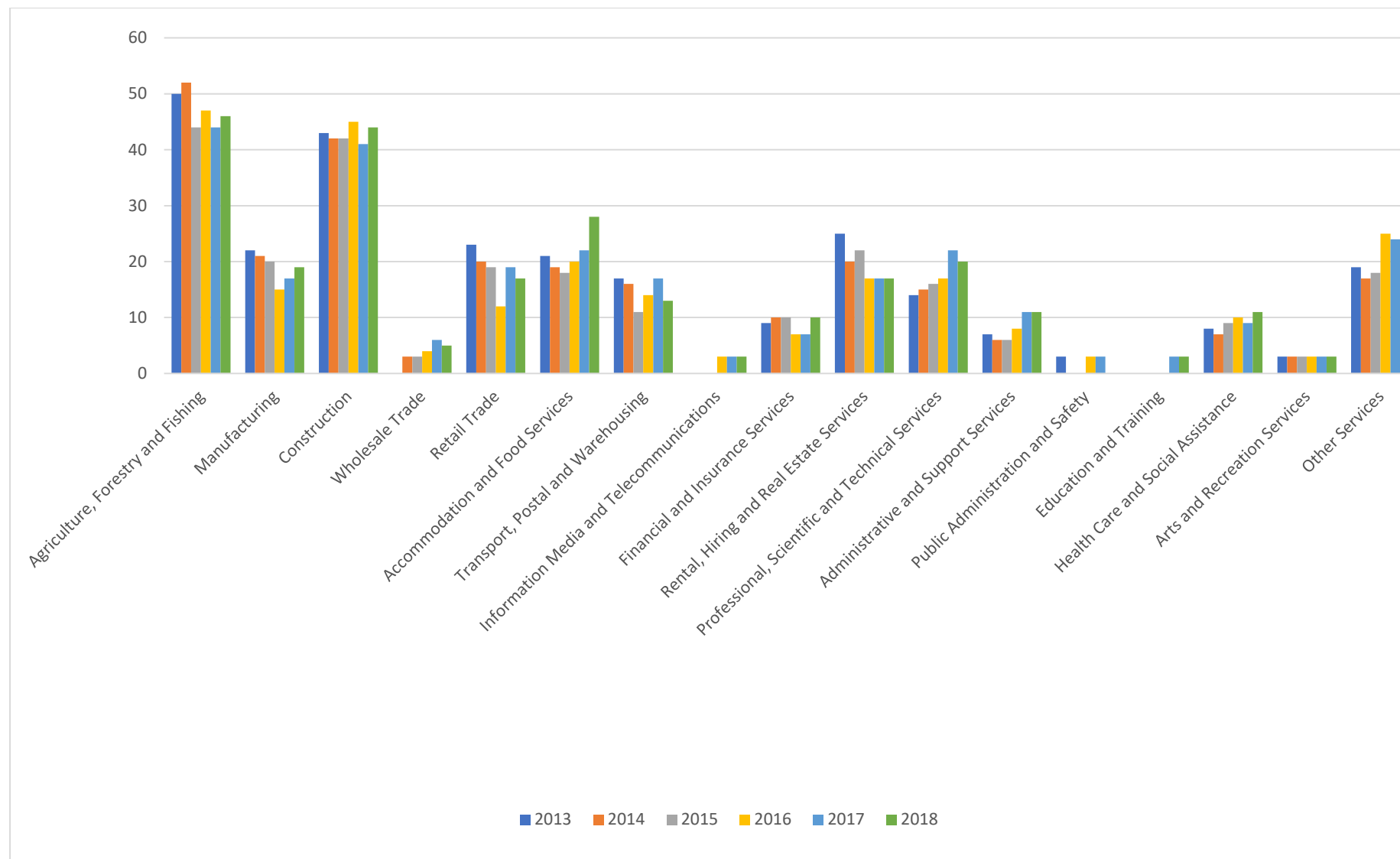
Counts of business

ABS data was used to determine the number of businesses by size and industry in Eden from 2013 to 2018. This data is illustrated in the charts below.



