

ECONOMIC OUTLOOK REPORT



RIO | regional
investment
opportunities

A PROJECT OF
THE MURRAYLANDS REGIONAL DEVELOPMENT BOARD INC

Murraylands Economic Outlook Report: Standard Economic Analysis

A report prepared for



Prepared by



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Abbreviations

| | |
|--------|---|
| ABS | Australian Bureau of Statistics |
| ATO | Australian Taxation Office |
| DEST | Department of Education, Science and Training |
| DECS | Department of Education and Children's Services |
| DEWR | Department of Employment and Workplace Relations |
| DFEEST | Department of Further Education, Employment, Science and Technology |
| fte | full-time equivalent |
| GSP | gross state product |
| GRP | gross regional product |
| IO | Input-Output (analysis) |
| MRDB | Murraylands Regional Development Board I |
| PIRSA | Primary Industries and Resources South Australia. |
| RISE | Regional Industry Structure and Employment (impact model) |
| SA | South Australia |

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1. Introduction

EconSearch Pty Ltd was contracted by the Murraylands Regional Development Board Inc to prepare an Economic Outlook report that provides investors, stakeholders and the community with an overview of the status of the Murraylands economy. The Murraylands Economic Outlook Report consists of three key aspects, namely:

- Headline Analysis;
- Regional Investment Opportunities (RIO) Sector Analysis; and
- Standard Economic Analysis.

The aim of the Standard Economic Analysis, the subject of this report, is to present a statistical summary of key economic and social information for the Murraylands region and South Australia (SA).

This report brings together a wide range of existing Australian Bureau of Statistics (ABS) and some non-ABS data and has been designed, at a broad level, to assist users of regional statistics to understand the composition and economic and social structure of the region, to understand how the Murraylands region contributes to the state's economy and to help monitor the trends in economic growth or decline. Most data are presented for the Murraylands region and for SA as a whole for the purpose of comparisons. The regional economic indicators include:

- a demographic profile (Section Two);
- labour force statistics (Section Three);
- education and training statistics (Section Four);
- income data (Section Five);
- data on building approvals (Section Six);
- property sales statistics (Section Seven);
- motor vehicle data (Section Eight);
- statistics on local government finance (Section Nine);
- statistics on single location business registrations (Section Ten);
- value of agricultural production (Section Eleven);
- tourism data (Section Twelve); and
- gross regional product (Section Thirteen).

The information included in this report is historical, as well as being the latest available data at the time of preparation, enabling comparison over time. When analysing the data care needs to be taken as time periods, definitions, methodologies, scope and coverage differ between variables. For detailed information, including technical notes, please refer to the relevant source publications that are listed in the References (page 44).

The Murraylands is located in eastern South Australia. The area includes the major centre of the City of Murray Bridge and many major towns including Mannum, Swan Reach, Blanchetown, Morgan, Tailem Bend, Meningie, Karoonda, Lamerook and Pinnaroo. The region covers 5 local government areas:

- District Council of Karoonda East Murray;
- Mid Murray Council;
- The Rural City of Murray Bridge;
- Southern Mallee District Council; and
- The Coorong District Council.

The Murraylands region and component local government areas are illustrated in Figure 1.1.



Figure 1.1 The Murraylands region



Source: Murraylands RDB Inc.



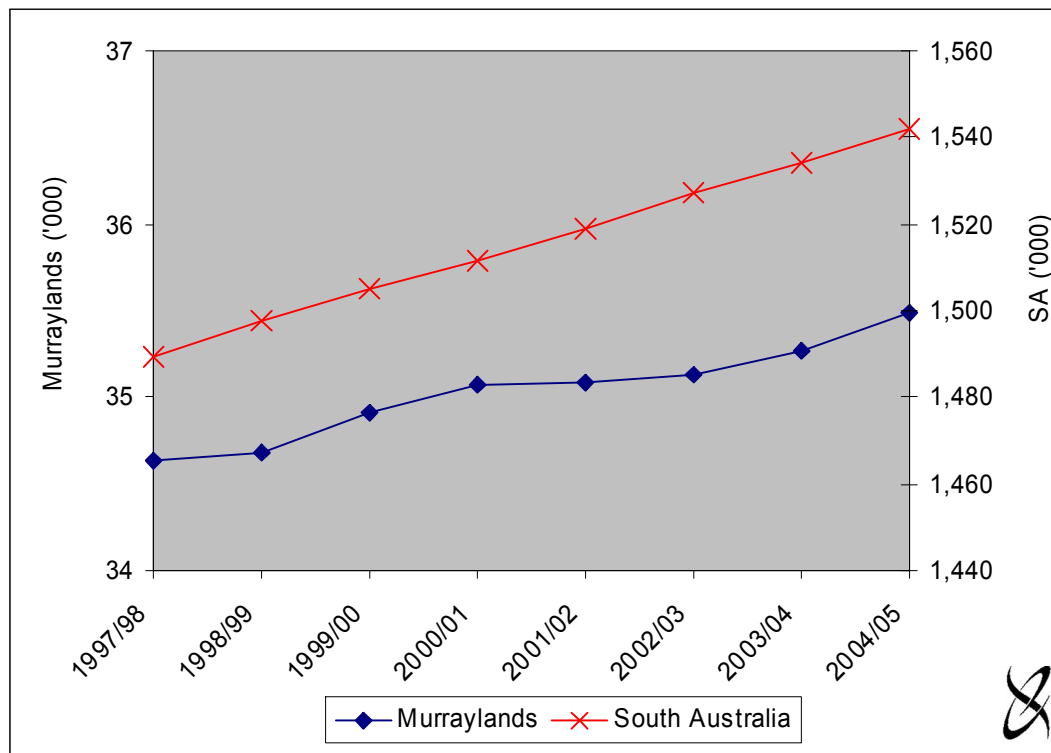
2. Demographic Profile

This section of the report provides descriptive and comparative statistics of key demographic characteristics relevant to the Murraylands and SA. The key demographic characteristics include most recent annual data on estimated resident population¹ (ERP), births, deaths and population age structure.

2.1 Estimated Resident Population

The ERP for the Murraylands and SA are illustrated in Figure 2.1, for the period 1997/98 to 2004/05.

Figure 2.1 Estimated resident population in the Murraylands and SA, 1997/98 to 2004/05



Source: ABS (2006a).

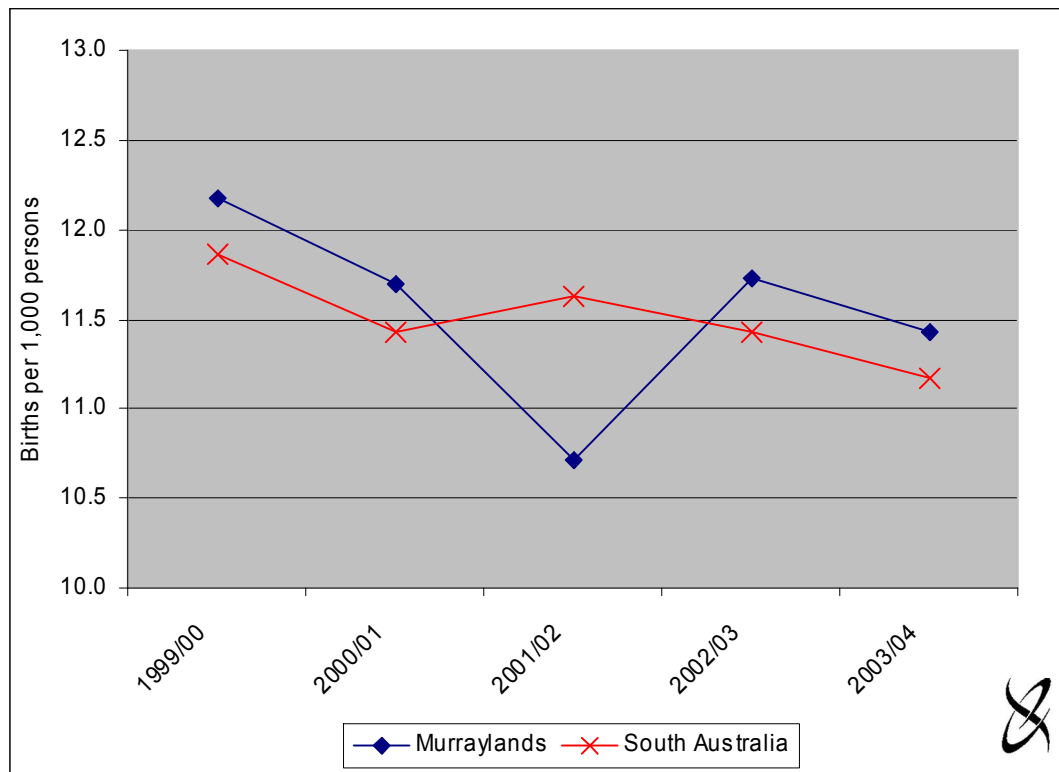
In 2004/05 the ERP in the Murraylands region was 35,485 persons, representing approximately 2.3 per cent of the state total (approximately 1,542,000 persons). Over the eight years, 1997/98 to 2003/04, Murraylands region experienced steady population growth, the total population increased by 2.4 per cent (848 persons). SA also experienced steady population growth over these years, with the population increasing by 3.5 per cent.

¹ The ERP of an area is the estimate of the number of persons who usually reside in that area irrespective of where they were on the date of the estimate. The ERP is the official ABS population figure and is calculated adjusting the results of the latest Census on Population and Housing.

2.2 Crude Birth Rates and Death Rates

The crude birth² and death rates³ for the period 1999/00 to 2003/04 for the Murraylands and SA are illustrated in Figures 2.2 and 2.3, respectively.

Figure 2.2 Crude birth rates in the Murraylands and SA, 1999/00 to 2003/04



Source: ABS (2005a).

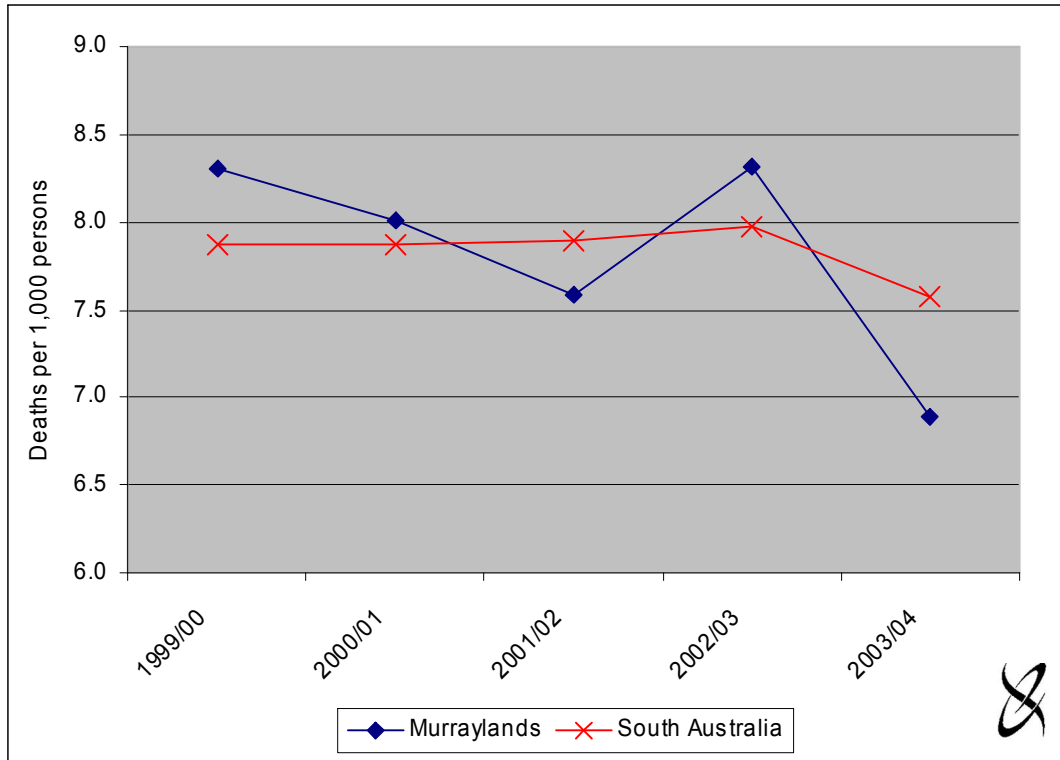
The number of births in the Murraylands region fell from 425 in 1999/00 to 403 in 2003/04. Accordingly, the crude birth rate in the Murraylands region fell from 12.2 to 11.4 over the same period. The number of births in SA fell from 18,005 in 1999/00 to 17,140 in 2003/04. The crude birth rate for SA fell from 11.9 to 11.3 over the 5 years (Figure 2.2).

The annual number of deaths in the Murraylands region fluctuated over the five years to 2003/04, but generally following a decreasing trend. In 1999/00, there were 290 deaths in the region, while in 2003/04 there were 243. In SA, the total number of deaths and the death rate increased slightly between 1999/00 and 2002/03. There were 11,843 deaths in SA in 1999/00 and 12,185 in 2002/03. Accordingly, the crude death rate for SA increased from 7.9 in 1997/98 to 8.0 in 2002/03. The number of deaths in SA decreased between 2002/03 and 2003/04 to 11,629, the corresponding death rate was 7.6 (Figure 2.3).

² The number of births are calculated on the basis of usual residence of the mother regardless of where in Australia the birth occurred. The crude birth rate is the number of live births registered in the 12 months ending 30 June per 1,000 residents. The number of residents is equivalent to the ERP.

³ The number of deaths are calculated on the basis of usual residence of the deceased, regardless of where in Australia the death occurred. The crude death rate is the number of deaths registered in the 12 months ending 30 June per 1,000 residents. The number of residents is equivalent to the ERP.

Figure 2.3 Crude death rates in the Murraylands and SA, 1999/00 to 2003/04



Source: ABS (2005a).

