



## **Session 2**

### **Regional Perspective**

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**SCBC Board Member**



## Regional Performance

- Rear view on regional economic performance and the base set for 2019
- How 2019 looking so far
  - Confidence
  - Industries showing some slowdown
  - International headwinds will continue
  - National economy needs political confidence

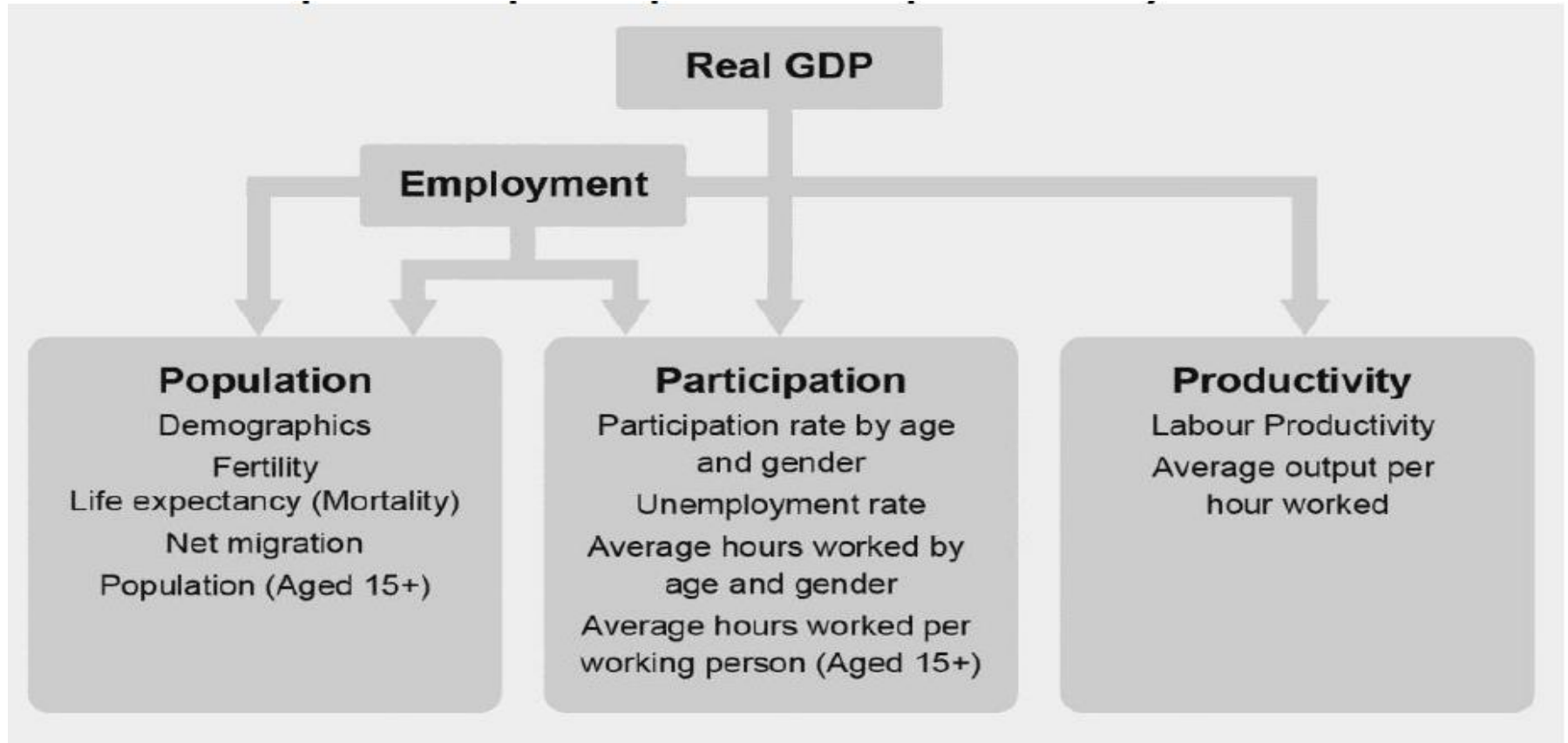


## Snapshot of Economic performance

- Independent report (John Giles, Giles Consulting)
- Snapshot of where we've been / where we are
- Largely a historical view
- Coming off the backdrop of a reasonably good local economic environment
- Risk factors ahead
  - Slowing employment growth / strong migration
  - Challenges of an ageing population
  - Headwinds at state and national level



# Regional Economic Levers (Intergenerational Report)



# Business Counts

(Sunshine Coast & Noosa LGA: Employing Businesses/ABS)

Industry	2016	2018	Change	Change %
Professional, Scientific and Technical Services	1,769	1,870	101	6%
Health Care and Social Assistance	1,056	1,081	25	2%
Arts and Recreation Services	167	187	20	12%
Financial and Insurance Services	557	573	16	3%
Education and Training	255	270	15	6%
Agriculture, Forestry and Fishing	406	418	12	3%
Information Media and Telecommunications	106	97	(9)	-8%