Source: ABS cat no. 8165 Counts of Australian Businesses, including Entries and Exits June 2015 to June 2018

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Source: ABS cat no. 8165 Counts of Australian Businesses, including Entries and Exits June 2015 to June 2018

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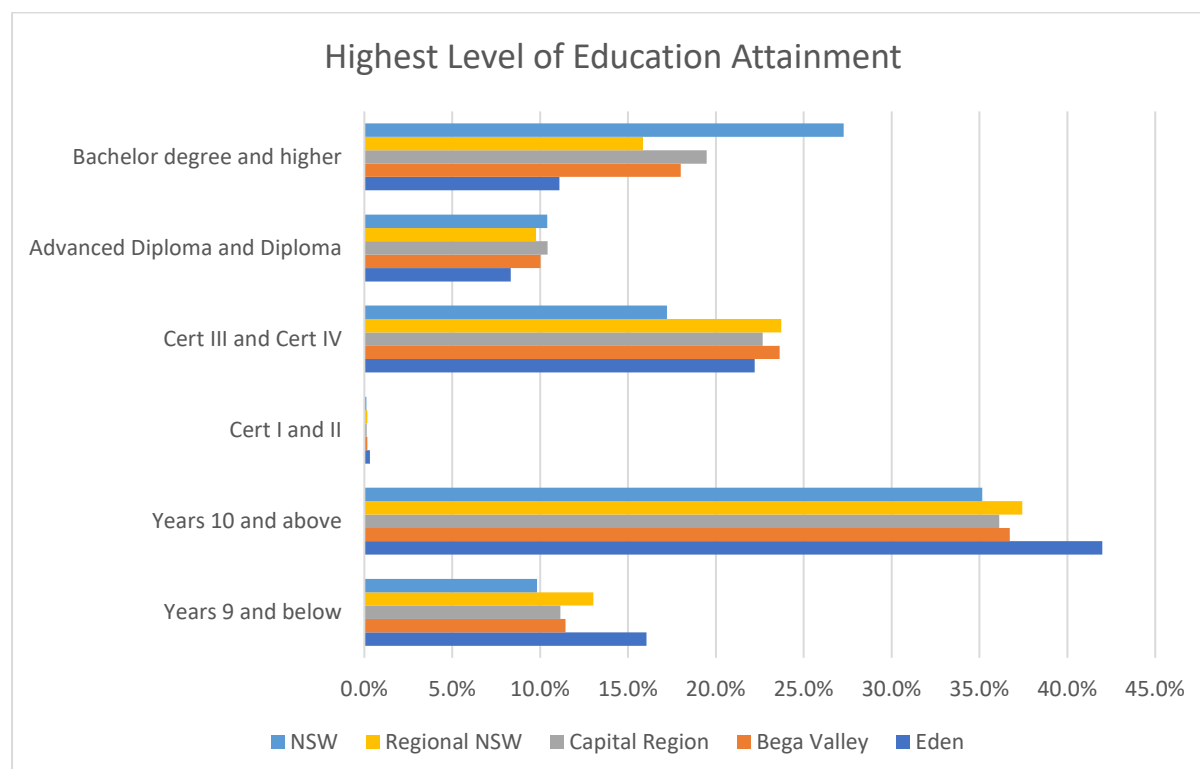
Most businesses in Eden are non-employing, followed by businesses that employ 1-4 people. However, the number of non-employing businesses has been falling while the number of businesses employing 5-19 people and 20-199 people have been growing while the number of businesses with 1-4 employees has remained stable.

The industry with the largest number of businesses is Agriculture, Forestry and Fishing with Construction a close second. Accommodation and Food services has emerged clearly to become the industry with the third highest number of businesses since 2017, overtaking Other Services which is currently experiencing a declining number of businesses.