2.3 Age Distribution

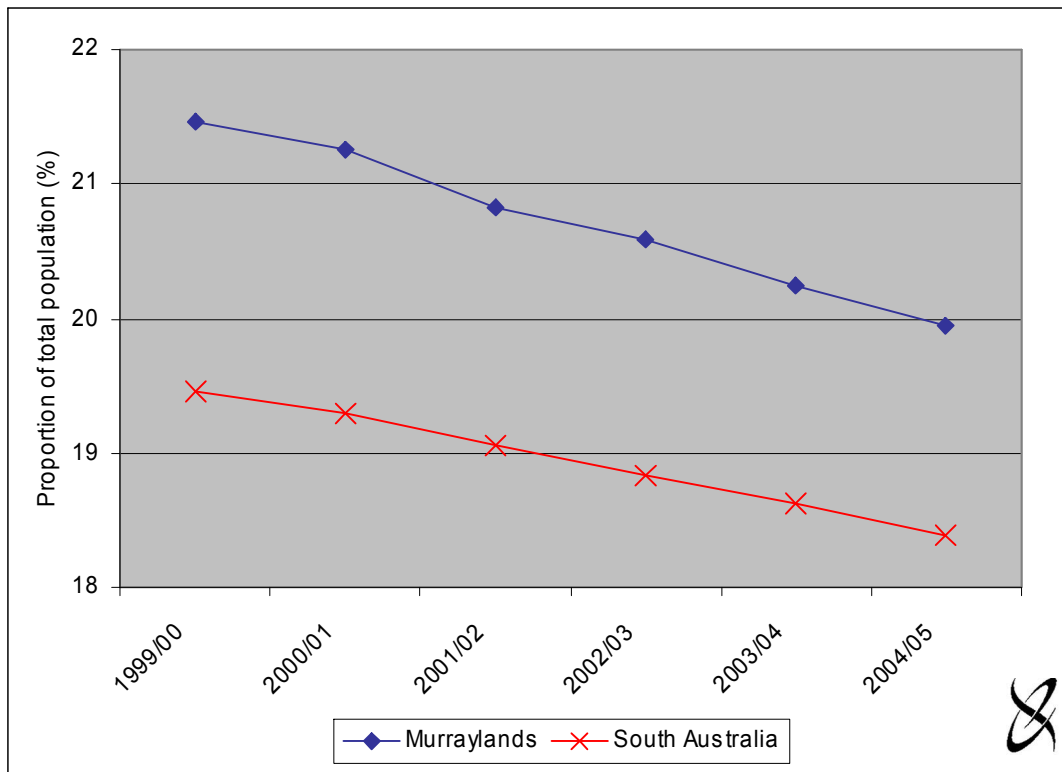
The age structures of the population for the Murraylands and SA for the period 1999/00 to 2004/05 are illustrated in Figures 2.4 to 2.6.

The age distribution in the Murraylands reflects the higher than average birth rate identified above (Figure 2.2). In 2004/05, just under 20 per cent of the region's population was under the age of 15 years, the majority of the population (approximately 63 per cent) was aged between 15 and 64 years and approximately 17 per cent of the population was aged over 65 years.

Compared with the age distribution of the state, the Murraylands has a higher concentration of both younger people (aged 0 to 14 years) and people aged 65 and over and consequently, a lower than average share of persons aged 15 to 64 years. This latter group could be characterised as the working-age population.

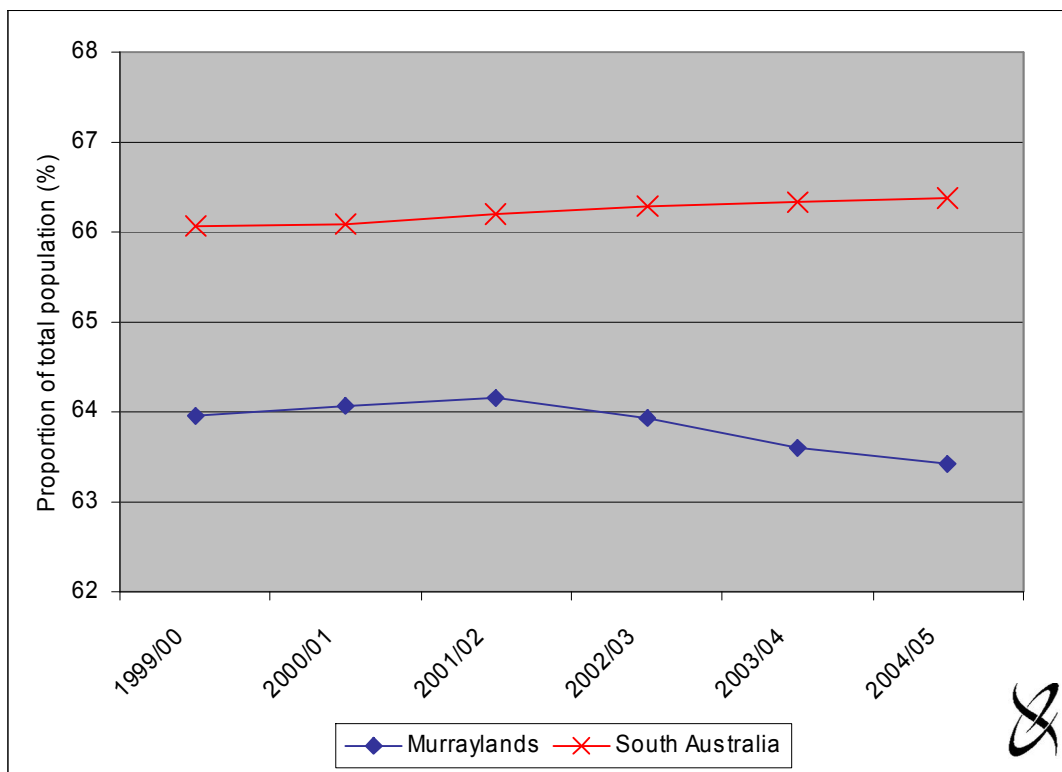


Figure 2.4 Proportion of population aged 0 to 14 years, 1999/00 to 2004/05



Source: ABS (2006b).

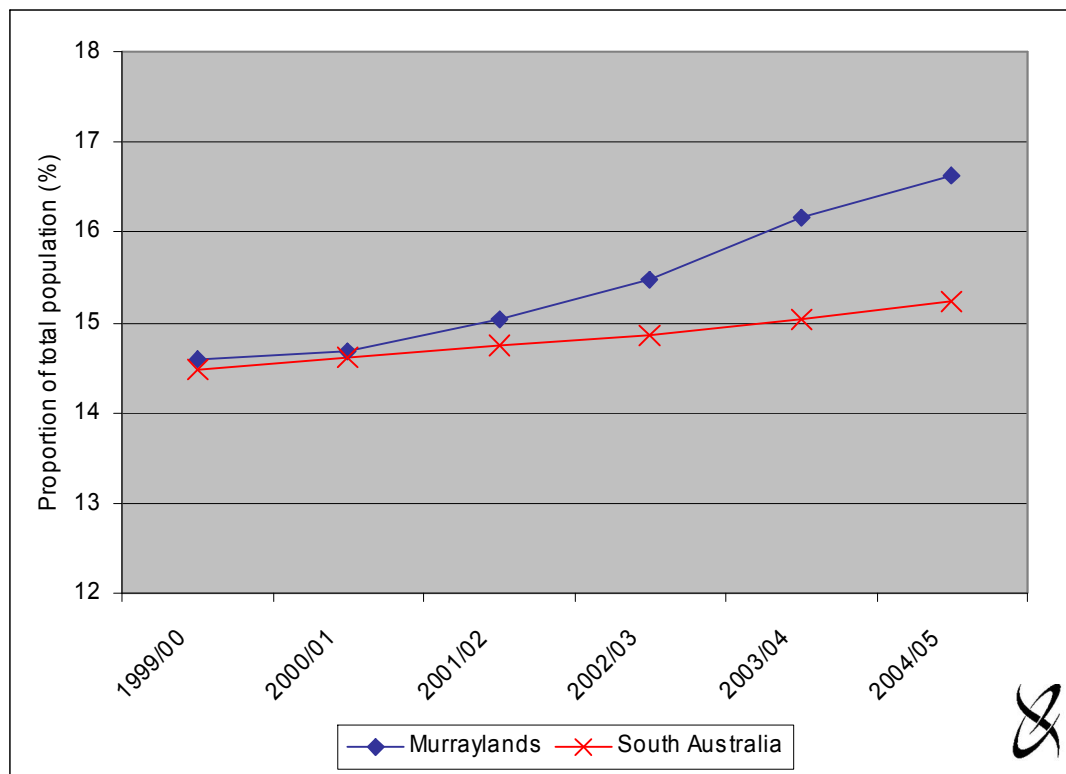
Figure 2.5 Proportion of population aged 15 to 64 years, 1999/00 to 2004/05



Source: ABS (2006b).



Figure 2.6 Proportion of population aged 65 or older, 1999/00 to 2004/05



Source: ABS (2006b).

Comparison with South Australia highlights some significant differences in changes in the age structure of the state and regional populations, between 1999/00 and 2004/05.

- Number of persons aged 0 to 14 years – decreased by 5.1 per cent in the Murraylands and 3.5 per cent in SA.
- Number of persons aged 15 to 64 years – increased by 1.3 per cent in the Murraylands and 3.5 per cent in SA.
- Number of persons aged 65 years or older – increased by 16.5 per cent in the Murraylands and 8.3 per cent in SA.

2.4 Population Change

It is possible to derive broad population projections for the Murraylands and SA for the period 2001 to 2016 based on information published by Planning SA. Population projections for the Murraylands region and SA, for the period 1996 to 2016 are detailed in Table 2.1 and illustrated in Figure 2.7.

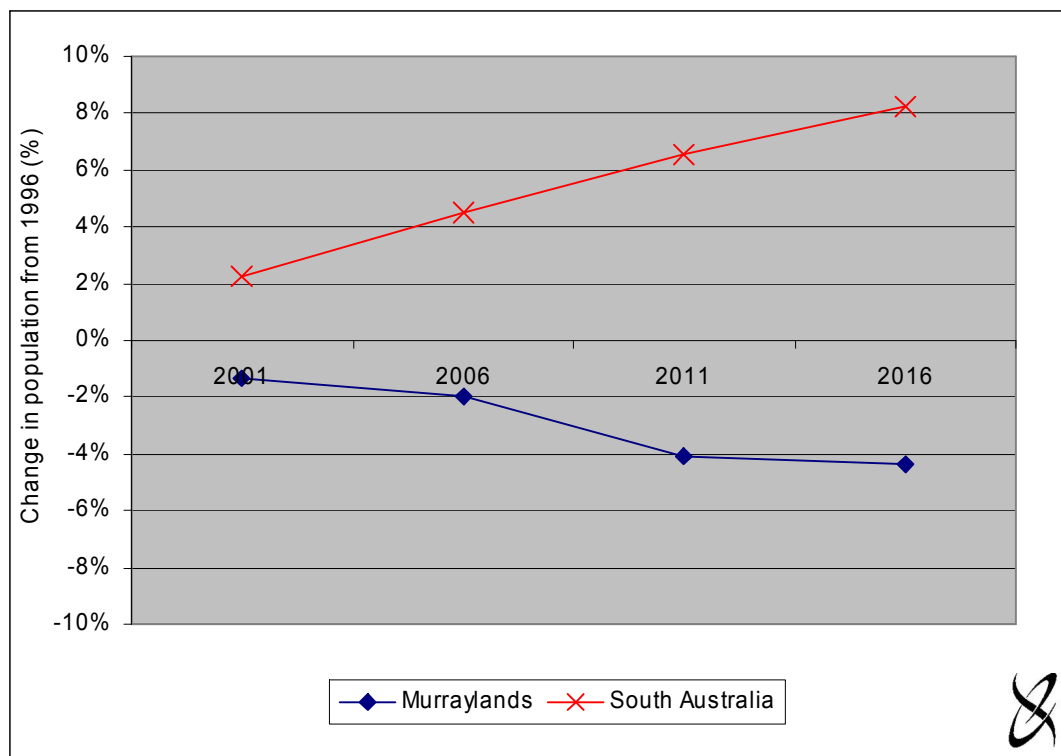
The projections are based on ABS 2001 Census resident population estimates and trends in mortality, fertility and overseas and interstate migration for the period 1991 to 1996. The method used to compile the projections was not influenced by local factors such as land availability or zoning; it assumes that these factors would not place limitations on population growth (Ian McQueen, Planning SA, pers. comm.).

Table 2.1 Population projections for Murraylands and SA, 1996 to 2016

| Age | 1996 | 2001 | 2006 | | 2011 | | 2016 | | |
|--------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | Population | Population | Change from 1996 | Population | Change from 1996 | Population | Change from 1996 | Population | Change from 1996 |
| | no. | no. | % | no. | % | no. | % | no. | % |
| Murraylands | | | | | | | | | |
| 0-14 | 7,878 | 7,319 | -2.4% | 6,854 | -4.5% | 6,214 | -12.2% | 5,749 | -21.3% |
| 15-64 | 23,700 | 21,685 | -1.2% | 21,539 | -2.9% | 21,175 | -5.2% | 20,185 | -8.9% |
| 65+ | 5,025 | 4,964 | 0.0% | 5,453 | 6.4% | 5,971 | 14.4% | 7,138 | 45.4% |
| Total | 36,603 | 33,968 | -1.3% | 33,846 | -2.0% | 33,360 | -4.1% | 33,072 | -4.4% |
| SA | | | | | | | | | |
| 0-14 | 97,658 | 93,220 | -4.5% | 89,998 | -7.8% | 88,050 | -9.8% | 87,533 | -10.4% |
| 15-64 | 1,169,958 | 1,195,553 | 2.2% | 1,218,269 | 4.1% | 1,227,300 | 4.9% | 1,214,002 | 3.8% |
| 65+ | 206,637 | 218,400 | 5.7% | 232,528 | 12.5% | 255,195 | 23.5% | 294,260 | 42.4% |
| Total | 1,474,253 | 1,507,173 | 2.2% | 1,540,795 | 4.5% | 1,570,545 | 6.5% | 1,595,795 | 8.2% |

Source: PIRSA (2006).

Figure 2.7 Population projections for Murraylands and SA, 1996 to 2016



Source: PIRSA (2006).

Based on the Planning SA projections, the population in the Murraylands region will decline by approximately 4 per cent over the next decade. Population projections for persons aged 0 to 14 years indicate that there will be a significant decline (more than 21 per cent decrease from 1996) in this age demographic. The working age population (15 to 64 years) is also projected to decline (by almost 9 per cent from 1996). The population projections for persons 65 or older indicate that an increase of more than 45 per cent in this age demographic is expected over the 20 years.