Construction	2,911	3,303	392	13%
Accommodation and Food Services	1,254	1,251	(3)	0%
Retail Trade	1,411	1,369	(42)	-3%

Administrative and Support Services	546	625	79	14%
Manufacturing	772	821	49	6%
Other Services	920	960	40	4%
Wholesale Trade	519	544	25	5%
Rental, Hiring and Real Estate Services	813	835	22	3%
Public Administration and Safety	36	43	7	19%
Mining	31	35	4	13%
Electricity, Gas, Water and Waste Services	51	55	4	8%
Transport, Postal and Warehousing	504	500	(4)	-1%

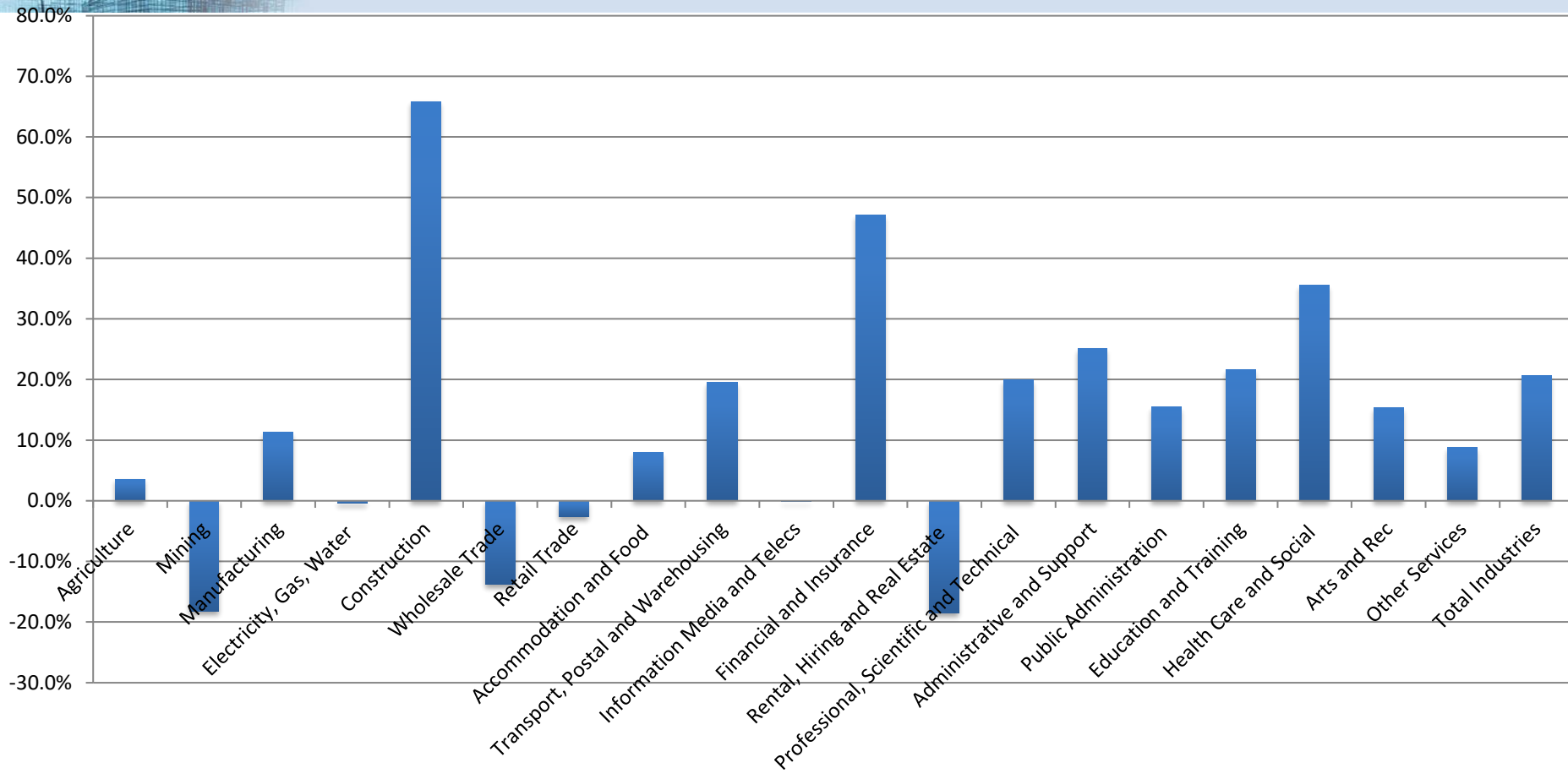
<b>Total</b>	<b>14,074</b>	<b>14,837</b>	<b>763</b>	<b>5%</b>
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Main components of HVI's

Other critical SC Industries

# Employment Growth By Industry

(Sunshine Coast LGA 2013 – 2018 FTE Employment: Economy id)





## REDS High Value Industries

(Sunshine Coast LGA: SCRC REDS Report Card 2018)

