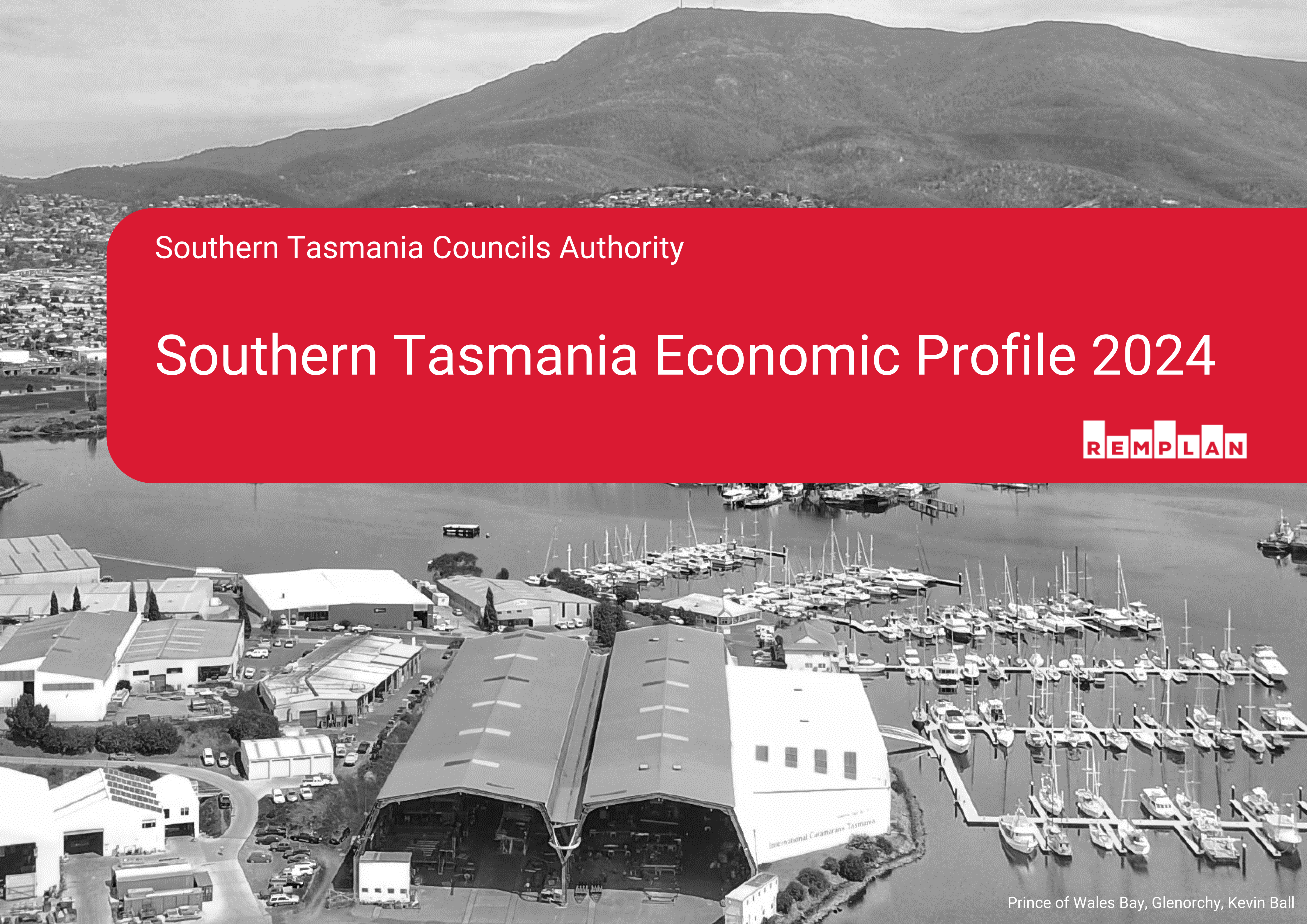
Southern Tasmania Councils Authority

Southern Tasmania Economic Profile 2024

REMPLAN



Prince of Wales Bay, Glenorchy, Kevin Ball

Southern Tasmania Economic Profile 2024

This project has been conducted by REMPLAN on behalf of Southern Tasmania Councils Authority.

February 2024

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Overview

Bicheno, courtesy of Glamorgan Spring Bay Council

Southern Tasmania

Home to 295,917 residents Southern Tasmania is characterised by its stunning natural beauty and diverse landscapes. The region encompasses scenic coastal stretches, including the historic port city of Hobart and charming townships dotting the rolling countryside. Abundant in lush forests, waterways, colonial architecture, and historic sites, the southern region encapsulates Tasmania's charm. Southern Tasmania offers a unique blend of history, culture, and nature, making it an ideal destination to live, work and visit.

Southern Tasmania incorporates the Local Government Areas (LGA) of Brighton Council, Central Highlands Council, City of Clarence, Derwent Valley Council, Glamorgan Spring Bay Council, Glenorchy City Council, Hobart City Council, Huon Valley Council, Kingborough Council, Sorell Council, Southern Midlands Council and Tasman Council.

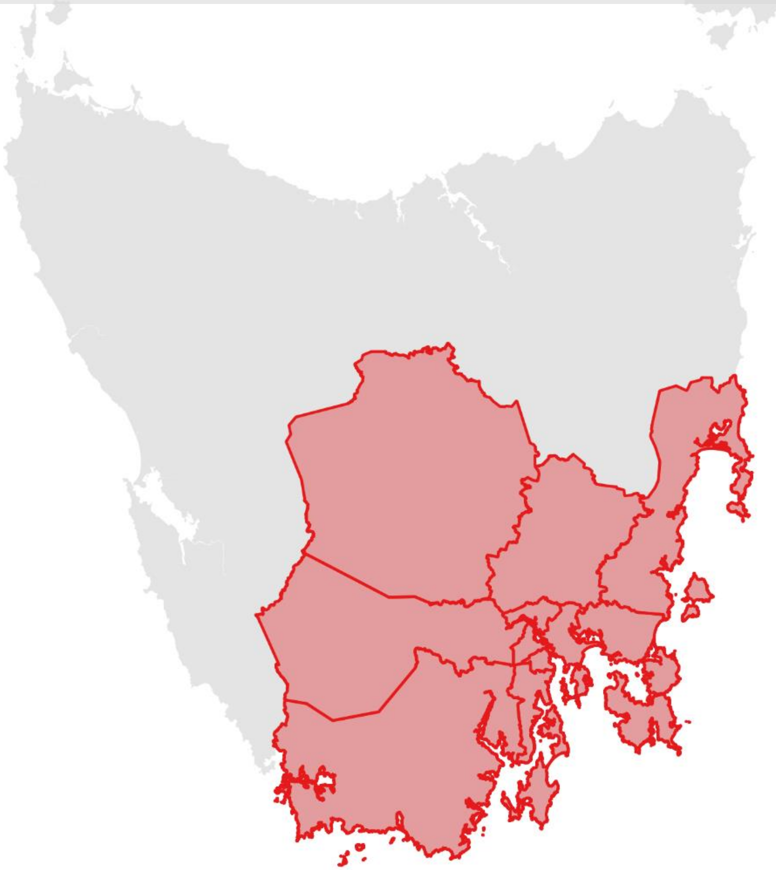
Over the last five years, Southern Tasmania has welcomed almost 41,000 residents from across Australia and over 12,600 migrants from overseas.

Located at the centre of Southern Tasmania is the city of Hobart, which services the wider region as the major retail, commercial, health and educational centre. Hobart is a major port city which contributes to the region's maritime, trade and tourism activities.

Southern Tasmania's gross regional product (GRP) in 2023 was estimated at $21.0 billion, with the construction, manufacturing, and public administration sectors being the largest contributors to GRP.

The region supports 135,652 jobs, accounting for more than half (54%) of all jobs in Tasmania. The health care and social assistance, and education and training sectors are major contributors to the region's employment landscape.

	GRP (2023)	Jobs (2021)	Population (2022)
Southern Tasmania	$21.0B	135,652	295,917
Southern Tasmania as % of Tasmania	52%	54%	52%



Brighton

GRP $644.6M (2023)

Population 19,691 (2022)

Jobs 3,823 (2021)

Three largest employing industries

Transport, Postal & Warehousing (666 jobs)

Construction (516 jobs)

Education & Training (420 jobs)

Central Highlands

GRP $133.9M (2023)

Population 2,586 (2022)

Jobs 776 (2021)

Three largest employing industries

Agriculture & Food Manufacturing (364 jobs)

Accommodation & Food Services (136 jobs)

Public Administration & Safety (35 jobs)

Clarence

GRP $3,252.3M (2023)

Population 63,086 (2022)

Jobs 20,422 (2021)

Three largest employing industries

Construction (2,967 jobs)

Health Care & Social Assistance (2,595 jobs)

Retail Trade (2,515 jobs)

Derwent Valley

GRP $484.1M (2023)

Population 11,236 (2022)

Jobs 2,848 (2021)

Three largest employing industries

Health Care & Social Assistance (486 jobs)

Agriculture & Food Manufacturing (379 jobs)

Manufacturing (345 jobs)

Glamorgan-Spring Bay

GRP $279.4M (2023)

Population 5,187 (2022)

Jobs 1,915 (2021)

Three largest employing industries

Accommodation & Food Services (514 jobs)

Agriculture & Food Manufacturing (425 jobs)

Construction (160 jobs)

Glenorchy

GRP $3,661.7M (2023)

Population 51,009 (2022)

Jobs 23,420 (2021)

Three largest employing industries

Health Care & Social Assistance (3,642 jobs)

Construction (2,993 jobs)

Retail Trade (2,490 jobs)

Hobart

GRP $8,990.5M (2023)

Population 55,981 (2022)

Jobs 60,440 (2021)

Three largest employing industries

Health Care & Social Assistance (13,290 jobs)

Public Administration & Safety (9,367 jobs)

Education & Training (6,954 jobs)

Huon Valley

GRP $901.8M (2023)

Population 19,214 (2022)

Jobs 5,503 (2021)

Three largest employing industries

Agriculture & Food Manufacturing(1,599 jobs)

Health Care & Social Assistance (521 jobs)

Construction (510 jobs)

Kingborough

GRP $1,711.0M (2023)

Population 40,933 (2022)

Jobs 10,980 (2021)

Three largest employing industries

Construction (1,592 jobs)

Education & Training (1,584 jobs)

Retail Trade (1,332 jobs)

Sorell

GRP $568.16M (2023)

Population 17,430 (2022)

Jobs 3,485 (2021)

Three largest employing industries

Agriculture & Food Manufacturing (543 jobs)

Retail Trade (498 jobs)

Construction (452 jobs)

Southern Midlands

GRP $219.9M (2023)

Population 6,888 (2022)

Jobs 1,249 (2021)

Three largest employing industries

Agriculture & Food Manufacturing (432 jobs)

Construction (179 jobs)

Education & Training (159 jobs)

Tasman

GRP $127.2M (2023)

Population 2,676 (2022)

Jobs 791 (2021)

Three largest employing industries

Agriculture & Food Manufacturing (173 jobs)

Arts & Recreation (127 jobs)

Accommodation & Food Services (120 jobs)

Population Context

Richmond Village, Clarence, Natalie Mendham

Population

Southern Tasmania is home to 295,917 residents, one in five (21%) of which live in Clarence LGA (63,086 residents). Hobart and Glenorchy LGAs, situated around the shores of the Derwent River, closely follow Clarence LGA in terms of population count with 55,981 (19%) and 51,009 (17%) residents, respectively.

Between 2012 and 2022, Southern Tasmania experienced strong growth welcoming 40,743 new residents, marking a 16.0% increase (or 1.5% in annual terms). Clarence and Kingborough LGAs experienced the largest population growth, recording increases of 9,872 and 5,912 residents, respectively, between 2012 to 2022. Southern Tasmania is projected to continue to see strong population growth along with the rest of the Tasmania through to 2050.

Age Structure

From 2012 to 2022, Southern Tasmania experienced population growth across various age cohorts. The most significant increase occurred among the retired age cohort (65-79 years), with an increase of 13,883 driven by growth in Clarence and Glenorchy. Concurrently, there was an uptick in the number of young workers, increasing by 13,567 over the same period. In contrast, the preschool age cohort (0-4 years) experienced a decline of 509 residents, primarily influenced by a decrease in Hobart and Kingborough.

Figure 1 Population by life stage, Southern Tasmania, 2012 and 2021

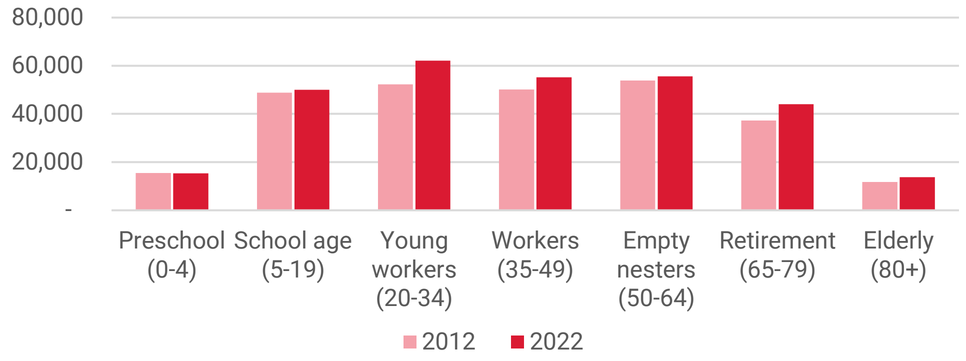
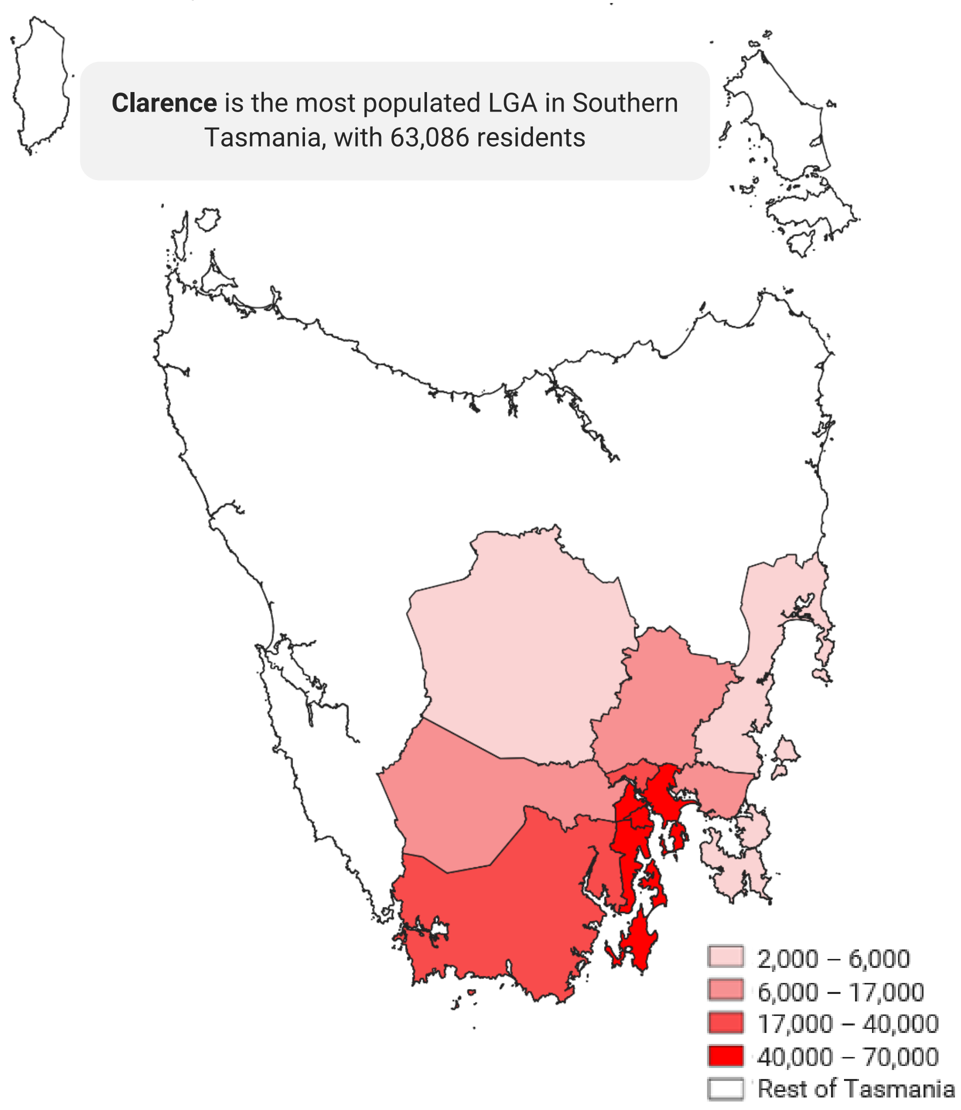


Figure 2 Population by LGA, Southern Tasmania, 2022

Clarence is the most populated LGA in Southern Tasmania, with 63,086 residents



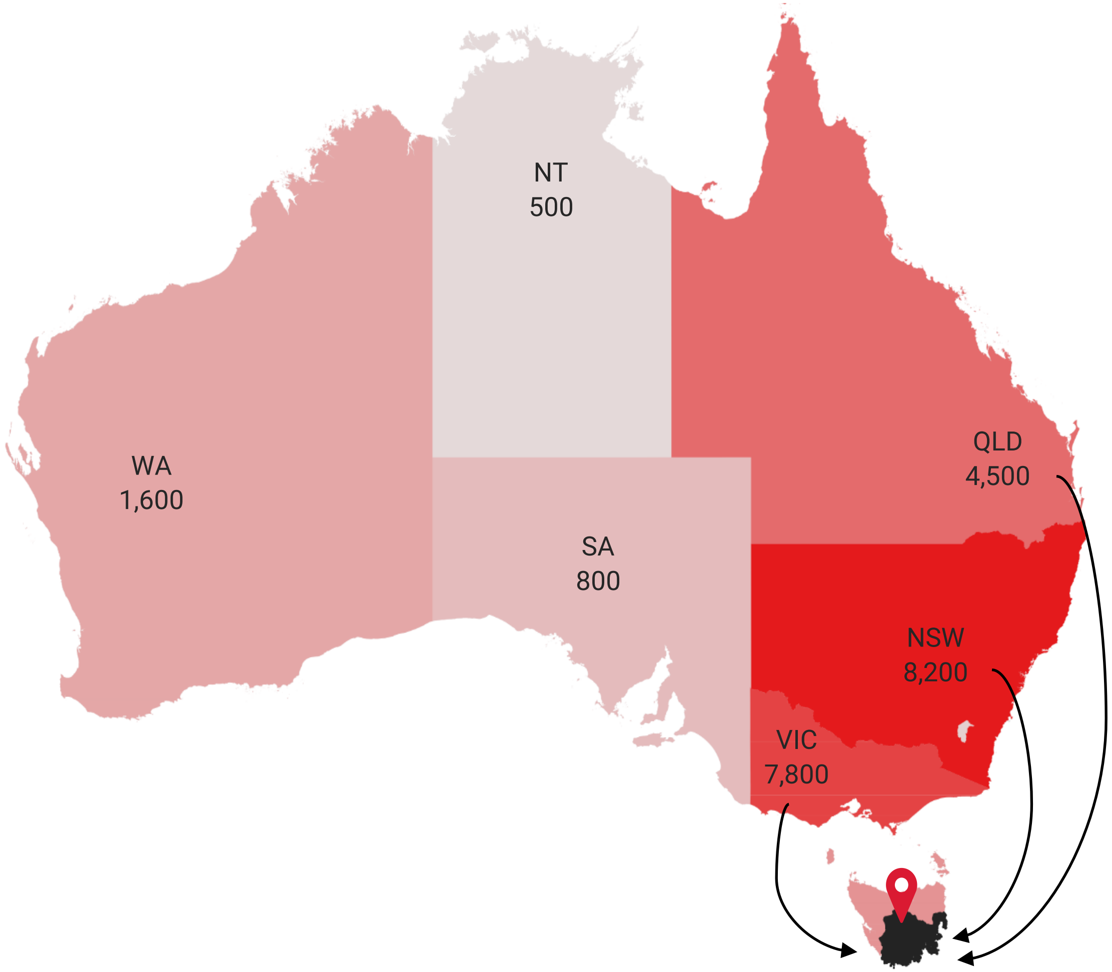
Migration and Mobility

Migration to Southern Tasmania has played a significant role in shaping the area's demographic landscape. Over recent years, the region has experienced a notable influx of residents seeking the unique lifestyle, natural beauty and economic opportunities Southern Tasmania offers. While population growth has been multifaceted, attracting both young professionals and retirees, certain LGAs within Southern Tasmania have become particularly appealing for migrants.

