

# Coffs Harbour Economic Insight Report – March Quarter 2018



	ECONOMIC ACTIVITY	JOBS GROWTH	INVESTMENT PIPELINE	TOURISM
	Growth in GRP Year to March Qtr 2018	Growth in Local Jobs Year to March Qtr 2018	Growth in Building Approvals Value March Qtr 2018	Growth in day and overnight visitors March Qtr 2018
Quarter % Change	<b>0.8%</b> ▲	<b>0.8%</b> ▲	<b>-45.5%</b> ▼	<b>12.3%</b> ▲
Annual % Change	<b>2.3%</b> ▲	<b>0.2%</b> ▲	<b>-22.1%</b> ▼	<b>29.5%</b> ▲

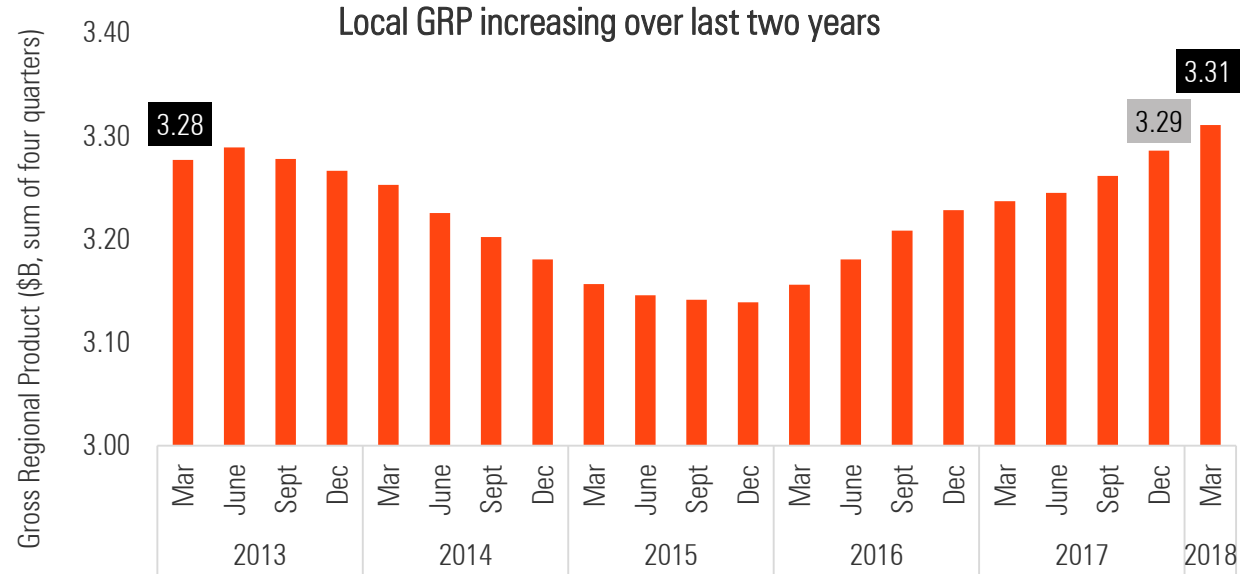
## KEY INSIGHTS

- Local GRP and jobs growth for Coffs harbor was estimated to have increased from the Dec. 2017 quarter. Unemployment held steady as more people entered the labour force.
- The value of building approvals decreased substantially in March with both residential and non-residential approvals down
- Visitation numbers were up led by growth in the domestic market.