Industry	2014 (Actual)	2017 (Est.)	Change no.	Change %
Health and Wellbeing	21,141	24,992	3,851	18.2
Tourism, Sport & Leisure	18,711	20,634	1,923	10.1
Education and Research	11,773	12,586	813	6.9
Knowledge/Prof Services	21,044	21,479	435	2.1
Aviation and Aerospace	472	480	8	1.7
Agribusinesses	4,539	4,480	41	0.9
Clean Technology	1,662	1,494	-168	-10.1
Total HVIs	79,242	86,145	6,903	8.7

**Legend:**   Large fast growth   Large moderate growth   Large slow growth   Small slow growth

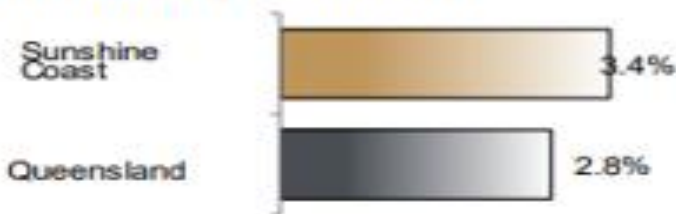
# Labour Force

(Sunshine Coast SA4: ABS Labour force)

## Labour force status, Sunshine Coast SA4, December 2017 to December 2018

	Year ending			Annual change	
	Dec 17	Nov 18	Dec 18		
	— persons —			persons	%
Total employed	172,900	178,200	178,700	5,900	3.4
Total unemployed	8,800	12,000	11,900	3,100	35.1
Total labour force	181,700	190,200	190,600	9,000	4.9
Not in the labour force	118,100	116,600	116,800	-1,300	-1.1
Total persons 15+	299,800	306,800	307,400	7,600	2.6
Participation rate (%)	60.6	62.0	62.0	..	1.4 (a)
Unemployment rate (%)	4.8	6.3	6.2	..	1.4 (a)