The addition of 3 businesses in 2017 employing 20+ persons is significant and the overall number of businesses in this cohort remained intact in 2018. Any structural change or operational issues threatening these major employers in Eden would have significant impact on the employment outlook. Therefore, the analysis identifies that the engagement with these larger businesses by the Chamber of Commerce and Council is recommended to ensure the businesses are maintained.

Education and skills

Data from the 2016 Census was analysed to determine the highest level of education of Eden residents. Eden has a lower rate of residents holding a bachelor's degree or higher and advanced diploma and diploma than any other area reviewed. Rates for year 10 and above and year 9 and below as the highest level of education attained are higher in Eden than any other region considered below. This suggests that the overall level of education in Eden is comparatively low.



Source: ABS 2016 Census

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Incomes

Calculations using 2016 ABS Census data shows that Eden had an average annual income of \$33,338. This is lower than any other regions measured. Eden also experienced the lowest growth in average income from 2011 to 2016 at 15.3%.

Average income

	2016	2011	% change
Eden	\$33,338	\$28,921	15.3%
Bega Valley LGA	\$36,685	\$30,582	20.0%
Capital Region SA4	\$44,318	\$36,823	20.4%
Regional NSW	\$40,077	\$33,351	20.2%
NSW	\$45,819	\$37,910	20.9%

Source: ABS 2016 Census

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Indigenous profile

Data from the 2016 ABS census was used to understand the Indigenous population in Eden and the Bega Valley Shire in terms of demographics, employment and labour force and education.

Demographics

According to the 2016 ABS census, 3% of residents in the Bega Valley Shire identify as Aboriginal, Torres Strait Islander, or both.

This percentage matches the NSW state average and is lower than the Capital Region average and the regional NSW average.

In Eden, the percentage of the population that identifies as Aboriginal, Torres Strait Islander or both is 7% which is higher than any region included in the comparison.

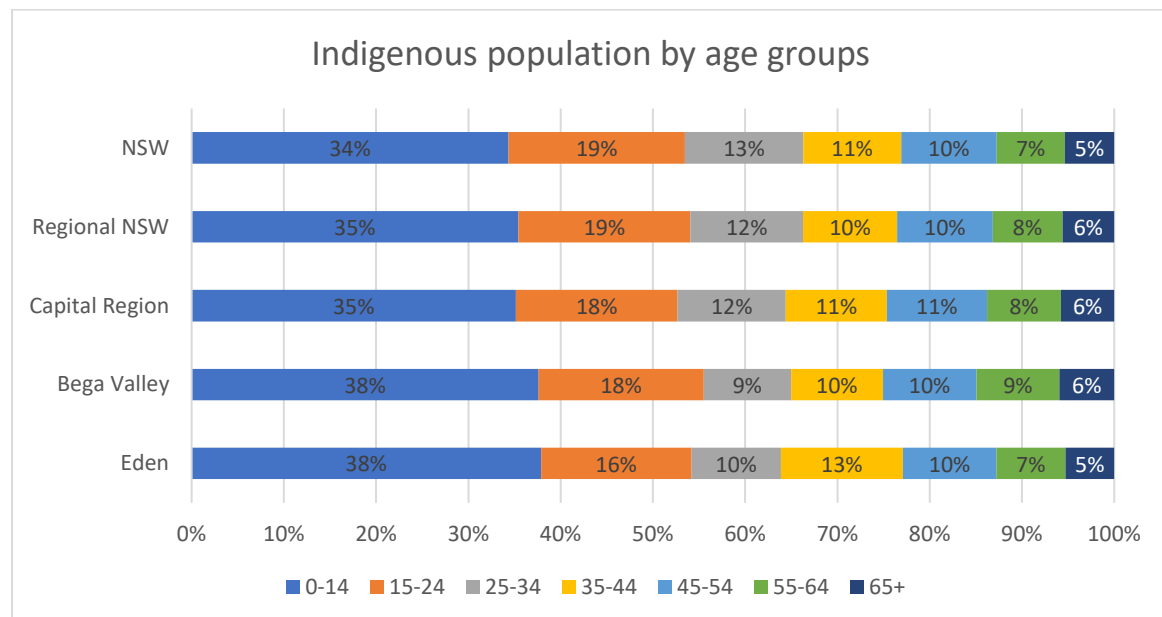
	Eden	Bega Valley Shire	Capital Region	Regional NSW	NSW
Percent Indigenous	7%	3%	4%	6%	3%

Source: ABS 2016 Census

When analysed by age cohort, the percentages are similar among all regions analysed.