# ECONOMIC ACTIVITY

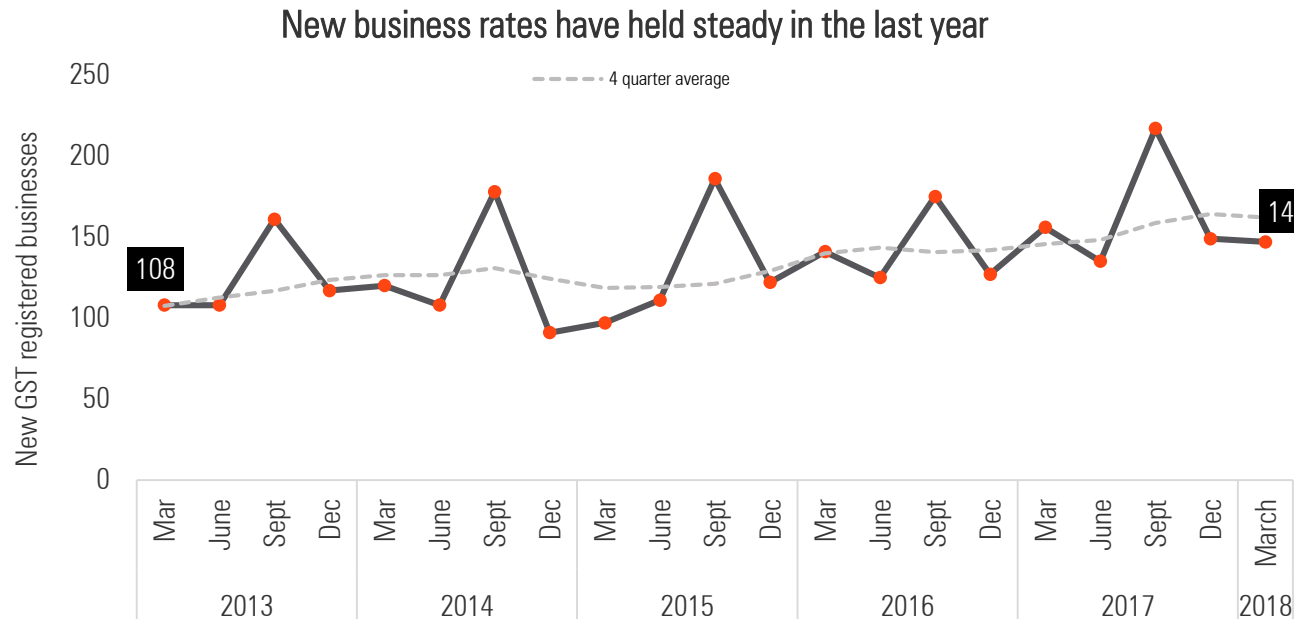
Gross Regional Product in the year to March 2018 Quarter was estimated to be \$3,286m, up \$24.6m from the year to September Quarter. This represents a continuation of the stronger growth seen since the end of 2015

There were an estimated 147 new GST registered businesses in Coffs Harbour City in the March Quarter 2018. This was almost the same as the December Quarter but slightly down on the March Quarter the year before.



Source: National Institute of Economic and Industry Research (NIEIR), 2018. Data is based on 2015-16 constant prices for all years. NIEIR data are inflation adjusted each year to allow direct comparison, and new data releases normally adjust previous years' figures to a new base year.