Over the five years to 2021, Southern Tasmania welcomed approximately 40,859 residents, comprising 28,198 from various regions within Australia (including Tasmania) and an additional 12,661 arriving from overseas. Notably, the region has been particularly attractive to interstate residents, drawing a high number of residents from the eastern states, such as New South Wales, Victoria, and Queensland.

In addition to interstate migration, Southern Tasmania attracted an estimated 4,206 residents from various LGAs elsewhere in Tasmania, most notably from Launceston (1,124 residents), Devonport (384), West Tamar (336), Burnie (332) and Central Coast (309). This highlights the widespread appeal of Southern Tasmania as a desirable location for both residence and employment.

Figure 3 Interstate migration to Southern Tasmania, 2021



Wellbeing

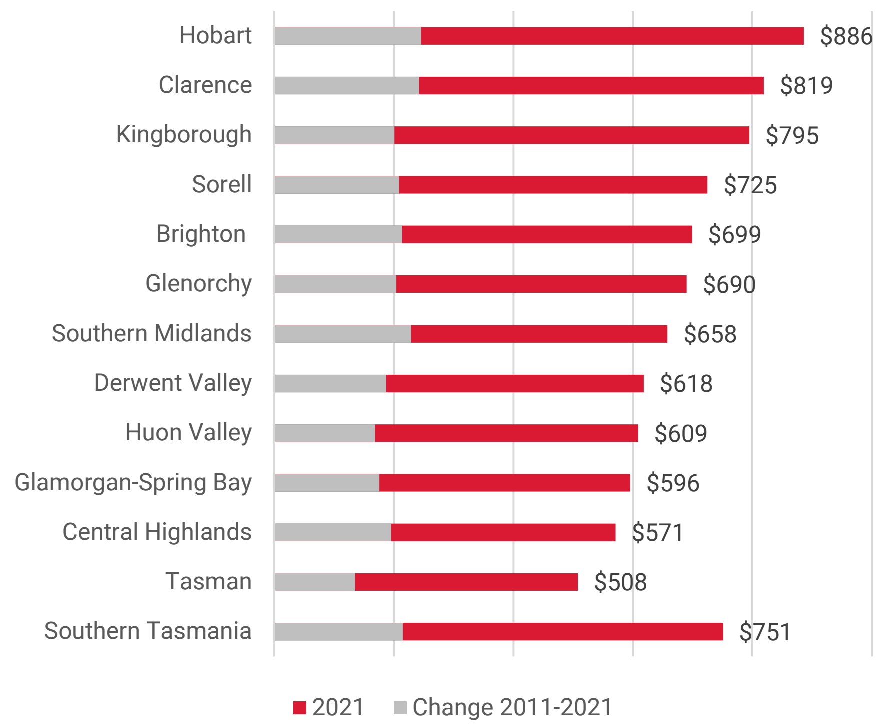
Image courtesy of Department of Premier and Cabinet

Personal Income

The median weekly personal income for residents is $751 (2021) and is reflective of the types of occupations and industries of employment within Southern Tasmania. The median weekly personal income has increased by $215 or 40.1% since 2011.

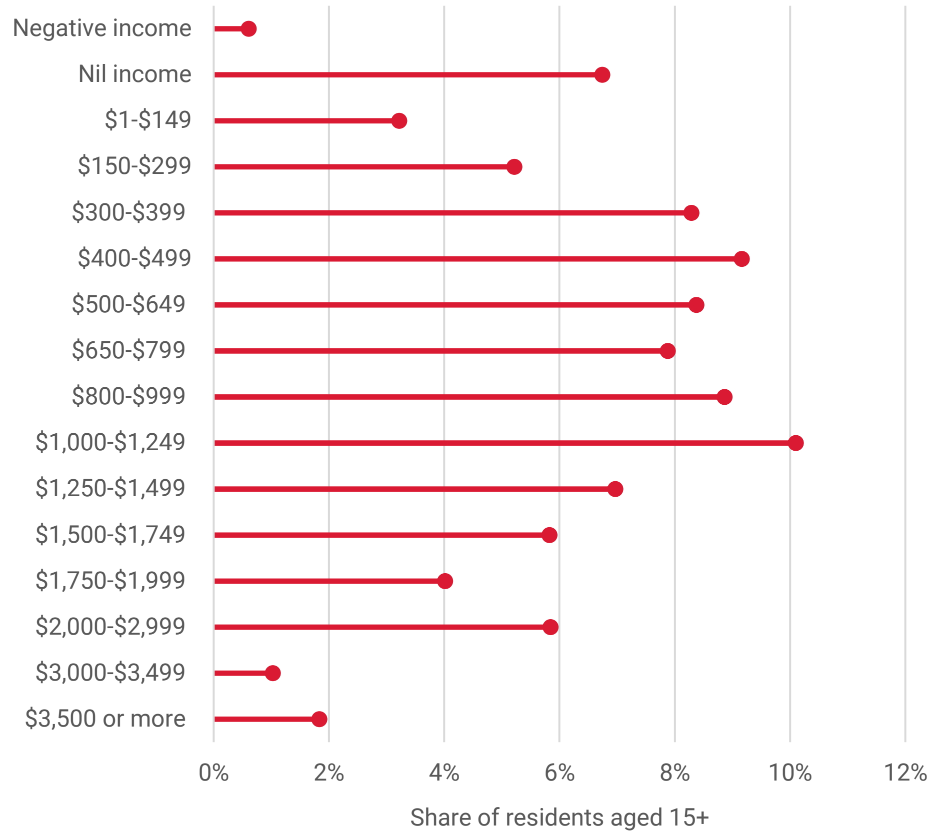
Of all LGAs in Southern Tasmania, Hobart residents earn the highest weekly income ($886 per week). In contrast, Tasman residents earn the lowest weekly income ($508 per week).

Figure 4 Median Weekly Personal Income, Southern Tasmania and LGAs, 2011-2021



In 2021, almost half of residents (aged 15+) in Southern Tasmania earned $800 or more per week (44.5%), compared to just over a third (31.1%) in 2011. The largest share of residents aged 15 years and over earn a weekly income between $1,000-$1,249.

Figure 5 Weekly Income, persons 15+, Southern Tasmania, 2021

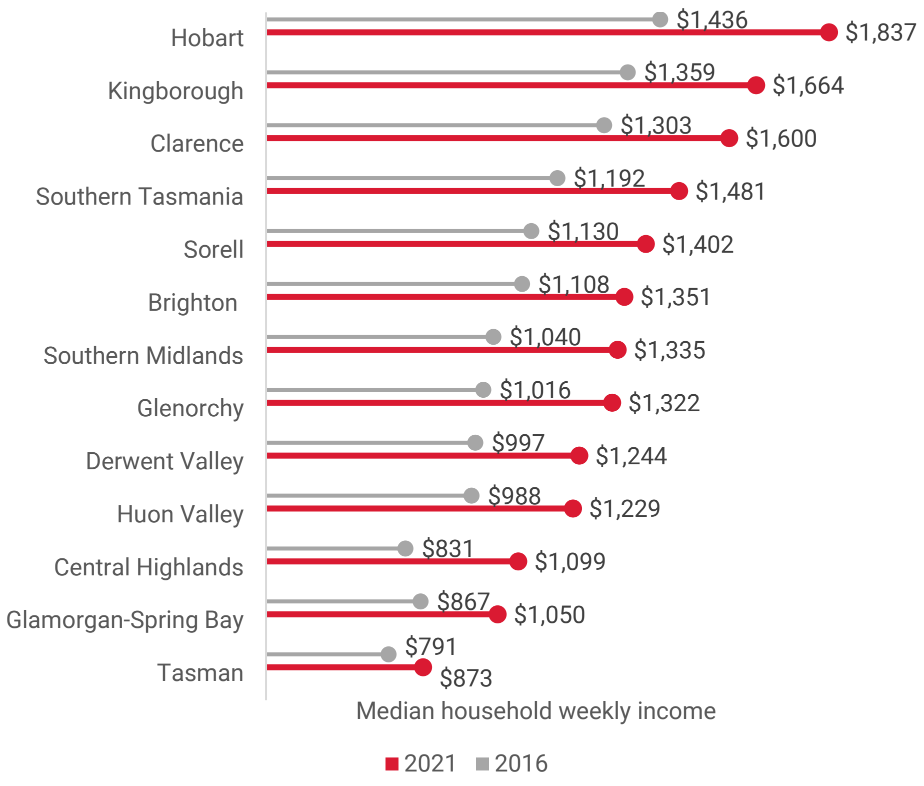


Household Income

The median weekly household income in Southern Tasmania is $1,480, having increased by $289 since 2016. In comparison, the State median income for households is lower at $1,357 per week.

The higher than State household incomes in Southern Tasmania are largely driven by the higher incomes received by households in Hobart, Kingborough and Clarence LGAs.

Figure 6 Median Household Incomes, Southern Tasmania and LGAs, 2016 and 2021

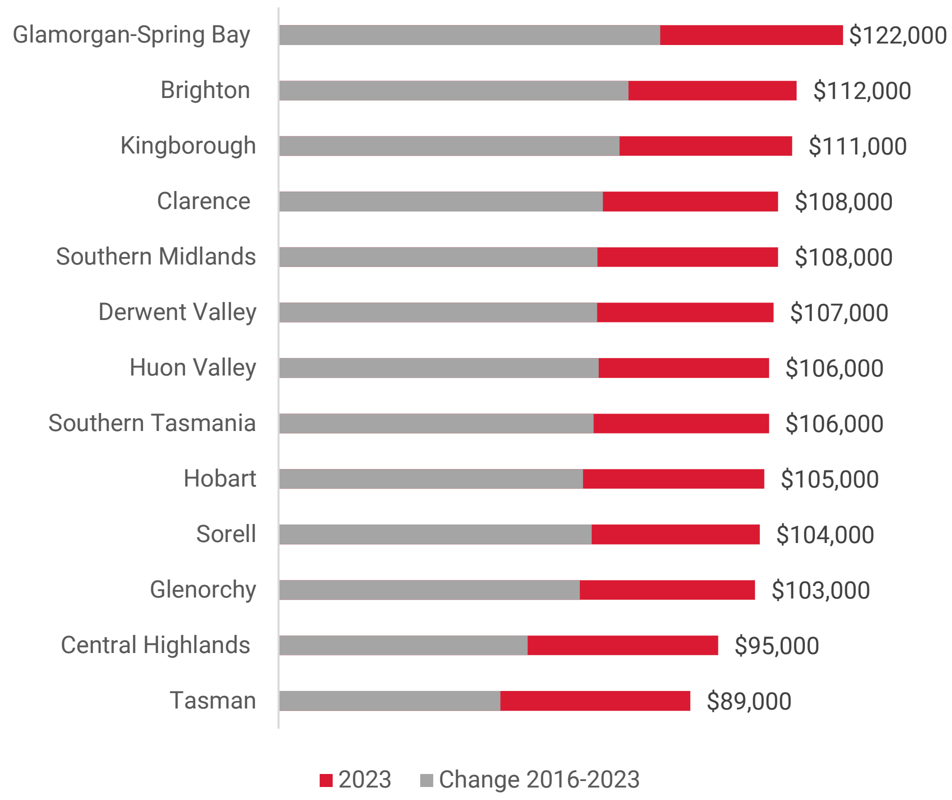


Household Expenditure

On average, annual household expenditure in Southern Tasmania has more than doubled since 2016, increasing from $38,000 to $106,000 in 2023. The highest increase occurred in Glamorgan-Spring Bay where household expenditure increased three-fold from $39,500 to $122,000 in 2023.

Much of this increase in expenditure can be attributed to the rising cost of housing.

Figure 7 Annual Household Expenditure, Southern Tasmania and LGAs, 2016 and 2023



Socio-economic Disadvantage

Socio Economic Indexes for Areas (SEIFA) measures the relative advantage and disadvantage of areas, which provides an insight into the economic and social conditions of communities.

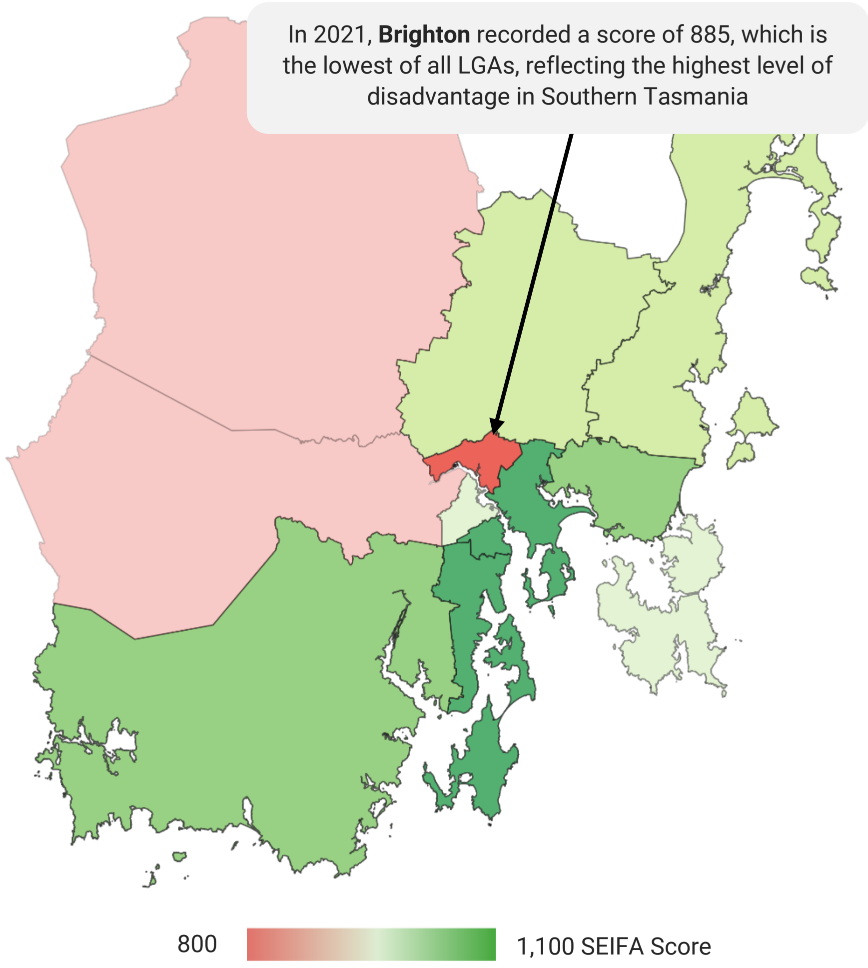
A low score indicates relatively greater disadvantage, which is reflective of an area which may have many households with low income, many people without qualifications, or many people in low skilled occupations. In contrast, a high score indicates a relative lack of disadvantage, meaning an area may have fewer households with low incomes, fewer people without qualifications, or fewer people with low skilled occupations.

In 2021, Southern Tasmania recorded a score of 986, reflecting a consistent trend since 2011 when it recorded a score of 976.

Hobart recorded the highest SEIFA of 1,046 in 2021, indicating a low level of disadvantage. In contrast, Brighton recorded a SEIFA score of 885, suggesting Brighton residents have the highest level of socio-economic disadvantage in Southern Tasmania. Sorell recorded a notable increase in SEIFA score (963 in 2011, to 991 in 2021) reflecting a falling level of disadvantage.

	SEIFA Score
Brighton	885
Central Highlands	911
Clarence	1,009
Derwent Valley	913
Glamorgan-Spring Bay	950
Glenorchy	927
Hobart	1,046
Huon Valley	974
Kingborough	1,038
Sorell	991
Southern Midlands	951
Tasman	923

Figure 8 Index of Socio-Economic Disadvantage, Southern Tasmania

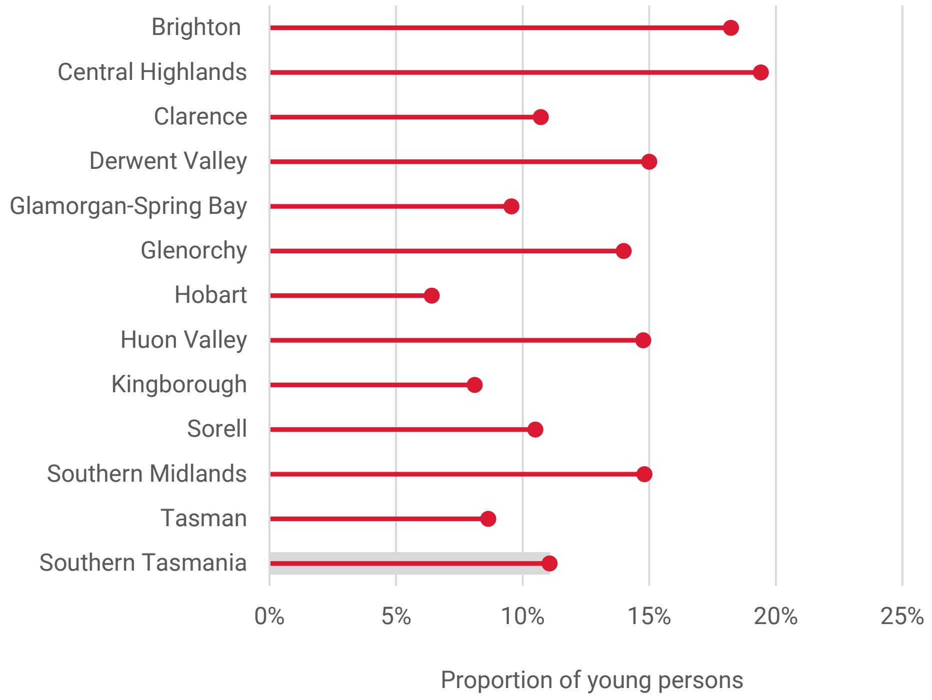


Youth Disengagement

In 2021, one in ten (or 11.1%) of young people aged 15-24 years in Southern Tasmania were considered as disengaged, i.e. neither engaged in education or employment. The rate of youth disengagement has remained relatively stable since 2011, when 11.4% of young people were considered to be disengaged from education and/or employment.

