

Introduction

The *Coffs Economic Update* is a quarterly publication produced by the Coffs Harbour City Council Economic Development Unit, and aims to provide key economic and business indicators relating to the local economy.

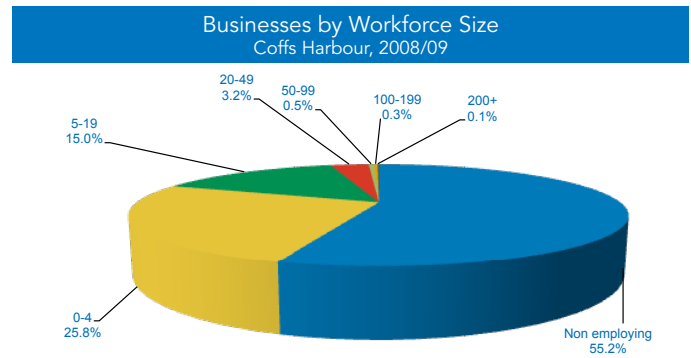
A summary of recent statistical indicators demonstrates that the Coffs Harbour economy has experienced solid growth in the property, tourism and labour markets. Key highlights of the local economy include:

- A population level of 72,827 persons in 2010, representing an annual increase of 1,222 persons, or 1.7%;
- The estimated number of employed persons in Coffs Harbour increased annually by 1,196 persons, or 4.1%, to 30,413 in the December Quarter 2010;
- The unemployment rate for Coffs Harbour has fallen by 0.3 percentage points over the previous twelve months to 7.0% in the December Quarter 2010;
- The median sales price for all dwellings in Coffs Harbour increased annually by 4.4% to \$355,000 in the December Quarter 2010; and
- Quarterly increase of 6.2 percentage points in the occupancy rate for hotels, motels & serviced apartments with 15+ rooms in the December Quarter 2010 (61.6%).

Businesses by Workforce Size

Of the 5,662 businesses registered in Coffs Harbour in June 2009, the largest proportion were non-employed (i.e. business owners only, no additional staff), with 55.2%, followed by businesses with workforces of 0-4 (25.8%) and 5-19 (15.0%).

There were 5,434 small businesses (i.e. workforce smaller than 20, including non-employed) in Coffs Harbour in June 2009, or 96.0% of the total.



Source: ABS 8165.0

The average workforce size across all businesses in Coffs Harbour was 4.4 persons in 2008/09. The Education & Training sector had the highest average workforce size of 16.2 in 2008/09, followed by the Accommodation & Food Services (14.3), Administrative & Support Services (8.4) and Manufacturing (7.1) industries.

Summary of Key Economic Indicators

	Period	Level	Qtrly % chg	Ann % chg
Population				
Estimated Resident Population	2010	72,827	n.a.	1.7%
Consumer Price Index				
Sydney CPI – All Groups	Mar Qtr 2011	175.9	1.6%	3.2%
Employment				
Employed persons (no.)	Dec Qtr 2010	30,413	2.7%	4.1%
Unemployment rate (%) ^(a)	Dec Qtr 2010	7.0	0.1%	-0.3%
Labour force (persons)	Dec Qtr 2010	32,698	2.8%	3.8%
Private Consumption				
No. of dwelling approvals	Mar Qtr 2011	53	-42.4%	-60.2%
Value of dwelling approvals (\$'000)	Mar Qtr 2011	17,390	-34.9%	-48.9%
Value of non-dwelling approvals (\$'000)	Mar Qtr 2011	10,967	-26.3%	-12.0%
Property Market				
Median sales price – all dwellings (\$)	Dec Qtr 2010	355,000	0.7%	4.4%
Median weekly rent – 3bd house (\$)	Mar Qtr 2011	350	0.0%	9.4%
Tourism				
Hotels, motels & serviced apartments, 15+ rooms (no.)	Dec Qtr 2010	39	0.0%	0.0%
Bed spaces (no.)	Dec Qtr 2010	4,991	7.7%	8.9%
Room occupancy (%): ^(a)	Dec Qtr 2010	61.6	6.2%	-6.0%
Takings from accommodation (\$'000)	Dec Qtr 2010	10,777.1	26.9%	-3.5%
Petrol Prices				
Average price of petrol (c/kL)	May 2011	146.3	8.1%	10.5%