**Annual GRP to March was up \$24.8m from Dec Qtr.**



Source: Australian Business Register, Apr 2018

**New GST registrations down 5.8% on March Qtr last year**

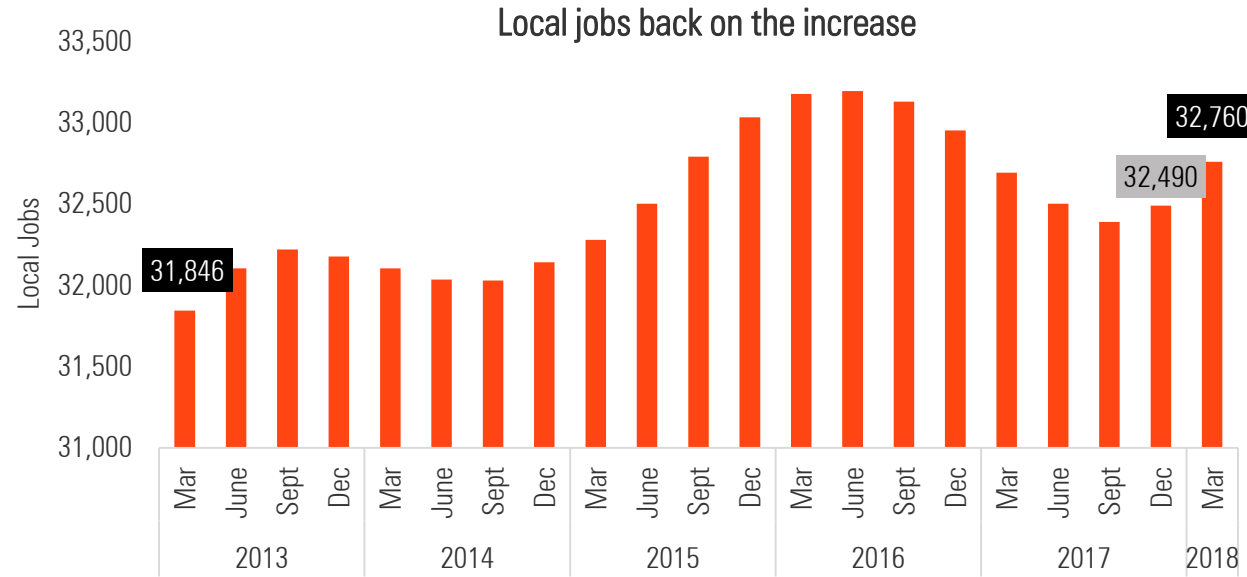


# JOBS ACTIVITY

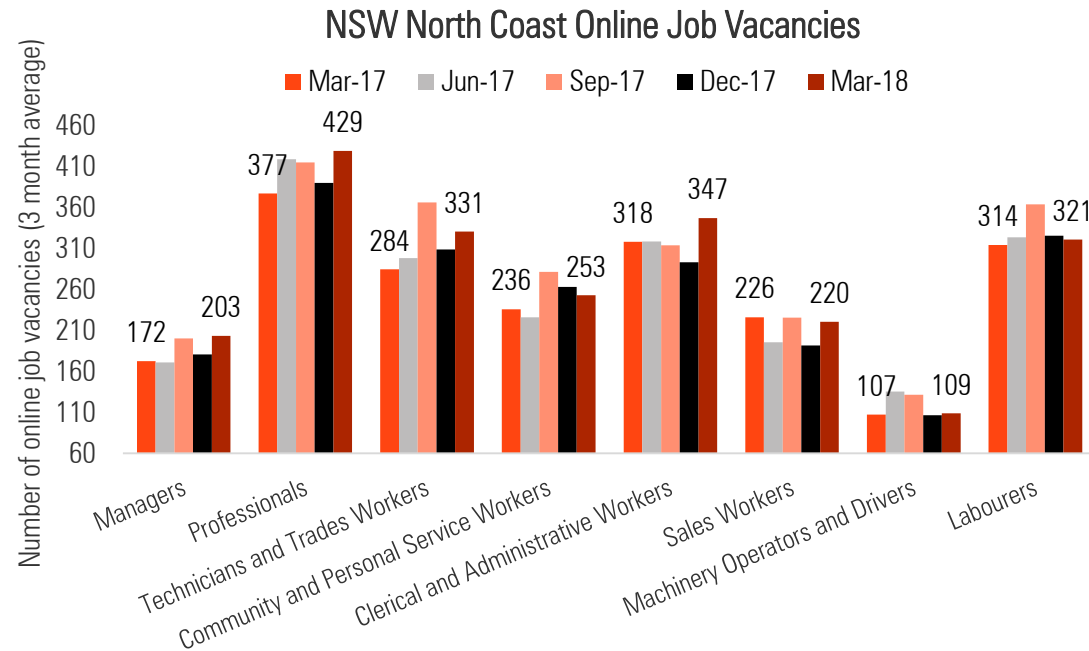
Local Jobs continued to increase in the March Quarter and are estimated to be up 270 from December 2017.

Over the year to the March Quarter 2018, Professional occupations experienced the largest online job vacancies growth in the NSW North Coast region.

The largest sub category growth was in food trades workers, hospitality workers, office managers and health professionals.