Central Highlands recorded the highest youth disengagement rate in 2021, with one in four (19.4%) of young residents not engaged in either education or employment. In contrast, Hobart had the lowest rate of youth disengagement (6.4%), signifying the areas slightly elevated proportion of young people actively participating in education and/or employment.

Figure 9 Youth Disengagement, Southern Tasmania and LGAs, 2021



Housing

Moonah, Glenorchy, Kevin Ball

Housing Stress

The increasing cost of living, coupled with fluctuations in economic conditions, has posed financial challenges for both homeowners and renters across Australia, including Southern Tasmania. A household experiences housing stress when the cost of housing (either as rent or mortgage repayments) is high relative to household income. Households in the lower 40% of income earners that are spending more than 30% of their income on housing (rent or mortgage), are considered to be experiencing financial housing stress.

In 2021, an estimated 12.3% households with mortgages grappled with mortgage stress, and 43.7% of renting households experiencing rental stress.

Tasman LGA has the highest rate of mortgage stress at 21.5%, and Brighton LGA has the highest rate of rental stress at 61.1%. Conversely, households in Hobart (on average) experience the lowest rates of rental and mortgage stress.

Figure 10 Housing Stress – Mortgaged Dwellings, Southern Tasmania and LGAs, 2021

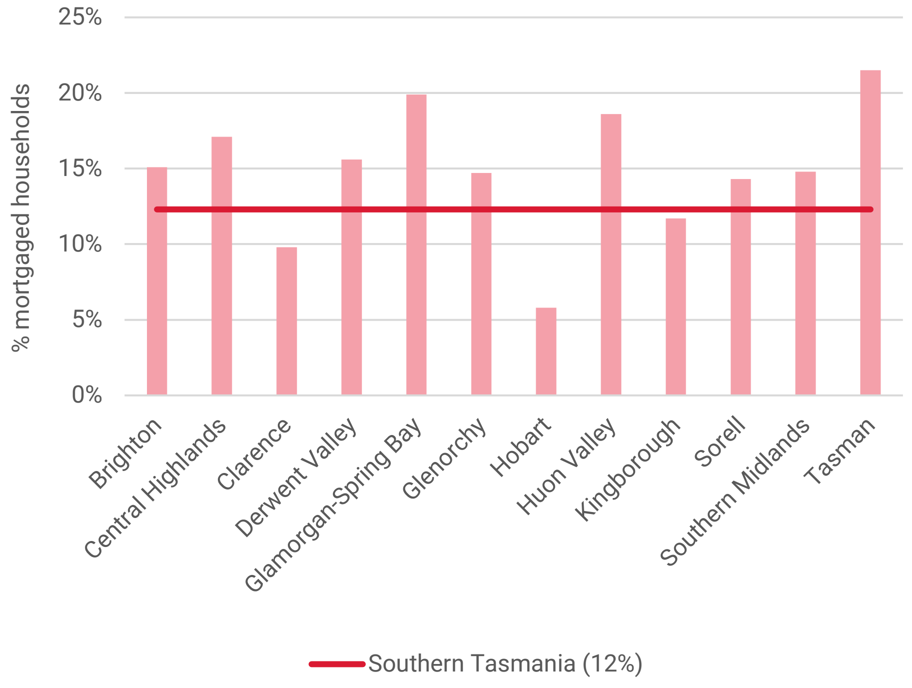
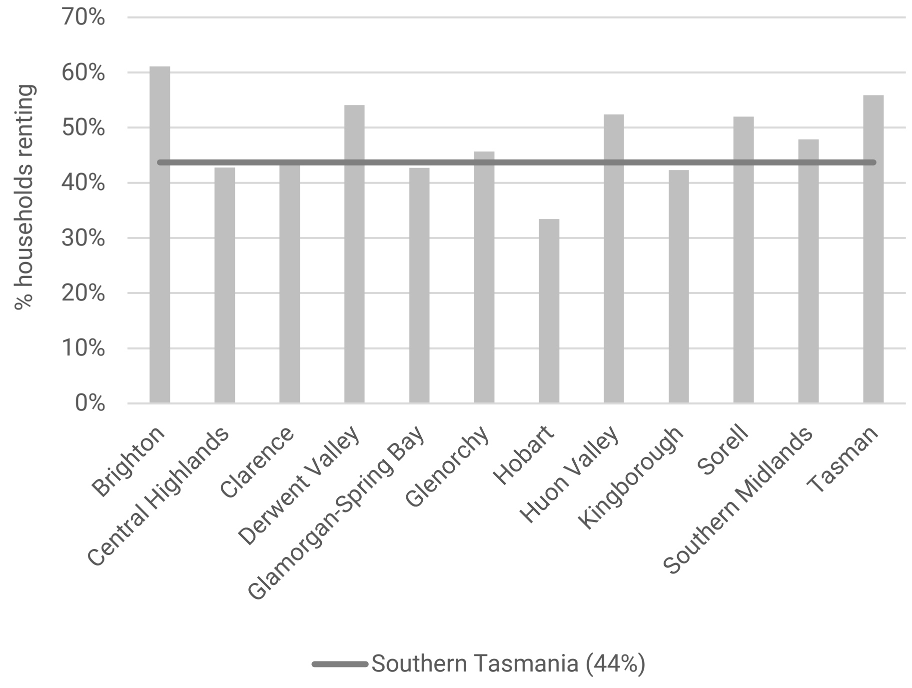


Figure 11 Housing Stress – Rented Dwellings, Southern Tasmania and LGAs, 2021



Housing Affordability

The term 'housing affordability' refers to the relationship between expenditure on housing and household incomes as a way to reflect potential barriers for entry into the housing market. The number of dwellings that are affordable has a strong relationship with income. A dwelling is considered unaffordable if the asking price for sale or rent is more than 30% of household income. The lower households' incomes are, the fewer homes that are considered affordable to rent or buy.

In 2015-16 there were 2,947 affordable dwellings sold in Southern Tasmania, representing 65% of all dwellings sold. By 2022-23 this had decreased to 720 affordable dwellings sold, representing just 16% of all dwellings sold.

In 2015-16 there were 1,549 affordable rentals in Southern Tasmania, representing 74% of all rentals. This decreased to 1,495 affordable rentals in 2022-23, representing 37% of all rentals.

Figure 12 Housing Affordability – Dwelling Sales, Southern Tasmania

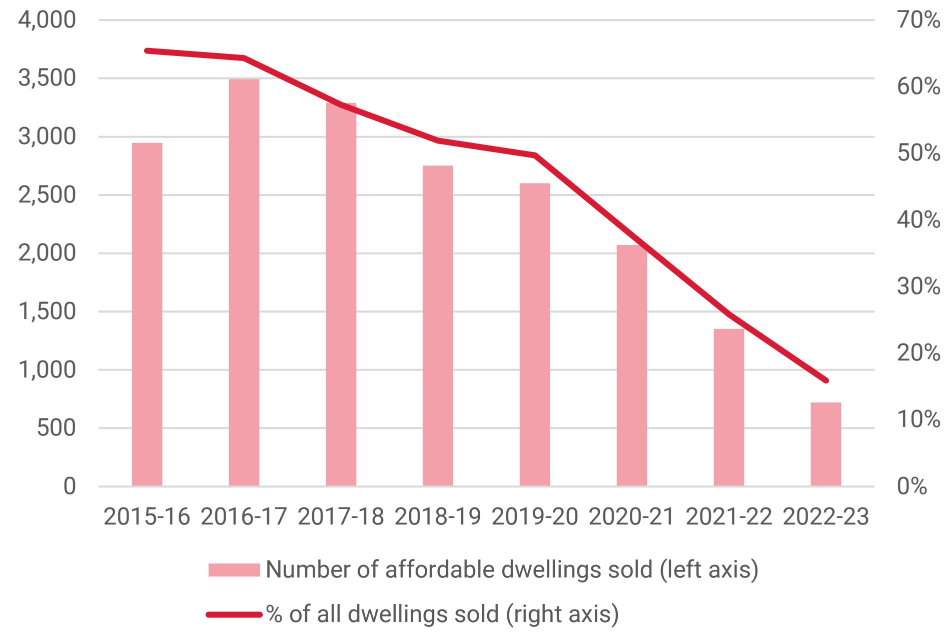
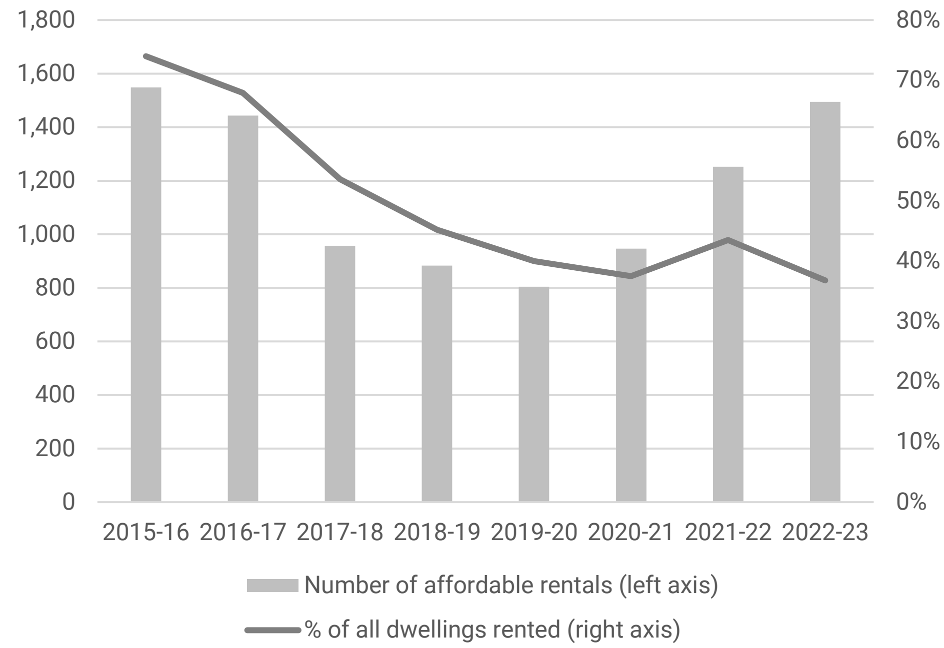


Figure 13 Housing Affordability – Dwelling Rentals, Southern Tasmania



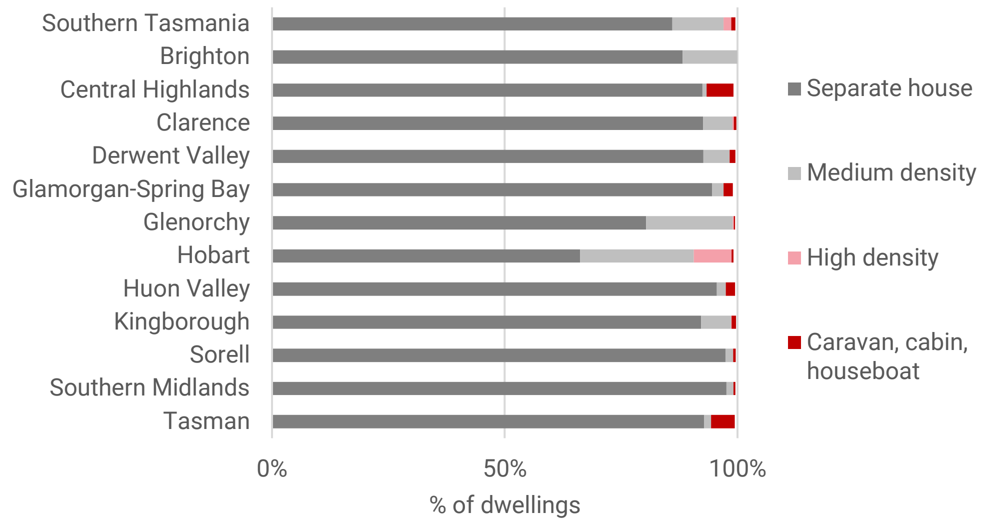
Dwellings

The Southern Tasmania housing market offers a diverse array of residential options, encompassing traditional homes, new developments, and scenic properties to suit a range of preferences and lifestyles. However, the type of dwellings remains that of a separate house.

As of 2021, a significant majority, approximately 86.0% of dwellings in the region were separate houses. 11.0% of dwellings were medium density which includes all semi-detached, townhouse and villa units, plus apartments in blocks with 1 or 2 storeys. Medium density dwellings are primarily located in Hobart, Glenorchy and Brighton.

The housing landscape also includes alternative options like caravan parks and cabins, particularly in the more regional areas of Southern Tasmania, including Central Highlands and Tasman. High-density dwellings, such as multi-level apartments with 3 or more storeys, only account for 1.6% of the total dwellings in Southern Tasmania.

Figure 14 Dwelling Types, Southern Tasmania and LGAs, 2021

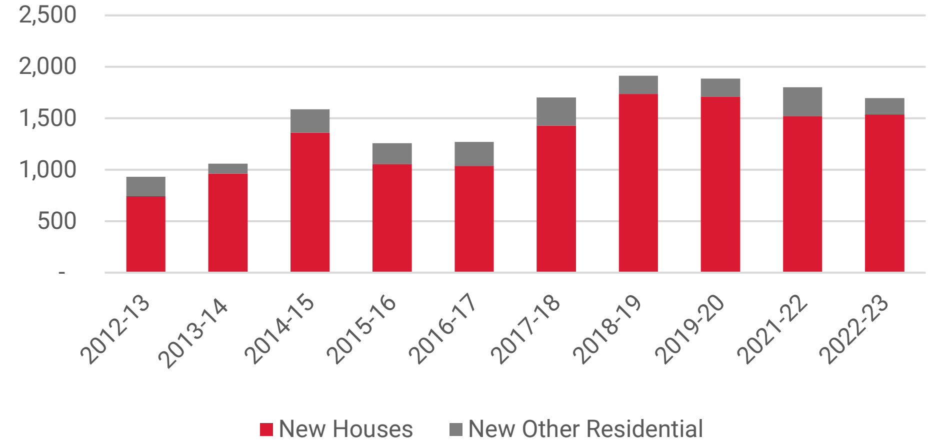


Dwelling Approvals

Dwelling approvals reflects housing demand across Southern Tasmania and provides an insight into land supply. The number of dwelling approvals have fluctuated since 2012/13 but have generally increased over the last 10 years, reaching a peak of 1,915 approvals in 2018/19, comprising 1,737 new houses and 178 new other residential.

In recent years, Clarence has accounted for approximately 25% of total new building approvals with growth in the southern parts of the LGA including Howrah and Tranmere.

Figure 15 Dwelling Approvals, Southern Tasmania



Labour Force

Image courtesy of Department of Premier and Cabinet

Employment

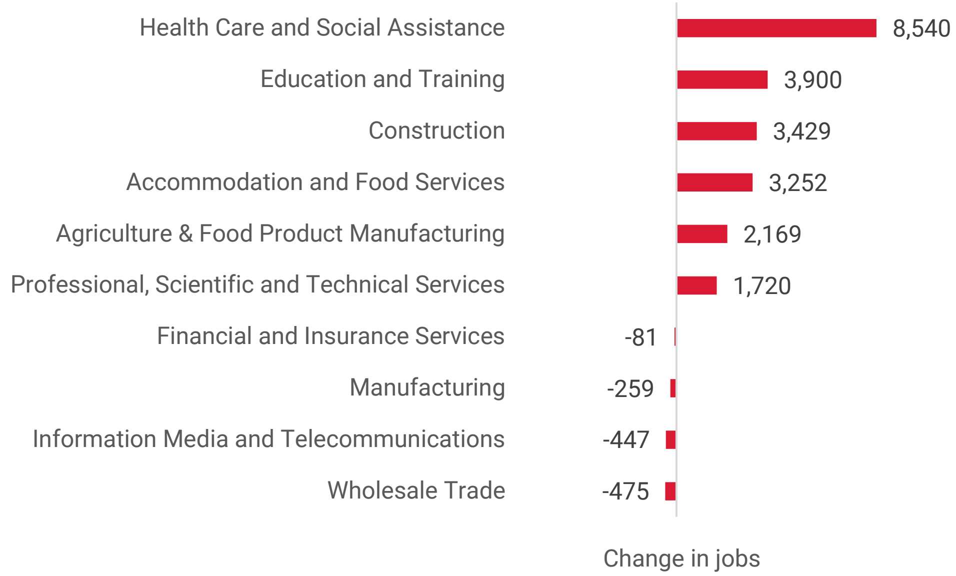
As at the 2021 Census, an estimated 135,652 jobs were supported within Southern Tasmania. The health care and social assistance, and education and training sectors support 27.2% of the total workforce. Health care jobs are concentrated in Hobart and surrounds with key medical infrastructure including the Royal Hobart Hospital and Calvary Hobart Hospital, along with a number of general practitioners, specialists, mental health, pharmacies and emergency services. Employment in education and training is also concentrated in Hobart with the presence of the University of Tasmania's Sandy Bay campus.

Figure 16 Employment by industry, Southern Tasmania, 2021

The health care and social assistance sector in Southern Tasmania has experienced the greatest increase in jobs. With 12,751 jobs in 2011, this sector flourished, reaching 21,291 jobs by 2021. Similarly, workforce expansion has been observed across the education and training, construction and accommodation and food services, agriculture and food manufacturing and professional services sectors during the same period.

In contrast, several sectors experienced a decline in their workforce between 2011 and 2021. The wholesale trade sector experienced a decline of 475 jobs, information media and telecommunications decreased by 447 jobs and manufacturing by 259 jobs. These contrasting trends highlight the dynamic and evolving nature of Southern Tasmania's employment landscape, with some sectors flourishing while others face challenges in maintaining the size of their workforce.