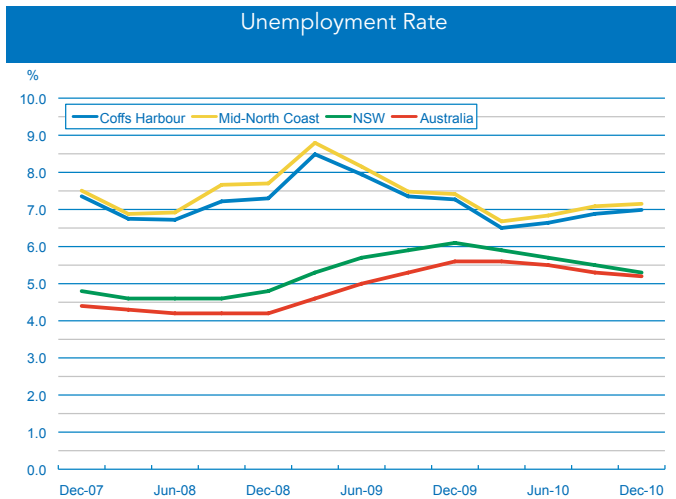
Note: (a) Changes are percentage point changes.

BUSINESS ACTIVITY



Labour Market

The unemployment rate for Coffs Harbour was 7.0% in the December Quarter 2010, which represented a decrease of 0.3 percentage points over the past twelve months.



Source: DEEWR, Lawrence Consulting

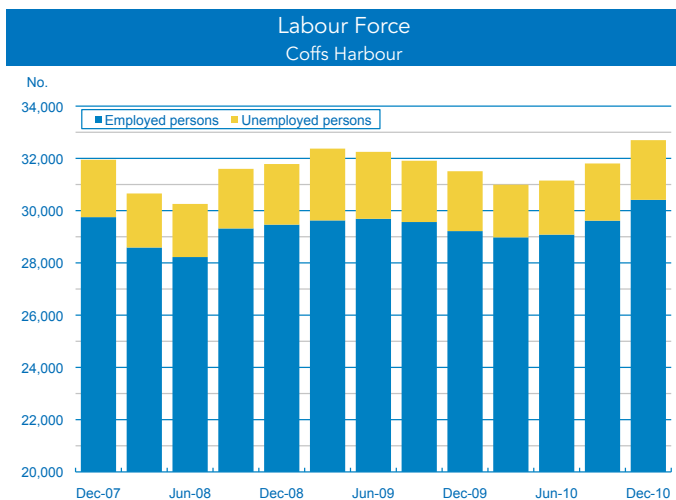
The estimated number of employed persons in Coffs Harbour increased by 2.7% to 30,413 in the December Quarter 2010. Coffs Harbour also recorded positive annual employment growth of 4.1% over the year to the December Quarter 2010.

	Level Dec Qtr 2010	Qtrly % chg	Ann % chg
Employed persons (no.)	30,413	2.7	4.1
Unemployed (no.)	2,285	4.4	-0.3
Unemployment rate ^(a) (%)	7.0	0.1	-0.3
Labour force (no.)	32,698	2.8	3.8

Note: (a) Unemployment rate changes are percentage point changes. Labour market data has been reclassified based on ASGC 2006.