Source: National Institute of Economic and Industry Research (NIEIR), 2018



Source: Department of Employment, Apr 2018

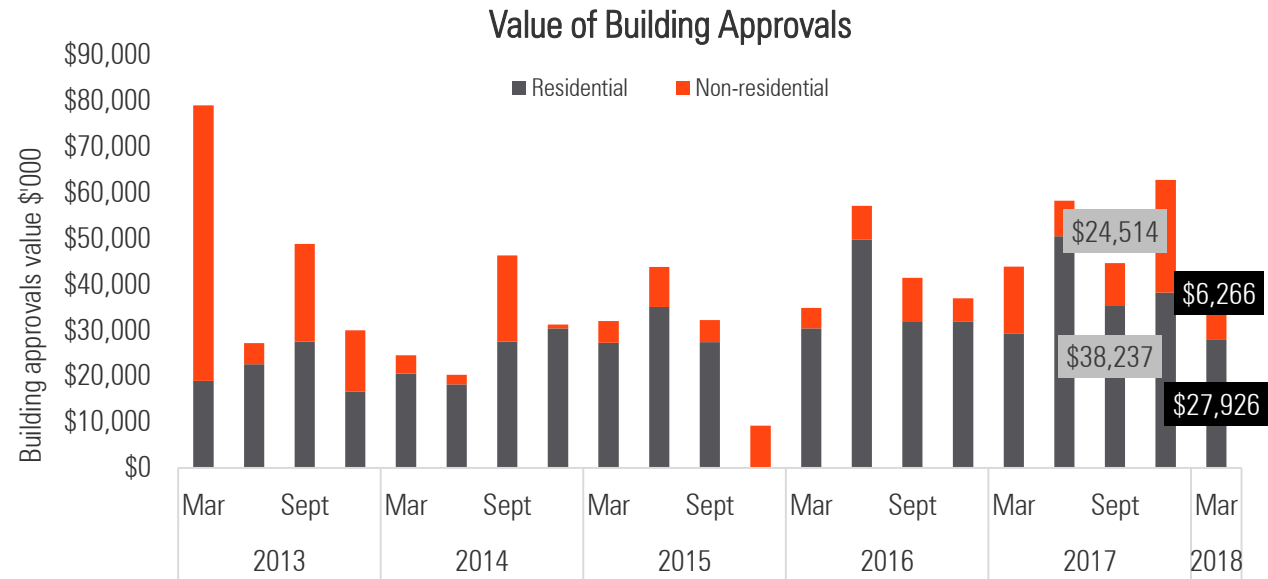
Local jobs are up 270 from Dec 2018 Qtr.

Clerical and Admin. Workers had the largest vacancy growth in the March Qtr



# INVESTMENT PIPELINE

The value of building approvals in March was down \$28.6m from the previous quarter to \$34.2m, driven by decreases in both residential and non-residential building approvals value. Non-residential approvals was led by public sector education and health buildings.



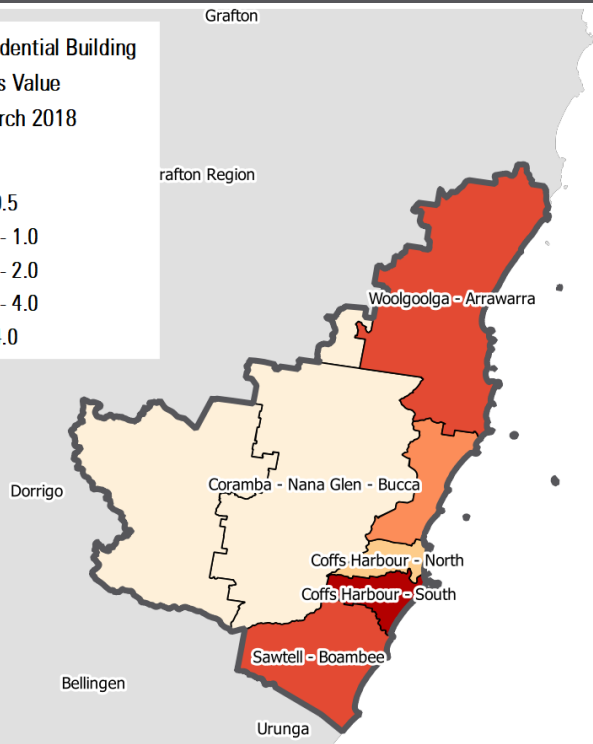
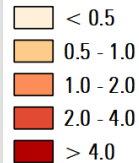
Source: Australian Bureau of Statistics, Building Approvals, Australia, Cat: 8731. June 2018

**Residential**  
down \$10.3m  
from Sept Qtr.

**Non-residential**  
approvals  
were down  
\$18.2m

### Non-Residential Building Approvals Value FY to March 2018

\$ million



### Value of Non-Residential Building Approvals by Type \$'000, March Qtr 2018

Type	Private Sector	Public Sector	Total
Retail and wholesale trade buildings	\$ -	\$ -	\$ -
Transport buildings	\$ -	\$ -	\$ -
Offices	\$ -	\$ -	\$ -
Factories and other secondary production buildings	\$ -	\$ -	\$ -
Warehouses	\$ -	\$ -	\$ -
Agricultural and aquacultural buildings	\$ 85	\$ -	\$ 85
Other industrial buildings	\$ 950	\$ -	\$ 950
Education buildings	\$ -	\$ 1,738	\$ 1,738
Religion buildings	\$ 155	\$ -	\$ 155
Aged care facilities	\$ 79	\$ -	\$ 79
Health buildings	\$ -	\$ 3,154	\$ 3,154
Entertainment and recreation buildings	\$ -	\$ -	\$ -
Short term accommodation buildings	\$ -	\$ -	\$ -
Other non-residential	\$ 105	\$ -	\$ 105
<b>Total Non-residential</b>	<b>\$ 1,374</b>	<b>\$ 4,892</b>	<b>\$ 6,266</b>