Figure 17 Industries with largest change in jobs, Southern Tasmania, 2011 to 2021

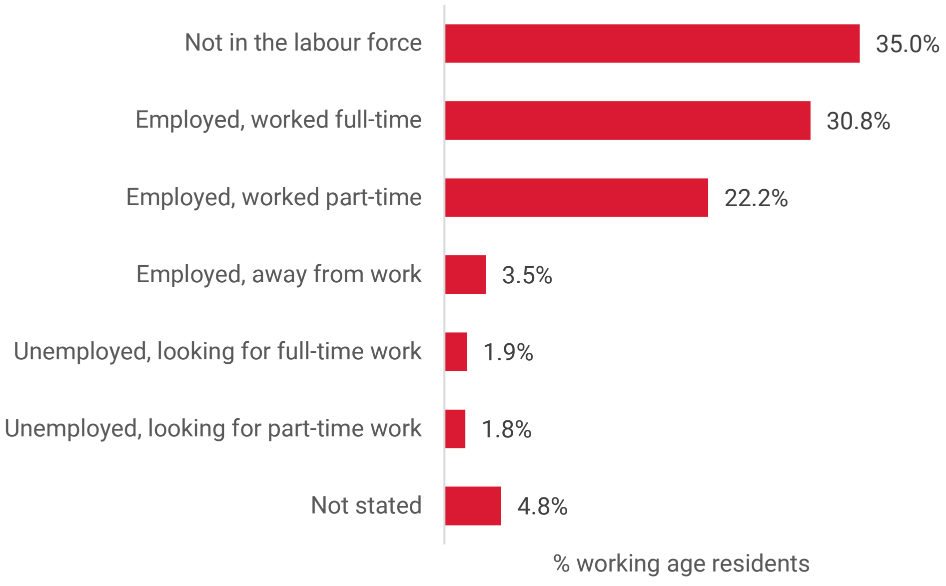


Workforce Participation

Workforce participation refers to the proportion of the working age population which is either employed or actively seeking employment. In 2021, it is estimated that 60.2% of the working age residents in Southern Tasmania were actively involved in the local labour force (employed or unemployed), while an additional 35.0% of residents were not in the labour force. This cohort includes individuals attending educational institutions, fulfilling household duties, reaching retirement age, or abstaining from work due to reasons such as disablement.

Notably, Glamorgan-Spring Bay and Tasman LGAs exhibit a significant proportion of residents not active in the labour force, with rates of 47.7% and 45.6%, respectively.

Figure 18 Workforce participation of residents, Southern Tasmania, 2021



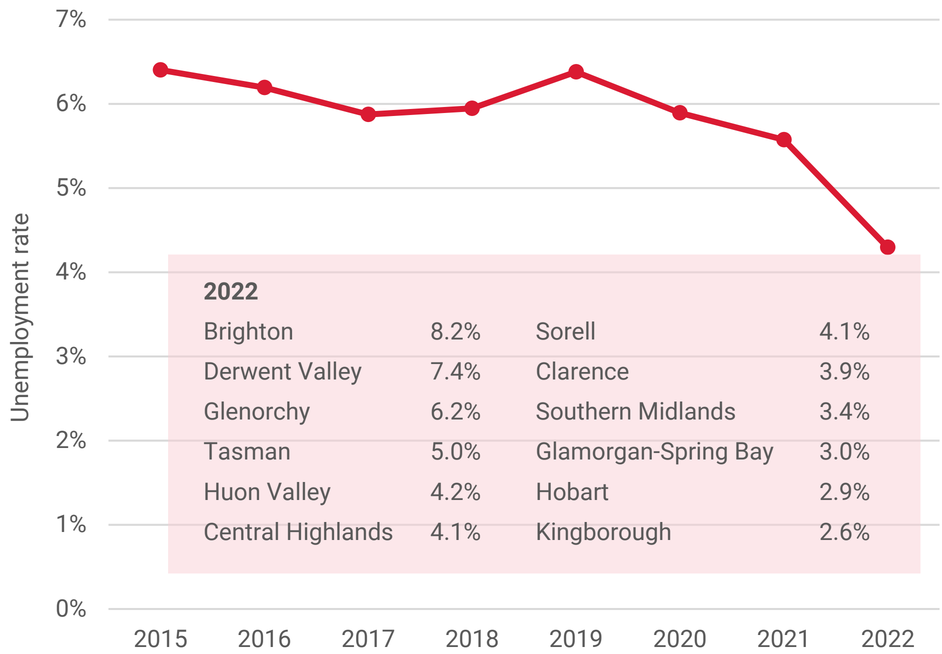
Unemployment

The last few years has seen the rate of unemployment fall across the Southern Tasmania region. The annual unemployment rate has fallen in Brighton and Derwent Valley from 11% in 2015 to around 8% in 2022.

The labour market continues to tighten in Hobart and Kingborough with the rate of unemployment sitting below 3% in 2022.

Of note is the halving of the unemployment rate since 2015 in Glamorgan-Spring Bay (6.2% to 3.0%), Huon Valley (8.4% to 4.2%), Southern Midlands (6.3% to 3.4%) and Tasman (10.4% to 5.0%)

Figure 19 Unemployment Rate, Southern Tasmania and LGAs, 2021



Working Residents Self-Containment

Self-containment measures the ability of working residents to obtain employment within their region of residence. The theory behind increasing a region's 'self-containment' of employment is to create jobs in areas to employ local residents, reduce road and public transport congestion, and become a more sustainable economy.

Southern Tasmania has a very high rate of self-containment with 97% of working residents able to work within the region. An estimated 4,561 residents commute to various locations for employment opportunities, with many employed in construction, professional services and support services sectors. These workers travel to different parts of the State, as well as to areas across Australia including Sydney (167) and Melbourne (164).

Figure 20 Rates of self-containment, Southern Tasmania and LGAs, 2021

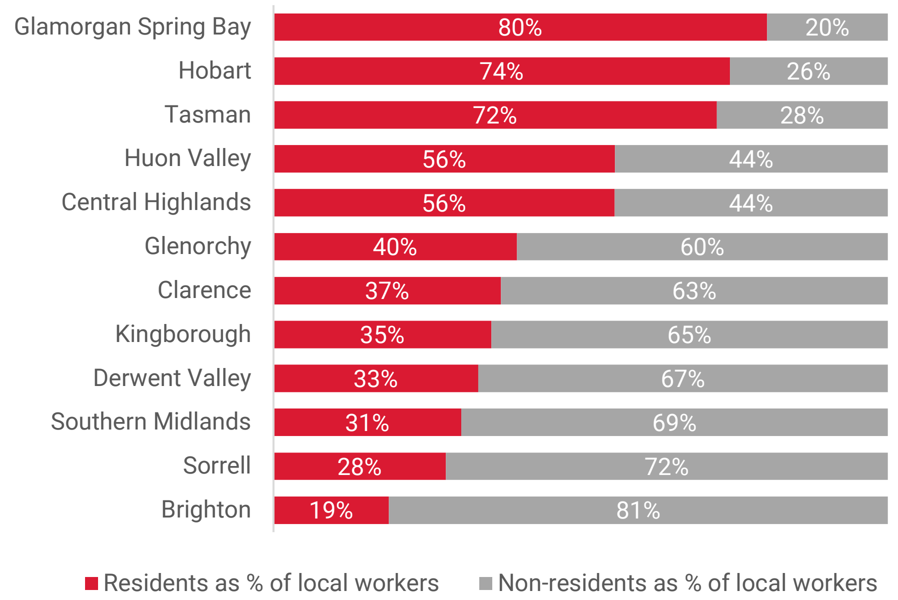
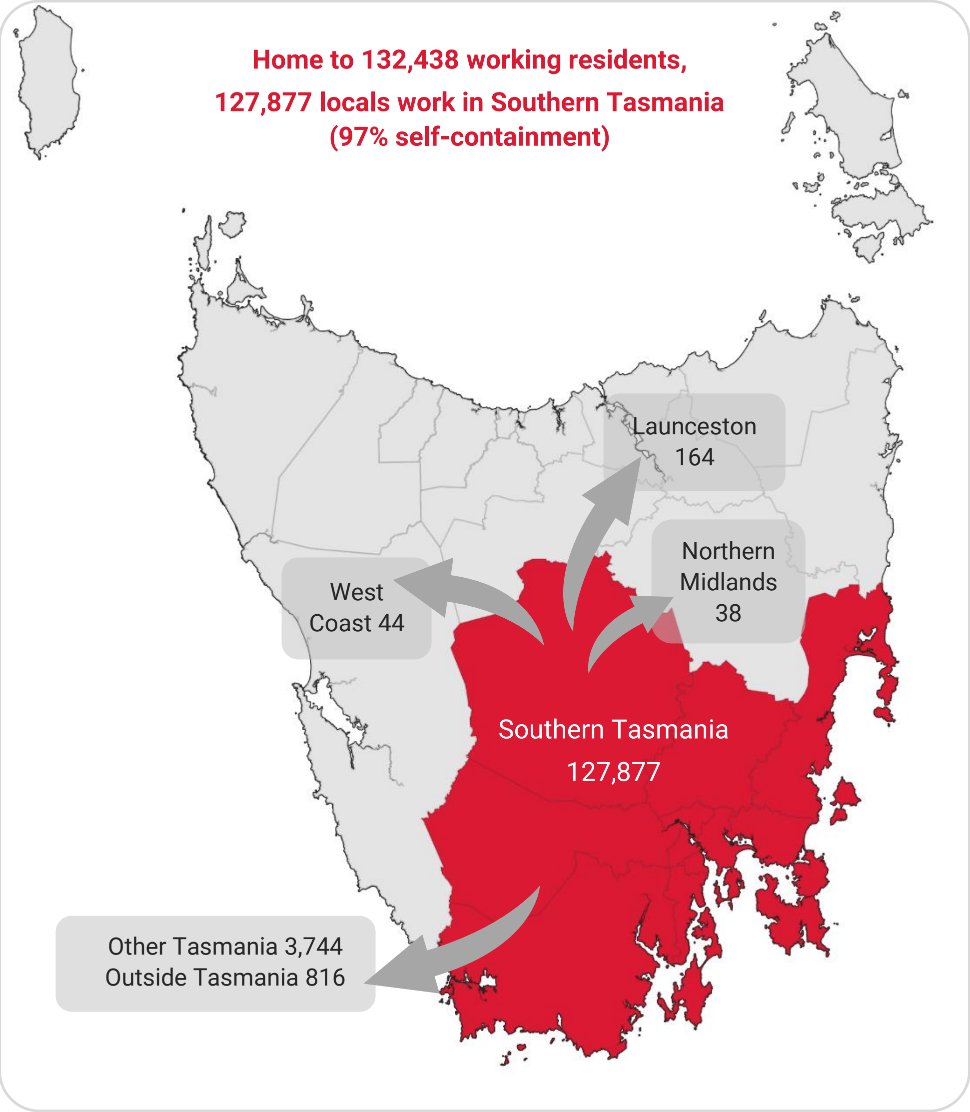


Figure 21 Working residents place of work, Southern Tasmania, 2021



Workforce Self-Sufficiency

Self-sufficiency reflects the proportion of jobs filled by local residents. For example, of the 135,700 workers in Southern Tasmania, 127,877 (or 94%) are local residents, a very high rate of self-sufficiency.

Three quarters of the workforce in Glamorgan-Spring Bay and Huon Valley are local residents.

Workforce self-sufficiency can assist in highlighting potential skills gaps. Hobart and Brighton have a low self-sufficiency rate (36% and 38% respectively), with around one in three workers residing within their LGAs.

Figure 22 Rates of self-sufficiency, Southern Tasmania LGAs, 2021

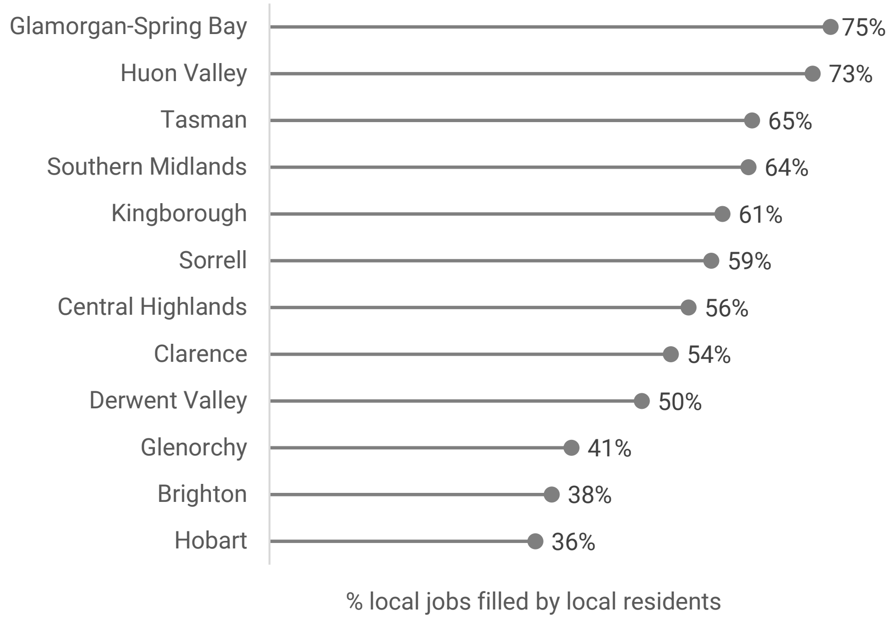
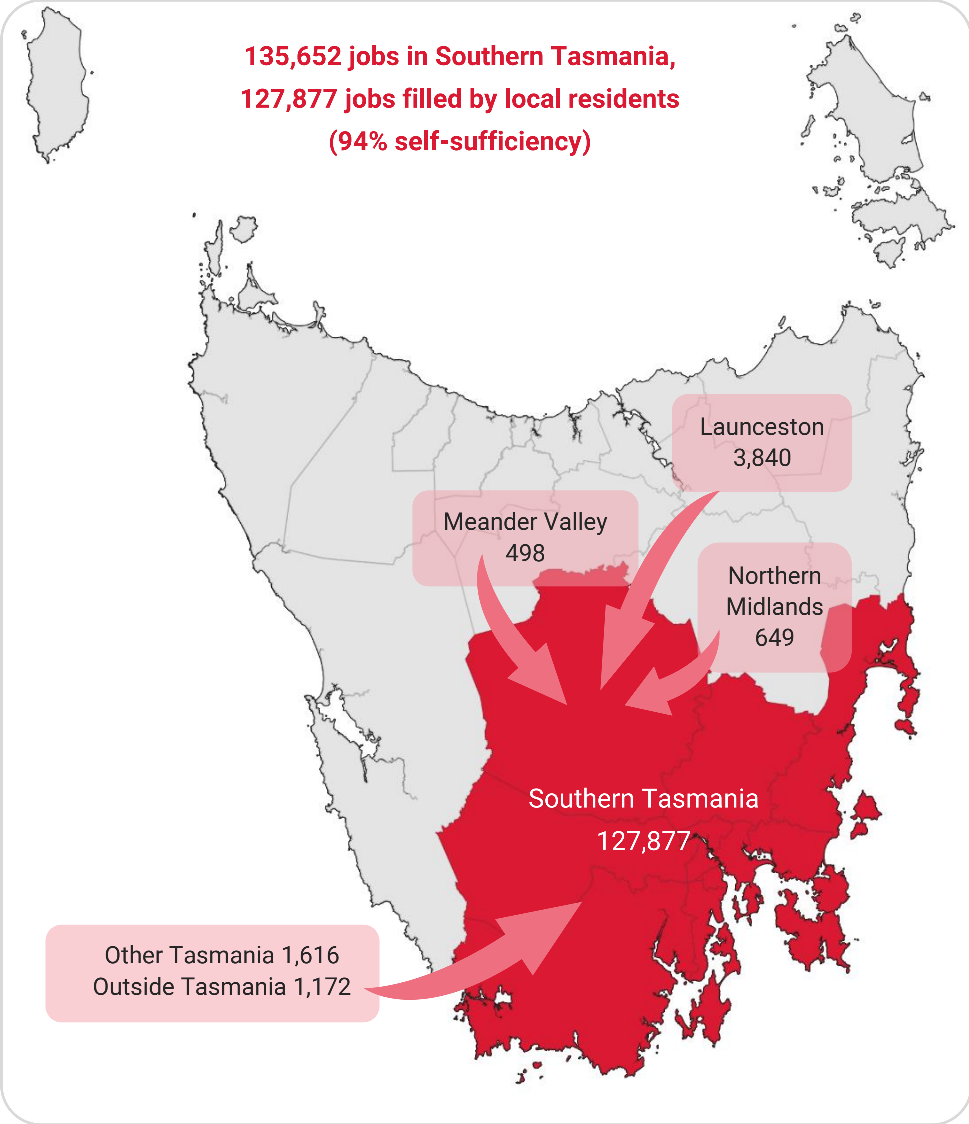


Figure 23 Worker place of residence, Southern Tasmania, 2021



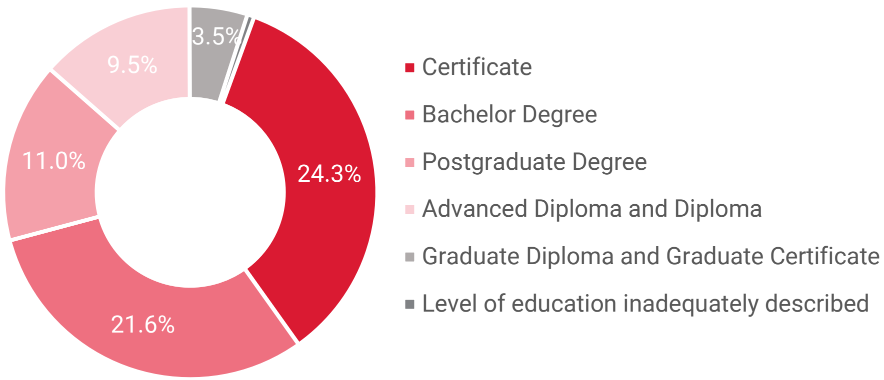
Worker Qualifications

In 2021, approximately 135,652 people worked across Southern Tasmania. Of these, 94,764 workers in Southern Tasmania held a formal qualification in 2021. Among those with a formal qualification, the majority (24.3%) held certificate-level qualifications, closely followed by individuals with bachelor's degrees (21.6%).

Derwent Valley LGA reported the highest percentage of workers holding a certificate-level qualification at 32.5%. Hobart LGA recorded the highest proportion of workers with a bachelor's degree at 29.1%, in 2021.

Hobart boasted the highest proportion of workers with formal qualifications in 2021, with 76.8% of workers holding such credentials. Conversely, workers in Southern Midlands were comparatively less likely to hold a formal qualification, with 49.2% of workers having obtained a qualification.