56% of the Indigenous population in the Bega Valley Shire is of working age (15-64 years) while in Eden this percentage is 57%.

There is a large youth cohort in Indigenous populations across all regions. In the Bega Valley Shire, 56% of Indigenous people are aged under 25 and 54% are aged under 25 in Eden.

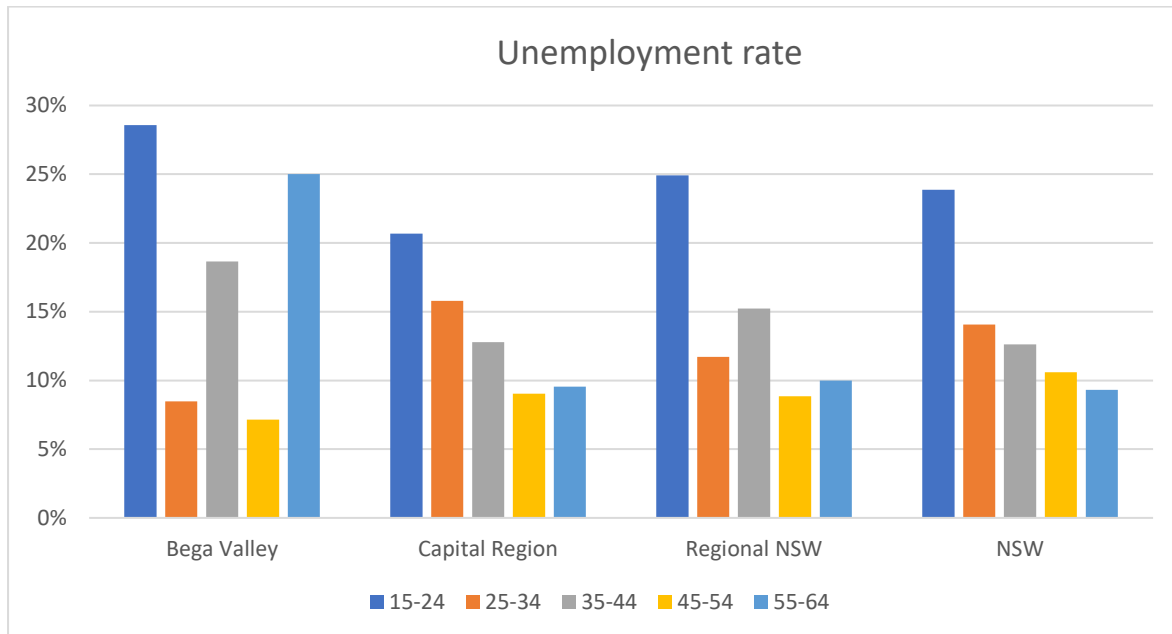


Source: ABS 2016 Census

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Employment

From the 2016 Census, Indigenous unemployment rate in the Bega Valley Shire was 16.5% in 2016, distributed across the age cohorts shown below. Youth indigenous unemployment was mapped as 29% compared to 24% in NSW, 25% in regional NSW and 21% in Capital Region



Source: ABS 2016 Census

The participation rate for the 15-24 and 55-64 age groups in the Bega Valley Shire are substantially lower (65% and 59% respectively in the Shire) than the 25-34, 35-44, 45-54 age groups (over 80% in the Shire), reflecting a similar pattern for regions across NSW.⁵

⁵ ABS 2016 Census

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Income

Indigenous incomes are lower in the Bega Valley Shire and especially in Eden compared to all other regions. Growth in income from 2011 to 2016 in the Bega Valley Shire and especially in Eden is also lower compared to all other regions.