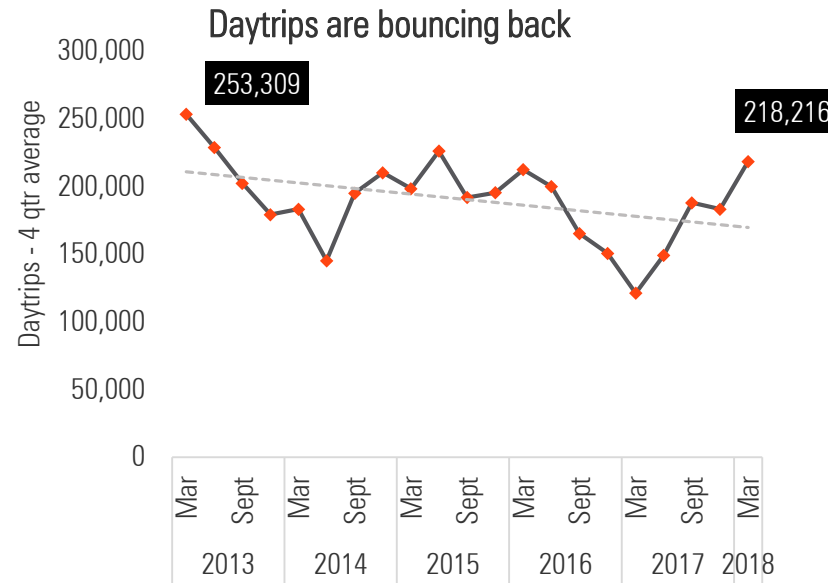
# TOURISM VISITATION

Visitation to Coffs Harbour City LGA was up strongly in the four quarters to March 2018 compared to December 2017<sup>1</sup>. The 4 quarter average visitation rose by 48,000 visitors driven by domestic daytrippers and overnight visitors.

Total nights stayed by visitors was also up strongly by 38,600 (per quarter) largely due to a substantial increase in international nights. The average length of stay in the four quarters to March 2018 was 3.26 nights (domestic) and 7.99 nights (international).

The domestic overnight visitors result represents a return to the trend growth.

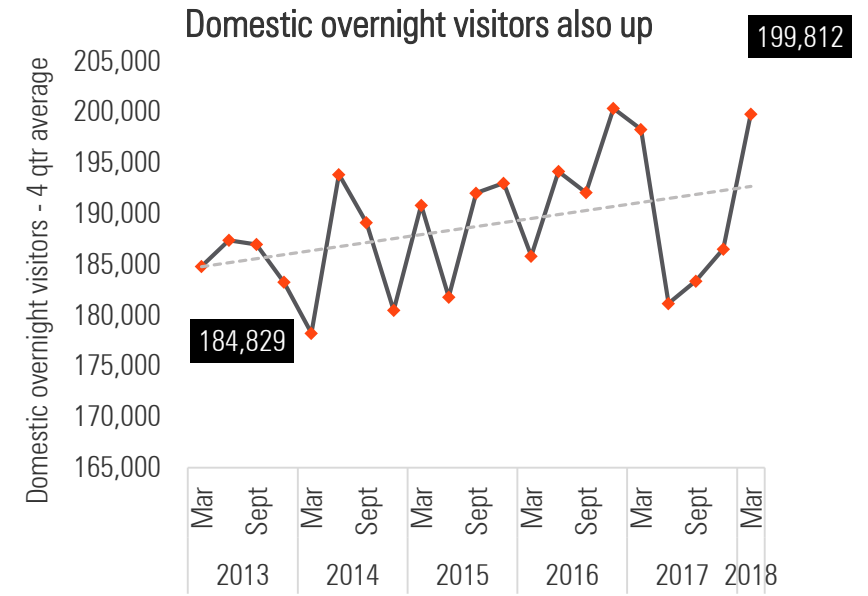
<sup>1</sup> A four quarter average is reported due to the high variability in small area visitation estimates