Figure 2.7 highlights the contrast in projected population between the Murraylands region and SA. According to the Planning SA projections, the total population in the Murraylands region is likely to decline by just over 4 per cent over the next decade while the total SA population is likely to increase by approximately 8 per cent. These projections are at odds with the actual estimates of resident population (Figure 2.1).



3. Labour Force Indicators

This section reports on the major labour force characteristics relevant to the Murraylands and SA. The major labour force statistics include:

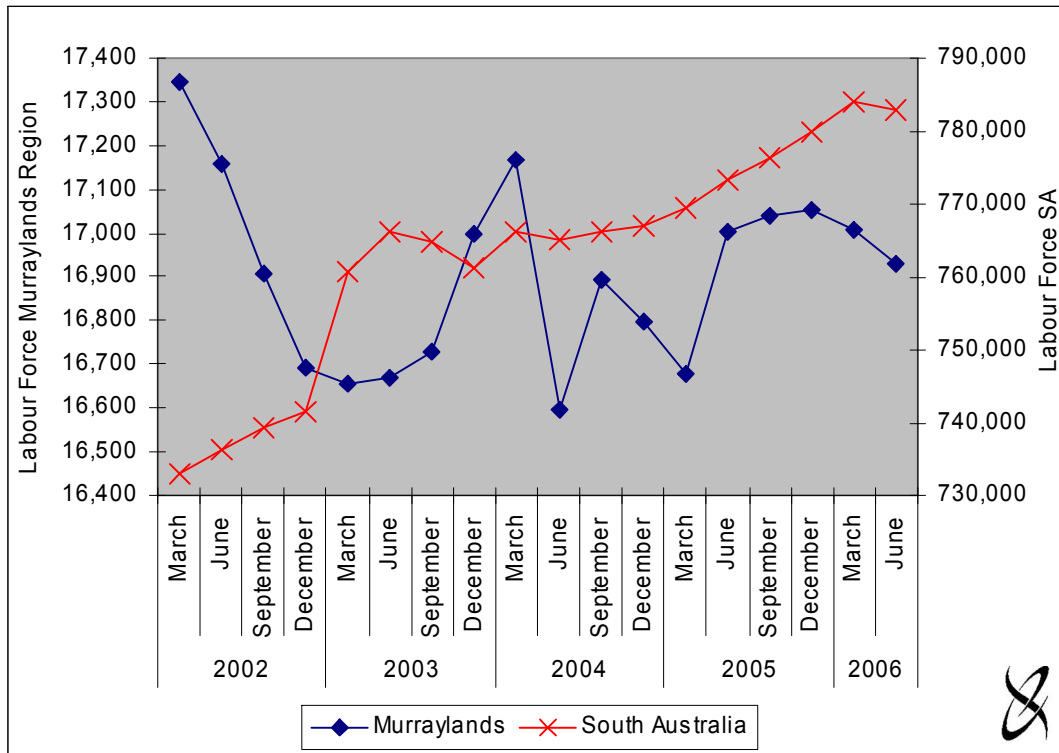
- labour force⁴;
- number of unemployed persons;
- unemployment rate⁵; and
- participation rate⁶.

Note that due to the amalgamation of all or part of several local government areas to form the Mid-Murray Council, it was necessary to make some assumptions regarding the size of the labour force and number of unemployed persons in the area in 2002.

3.1 Labour Force

The total number of persons in the labour force in the Murraylands and SA is illustrated in Figure 3.1 for the period March 2002 to June 2006.

Figure 3.1 Labour force in the Murraylands and SA, 2002 to 2006



Source: DEWR (2006).

⁴ The labour force is defined as the total number of employed and unemployed persons.
⁵ The unemployment rate is defined as the number of unemployed persons expressed as a percentage of the total labour force.
⁶ The participation rate is a measure of the total labour force as a proportion of the working age population (persons aged 15 to 64 years).

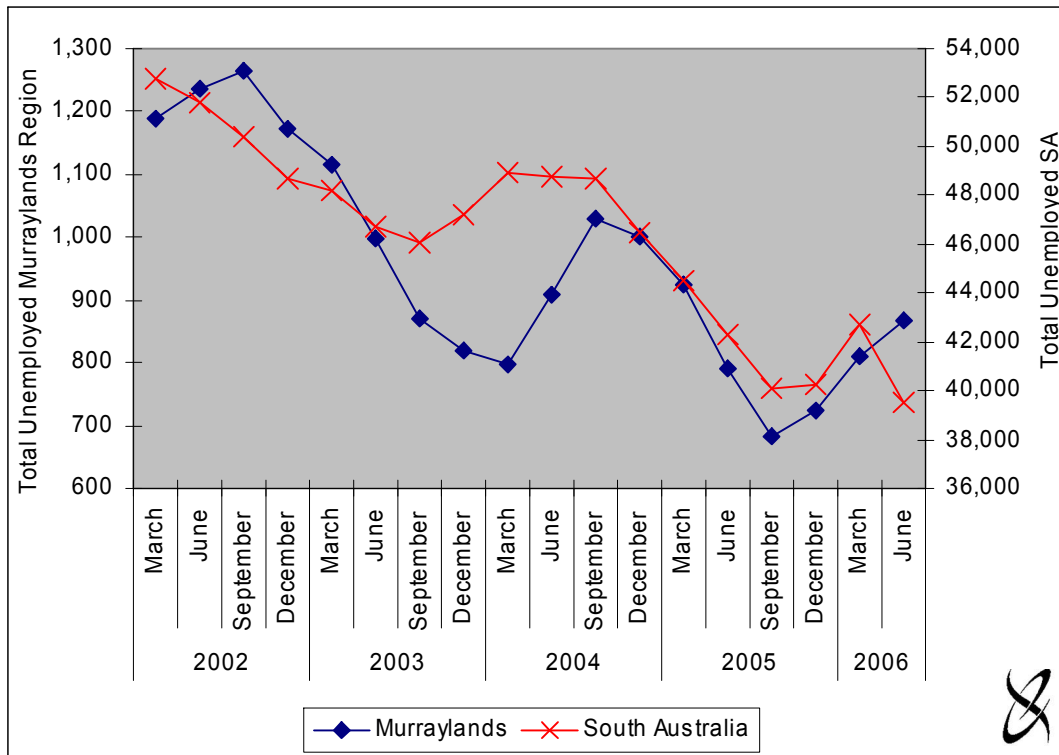


The total number of persons in the labour force in the Murraylands, fluctuated over the years 2002 to 2006 ranging between 16,597 in June 2004 and 17,344 in March 2002. Similarly, the labour force in SA fluctuated between 732,900 in March 2002 and 783,864 in March 2006.

3.2 Unemployment

The number of unemployed persons in the Murraylands and SA are illustrated in Figure 3.2 for the period 2002 to 2006.

Figure 3.2 Unemployed persons in the Murraylands and SA, 2003 to 2006



Source: DEWR (2006).

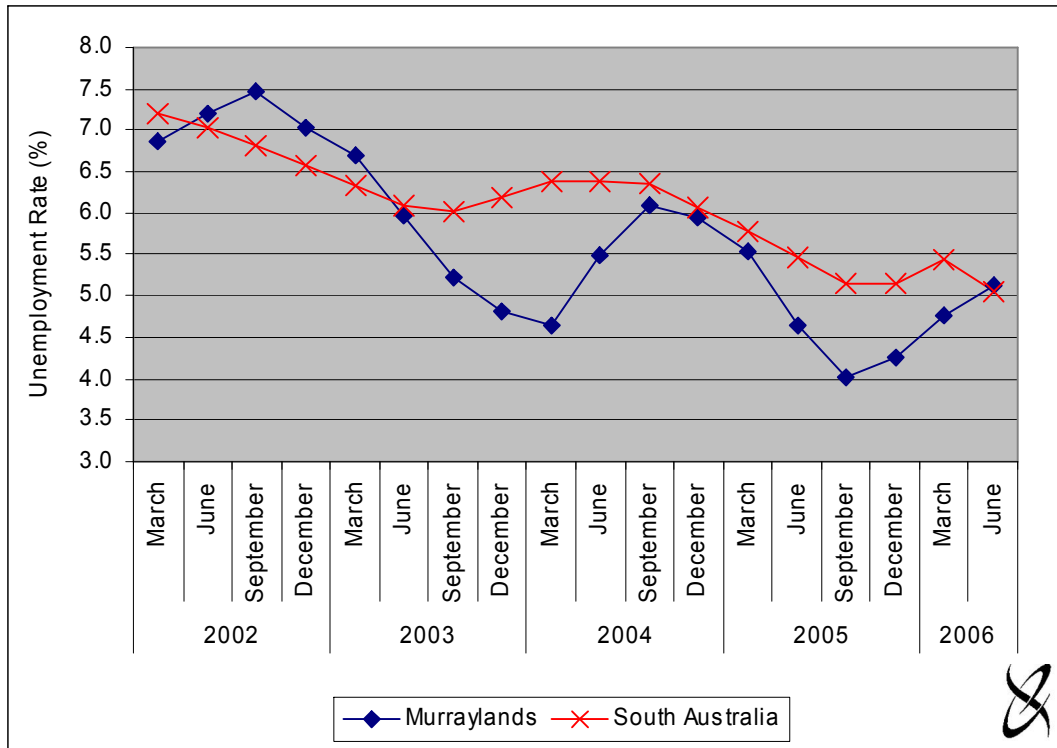
The number of unemployed persons in the Murraylands fluctuated over the period March 2002 to June 2006, but generally followed a declining trend. The total number of unemployed persons in the region ranged between 1,264 in September 2002 and 683 in September 2005. Comparison of the two end quarters indicate that the total number of unemployed persons decreased by approximately 27 per cent in the Murraylands. The number of unemployed persons in SA decreased by approximately 25 per cent overall, but fluctuated over the years.



3.3 Unemployment Rate

The unemployment rates for the Murraylands and SA are illustrated in Figure 3.3 for the period 2002 to 2006.

Figure 3.3 Unemployment rate in the Murraylands and SA, 2002 to 2006



Source: DEWR (2006) and EconSearch analysis.

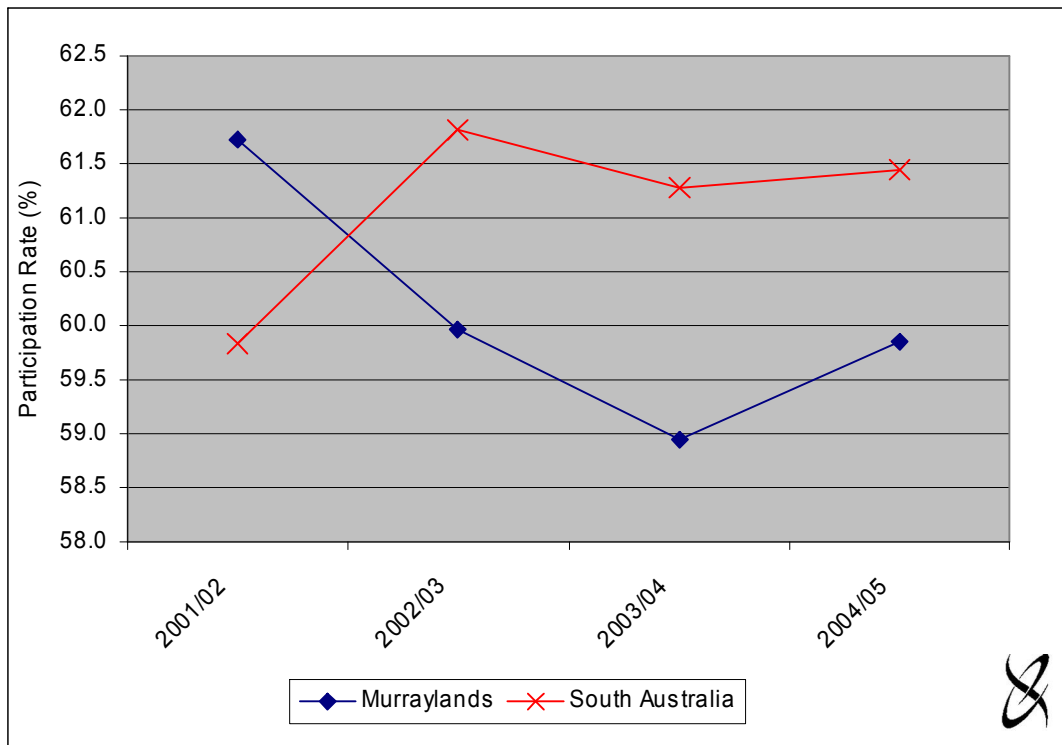
The unemployment rate in the Murraylands fluctuated over the period March 2002 to June 2006 but generally followed a declining trend. The unemployment rate in the Murraylands region was generally slightly lower than the rate for SA.

3.4 Participation Rate

The participation rate for the Murraylands and SA for the period 2001/02 to 2004/05 is illustrated in Figure 3.4.

The labour force participation rate in the Murraylands decreased slightly between 2001/02 and 2003/04, from 62 per cent to 59 per cent. The participation rate in the Murraylands increased slightly between 2003/04 and 2004/05 to almost 60 per cent. The labour force participation rate in SA fluctuated slightly over the four years, ranging between 60 and 62 per cent.

Figure 3.4 Participation rate in the Murraylands and SA, 2002/03 to 2004/05



Source: DEWR (2006) and EconSearch analysis.

The labour force participation rate was consistently higher for the whole of SA than for the Murraylands region, over the years 2002/03 to 2004/05.



4. Education and Training

The following education and training statistics are provided for the Murraylands region and SA:

- primary and secondary student enrolments;
- tertiary qualifications;
- university enrolments; and
- contract of training commencements and completions.

4.1 School Students

Total enrolments for government and non-government schools located within the Murraylands region and SA are detailed in Table 4.1 for the years 2000 to 2004.