### Employment growth, annual



### Unemployment rate

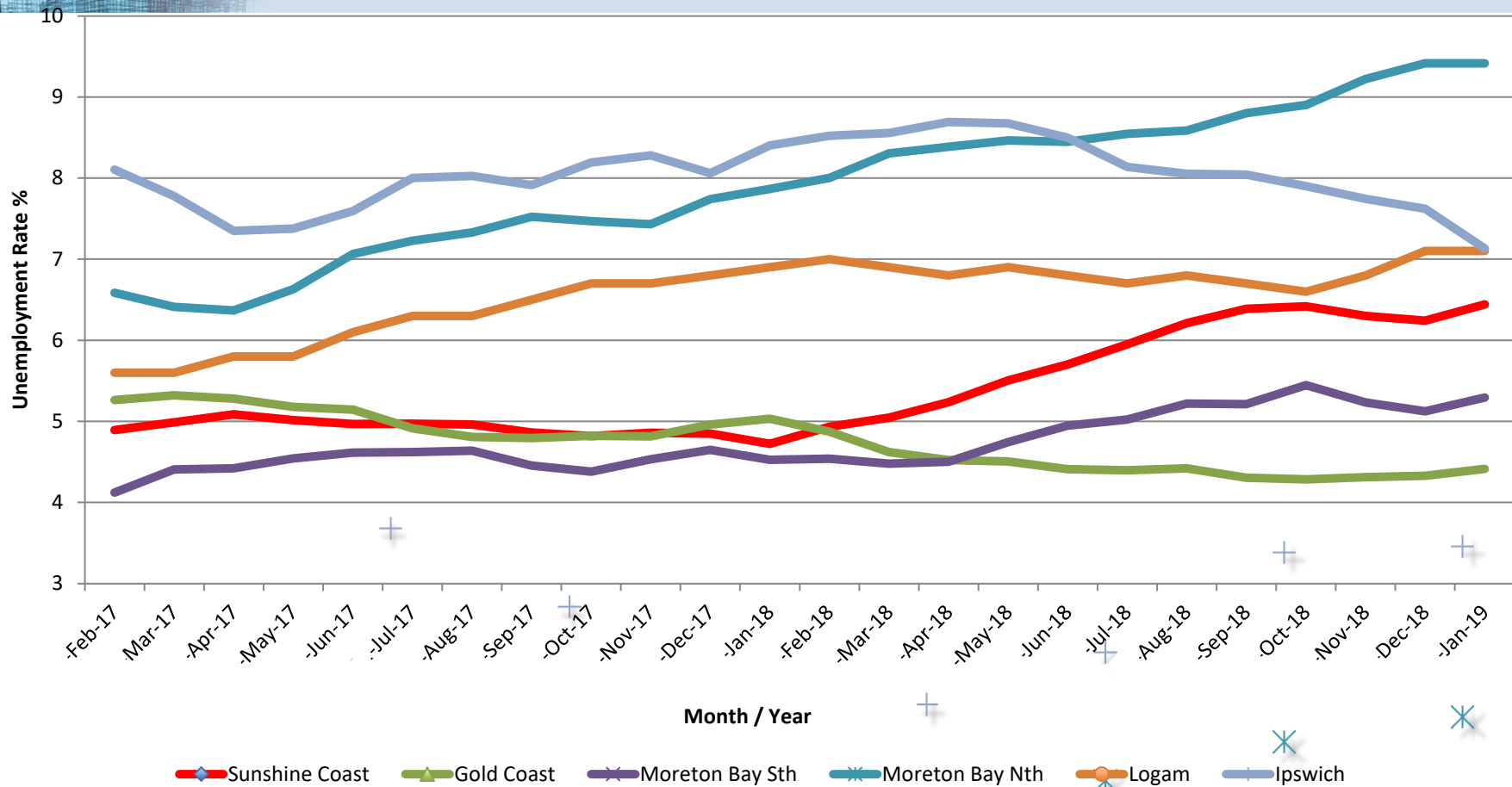


Source: QGSO Regional Labour Force Report



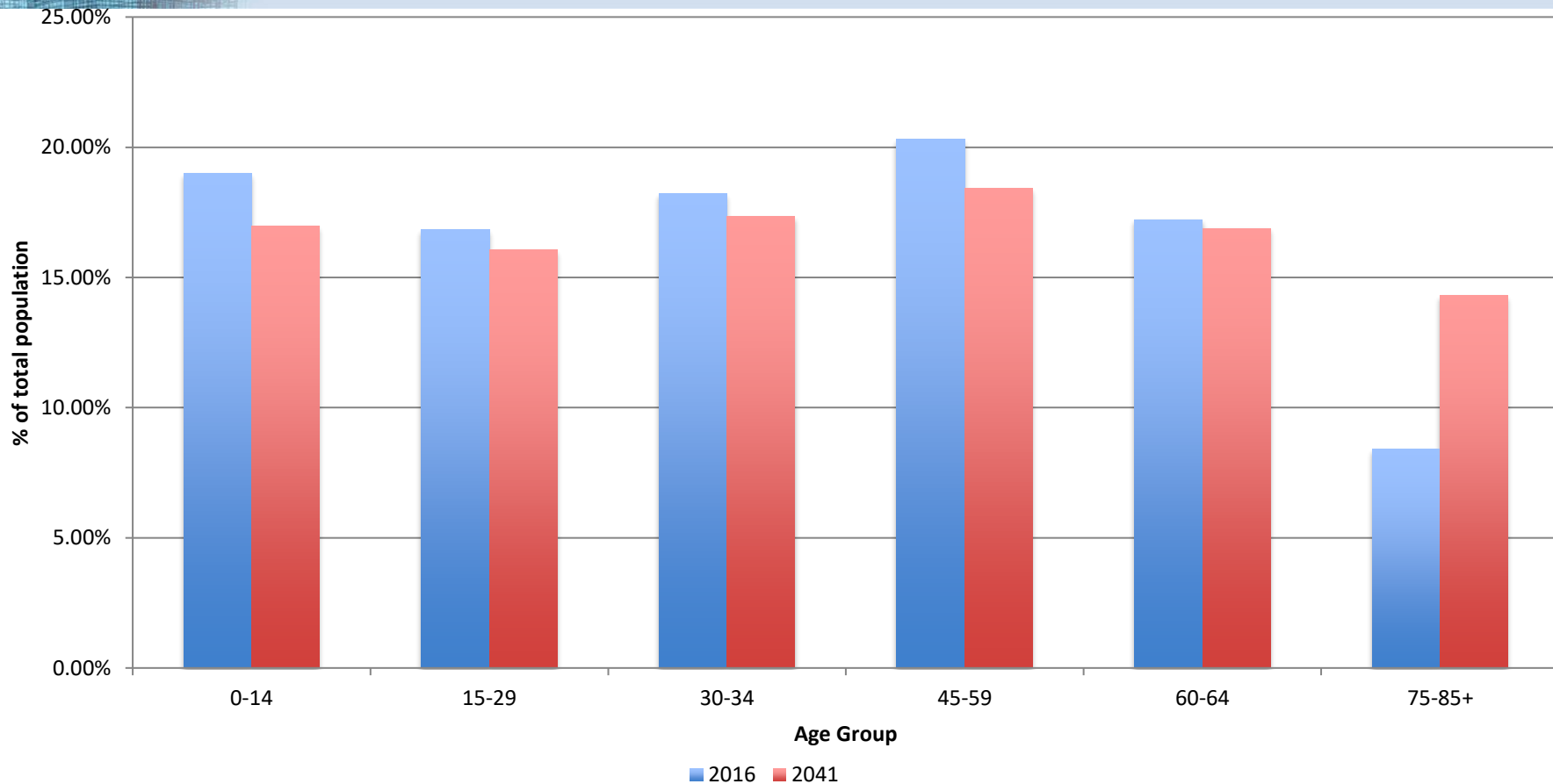
# Unemployment Rate Trends

(Sunshine Coast SA4: ABS Labour force)