Source: Tourism Research Australia - National Visitor Survey. Mar 2018



Source: Tourism Research Australia - International Visitor Survey. Mar 2018



Source: Tourism Research Australia - National Visitor Survey. Mar 2018

## Average Visitor Stay

**Domestic**  
3.26 nights

3.11 nights  
March 2017 ▲

**International**  
7.99 nights

6.70 nights  
March 2017 ▲

Average of previous four quarters – March Quarter 2018

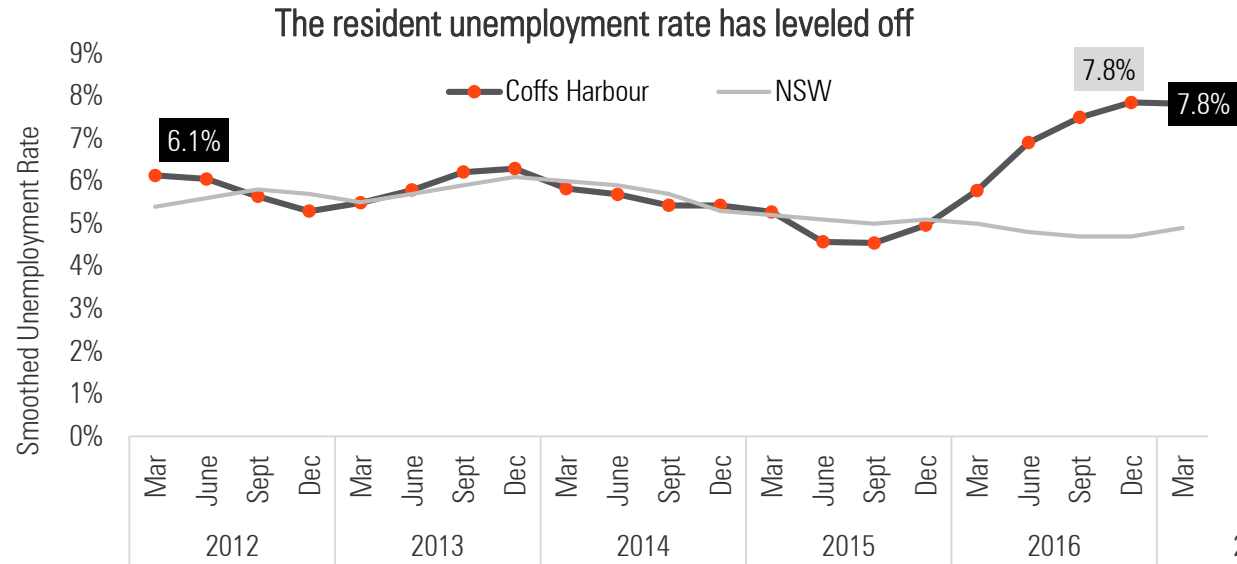


# SOCIO-ECONOMIC CONDITIONS

Unemployment in Coffs Harbour<sup>1</sup> appears to have leveled off after a period of substantial increases. The local labour force was estimated to have increased considerably in the March Quarter. This is a positive sign for the region.

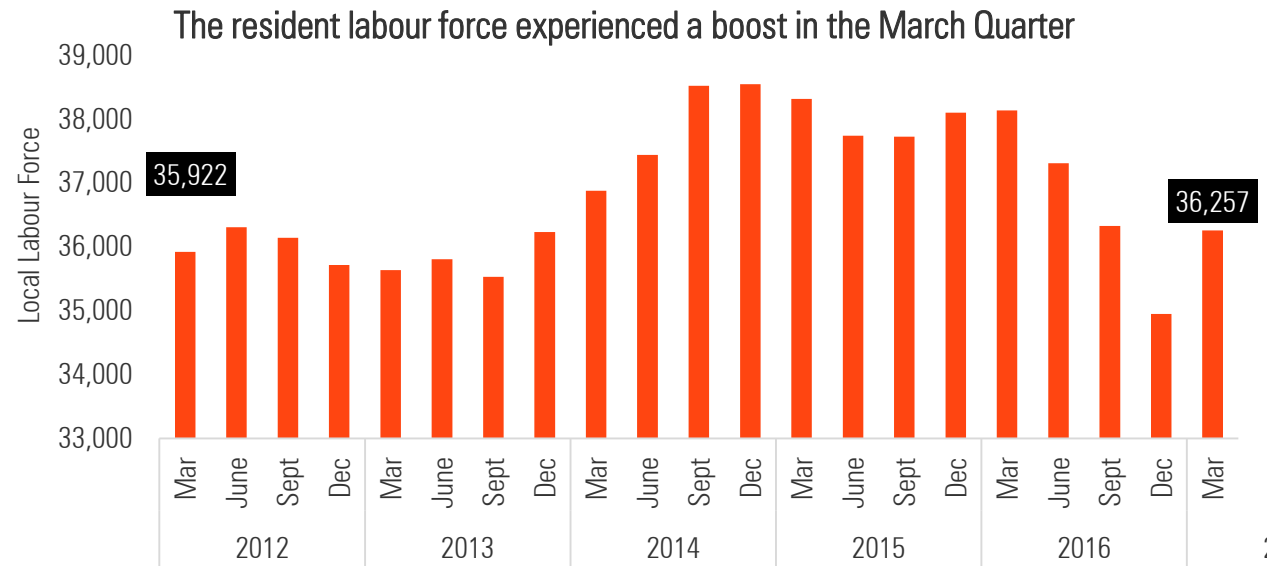
It is important to note that the completion and commencement of large construction projects can cause substantial swings in unemployment rates in small areas.