Source: DEEWR, Lawrence Consulting

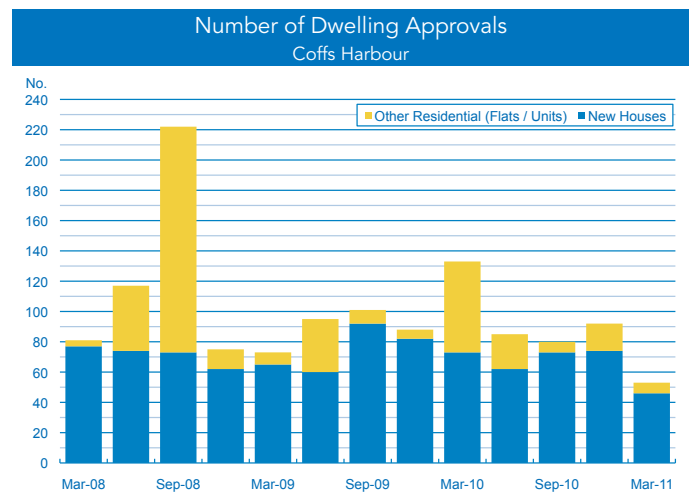
The annual increase in the number of employed persons in Coffs Harbour contributed to an increase of 3.8% in the total labour force, to a level of 32,698 persons in the December Quarter 2010. The number of unemployed persons in Coffs Harbour fell annually by 0.3%.



Source: DEEWR, Lawrence Consulting

Building Approvals

The total number of residential building (or dwelling) approvals in Coffs Harbour was 310 in the year to March 2011, representing an annual decrease of 25.7%. The total value of dwelling approvals in the year to March 2011 was approximately \$93.8 million, a decrease of 20.3% from the level recorded in the year to March 2010 (\$117.7 million).

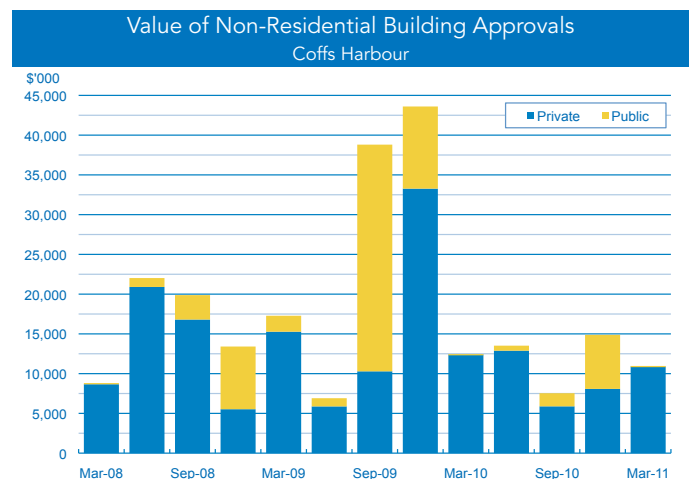


Source: ABS 8731.1

	Level – Mar Qtr 2011	Ann % chg	Level – Yr to Mar-11	Ann % chg
Number				
Dwellings:	53	-60.2	310	-25.7
New houses	46	-37.0	255	-16.9
Other dwellings	7	-88.3	55	-50.0
Value (\$'000)				
Dwellings:	17,390	-48.9	93,804	-20.3
New houses	12,679	-30.4	66,606	-13.0
Other dwellings	1,150	-91.0	11,935	-48.7
Alts & adds	3,561	16.3	15,263	-14.8
Non-dwelling	10,967	-12.0	46,965	-53.9
Total building	28,357	-39.0	140,770	-35.9

Source: ABS 8731.1

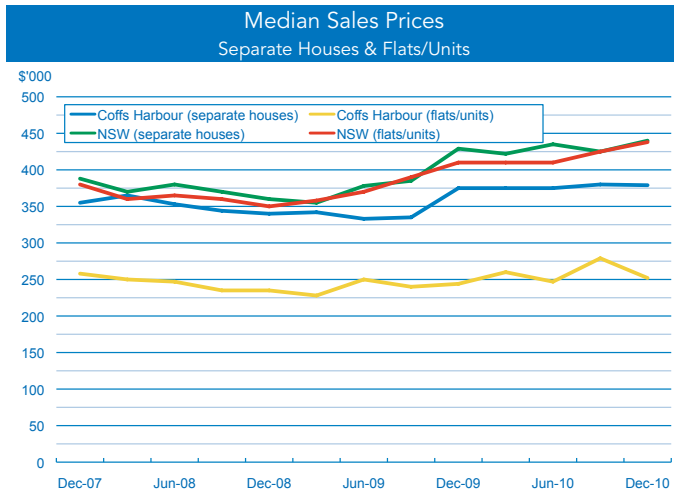
The total value of non-residential building approvals in Coffs Harbour was approximately \$47.0 million in the year to March 2011.