# Population Age Structure

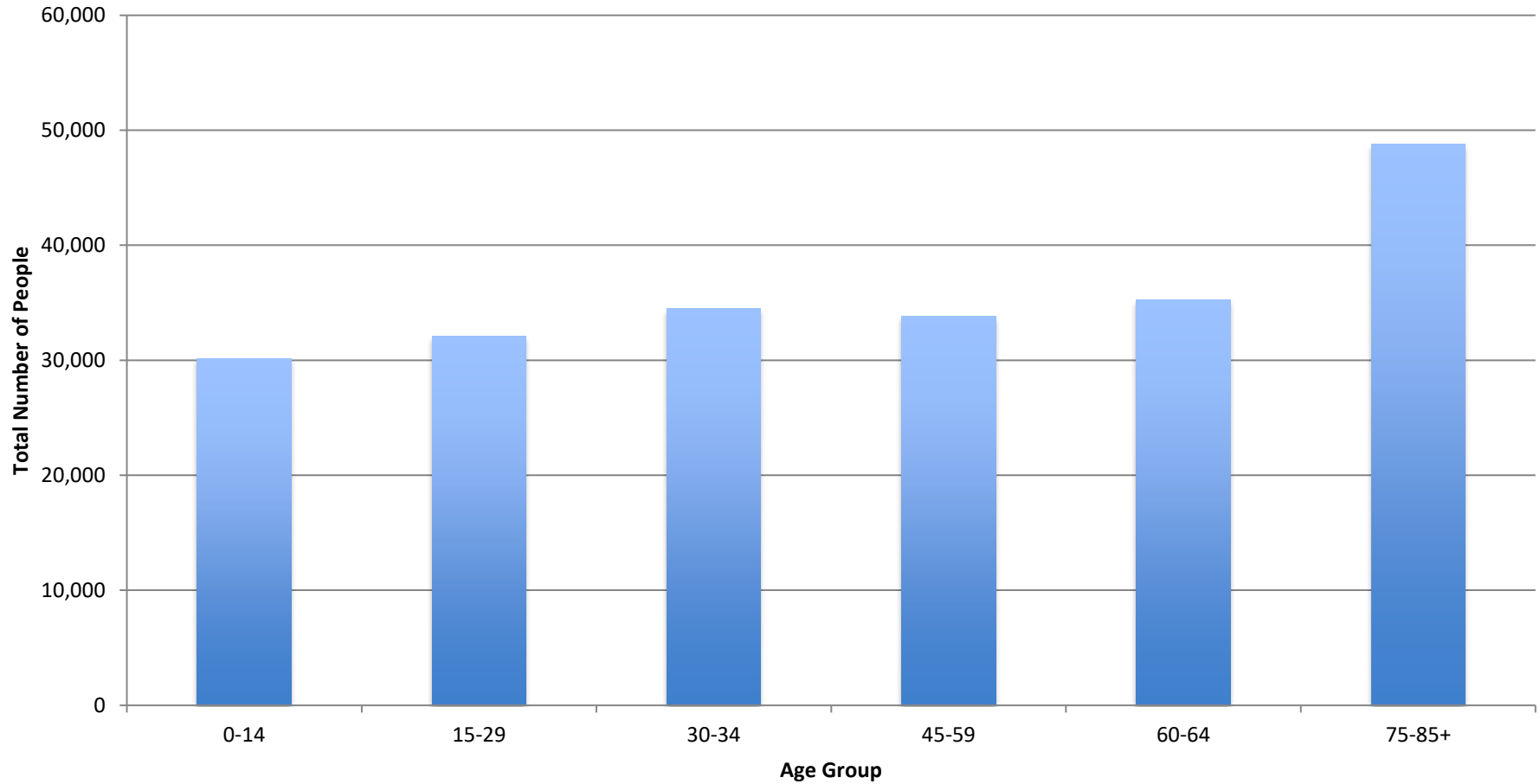
(Sunshine Coast LGA: Population Projections 2016 and 2041 Age Structure)