<sup>1</sup> Small area labour force estimates should be viewed with a high level of caution due to the variability involved in extrapolation of small sample sizes



Source: Australian Bureau of Statistics, Labour force survey, Cat: 6202.0; Department of Employment, Small Area Labour Markets, Dec 2018

**Unemployment appears to have flattened by almost 3% in the last year**



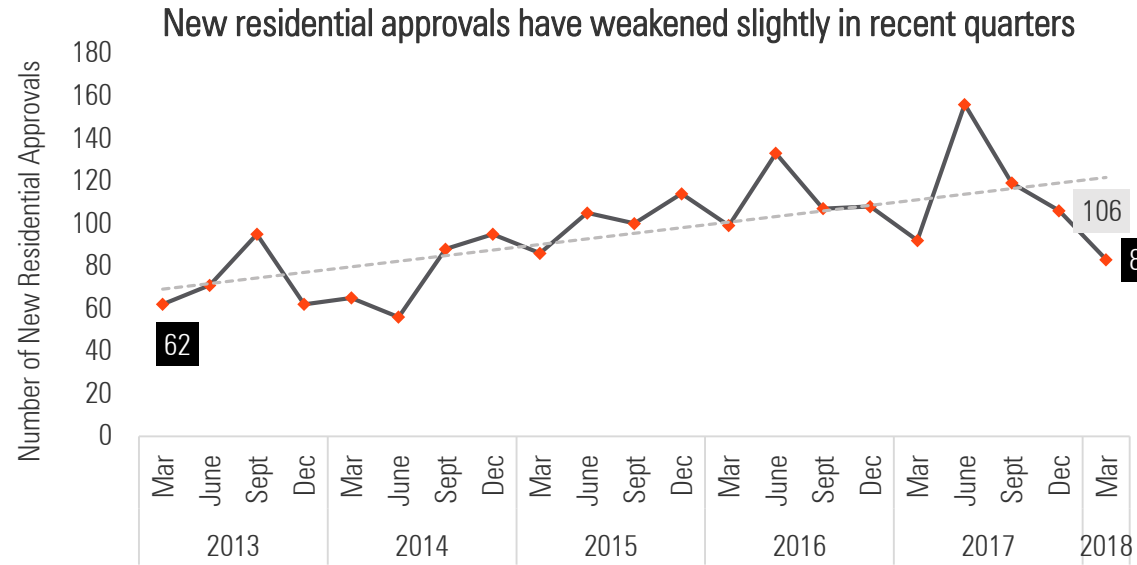
Source: Department of Employment, Small Area Labour Markets, Mar 2018