Table 4.1 School enrolments in the Murraylands and SA, 2000 to 2004

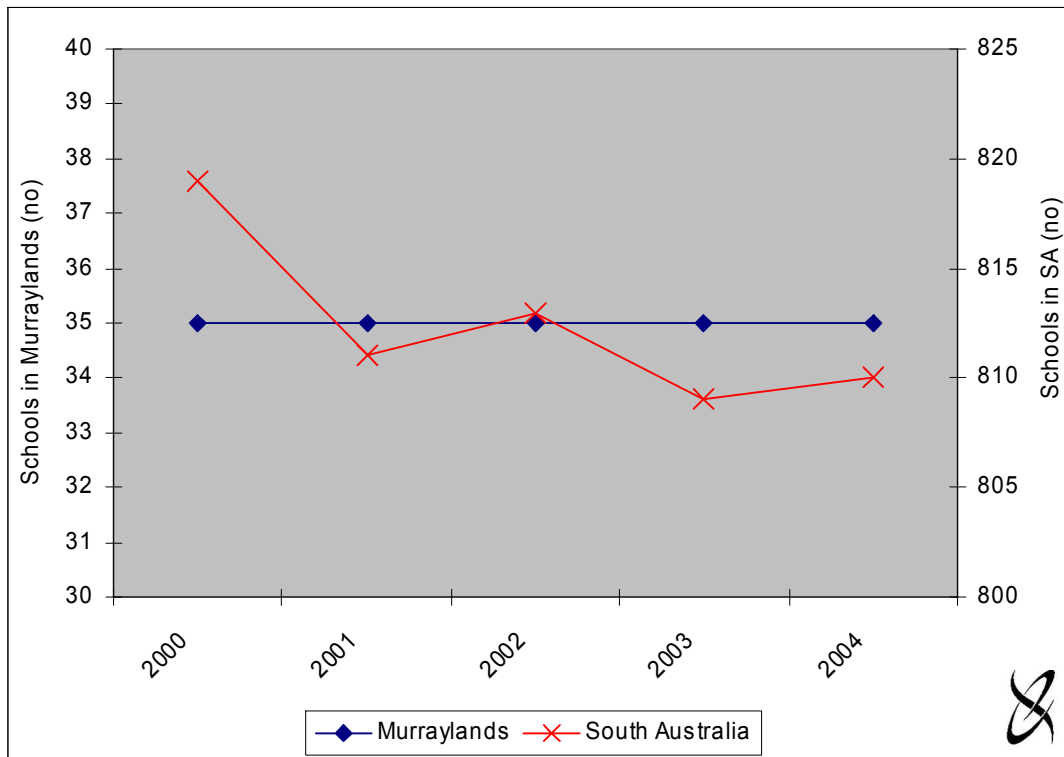
| | Year ^a | | | | |
|--------------------------|-------------------|---------|---------|---------|---------|
| | 2000 | 2001 | 2002 | 2003 | 2004 |
| Murraylands Region: | | | | | |
| Primary Students | | | | | |
| - Government | 3,376 | 3,304 | 3,178 | 3,173 | 3,031 |
| - Non-Government | 703 | 772 | 829 | 886 | 942 |
| Total Primary Student | 4,079 | 4,076 | 4,007 | 4,059 | 3,973 |
| Secondary Students | | | | | |
| - Government | 1,431 | 1,391 | 1,359 | 1,345 | 1,333 |
| - Non-Government | 206 | 276 | 312 | 341 | 357 |
| Total Secondary Students | 1,637 | 1,667 | 1,671 | 1,686 | 1,690 |
| South Australia: | | | | | |
| Primary Students | | | | | |
| - Government | 115,416 | 114,287 | 112,128 | 110,230 | 108,802 |
| - Non-Government | 43,504 | 44,659 | 45,965 | 47,281 | 48,364 |
| Total Primary Student | 158,920 | 158,946 | 158,093 | 157,511 | 157,166 |
| Secondary Students | | | | | |
| - Government | 62,069 | 61,935 | 61,216 | 60,778 | 60,277 |
| - Non-Government | 31,303 | 31,547 | 32,307 | 33,037 | 33,795 |
| Total Secondary Students | 93,372 | 93,482 | 93,523 | 93,815 | 94,072 |

^a As at August each year.

Source: ABS (2005a).

Total enrolments in Murraylands schools decreased slightly between 2000 and 2004. Primary school enrolments decreased by approximately 2.6 per cent, while secondary enrolments increased by 3.2 per cent. The number of students attending government schools in the Murraylands declined steadily, while the number of students attending non-government schools increased. These trends are similar to those experienced in SA with a general decrease in the total number of primary school students, an increase in secondary students and an increase the proportion of non-government enrolments.

Figure 4.1 Schools in the Murraylands and SA, 2000 to 2004



Source: ABS (2005a).

The number of schools in the Murraylands remained at 35 over the 5 years. These 35 schools consist of 32 government schools and 3 non-government schools. The number of schools in SA decreased from 819 in 2000 to 810 in 2004. This reflects a decrease in the number of government schools, from 621 to 609, and an increase in the number of non-government schools, from 198 to 201.

4.2 Qualifications

The level of qualification held by residents in the Murraylands region and SA are detailed in Table 4.2 below, for the years 1991, 1996 and 2001.

The total number of residents in the Murraylands with a non-school qualification increased steadily over the three Census years. Despite this, when compared with the whole of SA, persons aged 15 and over in the Murraylands region had a below average level of qualifications in all three Census years, particularly for bachelor degree and higher qualification levels.



Table 4.2 Highest level of qualifications for persons aged 15 and over in the Murraylands and SA, 1991, 1996 and 2001

| Qualification | Murraylands Region | | | | | |
|---|--------------------|-------------|------------------|-------------|------------------|-------------|
| | 1991 | | 1996 | | 2001 | |
| Postgraduate Degree | 23 | 0% | 46 | 0% | 57 | 0% |
| Graduate Diploma & Graduate Certificate | 100 | 0% | 136 | 1% | 164 | 1% |
| Bachelor Degree | 477 | 2% | 648 | 3% | 888 | 3% |
| Advanced Diploma & Diploma Certificate | 1,042 | 4% | 984 | 4% | 875 | 3% |
| Certificate Level, nfd(b) | n.a. | - | n.a. | - | 103 | 0% |
| Certificate III & IV | 1,993 | 8% | 2,294 | 9% | 3,094 | 12% |
| Certificate I & II | 673 | 3% | 704 | 3% | 447 | 2% |
| Not stated | 2,709 | 11% | 2,571 | 10% | 2,992 | 11% |
| Not applicable | 18,645 | 73% | 18,344 | 72% | 17,945 | 68% |
| Total | 25,463 | 100% | 25,512 | 100% | 26,323 | 100% |
| | South Australia | | | | | |
| | 1991 | | 1996 | | 2001 | |
| Postgraduate Degree | 8,413 | 1% | 11,632 | 1% | 15,248 | 1% |
| Graduate Diploma & Graduate Certificate | 8,596 | 1% | 12,539 | 1% | 14,351 | 1% |
| Bachelor Degree | 52,725 | 5% | 72,855 | 6% | 95,840 | 8% |
| Advanced Diploma & Diploma Certificate | 57,556 | 5% | 63,420 | 6% | 63,412 | 5% |
| Certificate Level, nfd(b) | n.a. | - | n.a. | - | 5,795 | 0% |
| Certificate III & IV | 110,485 | 10% | 119,024 | 11% | 155,159 | 13% |
| Certificate I & II | 36,314 | 3% | 35,518 | 3% | 24,303 | 2% |
| Not stated(c) | 121,310 | 11% | 118,921 | 11% | 116,533 | 10% |
| Not applicable(d) | 704,892 | 64% | 694,480 | 62% | 681,093 | 58% |
| Total | 1,100,291 | 100% | 1,128,389 | 100% | 1,171,734 | 100% |

Source: DFEEST (2005).

4.3 University Enrolments

University enrolments by students from the Murraylands region and SA are detailed in Figure 4.2, for the years 2002 to 2005.

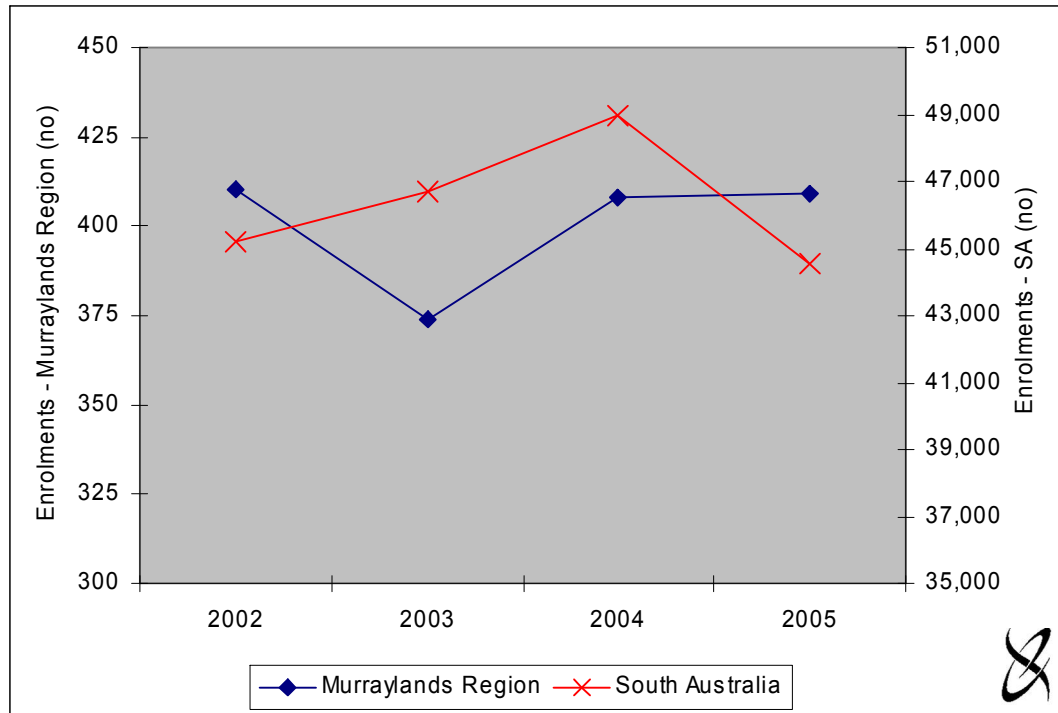
Enrolment data are for the three South Australian universities:

- Flinders University;
- The University of Adelaide; and
- University of South Australia.

Enrolments by Murraylands or SA residents at interstate or overseas universities are not included in the data.



Figure 4.2 University enrolments by students from the Murraylands and SA, 2002 to 2005



Source: Flinders University (unpublished data), University of South Australia (unpublished data) and The University of Adelaide (unpublished data).

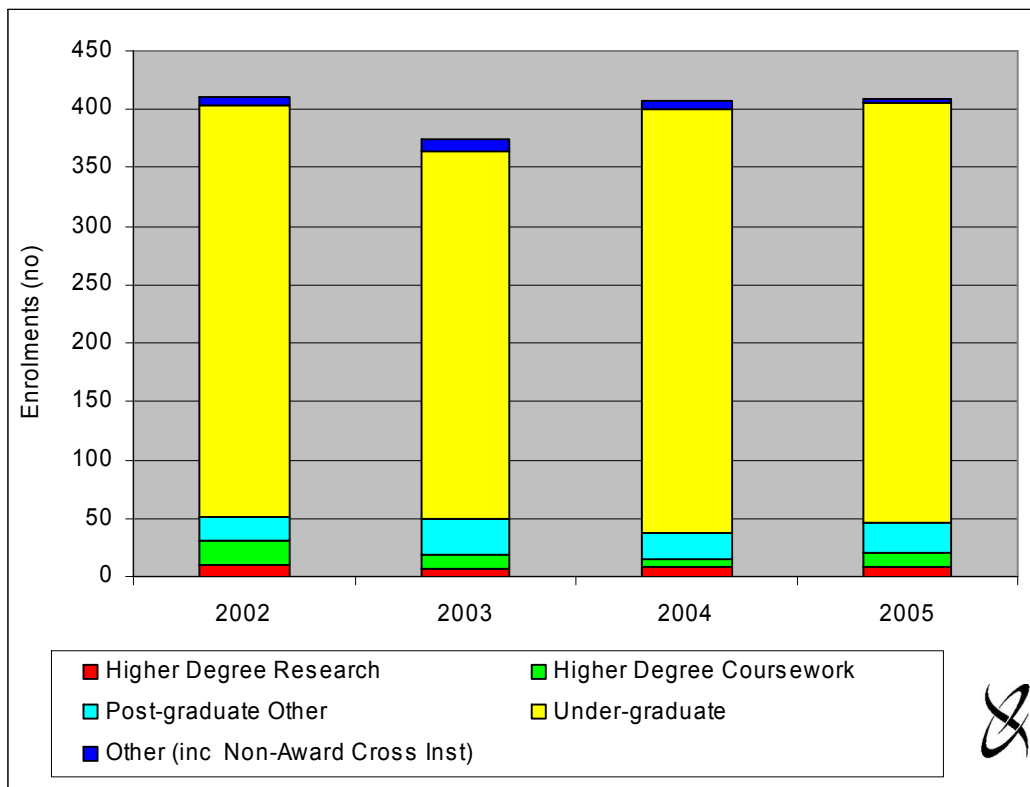
Total university enrolments by students from the Murraylands remained relatively stable over the four years except for a slight decline in 2003. The number of enrolments by students from SA increased from approximately 45,180 in 2002 to 48,950 in 2004, before decreasing to 44,550 in 2005. The number of students from the Murraylands as a proportion of students from the whole of SA remained relatively stable over the 3 year period, at about 1 per cent.

Note that the data are based on the holiday address postcodes of each student. This means that a student originally from the Murraylands who stays in Adelaide over the holiday period would not be included in the Murraylands count. Consequently, the data are likely to understate the true number of enrolments from the Murraylands but, over time, the data should provide a reasonable trend.