Source: ABS 8731.1

House Prices

The median sales price for all dwellings in Coffs Harbour was \$355,000 in the December Quarter 2010, representing an annual increase of 4.4%. The median price for separate houses and flats / units in Coffs Harbour were \$379,000 and \$252,000, respectively, in the December Quarter 2010.



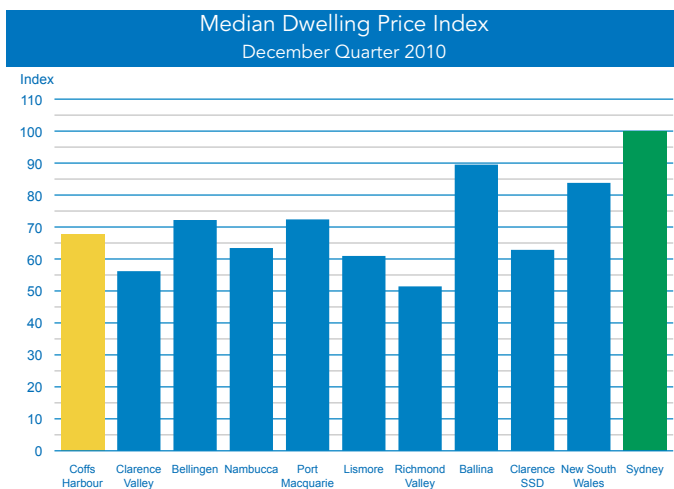
Source: NSW Department of Housing

The median sales prices for all dwelling types in Coffs Harbour were lower than the averages for New South Wales in the December Quarter 2010.

	Coffs Harbour Level Dec Qtr 2010	Ann % chg	New South Wales Level Dec Qtr 2010	Ann % chg
All dwellings	355,000	4.4	440,000	3.5
Separate houses	379,000	-0.3	440,000	1.7
Flats & units	252,000	4.6	438,000	4.4

Source: NSW Department of Housing

The median dwelling price index for Coffs Harbour in the December Quarter 2010 was 67.6 when compared to Sydney (index of 100), which was lower than the index value for New South Wales (83.8).



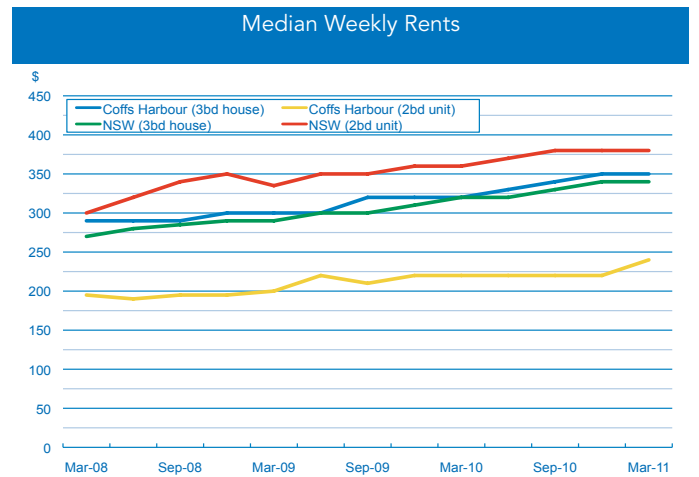
Source: NSW Department of Housing, Lawrence Consulting

Median Weekly Rents

Rental prices for three bedroom separate houses in Coffs Harbour increased annually by 9.4% to \$350 in the March Quarter 2011, while rental prices for two bedroom units rose by 9.1% to \$240.