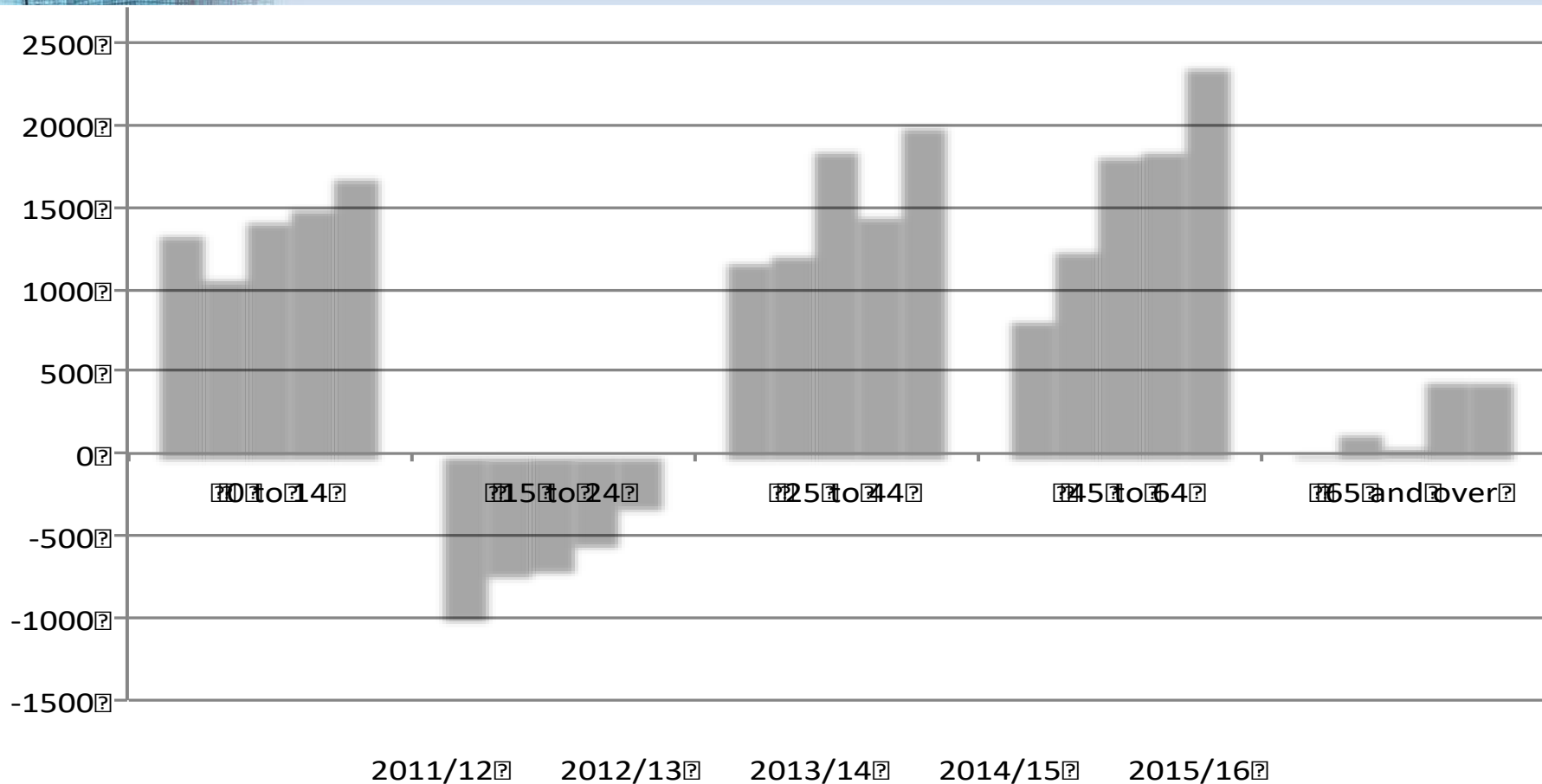
# Population increases by age

(Sunshine Coast LGA: Population Projections by age 2016 to 2041)