The number of university student enrolments for the Murraylands region and SA, are detailed in Figures 4.3 and 4.4, for the years 2002 to 2005. Enrolments are broken down into the following categories to highlight the level of study undertaken:

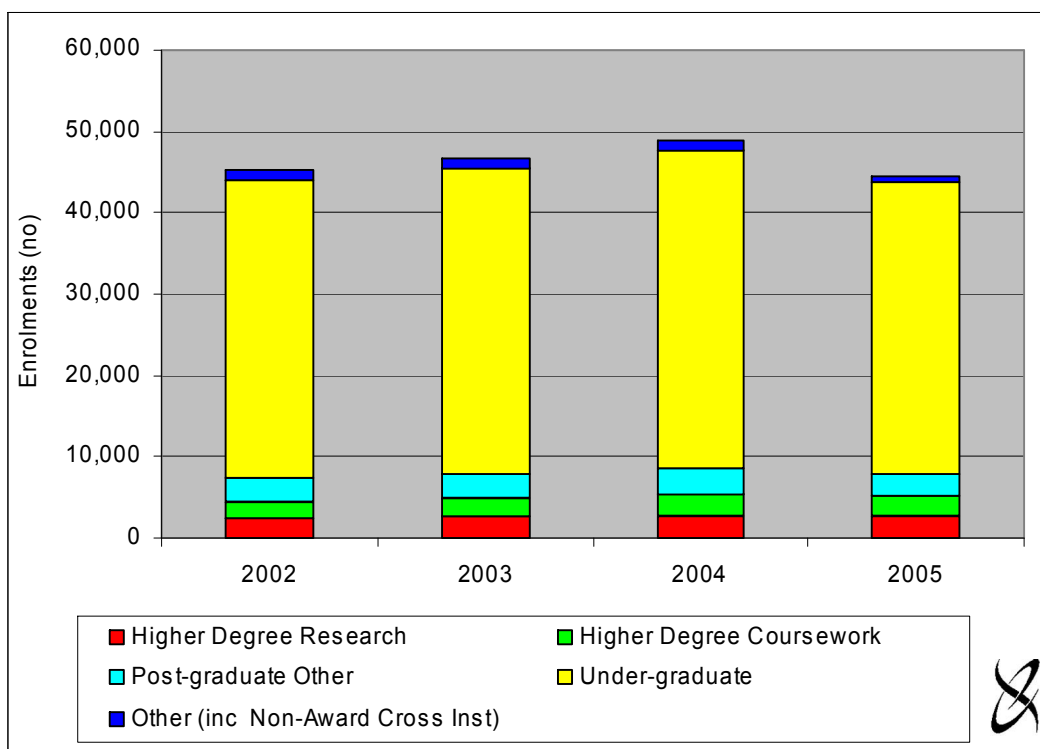
- higher degree research;
- higher degree coursework;
- other postgraduate;
- undergraduate; and
- other (including non-award and cross-institutional study).

Figure 4.3 University enrolments by students from the Murraylands, 2002 to 2005



Source: Flinders University (unpublished data), University of South Australia (unpublished data) and The University of Adelaide (unpublished data).

Figure 4.4 University enrolments by students from SA, 2002 to 2005



Source: Flinders University (unpublished data), University of South Australia (unpublished data) and The University of Adelaide (unpublished data).

The breakdown of enrolments by program level over the three year period highlights some differences between the Murraylands region and SA as a whole. The differences in enrolment level are outlined below:

- higher degree research – 2 per cent of total enrolments in the Murraylands region, 5 per cent in SA;
- higher degree coursework – 3 per cent of total enrolments in the Murraylands region, 5 per cent in SA;
- undergraduate – 81 per cent of total enrolments in the Murraylands region, 78 per cent in SA; and
- other – 1 per cent of total enrolments in the Murraylands region, 2 per cent in SA.

4.4 Contracts of Training

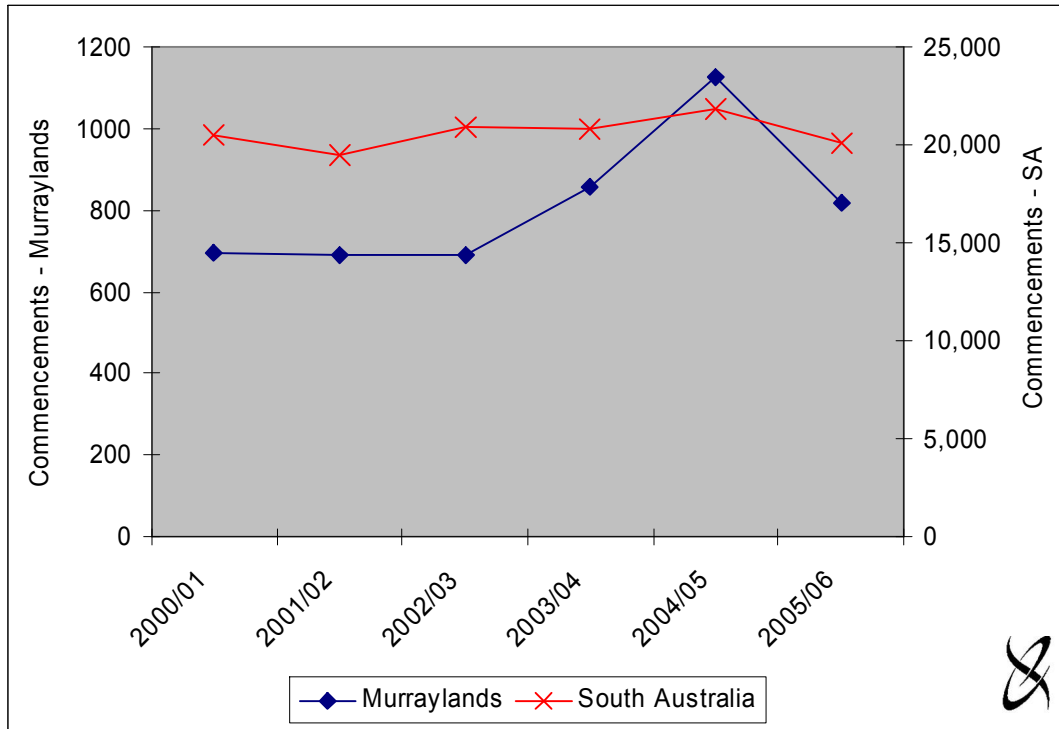
The number of contracts of training commencements and completion in the Murraylands and SA are detailed in Figures 4.5 and 4.6, for the years 2000/01 to 2005/06. These data were derived from a live database. The numbers reported in Figures 4.5 and 4.6 were extracted from the database in November 2006.

The number of contract of training commencements in the Murraylands fluctuated slightly over the 5 year period to 2005/06. As a proportion of total SA commencements, the Murraylands contracts of training commencements ranged between 3.3 per cent and 5.2 per cent over the 5 year period.

The total number of contract of training completions in the Murraylands fluctuated over the 5 year period, but generally followed an increasing trend. Completions in the Murraylands region as a proportion of total SA completions also fluctuated, increasing from 1.3 per cent in 2000/01 to 4.6 per cent in 2004/05.

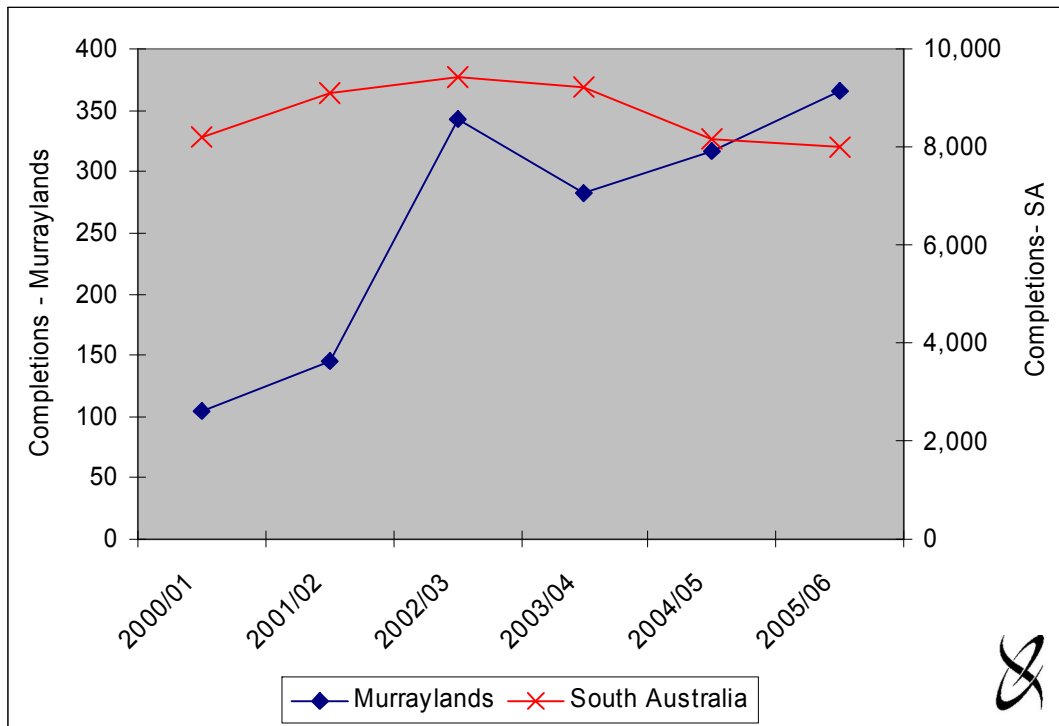
The data suggests that there was a decline in the number of contract of training commencement in both the Murraylands and SA between 2004/05 and 2005/06. Due to the nature of the data source and the method by which data is collected, this decline is more likely to reflect incomplete information rather than an actual decrease in training.

Figure 4.5 Contract of training commencements in the Murraylands and SA, 2000/01 to 2005/06



Source: DFEEST (unpublished data)

Figure 4.6 Contract of training completions in the Murraylands and SA, 2000/01 to 2005/06



Source: DFEEST (unpublished data).



5. Income

This section provides information on average annual income and income source relevant to the Murraylands and SA.

5.1 Annual Taxable Income

The proportion of taxable individuals and the mean taxable income are presented in Table 5.1 for the Murraylands and SA.

Table 5.1 Taxable individuals and taxable income in the Murraylands and SA, 1997/98 to 2003/04

| | 1997/98 | 1998/99 | 1999/00 | 2000/01 | 2001/02 | 2002/03 | 2003/04 |
|---|---------|---------|---------|---------|---------|---------|---------|
| Murraylands Region | | | | | | | |
| Proportion of taxable individuals (%) ^a | 79% | 77% | 78% | 76% | 77% | 76% | 76% |
| Mean taxable income - nominal (\$'000) ^b | 26 | 27 | 28 | 30 | 32 | 33 | 34 |
| Mean taxable income - real (\$'000) ^c | 26 | 27 | 27 | 27 | 29 | 28 | 28 |
| South Australia | | | | | | | |
| Proportion of taxable individuals (%) ^a | 84% | 82% | 83% | 81% | 81% | 81% | 81% |
| Mean taxable income - nominal (\$'000) ^b | 30 | 32 | 33 | 35 | 36 | 38 | 40 |
| Mean taxable income - real (\$'000) ^c | 30 | 32 | 32 | 32 | 32 | 32 | 33 |

^a Refers to personal taxpayers who submitted a return with net tax payable of more than \$0.

^b Mean (average) taxable income refers only to taxable individuals and is calculated by dividing net taxable income of the region as a whole by the number of taxable individuals.

^c The real mean individual taxable income is the nominal income adjusted by the purchasing power of money. The consumer price index (CPI) has been used to make this adjustment (ABS 2006c). It enables meaningful comparisons of incomes to be made between years.

Source: ATO (2006) and ABS (2006c).

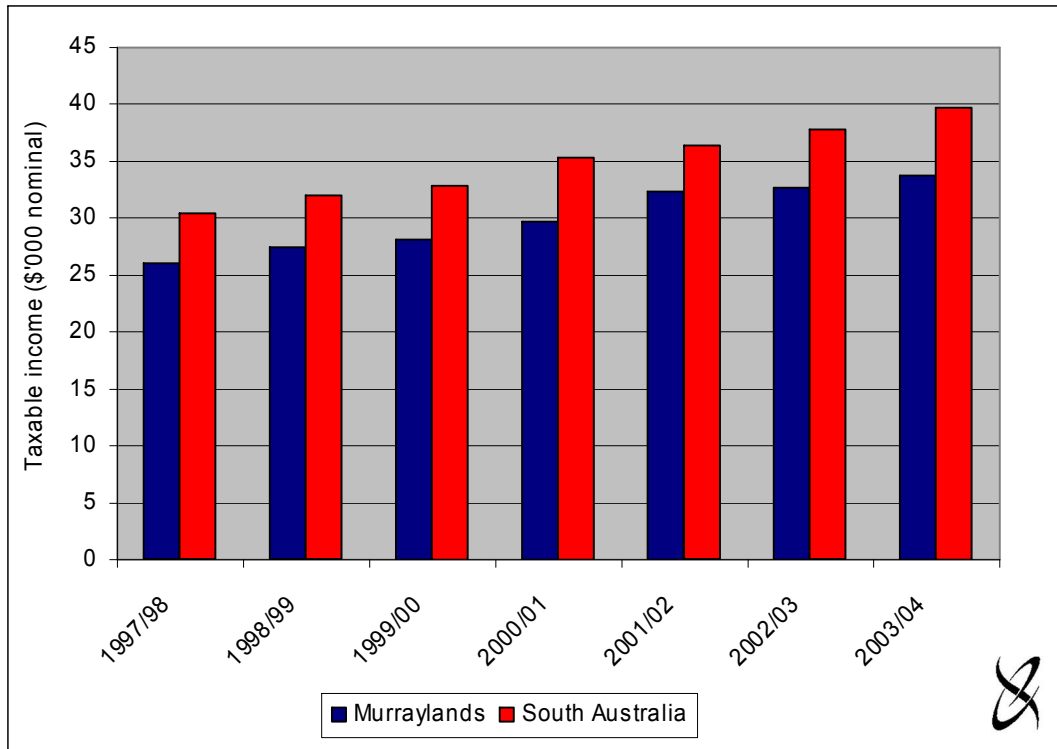
The proportion of taxable individuals (compared to non-taxable individuals) in the Murraylands fluctuated slightly over the six year period, ranging from 76 per cent to 79 per cent. In the 2003/04, there were 16,770 taxable and 5,195 non-taxable⁷ individuals in the Murraylands, the proportion of taxable individuals was 76 per cent. Despite a slight decrease over the six year period (from 84 per cent to 81 per cent), the proportion of taxable individuals in SA as a whole was greater than the Murraylands in all years.