	Coffs Harbour Level Mar Qtr 2011	Ann % chg	New South Wales Level Mar Qtr 2011	Ann % chg
Separate Houses				
Two bedroom	280	5.7	290	9.4
Three bedroom	350	9.4	340	6.3
Flats and Units				
One bedroom	200	11.1	355	1.4
Two bedroom	240	9.1	380	5.6

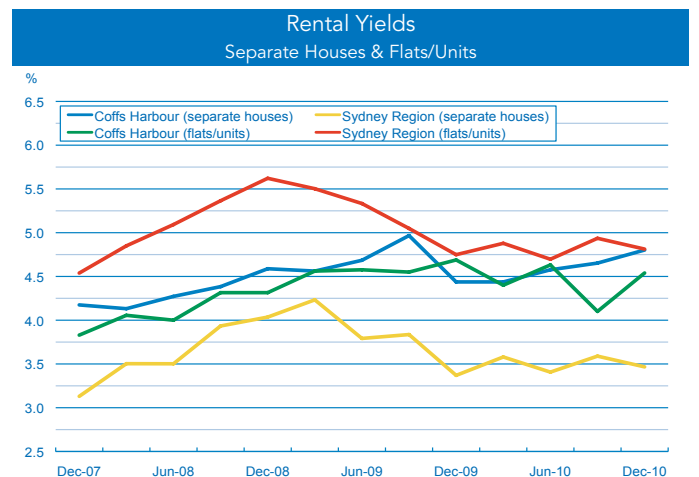
Source: NSW Department of Housing



Source: NSW Department of Housing

Rental Yields

The average gross rental yield for separate houses in Coffs Harbour was 4.8% in the December Quarter 2010, whilst the yield for units was slightly lower (4.5%). By comparison, the average yields for the Sydney region were 3.5% and 4.8%, respectively, for houses and units in the December Quarter 2010.



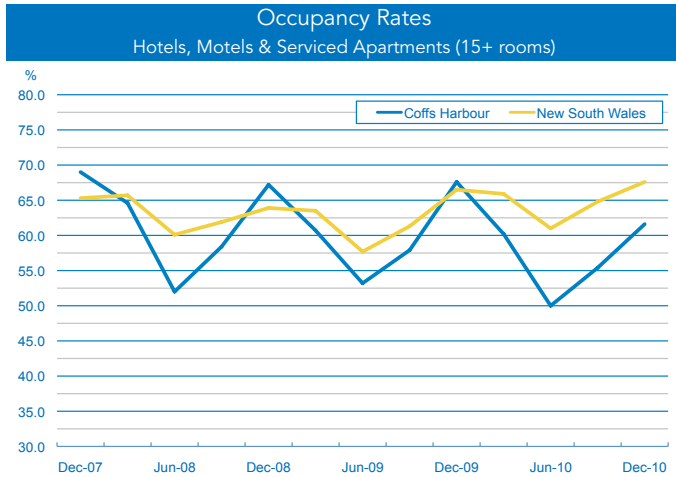
Source: NSW Department of Housing, Lawrence Consulting

MAJOR INDUSTRY



Tourism

The room occupancy rate for all establishments with 15 or more rooms in Coffs Harbour was 61.6% in the December Quarter 2010, which represented an increase of 6.2 percentage points from the rate for the September Quarter 2010 (55.4%).