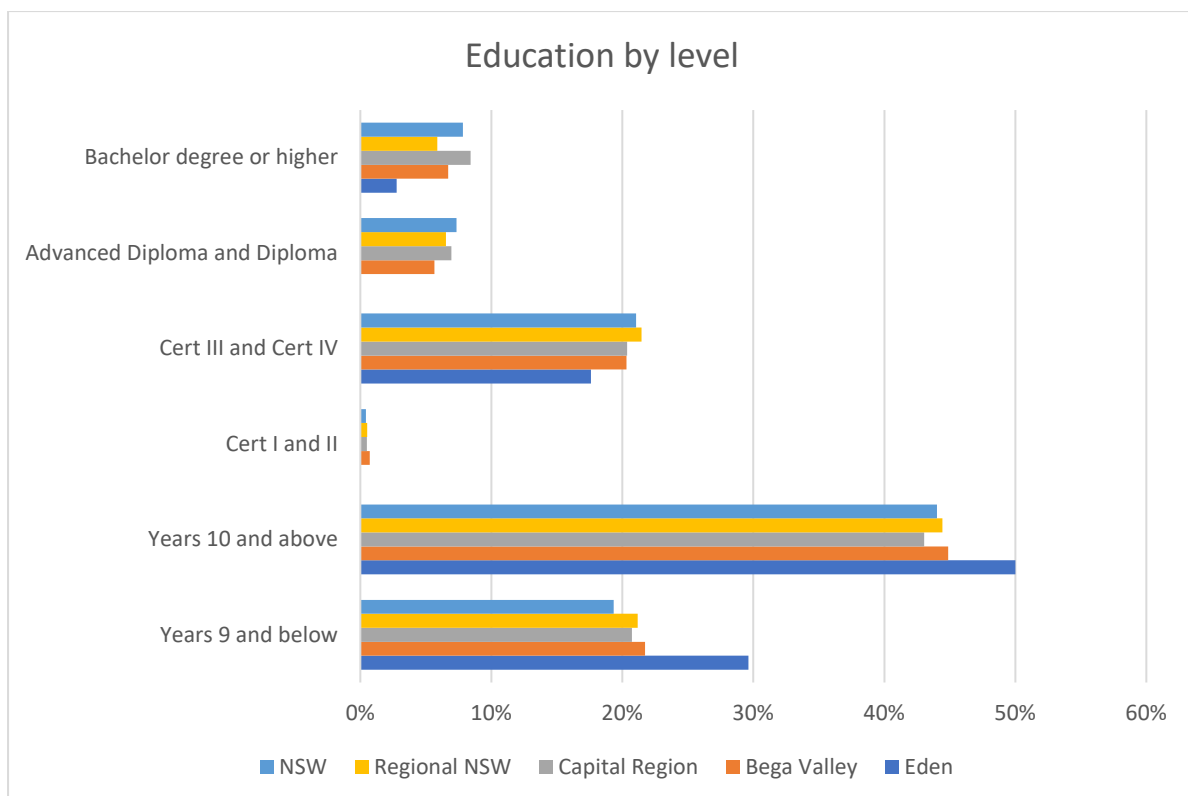
	2016	2011	% change
Eden	\$ 22,069	\$ 20,035	10%
Bega Valley	\$ 26,431	\$ 22,301	19%
Capital Region	\$ 33,931	\$ 27,390	24%
Regional NSW	\$ 30,955	\$ 25,199	23%
NSW	\$ 33,374	\$ 27,176	23%

Source: ABS 2016 Census

Education

Education levels for Indigenous populations in the Bega Valley Shire and Eden are lower than all other compared regions.

Thirty percent of Indigenous people in Eden and 22% in the Bega Valley Shire have an education level of Years 9 and below. 80% of Indigenous people in Eden and 67% in the Bega Valley Shire do not hold a post high school qualification.



Source: ABS 2016 Census