The mean individual taxable incomes in the Murraylands and SA for the period 1997/98 to 2003/04 are illustrated below in Figures 5.1 (nominal terms) and 5.2 (real terms).

Taxable income is the amount remaining after deducting from assessable income all allowable deductions under the *Income Tax Assessment Act 1936*. Taxable income is the amount to which tax rates are applied. Average taxable income in an area is the taxable income per person (calculated by dividing the total taxable income for the region by the total number of taxable individuals).

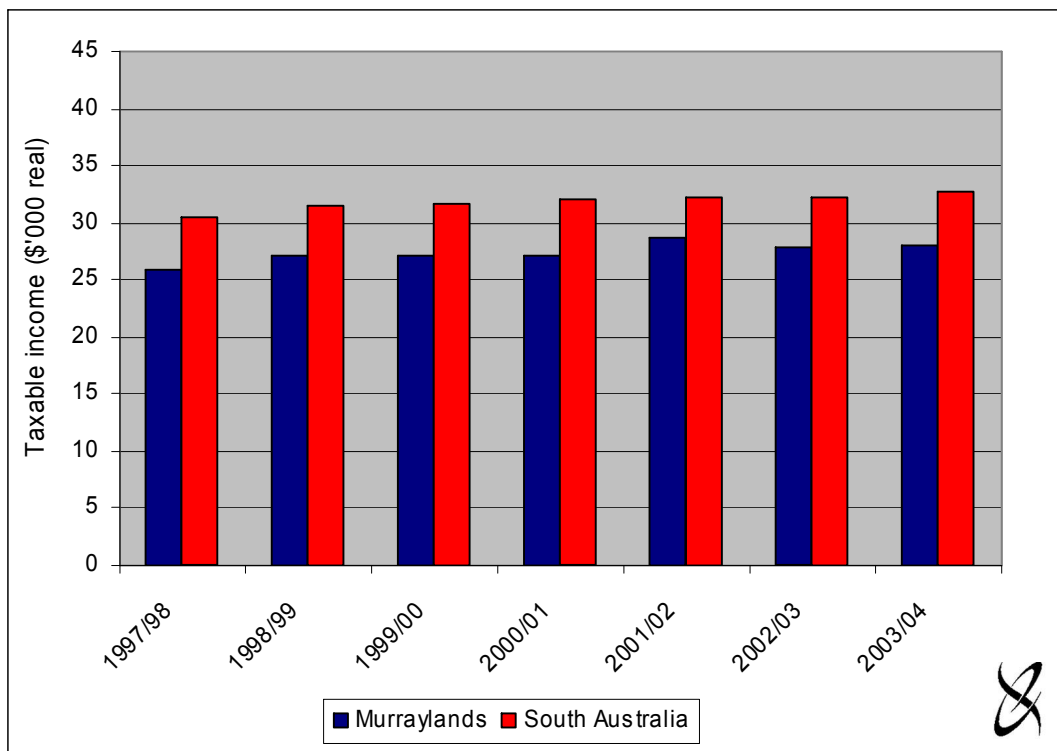
⁷ An individual is considered non-taxable when the net tax payable by the individual is equal to zero.

Figure 5.1 Nominal mean individual taxable income in the Murraylands and SA, 1997/98 to 2003/04



Source: ATO (2006).

Figure 5.2 Real mean individual taxable income in the Murraylands and SA, 1997/98 to 2003/04 ^a



^a In 1997/98 dollars.

Source: ATO (2006) and ABS (2006c).



The mean individual taxable income in the Murraylands was consistently lower than the state average, over the period 1997/98 to 2003/04, in both nominal and real terms. In the Murraylands the mean individual taxable income increased in nominal terms, from approximately \$26,000 in 1997/98 to \$34,000 in 2003/04. For SA the mean individual taxable income increased steadily over the six year period from \$30,000 in 1997/98 to \$40,000 in 2003/04 (Table 5.1 and Figure 5.1).

5.2 Income Source

Total income, salaries and wages, Commonwealth benefits and payments and gross tax are detailed in Table 5.2 for the Murraylands and SA for the period 1997/98 to 2003/04. The proportion of total income sourced from Commonwealth benefits and payments, salaries and wages, other income sources and paid in gross tax is illustrated in Figures 5.3 to 5.6 respectively.

Salary and wages comprise salary, wages and other labour costs actually paid or payable to persons employed. Commonwealth benefits and payments include payments such as social security, unemployment, sickness or special benefits, formal training allowances, AuStudy, AbStudy, New Start Allowance, Youth Allowance, Age Pension and Disability Support Pension. Other income includes income earned from Commonwealth benefits and payments and sources other than salaries and wages. Other income sources (i.e. excluding wages and salaries and Commonwealth benefits and payments) could include investment related income such as interest, rent or dividends.

In the Murraylands, the proportion of total income sourced from Commonwealth benefits and payments generally followed a declining trend over the period 1997/98 to 2003/04. Despite this, it was consistently higher than for SA over the seven years. In 1997/98 Commonwealth benefits and payments accounted for 1.03 per cent of total income in the Murraylands region and 1.19 per cent in SA as a whole. By 2003/04, the proportion of benefits and payments was 1.0 per cent in the Murraylands region and 0.83 per cent in SA (Table 5.2 and Figure 5.3).

The proportion of total income sourced from salaries and wages, in the Murraylands remained relatively stable ranging between 49 and 52 per cent. The proportion of salaries and wages remained relatively stable in SA averaging around 77 per cent over the seven years (Table 5.2 and Figure 5.4).

The proportion of total taxable income attributable to other income sources fluctuated slightly over the period 1997/98 to 2003/04 in the Murraylands, ranging between 47 and 50 per cent. For SA the proportion of total income attributable to other income sources remained relatively stable over the seven years at around 22 per cent (Table 5.2 and Figure 5.5).

In the Murraylands, tax as a proportion of total income varied slightly over the seven years averaging around 15 per cent. For SA, the proportion of tax also remained relatively stable averaging around 23 per cent over the seven years (Table 5.2 and Figure 5.6).

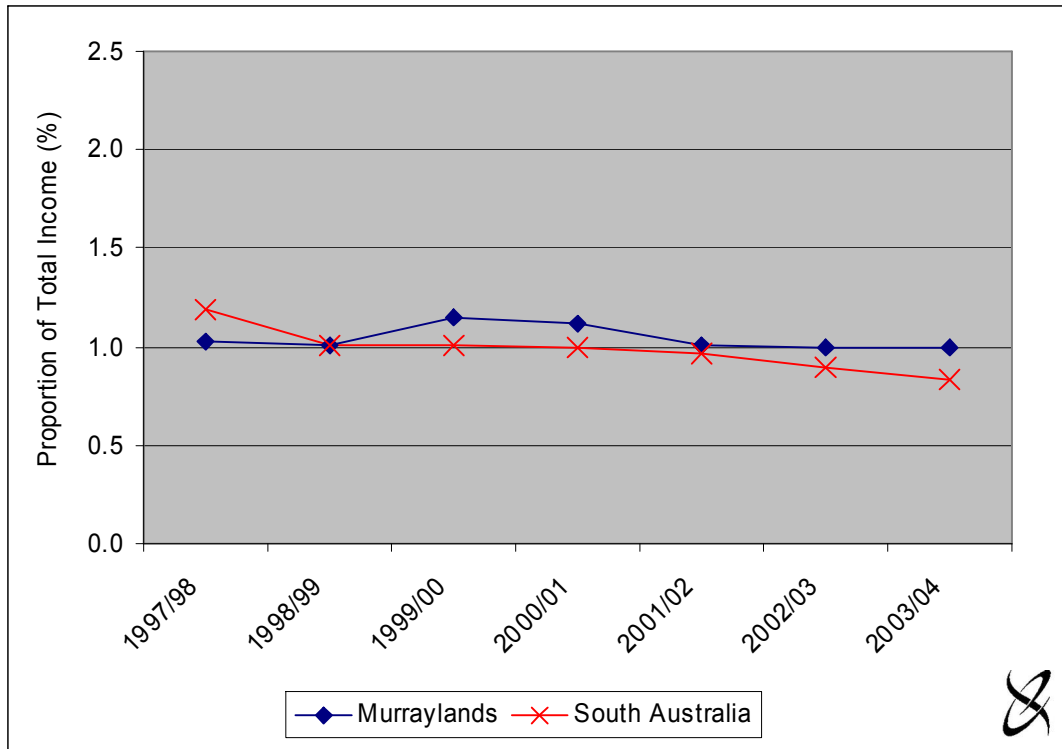
Table 5.2 Total income and some of its components for the Murraylands and SA, 1997/98 to 2003/04

| Year | 1997/98 | 1998/99 | 1999/00 | 2000/01 | 2001/02 | 2002/03 | 2003/04 |
|--|------------|------------|------------|------------|------------|------------|------------|
| Murraylands | | | | | | | |
| Salaries and Wages (\$'000) | 302,750 | 324,475 | 253,362 | 343,761 | 360,370 | 378,329 | 401,733 |
| Commonwealth Benefit and Payments (\$'000) | 6,216 | 6,243 | 5,607 | 7,527 | 7,455 | 7,503 | 7,688 |
| Other Income (\$'000) | 293,901 | 291,163 | 230,291 | 322,541 | 373,484 | 364,675 | 363,113 |
| Total Income (\$'000) | 602,867 | 621,881 | 489,261 | 673,829 | 741,309 | 750,507 | 772,535 |
| Gross Tax (\$'000) | 92,335 | 97,579 | 76,570 | 96,066 | 113,442 | 114,603 | 117,928 |
| South Australia | | | | | | | |
| Salaries and Wages (\$'000) | 15,190,573 | 16,421,754 | 16,618,824 | 17,455,865 | 18,219,691 | 19,357,598 | 20,654,259 |
| Commonwealth Benefit and Payments (\$'000) | 237,094 | 202,755 | 215,840 | 223,444 | 228,790 | 225,171 | 224,479 |
| Other Income (\$'000) | 4,475,898 | 3,532,267 | 4,642,005 | 4,850,295 | 5,179,735 | 5,674,652 | 6,045,757 |
| Total Income (\$'000) | 19,903,565 | 20,156,776 | 21,476,669 | 22,529,603 | 23,628,215 | 25,257,421 | 26,924,496 |
| Gross Tax (\$'000) | 4,698,261 | 4,858,282 | 5,301,943 | 5,007,441 | 5,334,679 | 5,837,576 | 6,220,474 |

^a 'Other income' includes income of taxable individuals other than that income received from 'Salaries and Wages' and 'Commonwealth Benefits and Payments'. This could include investment income such as rent, dividends and interest.

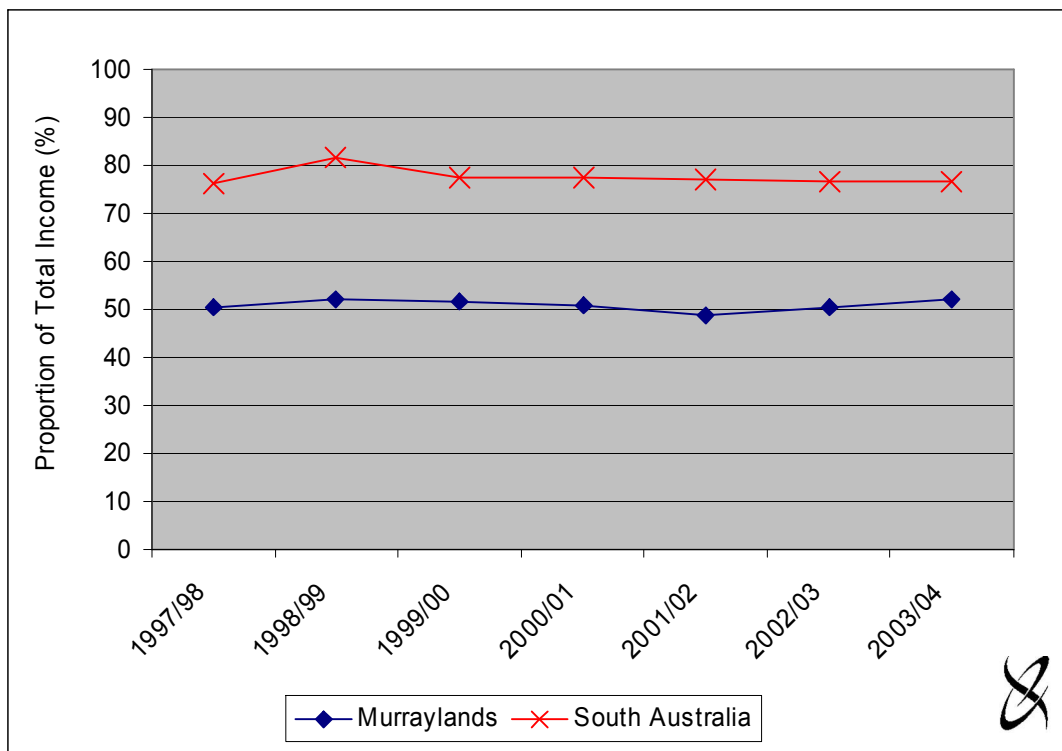
Source: ATO (2006).

Figure 5.3 Commonwealth benefits and payments in the Murraylands and SA, 1997/98 to 2003/04



Source: ATO (2006).