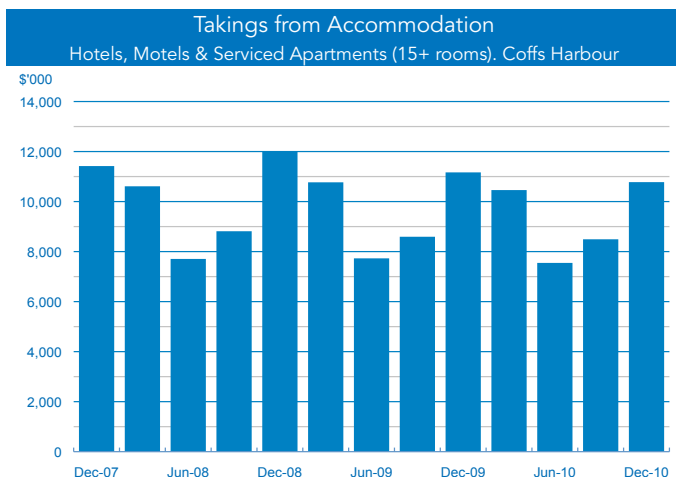
Source: ABS Survey of Tourist Accommodation

Total takings from accommodation in Coffs Harbour were \$8.5 million in the December Quarter 2010, which represented a substantial quarterly increase of 26.9%, but a small annual fall of 3.5% from the previous year.

Tourist Accommodation

Hotels, Motels & Serviced Apartments (15+ rooms)	Level Dec Qtr 2010	Qtrly % chg	Ann % chg
Establishments	39	0.0	0.0
Guest Rooms	1,489	0.5	0.0
Bed Spaces	4,991	7.7	8.9
Employment	753	10.6	3.9
Room occupancy (%)	61.6	6.2	-6.0
Room nights	84,392	11.7	-8.9
Guest arrivals	96,304	14.5	-13.9
Guest nights	173,193	18.2	-11.6
Average stay (nights)	1.8	5.9	0.0
Takings from accommodation (\$'000)	10,777.1	26.9	-3.5
Takings per unit night occupied (\$)	127.70	13.6	5.9

Source: ABS Survey of Tourist Accommodation



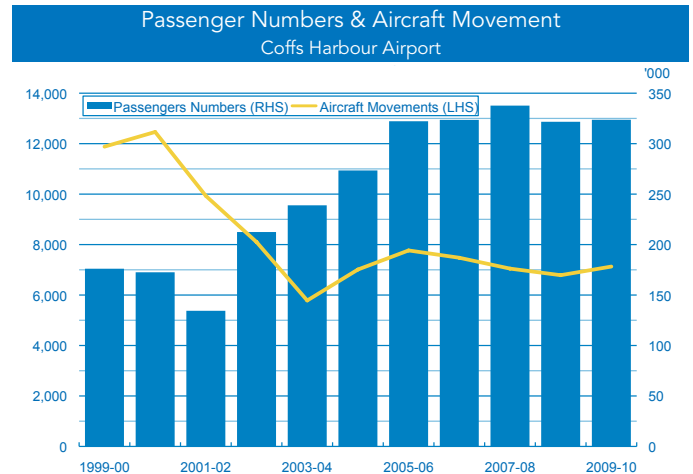
Source: ABS Survey of Tourist Accommodation

Tourism capacity in the region increased over the year to the December Quarter 2010, with an annual rise of 8.9% in the number of bed spaces available in hotels, motels & serviced apartments with 15 or more rooms, despite no change in the number of establishments and guest rooms.

Air Travel

In 2009/10, the terminal at Coffs Harbour Airport recorded 321,678 passenger movements, representing an annual increase of 2,009 passengers, or 0.6% from the level recorded in 2008/09 (321,678 passengers).

Annual passenger movements through Coffs Harbour Airport have increased at an average annual rate of 3.4% since 2004/05. Total aircraft movements at Coffs Harbour Airport amounted to 7,129 in 2009/10, representing an annual increase of 5.0%.



Source: Bureau of Transport & Regional Economics

Aircraft & Passenger Movements, Coffs Harbour Airport

	Level 2009/10	Level 2008/09	Ann % chg	Avg ann % chg 2005-10
Passenger movements	323,687	321,678	0.6	3.4
Aircraft movements	7,129	6,787	5.0	0.3

Source: Bureau of Transport & Regional Economics

For More Information



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