Figure 24 Worker Qualifications, Southern Tasmania, 2021

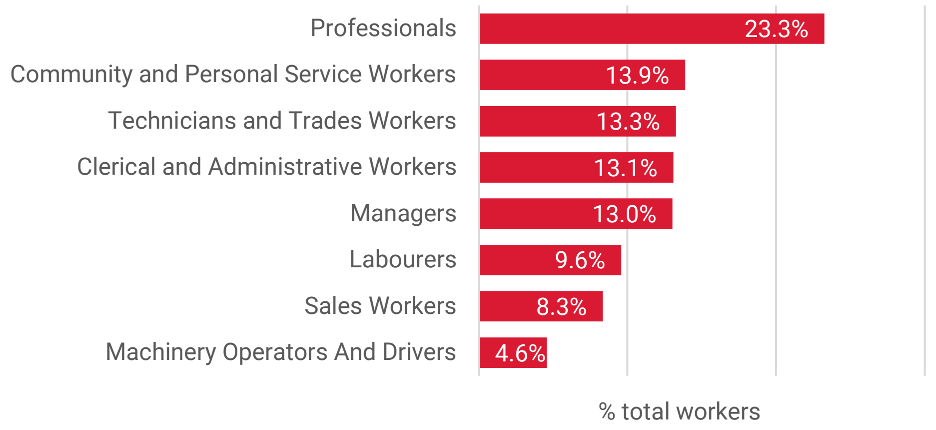


Worker Occupations

The most common occupation of workers in Southern Tasmania in 2021 were professionals (31,545 persons or 23.3%), community and personal service workers (18,840 persons, or 13.9%) and technicians and trade workers (17,992 persons or 13.3%). While this reflects the composition of occupations across the Southern Tasmania region, each LGA has a unique mix of occupations based on the demographic landscape of residents and opportunities within local industries.

Of all LGAs in Southern Tasmania, Hobart has the highest percentage of professionals at 33.9%, with Kingborough following at 20.1%. Furthermore, in Derwent Valley, 17.1% of the workforce comprises community and personal service workers, while in Clarence, a notable 16.9% of workers also fall within the community and personal service workers occupation.

Figure 25 Worker Occupations, Southern Tasmania, 2021



Economic Context

Image courtesy of Sorell Council

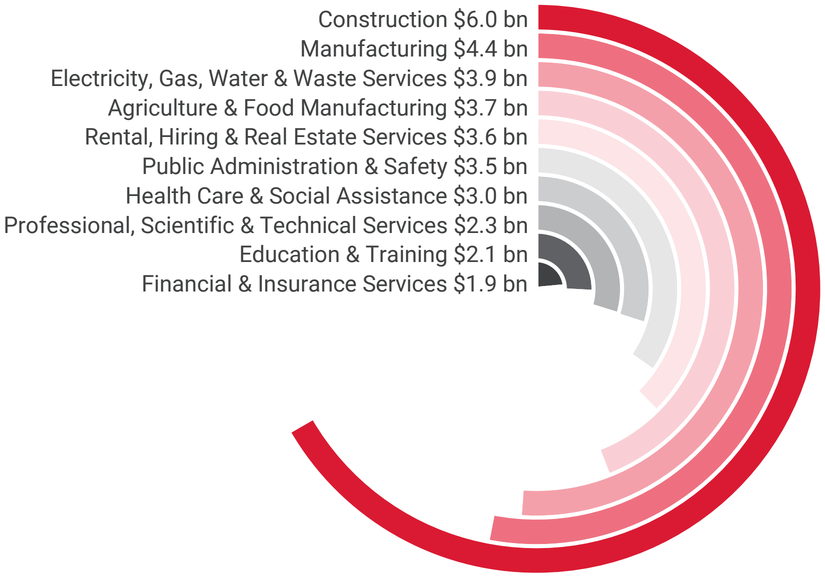
Economic Indicators

Output (Gross Revenue)

Output data represents the gross revenue (also referred to as total sales or total income) generated by businesses and organisations within Southern Tasmania. Therefore, estimates of gross revenue earned by industry provide an indication of the level economic activity generated in the region.

In 2023, the total output estimate for Southern Tasmania is $43.1 billion, which is supported by activity in key sectors such as construction ($6.0 billion, or 14.0%) and manufacturing ($4.4 billion or 10.2%). The agriculture and food manufacturing sector contributes a further $3.7 billion to total output.

Figure 26 Output by industry, Southern Tasmania, 2023

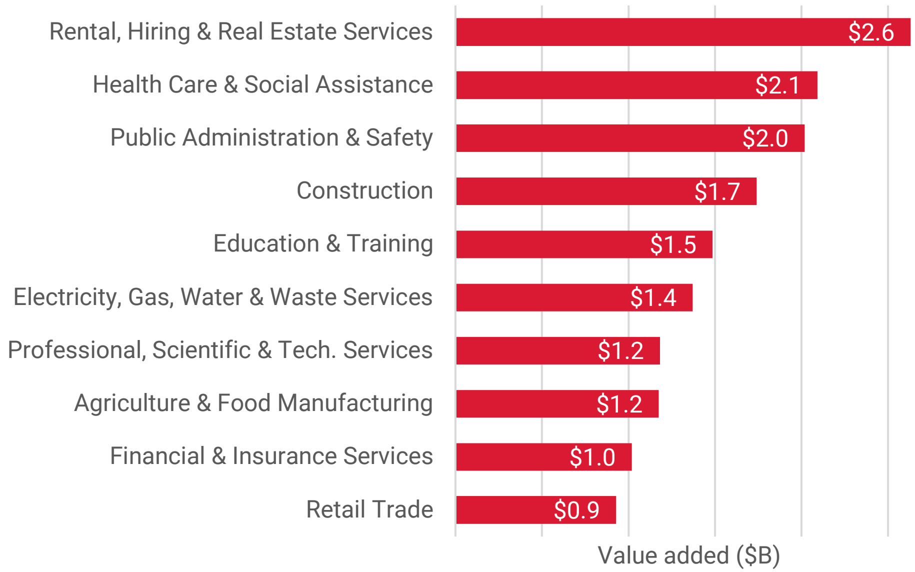


Value Added

Value added is a key economic metric which estimates the marginal economic value added by each industry sector in Southern Tasmania. Unlike output, value added is a non-duplicative indicator as it excludes the cost of intermediate inputs. Therefore, it is one of the best indicators of industries' contribution to the region's wealth and Gross Regional Product.

Southern Tasmania generates $19.6 billion in value added. Rental, hiring and real estate services, health care and social assistance, and public administration and safety are the three largest contributors to total value added with a combined total of $6.7 billion, accounting for approximately 35% of total value added generated by the region. The agriculture and food manufacturing sector contributes $1.2 billion or 6.0% of value added.

Figure 27 Value added by industry, Southern Tasmania, 2023



Economic Opportunities

Key Propulsive Sectors

Taking into consideration potential import replacement opportunities as well as current economic contributions in terms of employment, value added and local expenditure on goods and services (backward linkages), Southern Tasmania's key propulsive sectors have been identified as:

- Public Administration, Regulatory Services, Order & Safety
- Agriculture & Food Manufacturing
- Electricity
- Construction
- Education & Training

These industry sectors have been identified as the largest contributors to the regional economy across key economic indicators, with public administration identified as the most significant.

Table 1 Key propulsive sectors, Southern Tasmania

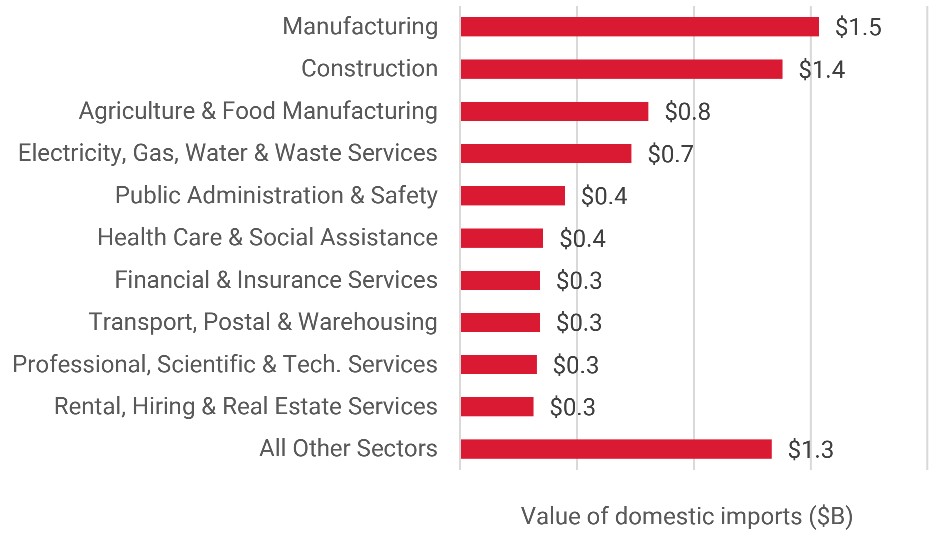
	Backward Linkages	Exports	Employment	Value Added
Public Admin, Regulatory Services, Order & Safety		√	√	√
Agriculture & Food Product Manufacturing		√		√
Electricity	√	√		
Construction	√	√		
Education & Training			√	√

Import Replacement Opportunities

Imports reflect demand in the region's economy for goods and services not supplied locally and therefore represent 'gaps' in local supply chains. Imports from the rest of Australia may indicate opportunities for import replacement, increasing value added and improving supply chains. Replacement of imports from the rest of Australia with local production, even capturing a small portion of this expenditure represents a high value strategic opportunity to develop the local economy.

In 2023, industries in Southern Tasmania imported an estimated $7.9 billion from the rest of Australia. The manufacturing industry imported $1.5 billion (6.5%) of goods and services for input into production from the rest of Australia, accounting for 5.9% of domestic imports. The construction sector imported a further $1.4 billion (5.9%) and the agriculture and food manufacturing sector imported $0.8 billion (3.4%).

Figure 28 Local industries demand for domestic imports from the rest of Australia, 2023



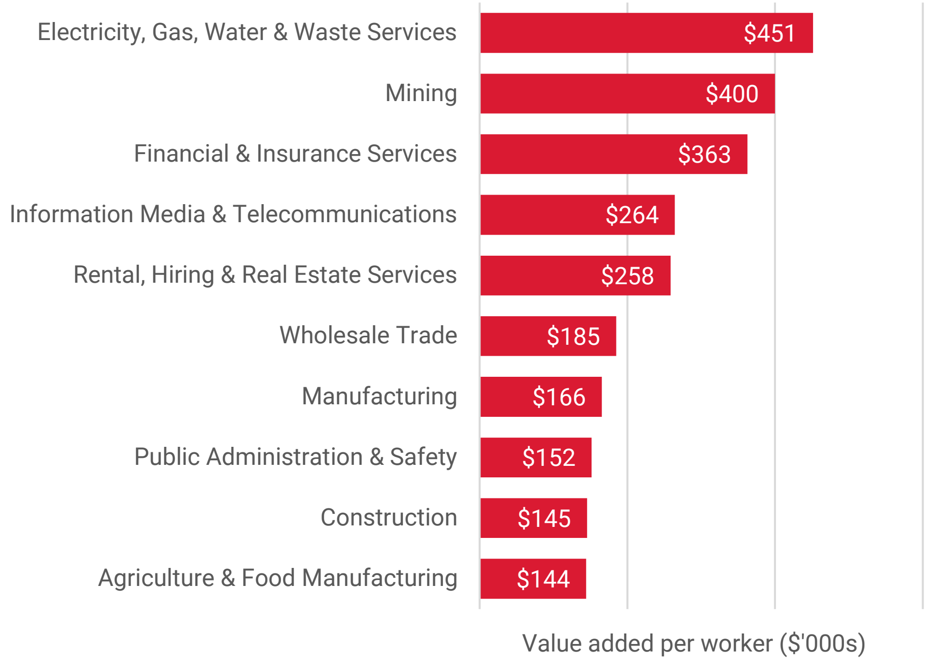
Economic Activity

Productivity

Economic productivity reflects industry economic output relative to labour, capital and any other resource. Productivity is typically calculated for the whole economy expressed as ratios of value added to employment and hours worked.

In Southern Tasmania the average productivity, measured as value added per worker, is estimated at $128,100. Notably, the electricity, gas, water and waste services sector, along with the mining sector, exhibit the highest levels of value added per worker, with $451,500 and $399,900 per worker, respectively.

Figure 29 Productivity (value added per worker) by industry sector, Southern Tasmania, 2023



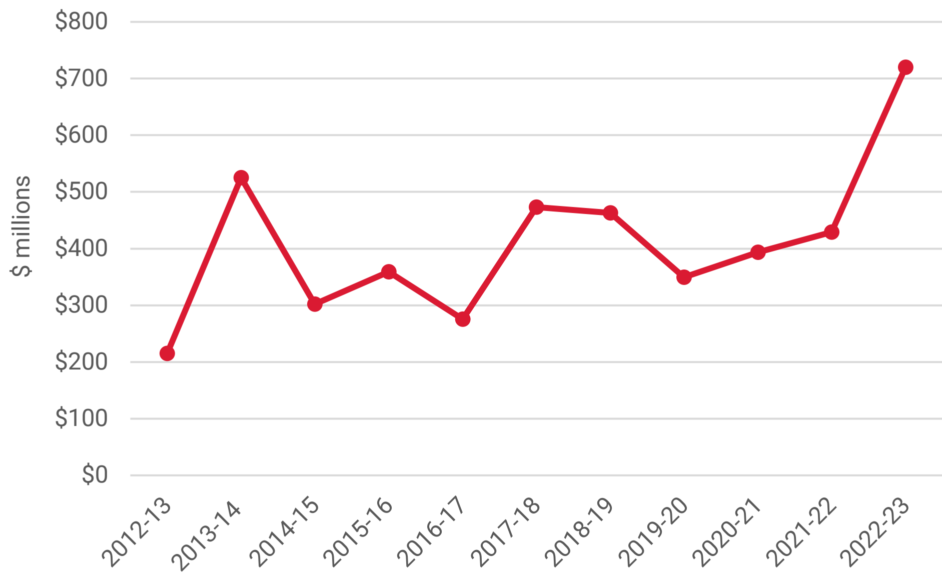
Non-residential Building Approvals

Non-residential building approvals include buildings not intended for residence such as commercial, industrial and public buildings. Approvals indicate the strength of market activity across the region; however, approvals do not automatically materialise into actual construction as market forces and changes in circumstances and contracts occur over time. Additionally, there is typically a lag between approvals and construction.

The value of non-residential building approvals reached a peak of $719.9 million in 2022-23, increasing by 235% from a low of $215.2 million in 2012-13.

Over the 10-year period, Hobart consistently accounted for around 50% of the total value of non-residential building approvals in Southern Tasmania.

Figure 30 Non-residential building approvals, Southern Tasmania, 2012-13 to 2022-23



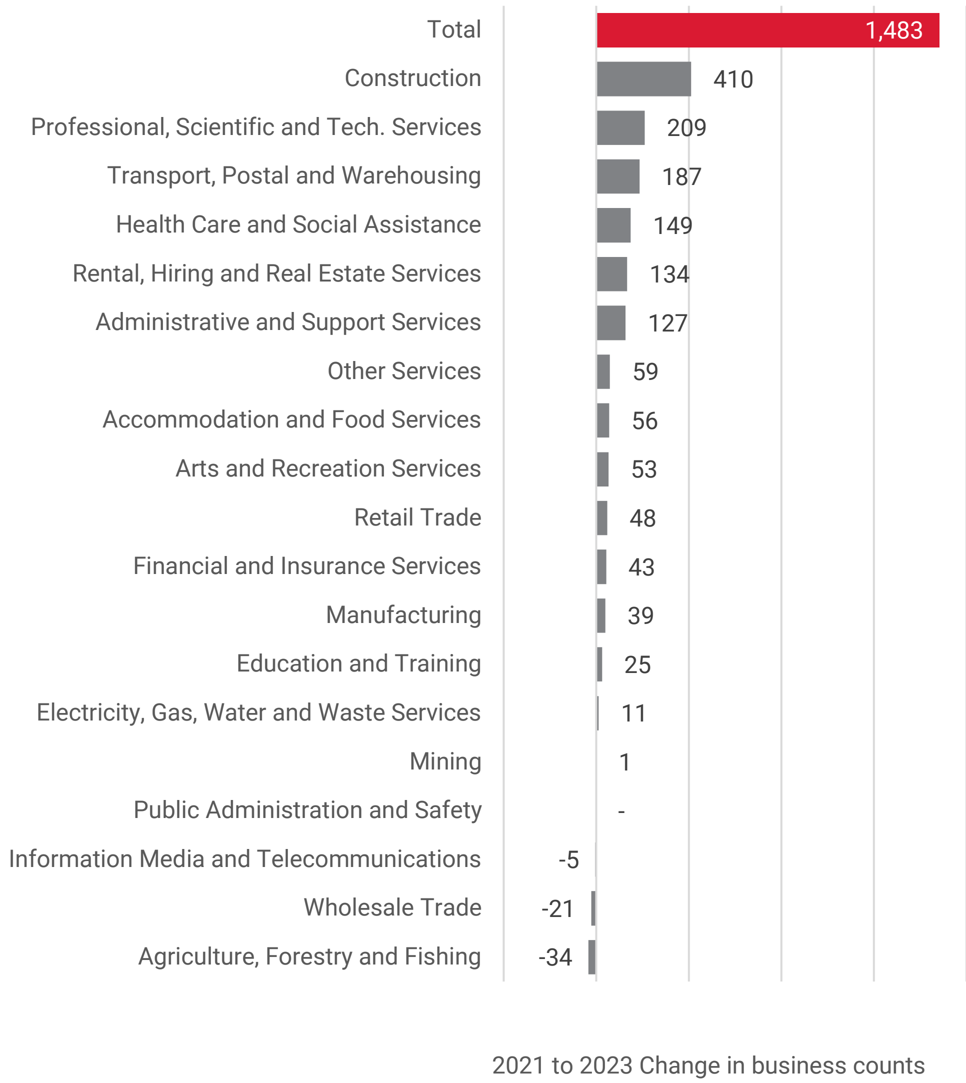
Business Counts

As at June 2023, there were 22,273 businesses operating across Southern Tasmania. The largest number of businesses are in the Construction sector (4,060), followed by the Professional, Scientific and Technical Services sector (2,707).

Between 2021 and 2023, the number of businesses in Southern Tasmania has increased by 1,483 businesses. The Construction sector experienced the largest increase (+410) followed by the Professional, Scientific and Technical Services sector (+209). In contrast, the Agriculture, Forestry and Fishing and Wholesale Trade sectors experienced the largest decline in businesses between 2021 and 2023 (-34 and -21, respectively).