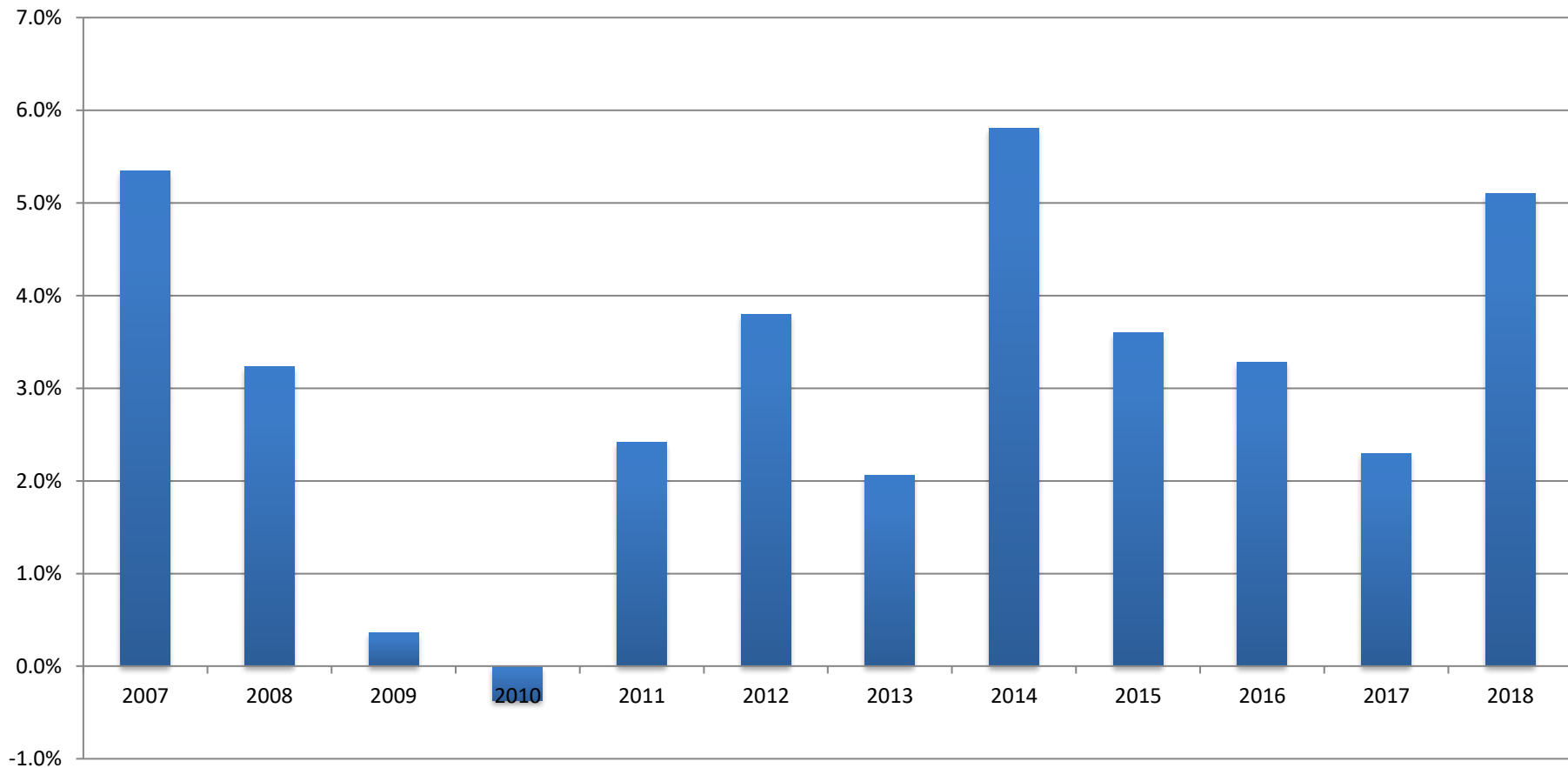
# Net Migration

(Sunshine Coast SA4: Net Migration by Age 2011/12-2015/16)



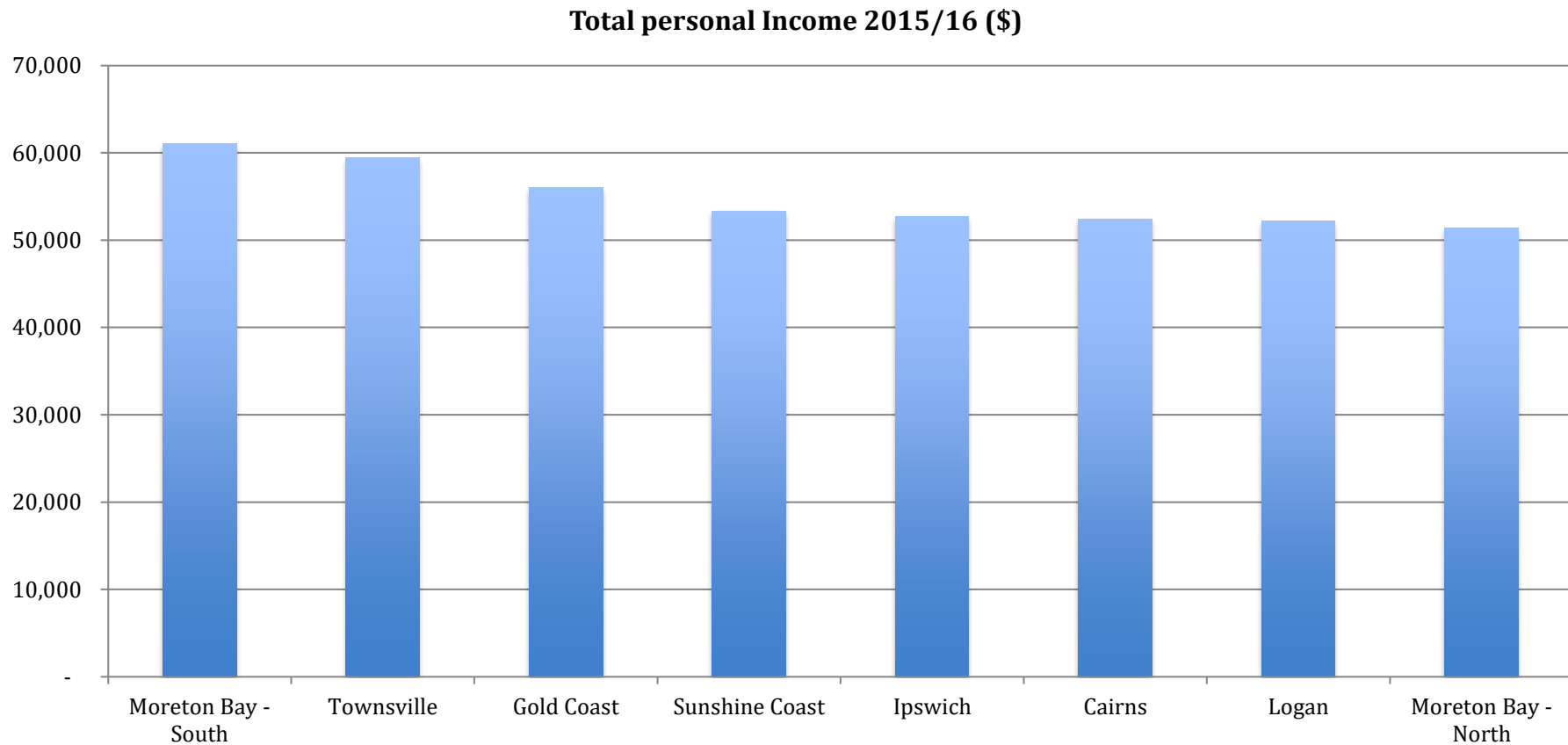
# Gross Regional Product

(Sunshine Coast LGA: Economy id. Annual growth 2007/08 to 2017/18 (%))