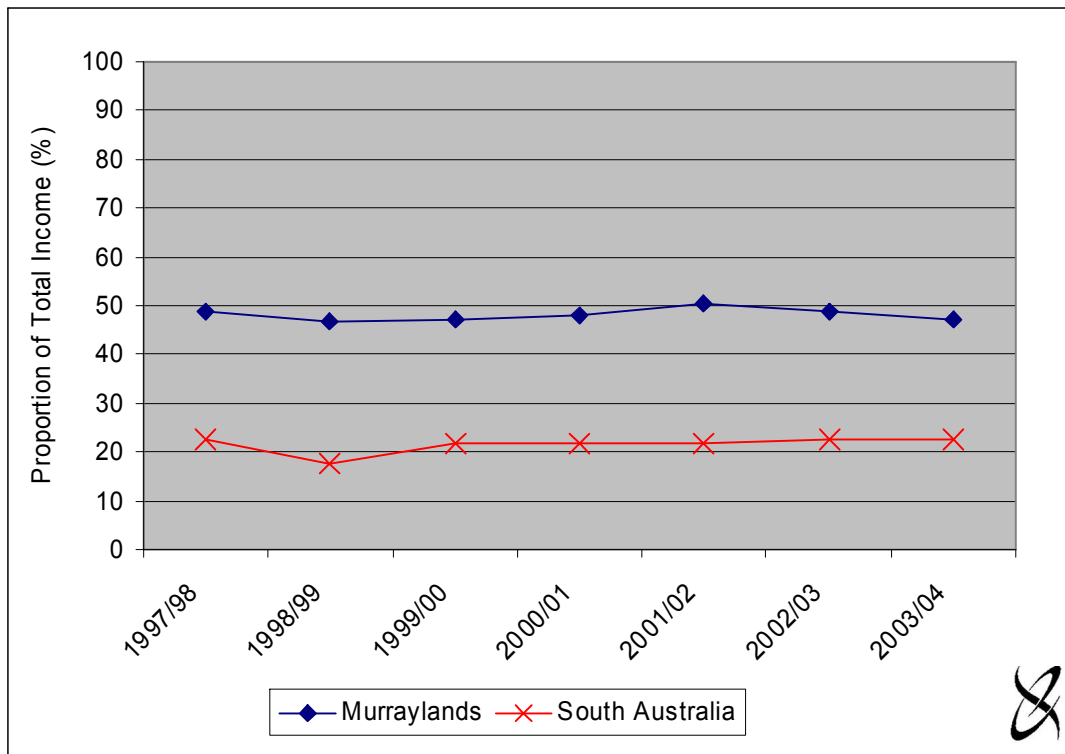
Figure 5.4 Salaries and wages in the Murraylands and SA, 1997/98 to 2003/04



Source: ATO (2006).

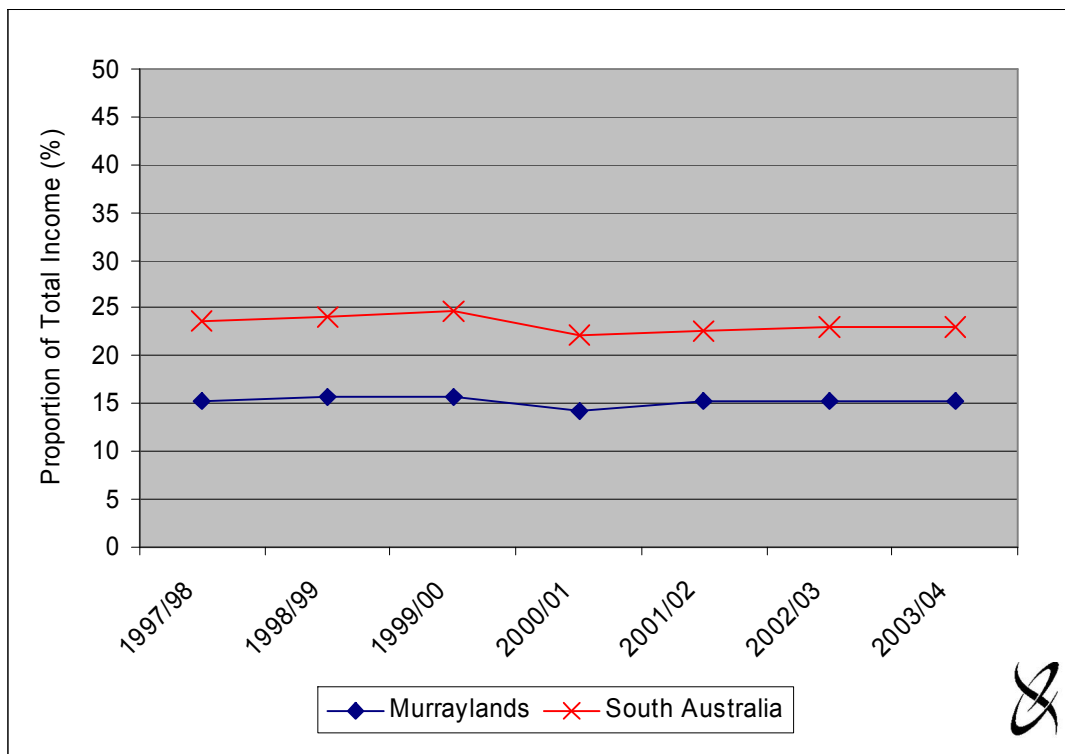


Figure 5.5 Other income in the Murraylands and SA, 1997/98 to 2003/04



Source: ATO (2006).

Figure 5.6 Gross tax in the Murraylands and SA, 1997/98 to 2003/04



Source: ATO (2006).

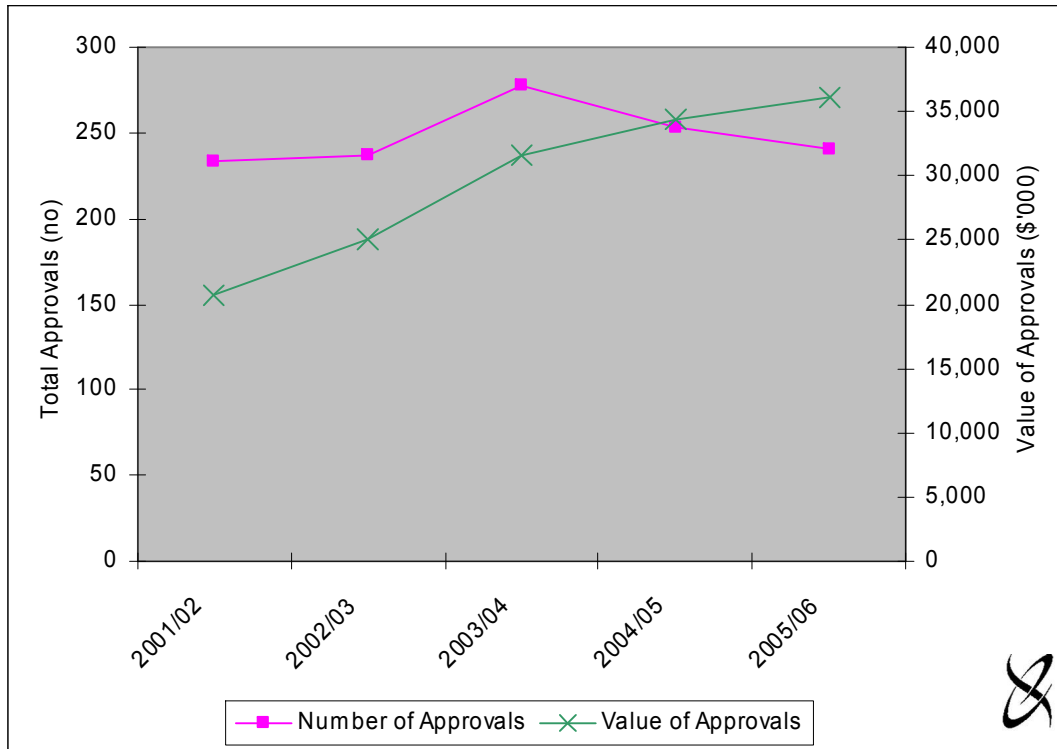


6. Building Approvals

This section provides the number and value of approvals for new residential dwellings in the Murraylands and SA.

The number and total value of approvals in the Murraylands region and SA are illustrated in Figures 6.1 and 6.2 respectively, for the period 2001/02 to 2005/06.

Figure 6.1 Number and value of new residential dwelling approvals in the Murraylands, 2001/02 to 2005/06



Source: ABS (2006d).

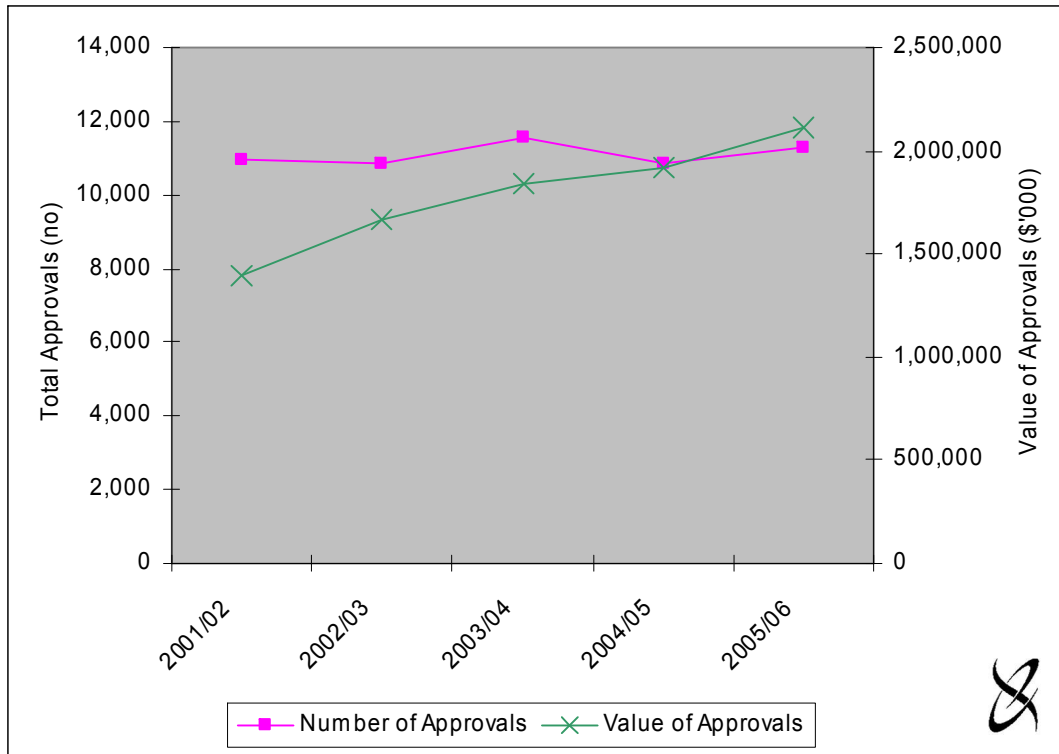
The total number of building approvals in the Murraylands increased between 2001/02 and 2003/04, but has decreased in subsequent years. The total value of approvals also increased, from \$20.8 million in 2001/02 to \$36.1 million in 2005/06, an increase of 74 per cent (Figure 6.1).

Comparison of the two end years (2001/02 and 2005/06) highlights the significant increase in the value of building approvals in SA. The total number of approvals was 3 per cent greater in 2005/06 than in 2001/02, while the total value was 51 per cent higher (Figure 6.2).

The average value per approval in the Murraylands and SA for the period 2001/02 to 2005/06, is illustrated in Figure 6.3. The average value per approval in the Murraylands increased by approximately 68 per cent, from \$89,000 in 2001/02 to \$150,000 in 2005/06. For SA, the value per approval increased from \$128,000 in 2001/02 to \$186,000 in 2005/06, an increase of 46 per cent.

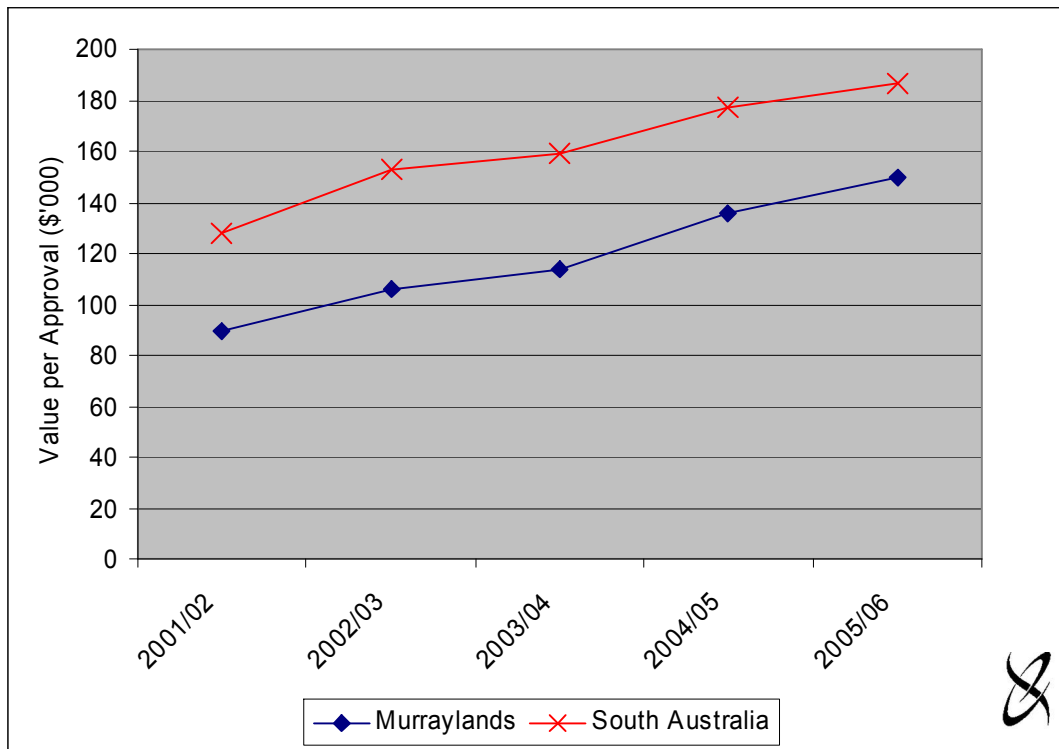


Figure 6.2 Number and value of new residential dwelling approvals in SA, 2001/02 to 2005/06



Source: ABS (2006d).

Figure 6.3 Average value per approval in the Murraylands and SA, 2001/02 to 2005/06



Source: ABS (2006d).