Figure 31 Business counts by industry sector, Southern Tasmania, 2023

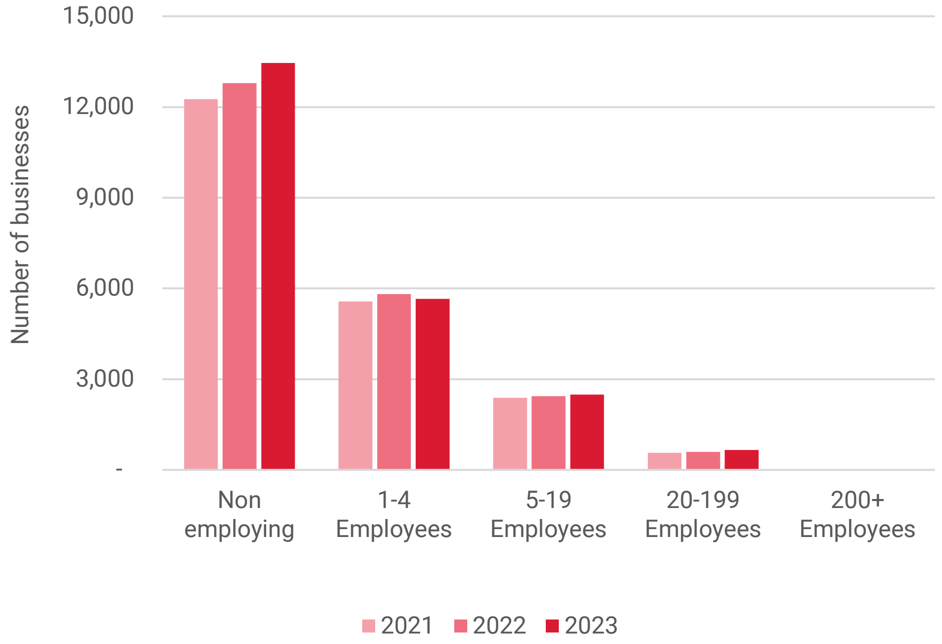
Figure 32 Change in business counts by industry sector, Southern Tasmania, 2021 to 2023



Business Counts by Workforce Size

Between 2021 and 2023, the largest increase in the number of businesses occurred for those that do not employ staff, increasing by 9.7% from 12,265 in 2021 to 13,451 in 2023. Non employing businesses (i.e. owner/operator) account for the highest proportion of businesses in Southern Tasmania in 2023 (60.0%).

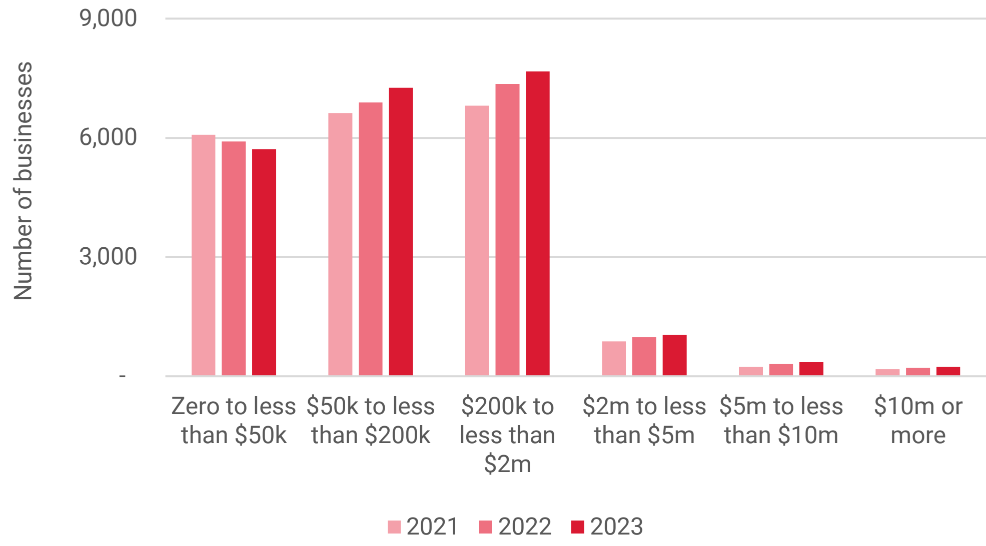
Figure 33 Business counts by workforce size, Southern Tasmania, 2021 to 2023



Business Counts by Turnover

The largest change in businesses by turnover range between 2021 and 2023 was for businesses turning over between $200,000 and less than $2 million, increasing from 6,811 businesses in 2021 to 7,671 in 2023. This represents an increase of 12.6% over the 3-year period. Businesses turning over between $200,000 and $2 million account for the largest proportion of businesses in Southern Tasmania (34.4%). This is closely followed by businesses with a turnover of between $50,000 to less than $200,000 (32.6%).

Figure 34 Business counts by turnover range, Southern Tasmania, 2021 to 2023



Agriculture Output per Hectare

In Southern Tasmania, land-based agriculture plays a pivotal role in shaping the region's economic landscape. The fertile soils and favourable climate create an ideal environment for a diverse range of agricultural activities. In addition to aquaculture, Southern Tasmania has highly productive and high value nursery, fruit growing, livestock and crop sectors.

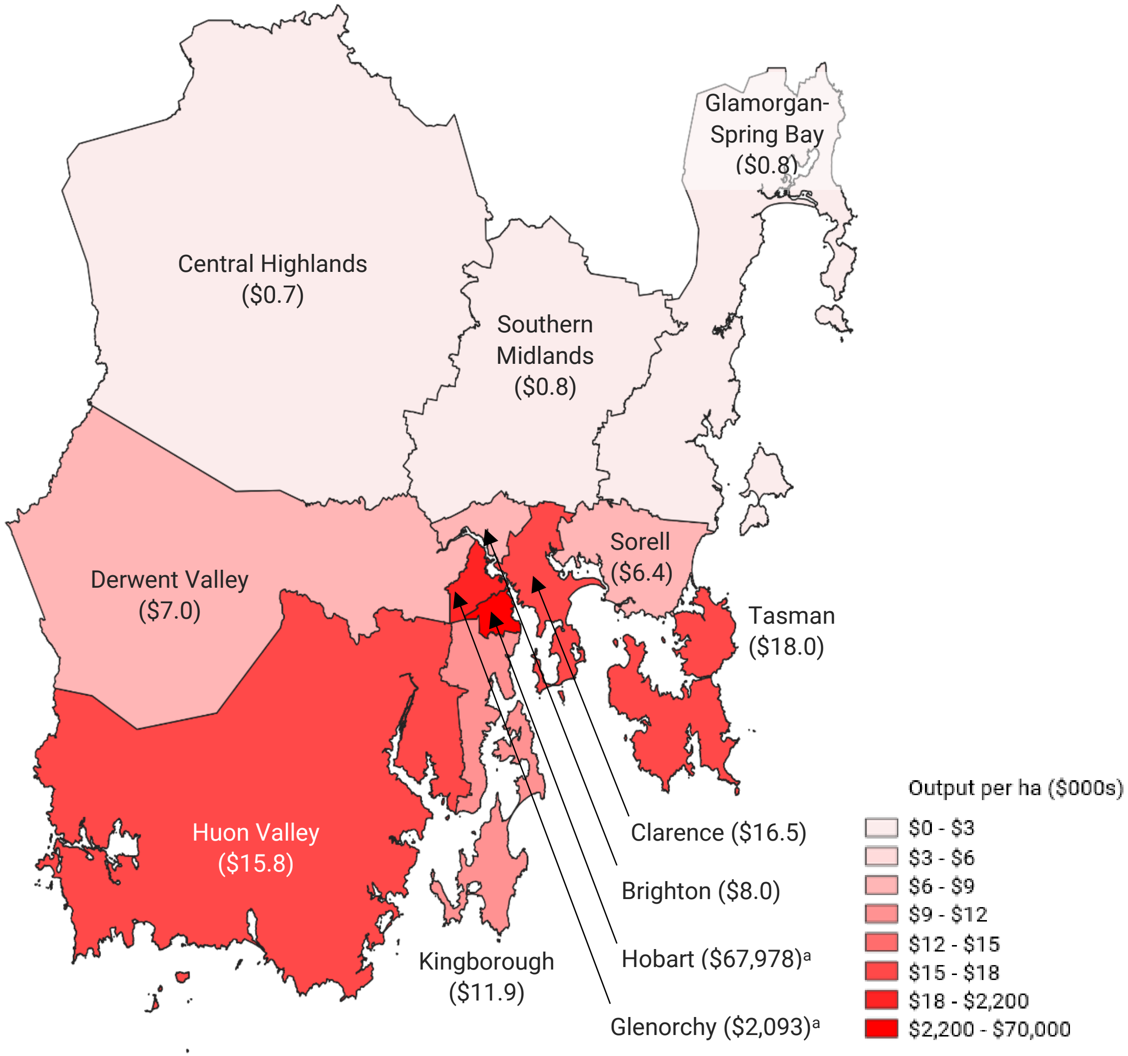
Based on the Australian Bureau of Statistics' agricultural census, land-based agriculture utilises 464,000 hectares of land in Southern Tasmania accounting for a third (35%) of all total agricultural land in the State.

In 2023, it is estimated that land-based agriculture in Southern Tasmania generated $1.1 billion in output, averaging $2.3 million per hectare of agricultural land.

The southern LGAs of Southern Tasmania are highly productive as illustrated in Figure 35 in particular Tasman, Huon Valley and Kingborough generating an average of $18,000, $15,800 and $11,900 gross revenue respectively, per hectare of agricultural land.

Note: a) Agricultural output per hectare in Hobart and Glenorchy is high ($68.0 million and $2.1 million respectively) due to the high level of industry output being generated by the small amount of dedicated agricultural land in those LGAs (e.g. 1.14 ha of agricultural land in Hobart).

Figure 35 Land-based agricultural output per hectare ($000s)



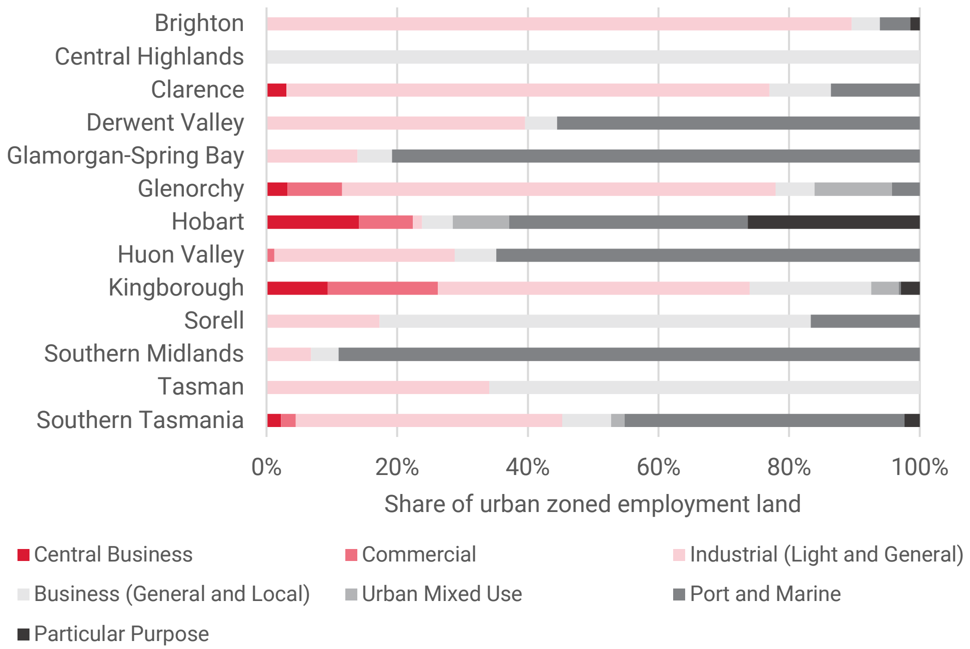
Employment Densities

Urban Zoned Employment Land

For the purpose of estimating density of employment on land zoned for economic activity within urban areas, the term urban zoned employment land includes zoning for Central Business, Commercial, General Business, General Industrial, Light Industrial, Local Business, Urban Mixed Use, Particular Purpose and Port and Marine.

Hobart's employment land use is diverse compared to elsewhere in Southern Tasmania, with 14% Central Business. Conversely all Central Highland's employment land is zoned for General or Local Business use, and 90% of Brighton's employment land is zoned Light or General Industrial.

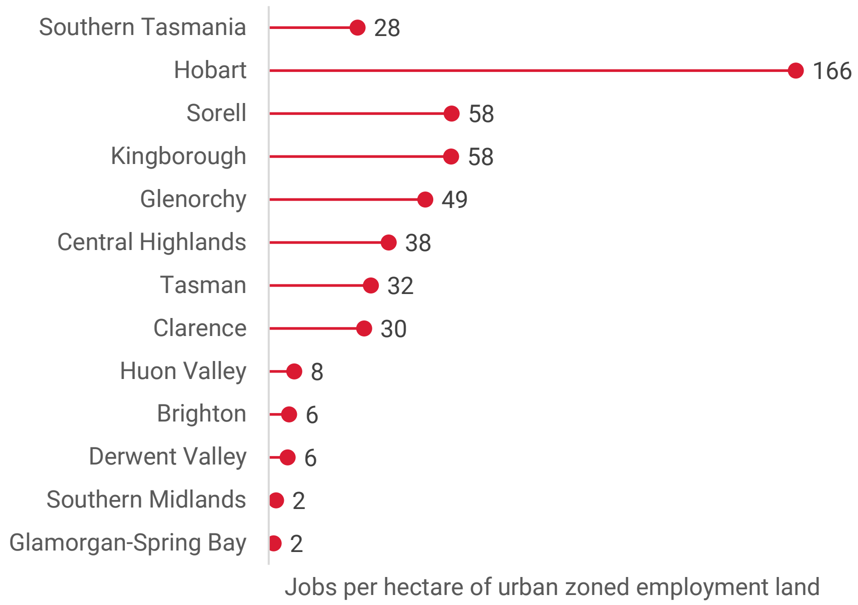
Figure 36 Urban Zoned Employment Land, % of total, Southern Tasmania and LGAs



Each LGA supports a unique composition of industries that foster jobs for the local population. On average 28 jobs are supported per hectare of employment land in Southern Tasmania.

Hobart's employment lands support 166 jobs per hectare, as reflected in the diversity of land use illustrated in Figure 36. LGAs with employment land dominated by industrial use tend to have a lower jobs density, such as Brighton, with 6 jobs per hectare of employment land of which 94% is for industrial use. Glamorgan-Spring Bay supports 2 jobs per hectare of employment land.

Figure 37 Urban Zoned Employment Land job density, Southern Tasmania and LGAs



Rural and Agricultural Zoned Employment Land

For the purpose of estimating density of agricultural jobs on land zoned for rural economic activity, the term rural and agricultural zoned employment land includes land zoned as Agriculture, Significant Agricultural, Rural and Rural Resource.

Across Southern Tasmania a total of 1.3 million hectares is zoned for agricultural and rural use and supports an average of 4 jobs per 1000 hectares. Rural and agricultural zoned employment land is concentrated in Central Highlands (37%), Southern Midlands (19%) and Glamorgan-Spring Bay (14%).

Almost 470,000 hectares in Central Highlands is zoned for rural and agricultural use supporting 341 agricultural jobs, equivalent to 0.7 jobs per 1000 hectares.

Agriculture in Huon Valley directly supports more than a quarter (1,401 jobs) of all agricultural-based employment in Southern Tasmania, while only accounting for 11% of the region's rural and agricultural zoned land, the equivalent of supporting 9.7 jobs per 1000 hectares.

The rate of agricultural jobs to rural and agricultural zoned employment land is highest in Glenorchy, at 98.8 jobs per 1000 hectares.

Table 2 Rural & Agricultural Zoned Employment Land, Land Zoning and Agricultural Jobs, Southern Tasmania and LGAs (ha)

	Rural and Agricultural Zoned Employment Land		Agricultural Employment		Agricultural jobs per 1000 hectares
	hectares	*%*	*Jobs*	*%*	
Brighton	7,594	1%	106	2%	14.0
Central Highlands	468,670	37%	341	7%	0.7
Clarence	16,004	1%	451	9%	28.2
Derwent Valley	84,149	7%	321	7%	3.8
Glamorgan-Spring Bay	180,324	14%	321	7%	1.8
Glenorchy	1,589	0%	157	3%	98.8
Hobart	0	0%	513	10%	-
Huon Valley	144,781	11%	1,401	28%	9.7
Kingborough	27,487	2%	498	10%	18.1
Sorell	51,354	4%	280	6%	5.5
Southern Midlands	245,577	19%	389	8%	1.6
Tasman	47,181	4%	150	3%	3.2
Southern Tasmania	1,274,709	100%	4,928	100%	3.9

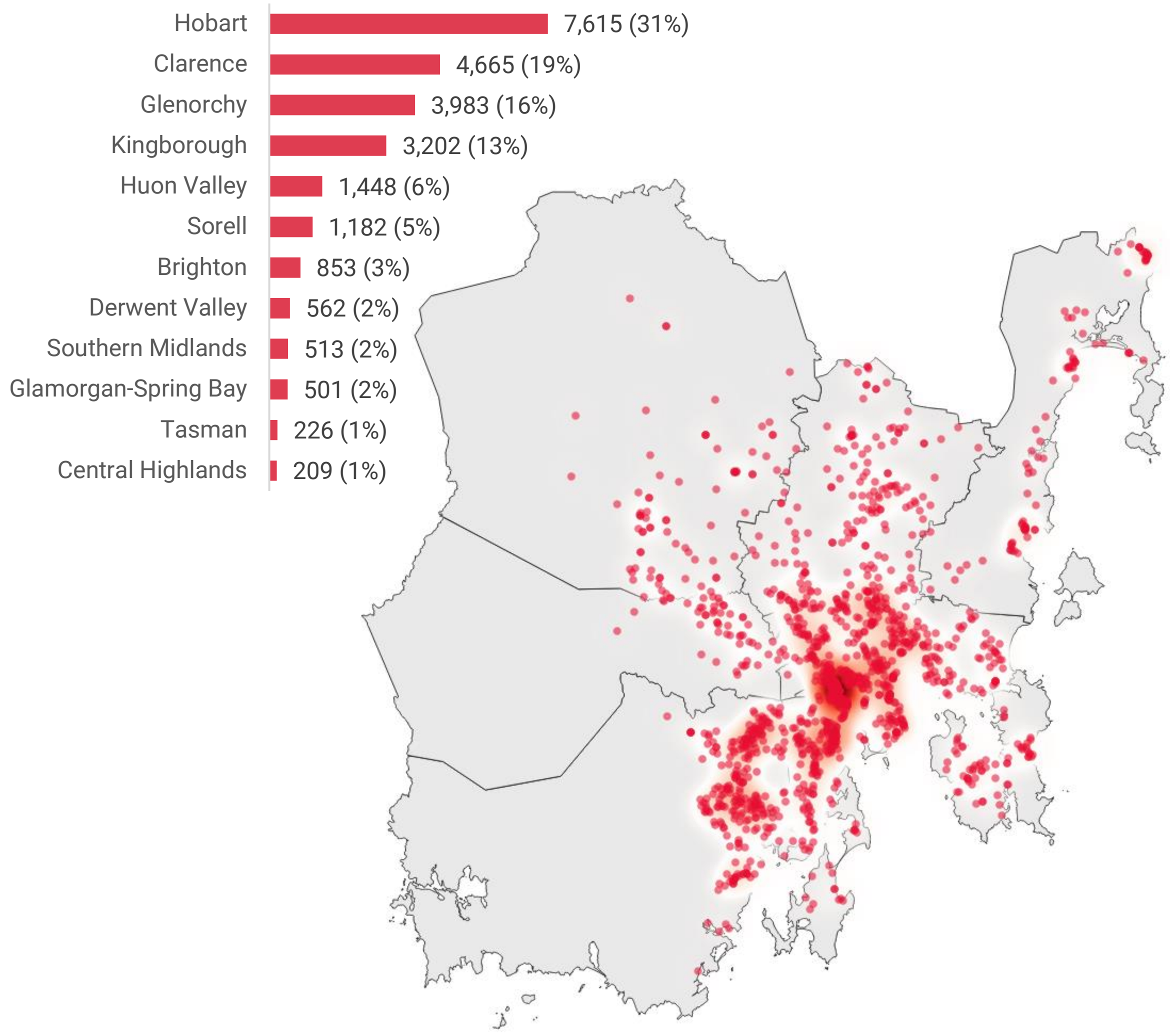
Industry Clustering

Currently Trading (all industries)