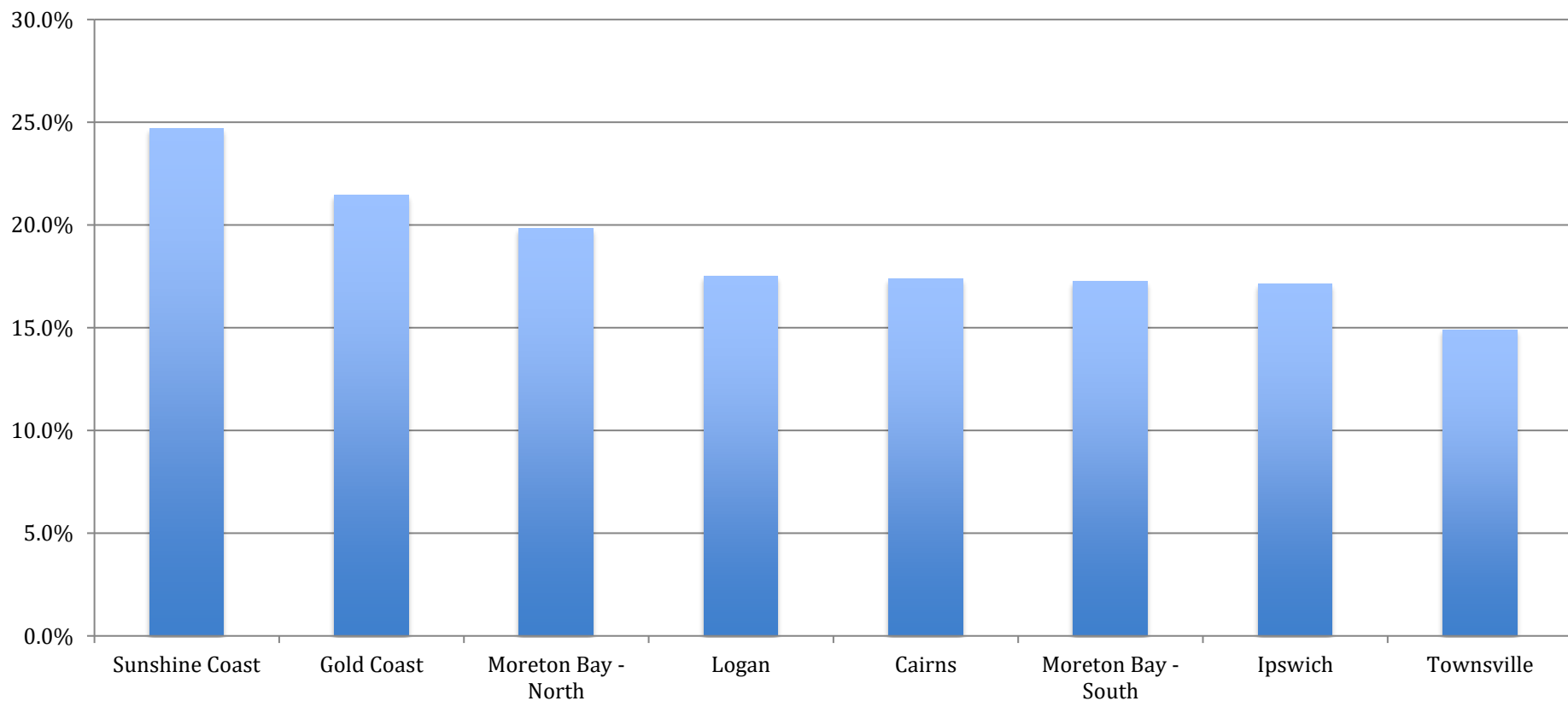
# Total Personal Income

(Sunshine Coast SA4: ABS)



# Total Personal Income Growth (Sunshine Coast SA4: ABS)

Total personal income growth 2011 - 2016 (%)





## Key Issues To Consider

### SCBC Current Priorities/Issue

#### Jobs

- Employment
- Diversity

#### Population

- Projected growth
- Net migration
- Rapid ageing

#### Economy

- Total GRP has been strong
- Personal income increasing

#### Investment/Infrastructure

- Past benefits from catch up
- The infrastructure pipeline
- New horizon strategies

### Matters of concern/red flags

- Increasing unemployment/early 2018
- Marked slowing of employment in 2018
- Mixed performance of REDS HVIs/Review

- Significant, but SC role in mega SEQ 2041
- Consistent net loss of those 15-25 years
- Major challenges, creates opportunities

- Net migration and construction at risk
- Will be challenged by the aging population

- Transport in mega SEQ a great challenge
- What / when are the next major projects
- How to integrate projects and HVIs
- Risks if the project pipeline falters





**Thank You**