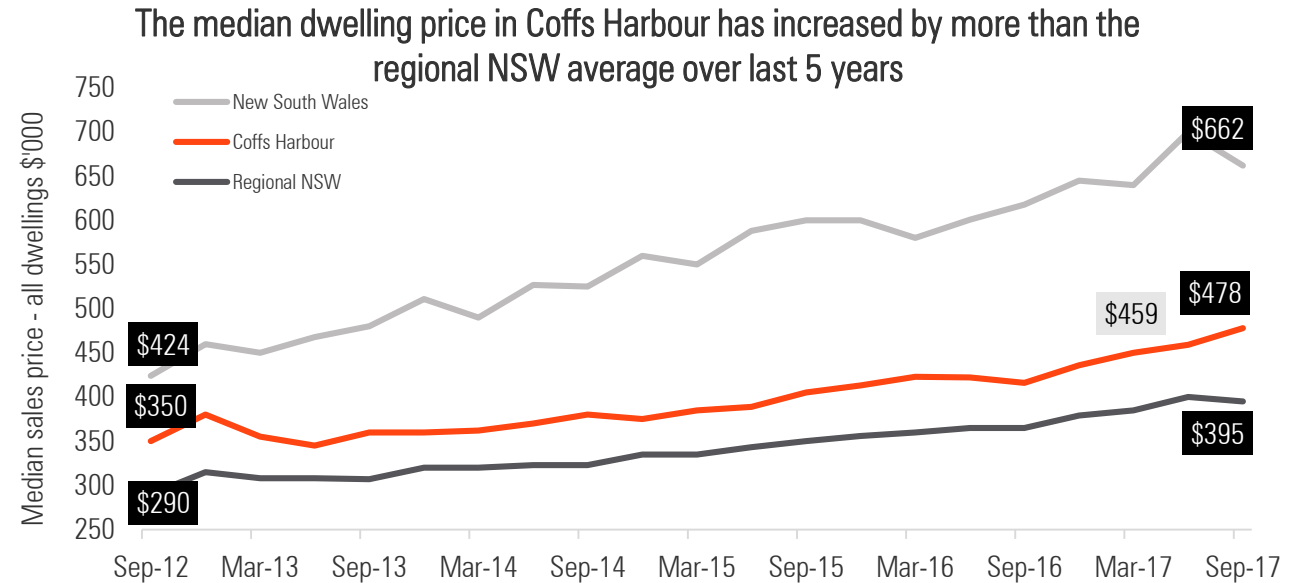
# SOCIO-ECONOMIC CONDITIONS

Building approvals for new residential dwellings decreased by 23 in the March quarter from that experienced in December 2017. The figure of 83 approvals was also lower than the March Qtr in 2017 (92).

Median dwelling prices in Coffs Harbour are still well below the NSW average, which is propped up by Sydney, but above that for regional NSW. The median price grew by \$19,000 or 4.1% in the Sept Quarter. This bucked the state trend which was a fall in median house prices.



Source: Australian Bureau of Statistics, Building Approvals, Australia, Cat: 8731. Apr 2018



Source: NSW Department of Housing, Apr 2018

**Residential approvals experienced a fall in the March Qtr.**

**Median dwelling price up \$19,000 from June Qtr.**



# MACRO ECONOMIC PERFORMANCE

Parramatta's economy will inevitably be influenced by a number of macro forces that are outside its control. Tracking key state and national indicators identifies trends that could impact future local prosperity.

Economic growth at the national level for 2018 is up on that experienced in the year previously and unemployment is lower.

## National Indicators

### GDP Growth

3.1%

Year on Year – March Quarter 2018

March 2017 – 1.8% ▲

### Inflation

1.9%

Year on Year – March Quarter 2018

March 2017 – 2.1% ▼

### Exchange Rate

A\$1 = US\$0.766

March 2018

March 2017 – US\$0.764 ►

### Retail trade

2.7%

Year on Year – March Quarter 2018

March 2017 – 3.2% ▼

### U/E Rate

5.5%

Annual Average – March Quarter 2018

March 2017 – 5.7% ▼

### Business Confidence

115.8

Annual Average – March 2018

March 2017 – 115.3 ▲

## State Indicators

### GSP Growth

2.9%

Year on Year – June 2017

June 2016 – 3.9% ▼

### Retail trade

3.0%

Year on Year – March 2018

March 2017 – 3.8% ▼

### U/E Rate

4.8%

Year on Year – March Quarter 2018

March 2017 – 5.1% ▼

Sources: ABS 5206.0 - Australian National Accounts (GDP chain volume, seasonally adjusted); ABS 5220.0 - Australian National Accounts: State Accounts; ABS 6401.0 - Consumer Price Index; RBA Exchange Rates – Monthly; ABS 6202.0 - Labour Force (seasonally adjusted); ABS 8501.0 - Retail Trade (seasonally adjusted); ANZ-Roy Morgan Business Confidence Rating





## ABOUT THE DATA

The data used within this report is the most recent available at the time of publication. The accuracy of small area estimates is limited due to a number of factors including availability of input data and small sample sizes. A number of modelling techniques, including local input-output tables and micro-simulation modelling, are applied to generate best estimates.

Quarterly data at all geographic levels is often revised based on the adoption of new methodologies for estimation and/or identification of past errors. This can lead to revisions of previous estimates which can then impact trends identified in the data.

Due to these limitations, caution is advised. An understanding of the data's level of reliability should be considered when using it to analyse regional performance.

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Also see:

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