Table 3 Registered Businesses Trading in January 2024, Southern Tasmania

	Count of businesses	Share of total
Agriculture & Food Product Manufacture	1,860	7%
Mining	48	0%
Manufacturing	754	3%
Electricity, Gas, Water & Waste Services	85	0%
Construction	4,518	18%
Wholesale Trade	575	2%
Retail Trade	1,487	6%
Accommodation & Food Services	1,487	6%
Transport, Postal & Warehousing	2,724	11%
Information Media & Telecommunications	254	1%
Financial & Insurance Services	678	3%
Rental, Hiring & Real Estate Services	1,736	7%
Professional, Scientific & Tech. Services	2,998	12%
Administrative & Support Services	1,219	5%
Public Administration & Safety	86	0%
Education & Training	423	2%
Health Care & Social Assistance	2,084	8%
Arts & Recreation Services	488	2%
Other Services	1,438	6%
Other	17	0%
Total	24,959	100%

Figure 38 Location of currently trading businesses



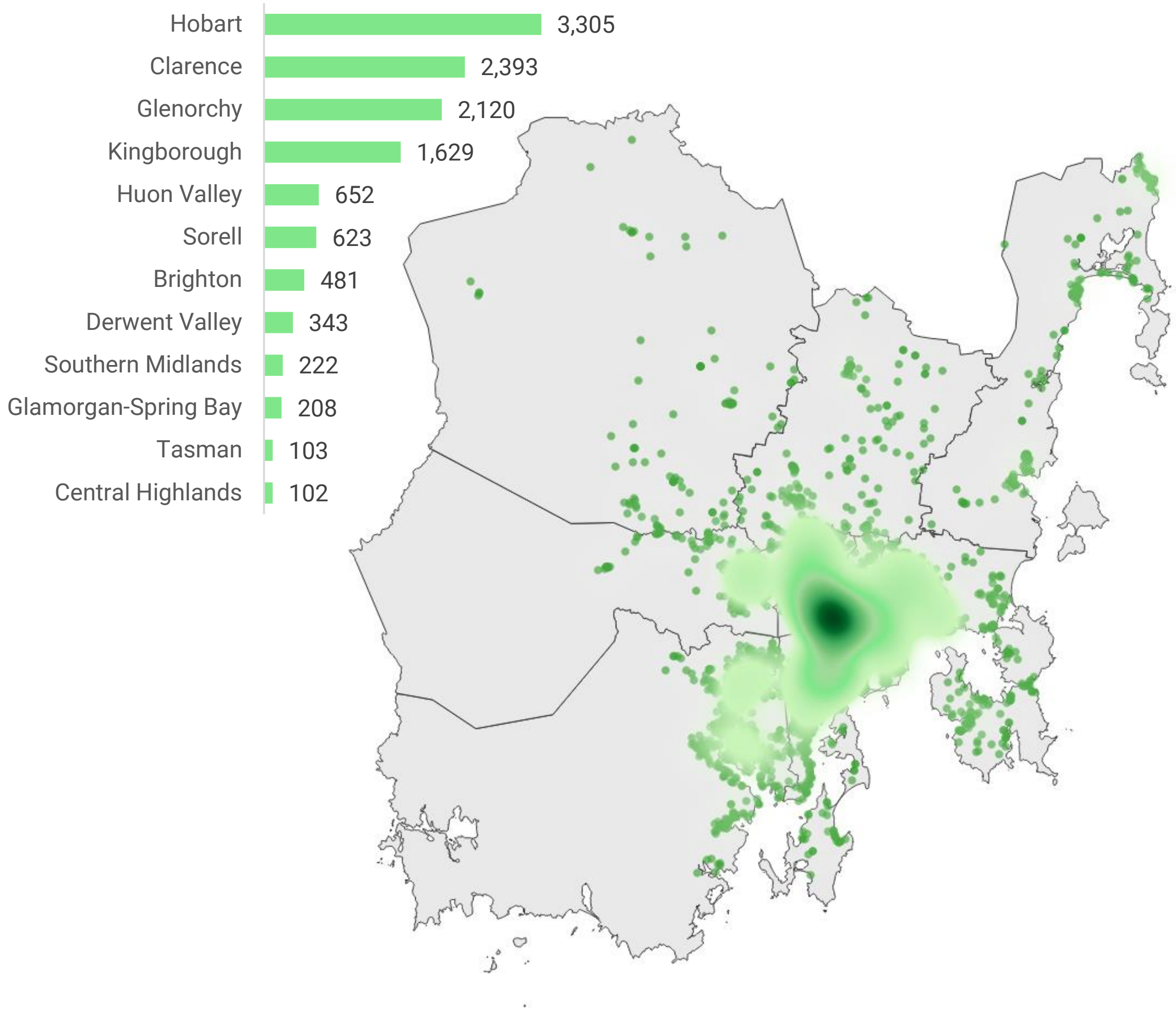
Business Entries

A total of 12,181 new businesses commenced trading between 2019 and 2024.

Table 4 Business Entries, 2019 - 2024, Southern Tasmania

	Count of businesses	Share of total
Agriculture & Food Product Manufacture	564	5%
Mining	15	0%
Manufacturing	265	2%
Electricity, Gas, Water & Waste Services	28	0%
Construction	2,288	19%
Wholesale Trade	275	2%
Retail Trade	762	6%
Accommodation & Food Services	874	7%
Transport, Postal & Warehousing	1,692	14%
Information Media & Telecommunications	104	1%
Financial & Insurance Services	243	2%
Rental, Hiring & Real Estate Services	631	5%
Professional, Scientific & Tech. Services	1,441	12%
Administrative & Support Services	826	7%
Public Administration & Safety	39	0%
Education & Training	259	2%
Health Care & Social Assistance	959	8%
Arts & Recreation Services	220	2%
Other Services	693	6%
Other	3	0%
Total	12,181	100%

Figure 39 Location of new businesses, 2019 to 2024.

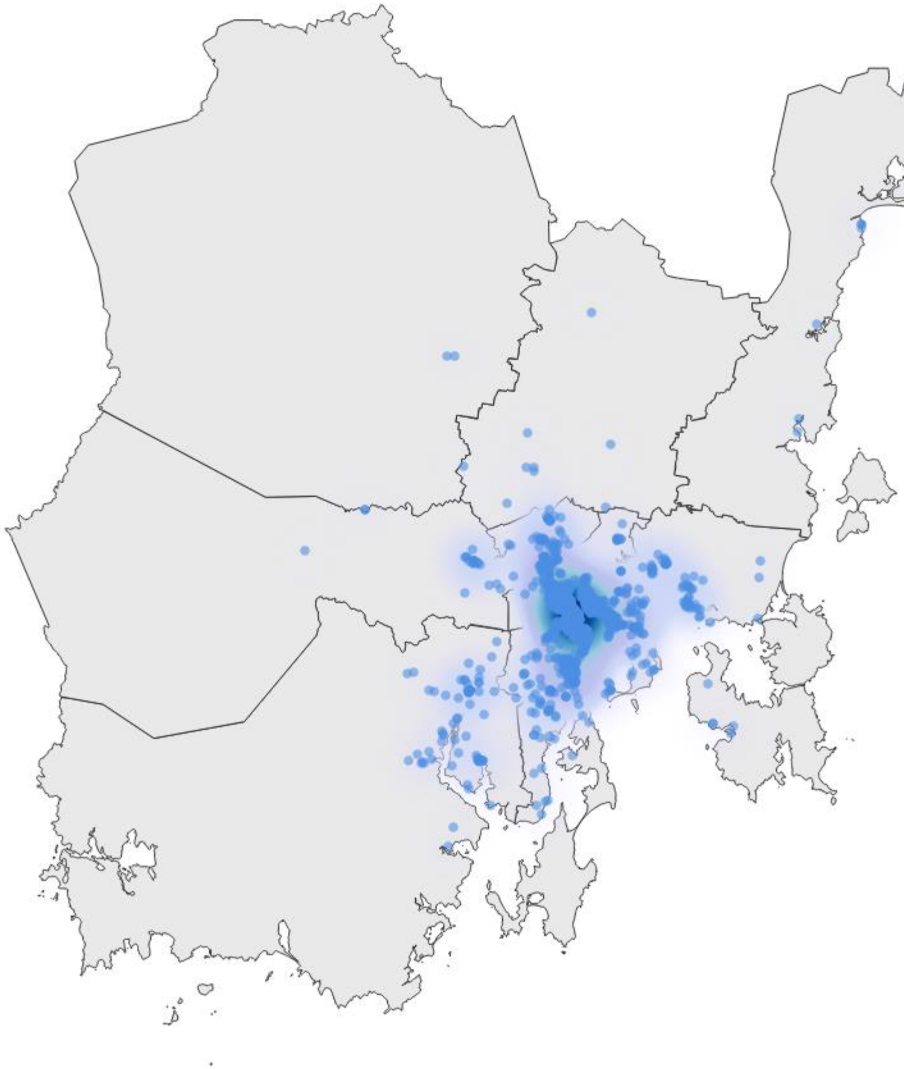


Health Care and Social Assistance Sector

Table 5 Health Care and Social Assistance Businesses, Southern Tasmania

	Currently Trading		Business Entries 2019 - 2024	
	No.	*%*	*No.*	*%*
Brighton	56	3%	37	4%
Clarence	349	17%	166	17%
Central Highlands	4	0%	3	0%
Derwent Valley	31	1%	28	3%
Glamorgan-Spring Bay	14	1%	8	1%
Glenorchy	211	10%	129	13%
Hobart	1,035	50%	387	40%
Huon Valley	74	4%	41	4%
Kingborough	236	11%	115	12%
Sorell	60	3%	35	4%
Southern Midlands	9	0%	6	1%
Tasman	5	0%	4	0%
Southern Tasmania	2,084	100%	959	46%

Figure 40 Location of currently trading businesses – Health Care and Social Assistance Sector

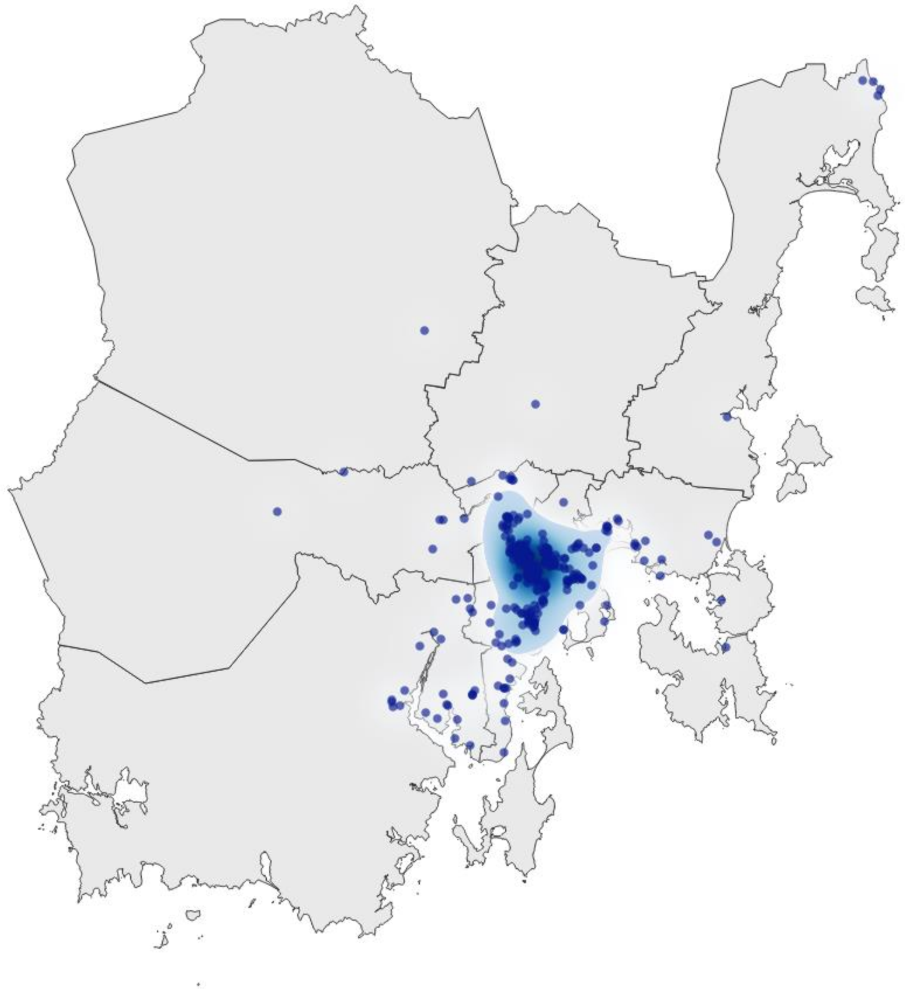


Education and Training

Table 6 Education and Training Businesses, Southern Tasmania

	Currently Trading		Business Entries 2019 - 2024	
	No.	%	No.	%
Brighton	10	2%	4	2%
Clarence	75	18%	44	17%
Central Highlands	1	0%	0	0%
Derwent Valley	6	1%	9	3%
Glamorgan-Spring Bay	5	1%	1	0%
Glenorchy	61	14%	35	14%
Hobart	166	39%	99	38%
Huon Valley	23	5%	12	5%
Kingborough	56	13%	34	13%
Sorell	16	4%	17	7%
Southern Midlands	2	0%	1	0%
Tasman	2	0%	3	1%
Southern Tasmania	423	100%	259	100%

Figure 41 Location of currently trading businesses – Education and Training Sector

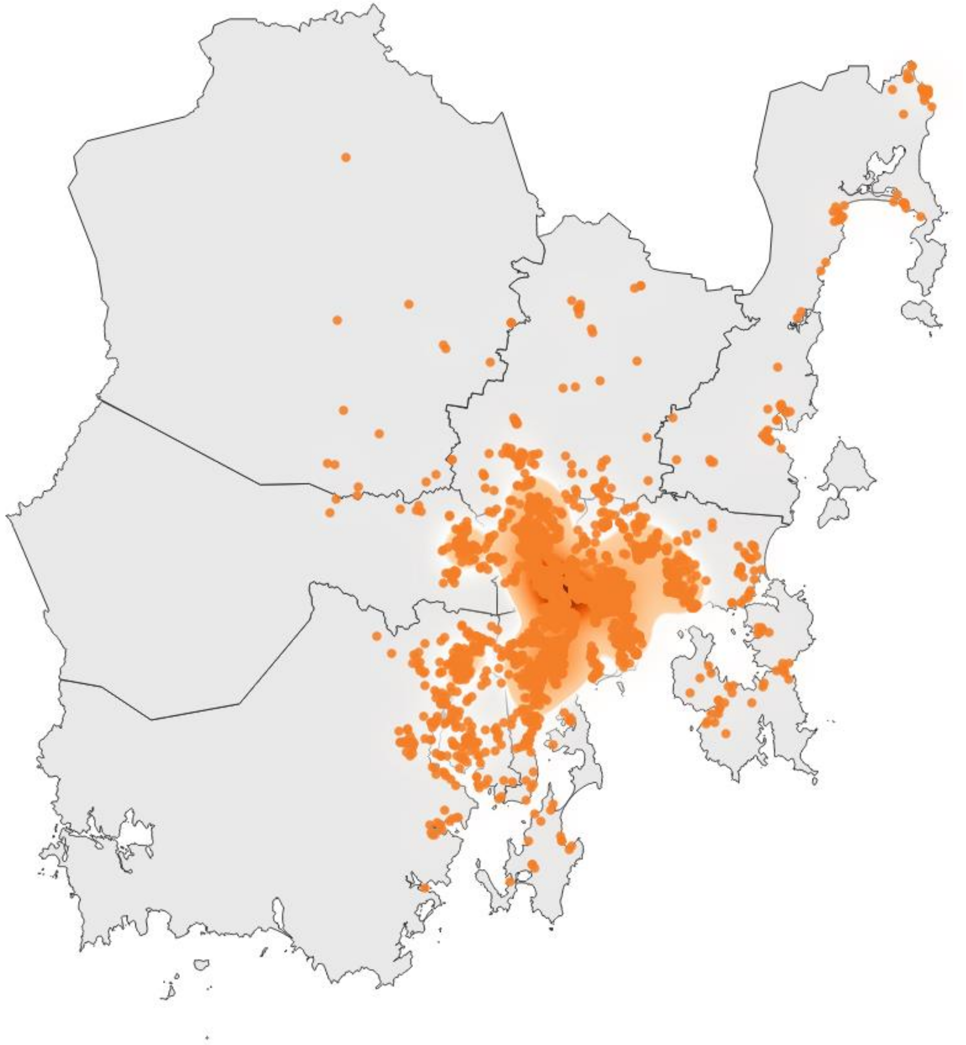


Construction

Table 7 Construction Businesses, Southern Tasmania

	Currently Trading		Business Entries 2019 - 2024	
	No.	*%*	*No.*	*%*
Brighton	250	6%	145	6%
Clarence	1,151	25%	572	25%
Central Highlands	17	0%	15	1%
Derwent Valley	141	3%	85	4%
Glamorgan-Spring Bay	86	2%	40	2%
Glenorchy	687	15%	348	15%
Hobart	689	15%	321	14%
Huon Valley	285	6%	134	6%
Kingborough	718	16%	348	15%
Sorell	353	8%	201	9%
Southern Midlands	104	2%	57	2%
Tasman	37	1%	22	1%
Southern Tasmania	4,518	100%	2,288	100%

Figure 42 Location of currently trading businesses – Construction Sector

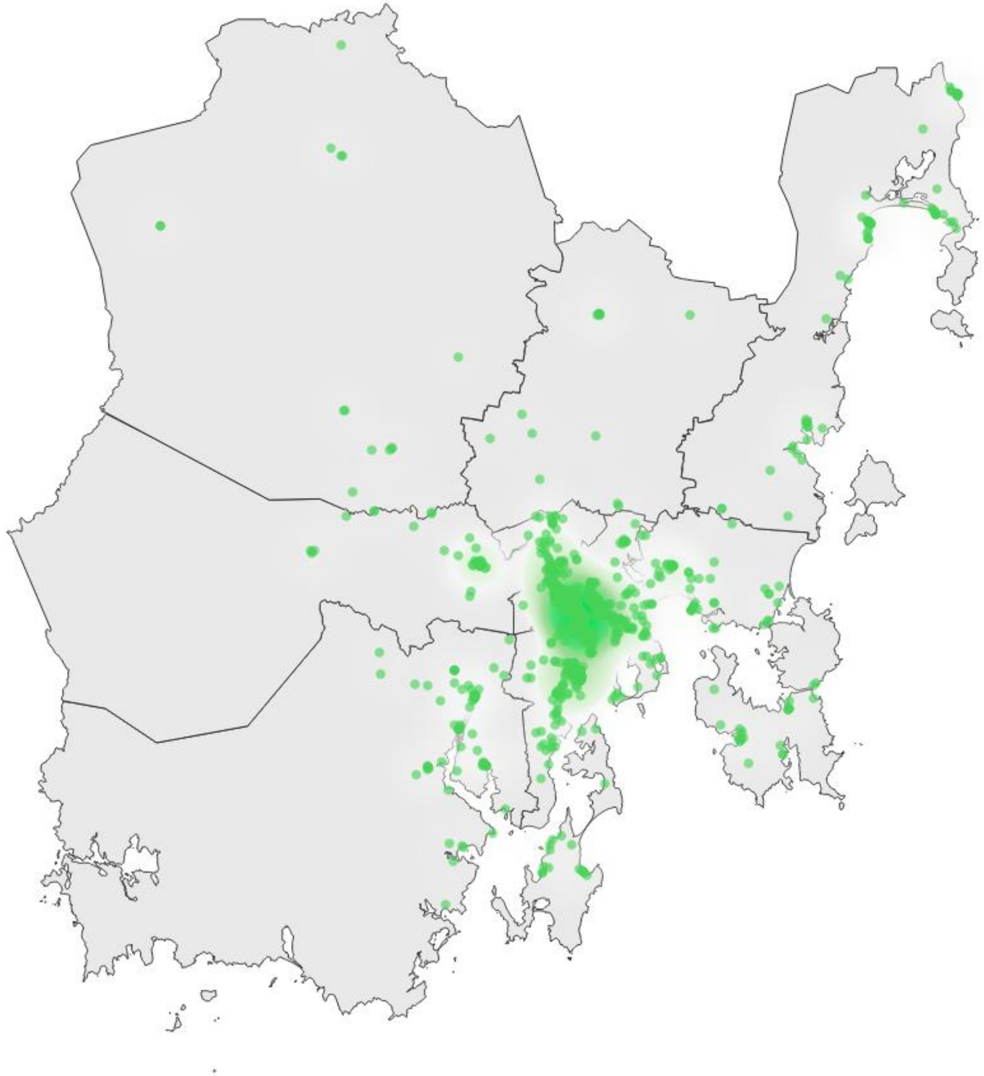


Accommodation and Food Services

Table 8 Accommodation & Food Service Businesses, Southern Tasmania

	Currently Trading		Business Entries 2019 - 2024	
	No.	*%*	*No.*	*%*
Brighton	31	2%	16	2%
Clarence	179	12%	106	12%
Central Highlands	16	1%	11	1%
Derwent Valley	49	3%	25	3%
Glamorgan-Spring Bay	70	5%	29	3%
Glenorchy	191	13%	121	14%
Hobart	623	42%	337	39%
Huon Valley	71	5%	57	7%
Kingborough	167	11%	107	12%
Sorell	54	4%	39	4%
Southern Midlands	14	1%	9	1%
Tasman	22	1%	17	2%
Southern Tasmania	1,487	100%	874	100%

Figure 43 Location of currently trading businesses – Accommodation and Food Services Sector

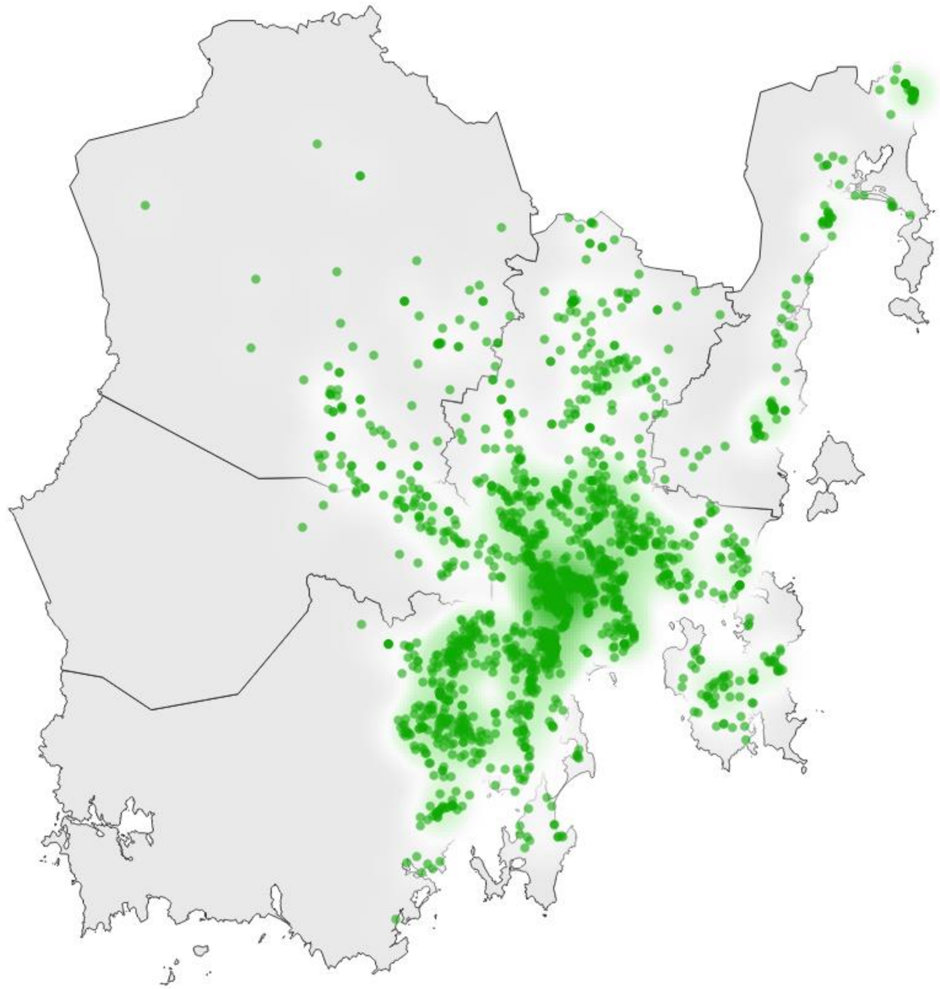


Agriculture & Food Product Manufacturing

Table 9 Agriculture & Food Product Manufacturing Businesses, Southern Tasmania

	Currently Trading		Business Entries 2019 - 2024	
	No.	*%*	*No.*	*%*
Brighton	56	3%	23	4%
Clarence	268	14%	89	16%
Central Highlands	88	5%	31	5%
Derwent Valley	71	4%	20	4%
Glamorgan-Spring Bay	110	6%	28	5%
Glenorchy	84	5%	29	5%
Hobart	276	15%	90	16%
Huon Valley	284	15%	64	11%
Kingborough	230	12%	84	15%
Sorell	135	7%	33	6%
Southern Midlands	191	10%	60	11%
Tasman	67	4%	13	2%
Southern Tasmania	1,860	100%	564	100%

Figure 44 Location of currently trading businesses – Agriculture & Food Product Manufacturing Sector



References and Data Sources

Image courtesy of Department of Premier and Cabinet

Reporting	Measure	Source
Population Context	Estimated Resident Population	Australian Bureau of Statistics (ABS) Regional Population.
	Age Structure Migration and Mobility	ABS Census 2021, 2016 and 2011 accessed via REMPLAN Community.
Wellbeing	Personal Income Household Income Socio-economic Disadvantage Youth Disengagement	ABS Census 2021, 2016 and 2011 accessed via REMPLAN Community.
	Household Expenditure	REMPLAN Economy, based on ABS 2021, 2016 Census Place of Work Employment (Scaled), ABS 2020 / 2021, 2013/14 National Input Output Tables, ABS June 2023, 2016 Gross State Product. ABS Census 2021 and 2016 accessed via REMPLAN Community.
Housing	Housing Stress Housing Affordability	CoreLogic RP Data, REMPLAN Property.
	Dwellings Dwelling Approvals	ABS Census 2021, 2016 and 2011 accessed via REMPLAN Community. ABS Building Approvals, Australia
Labour Force	Employment Working Residents Self-Containment Workforce Self-Sufficiency Worker Qualifications Worker Occupations	REMPLAN Economy, based on ABS 2021 Census Place of Work Employment (Scaled), ABS 2020 / 2021 National Input Output Tables, ABS June 2023 Gross State Product.
	Workforce Participation	ABS Census 2021 accessed via REMPLAN Community.
	Unemployment	Jobs and Skills Australia, Small Area Labour Markets (SALM).
Economic Indicators Economic Opportunities	Output Value Added Key Propulsive Sectors Import Replacement Opportunities	REMPLAN Economy, based on ABS 2021 Census Place of Work Employment (Scaled), ABS 2020 / 2021 National Input Output Tables, ABS June 2023 Gross State Product.

Economic Activity	Productivity	REMPLAN Economy, based on ABS 2021 Census Place of Work Employment (Scaled), ABS 2020 / 2021 National Input Output Tables, ABS June 2023 Gross State Product.
	Building Approvals	ABS Building Approvals, Australia
	Business Counts	ABS Counts of Australian Businesses, including Entries and Exits, 2020-2023 (Employment Size Ranges and Turnover)
Agriculture Output per Hectare	Land-based agriculture per hectare	ABS Agricultural Commodity, Australia 2020-21 (Agricultural commodity estimates by 2021 LGA) REMPLAN Economy
Employment Densities	Urban Zoned Employment Land	listdata.thelist.tas.gov.au. Accessed 30 January 2024 REMPLAN Economy.
	Rural and Agricultural Zoned Employment Land	listdata.thelist.tas.gov.au. Accessed 30 January 2024 REMPLAN Economy.
Industry Clustering	Count of registered businesses	Australian Business Register, accessed via REMPLAN Economy.

Data Methodology

Richmond Village, Clarence, Natalie Mendham

Measure	Data Note
Household Expenditure	Household consumption consists of current expenditure (including household expenditure on motor vehicles and durables) by persons, and the output of goods and services by non-profit institutions serving households. Estimate presented here are average household consumption per household for the specific region/LGA of interest.
Socio-economic Disadvantage	Socio Economic Indexes for Areas (SEIFA) measures the relative advantage and disadvantage of areas, which provides an insight into the economic and social conditions of communities. The SEIFA scores range from 143 (min) to 1,207 (max), with 143 having the highest level of disadvantage and 1,207 being least disadvantaged. Socio Economic Indexes for Areas (SEIFA) is a suite of indexes that have been created by the Australian Bureau of Statistics (ABS) from social and economic Census information. Each index ranks geographic areas across Australia in terms of their relative socio-economic advantage and disadvantage. This report presents information from the Index of Relative Socio-economic Disadvantage (IRSD), a general socio-economic index that summarises a range of information about the economic and social conditions of people and households within an area. This index includes only measures of relative disadvantage. A low score indicates relatively greater disadvantage in general. For example, an area could have a low score if there are (among other things): • many households with low income, many people with no qualifications, or many people in low skill occupations. A high score indicates a relative lack of disadvantage in general. For example, an area may have a high score if there are (among other things): • few households with low incomes, few people with no qualifications, and few people in low skilled occupations.
Youth Disengagement	Youth Engagement is a cross-tabulated variable built by REMPLAN measuring the engagement of persons aged 15-24 years against their engagement in employment and education. There are five cohorts associated to Youth Engagement: • Disengaged Youth identifies persons aged 15-24 years who are either 'unemployed' or 'not in the labour force' and not enrolled in education. • Youth Engaged in Education and Employment identifies persons aged 15-24 enrolled in education and employed in the labour force. • Youth Engaged in Employment measure identifies persons aged 15-24 who are employed only. • Youth Engaged in Education measure identifies persons aged 15-24 who are enrolled in education only. • Not Stated identifies persons who gave insufficient or no response on the 2021 Census. Youth Engagement, when combined with other data, such as labour force and student status, income, and provides insights for social and community planning and development.

Housing Stress	Housing stress relates to households renting or paying a mortgage and their ability to meet their housing costs. A household experiences housing stress when the cost of housing (either as rent or mortgage repayments) is high relative to household income. Households in the lower 40% of income earners, that are spending more than 30% of their income on housing (rent or mortgage), are considered to be experiencing financial housing stress. Housing stress is calculated across all dwellings, regardless of tenure. Mortgage stress is calculated as a proportion of households in dwellings paying a mortgage. Rental stress is calculated as a proportion of households in dwellings paying rent.
Housing Affordability	The term 'housing affordability' refers to the relationship between expenditure on housing (prices, mortgage payments or rents) and household incomes. The concept of housing affordability is different to the concept of 'affordable housing'. 'Affordable housing' refers to a spectrum of housing delivery models which focus on providing housing at financially sustainable costs to tenants or purchasers. Where rent or mortgage repayments are less than 30% of household income, housing is considered to be affordable. There are a range of models for delivering affordable housing from government subsidised rental housing, rent-to-buy, and home equity schemes for purchasers. Applying the 30% of household income principle, REMPLAN's housing affordability data includes property market sales transactions and rental listings for the last 8 years. The time series data highlights trends in terms of the cost of being able to rent or buy a home and the level of affordability by smaller area. As housing markets operate regionally, household incomes are based on two medians, one for metropolitan, and one for rest of the state. The median household income comes from the ABS Census for 2016 and 2021. Wage Price Index (WPI) data is applied to this baseline for the intervening years. The number of dwellings that are affordable has a strong relationship with income. The lower households' incomes are, the fewer homes that are considered affordable to rent or buy.
Key Propulsive Sectors	To further understand the contributions made by industry sectors in Southern Tasmania, the general 19 sectors has been broken down to the 45 sub-sector level. Key Propulsive Sectors are the key drivers of the Southern Tasmania Region's economy in terms of regional exports, employment, value added and local expenditure on goods and services (backward linkages). The industry sectors identified are amongst the top 5 contributors to economic activity in the Southern Tasmania Region in relation to backward linkages, exports, employment, and value added.

	Value Added - represents the marginal economic value that is added by each industry sector in a defined region. Value added is calculated by subtracting local expenditure and expenditure on regional imports from the output generated by an industry sector. Value added by industry sector is the major element in the calculation of Gross Regional Product. Employment - the key social outcome of economy development; employment data represents the number of people employed by businesses / organisations in each of the industry sectors in the Southern Regional Tasmania (incl. Hobart) Region. Regional Exports - represents the value of goods and services exported outside of the Southern Regional Tasmania (incl. Hobart) Region that have been generated by local businesses / organisations. Another way of defining exports is as an inflow of money into the region, i.e. Motels have an inflow of money from people who live outside the region's boundaries thus they are earning export equivalent dollars. Backward Linkages - details the industry sectors which spend the most on locally sourced intermediate goods and services per dollar of output. These industry sectors may not necessarily make the largest contributions to the Region's economy at present however due to well developed local supply chains these sectors have a significant capacity to deliver broad based economic benefits for the region.
Employment Densities	Land area is calculated from planning scheme zoning spatial layers. Urban zoned employment land includes the following zones: Central Business, Commercial, General Business, General Industrial, Light Industrial, Local Business, Urban Mixed Use, Particular Purpose and Port and Marine. Rural and agricultural employment land includes the following zones: Agriculture, Significant Agricultural, Rural and Rural Resource. Jobs estimates are sourced from REMPLAN Economy. Jobs estimates for urban zoned employment land excludes agriculture. Jobs estimates for Rural and agricultural employment land only consider jobs in the Agriculture, Forestry and Fishing industry.
Count of registered businesses	Count of registered businesses utilise Australian Business Registry (ABR) data which includes all businesses that have registered for an ABN. With permission REMPLAN has accessed this data in order to gauge the number of registered businesses actively trading via REMPLAN Economy Business Analysis Module. To determine actively trading business counts REMPLAN has applied a number of filters to the ABR list. These filters exclude certain entity types. Entity excluded are: • Not registered for GST • Super funds • Investment trusts (a form of investment fund not considered to be an actively trading business) • Government • Strata titles • Deceased estates

REMPLAN Economic Modelling	REMPLAN are specialists in providing area-specific data. We are a team of economists, planners, demographers, economic development specialists, analysts and software developers who create online analytical tools and information resources. An input-output model is an econometric technique which details the interdependent supply chain links between different industry sectors in an economy. This modelling approach was developed Wassily Leontief (1905-1999), for which he received the Nobel Memorial Prize in Economic Sciences. The team at REMPLAN have automated and systematised the process of building and updating region-specific input-output economic models for more than twenty years. These in-house systems, tools and resources incorporate many checks and balances that ensure the consistent and timely delivery of economic analysis software and data. Detailed place of work employment by industry data (114 sectors) is the basis in REMPLAN for estimating local demand by industry for intermediate goods and services as well as the capacity for the local economy to supply a proportion of those goods and services. This methodology underpins the economic profiling and impact modelling capabilities in REMPLAN Economy. This framework allows REMPLAN to build and maintain datasets for major capital city CBDs, suburban areas, region towns, as well as rural and remote areas of Australia. REMPLAN estimates of local government areas' Gross Regional Product (GRP) reconciles with the latest ABS estimates of Gross State Product (GSP) and Gross Domestic Product (GDP). Every local government area's GRP within a state adds up to that States GSP; and all State GSP's add up to the National GDP, this allows for a direct comparison of economies regardless of the region or State.