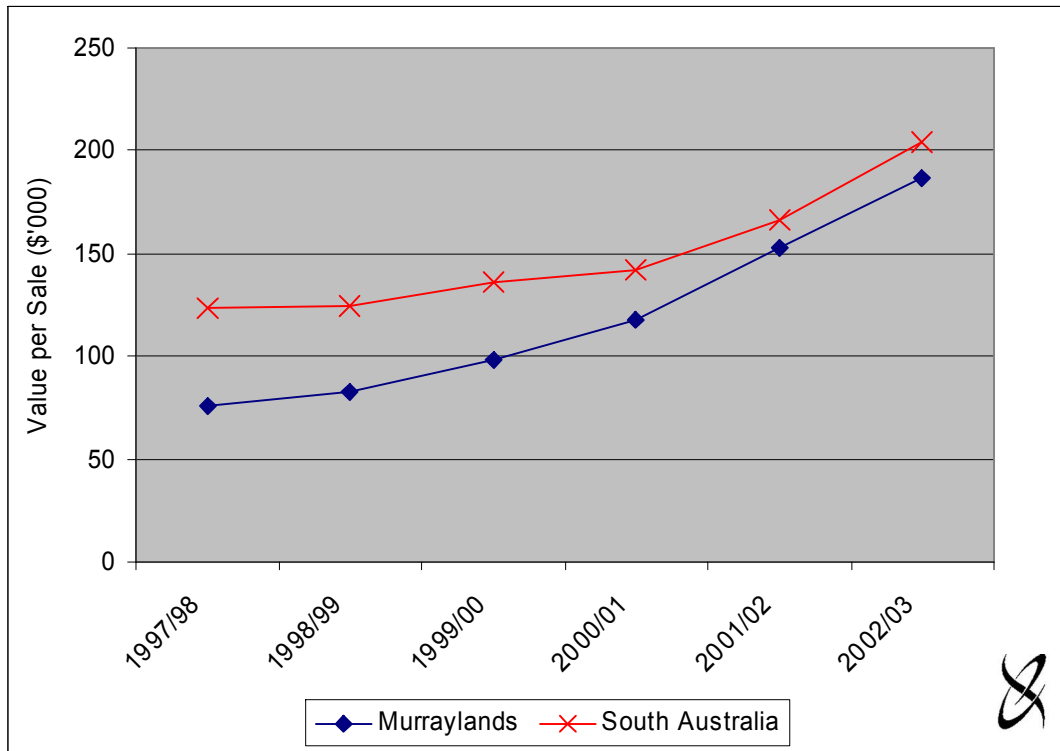
7. Property Sales

This section provides information relating to the value and number of residential property sales and the number of commercial and primary production sales. Data are reported for the Murraylands and SA to allow for comparison.

7.1 Residential Sales

The average value of residential property sales in the Murraylands and SA are illustrated in Figure 7.1 for the period 1997/98 to 2002/03.

Figure 7.1 Average value of residential property sales in the Murraylands and SA, 1997/98 to 2002/03



Source: ABS (2004).

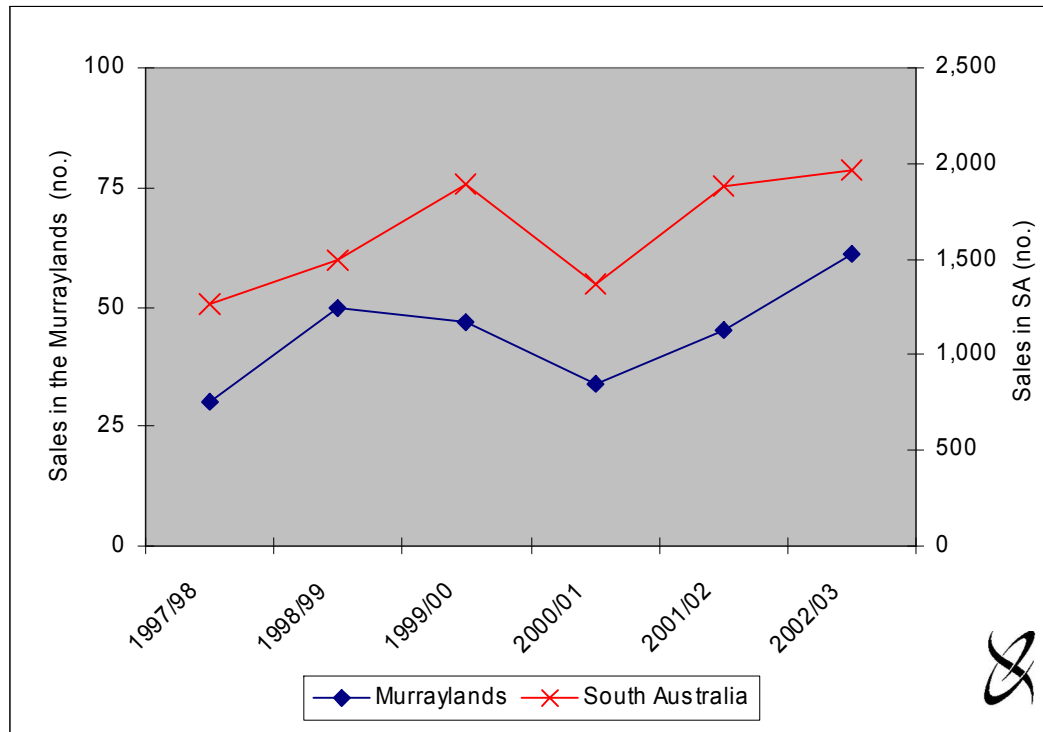
The average value of residential property sales in the Murraylands increased by almost 146 per cent over the five year period, from approximately \$76,000 in 1997/98, to \$187,000 in 2002/03. Despite the increase, the average value per sale in SA was consistently higher than in the Murraylands. The average value of residential property sales in SA increased over the five year period to 2002/03, from almost \$124,000 to \$204,000, an increase of approximately 65 per cent.



7.2 Commercial Sales

The number of commercial property sales in the Murraylands and SA is illustrated in Figure 7.2 for the period 1997/98 to 2002/03.

Figure 7.2 Number of commercial property sales in the Murraylands and SA, 1997/98 to 2002/03



Source: ABS (2004).

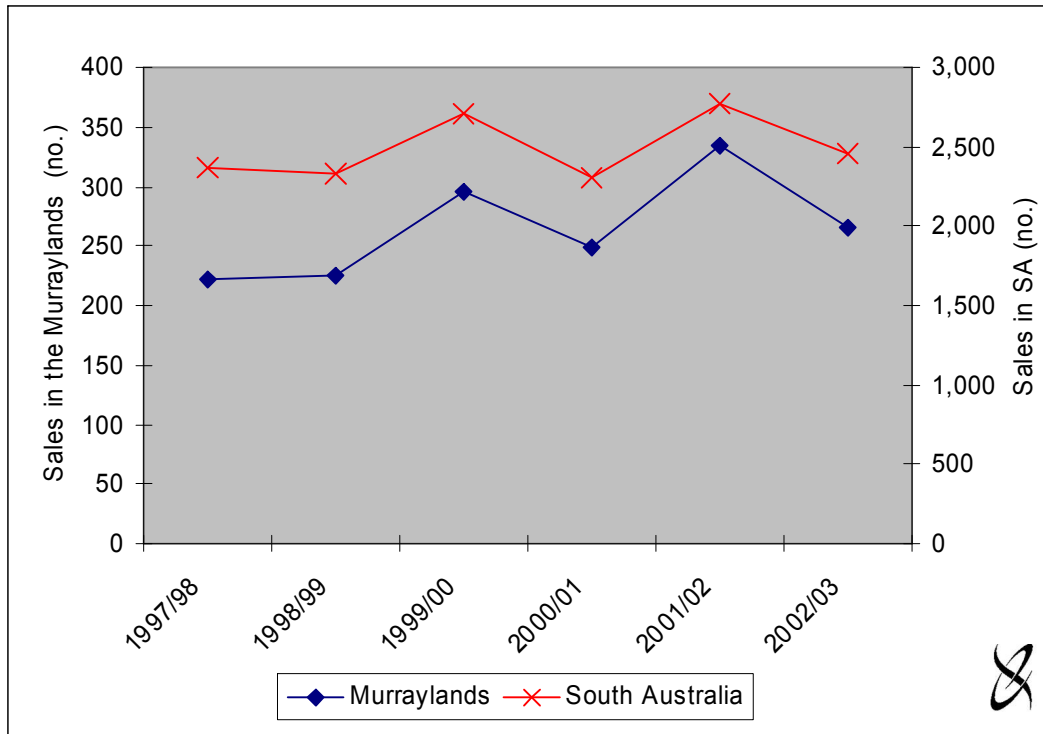
The number of commercial property sales in the Murraylands generally followed an increasing trend over the six years, despite decreases in 1999/00 and 2000/01. The total number of sales increased from 30 in 1997/98 to 60 in 2002/03. The total number of sales in SA followed a similar trend, generally increasing over the period despite a decrease in 2000/01.

7.3 Primary Production Sales

The total number of primary production property sales in the Murraylands and SA is illustrated in Figure 7.3 for the period 1997/98 to 2002/03.



Figure 7.3 Number of primary production property sales in the Murraylands and SA, 1997/98 to 2002/03



Source: ABS (2004).

The total number of primary production sales in the Murraylands and SA followed a similar trend. Both fluctuating over the six years, but generally followed an increasing trend.



8. Motor Vehicles

8.1 New Motor Vehicle Sales

The number of new motor vehicle sales in the Murraylands and SA for the years 2001/02 and 2003/04 is detailed in Table 8.1 below.

Table 8.1 New motor vehicle sales in the Murraylands and SA, 2001/02 and 2003/04

| Year | Sales (no.) | | Regional sales as a proportion of SA total |
|---------|-------------|-----------------|--|
| | Murraylands | South Australia | |
| 2001/02 | 949 | 50,776 | 1.87% |
| 2002/03 | 993 | 56,634 | 1.75% |
| 2003/04 | 1,140 | 63,256 | 1.80% |

Source: ABS (2004).

The number of new motor vehicle sales in the Murraylands increased by 20 per cent between 2001/02 and 2003/04. For SA as a whole, the number of new motor vehicle sales increased by almost 25 per cent. Sales in the Murraylands as a proportion of the state total averaged around 1.8 per cent over the three years.

8.2 Motor Vehicle Registrations

The total number of registered motor vehicles in the Murraylands and SA for the years 2002/03 to 2004/05 is detailed in Table 8.2 below.

The total number of registered vehicles in the Murraylands increased by approximately 2 per cent over the three years, while registrations state wide increased by 3 per cent.

Table 8.2 Motor vehicle registrations in the Murraylands and SA, 2002/03 to 2004/05

| Vehicle Type | Number of Registrations | | | | | |
|-----------------------------|-------------------------|---------|---------|-----------------|-----------|-----------|
| | Murraylands | | | South Australia | | |
| | 2002/03 | 2003/04 | 2004/05 | 2002/03 | 2003/04 | 2004/05 |
| Campervans | 136 | 133 | 128 | 4,393 | 4,306 | 4,176 |
| Light rigid trucks | 83 | 81 | 85 | 4,155 | 4,382 | 4,605 |
| Heavy rigid trucks | 937 | 898 | 885 | 21,467 | 21,557 | 21,559 |
| Buses | 102 | 101 | 114 | 4,285 | 4,174 | 4,233 |
| Motorcycles | 763 | 782 | 762 | 28,454 | 29,382 | 30,676 |
| Passenger vehicles | 12,660 | 12,847 | 12,883 | 873,449 | 886,931 | 897,332 |
| Light commercial vehicles | 4,613 | 4,718 | 4,761 | 132,754 | 137,252 | 141,041 |
| Articulated trucks | 228 | 241 | 246 | 6,436 | 6,224 | 6,344 |
| Non freight carrying trucks | 20 | 20 | 21 | 1,761 | 1,715 | 1,746 |
| Total | 19,542 | 19,821 | 19,885 | 1,077,154 | 1,095,923 | 1,111,712 |

Source: ABS (2005c)

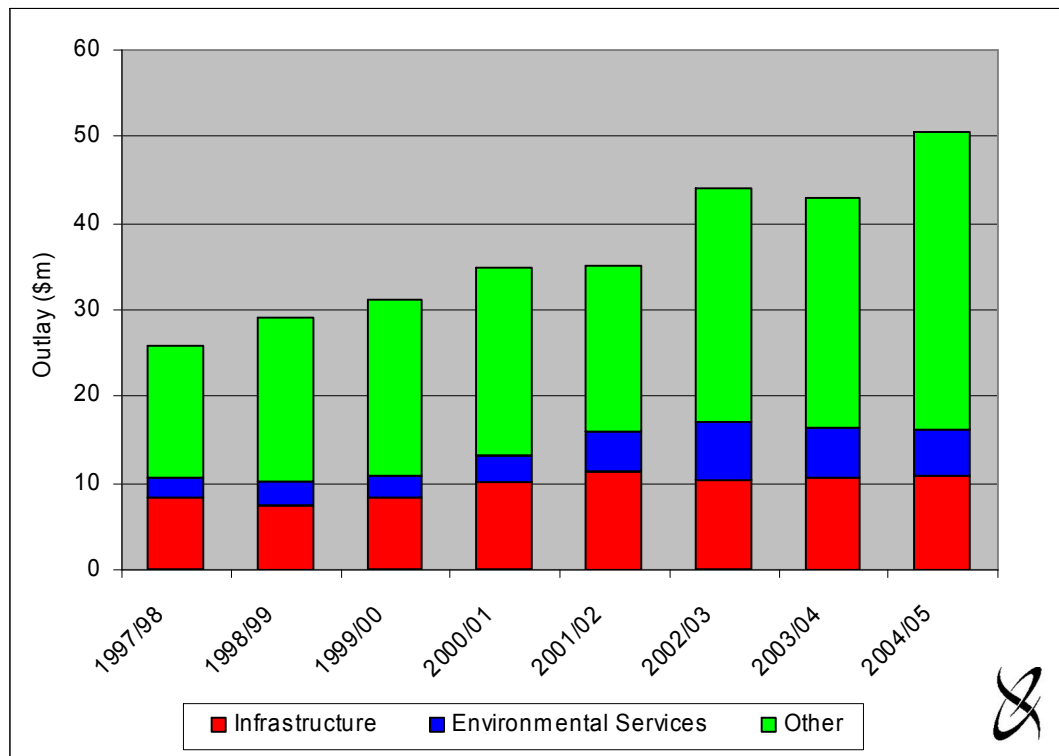


9. Local Government Finance

Outlay by local government in the Murraylands and SA is detailed in Figures 9.1 and 9.2 respectively, for the period 1997/98 to 2004/05. Total local government outlay has been divided into three categories:

- infrastructure;
- environmental services; and
- other outlay.

Figure 9.1 Local government outlay in the Murraylands, 1997/98 to 2004/05

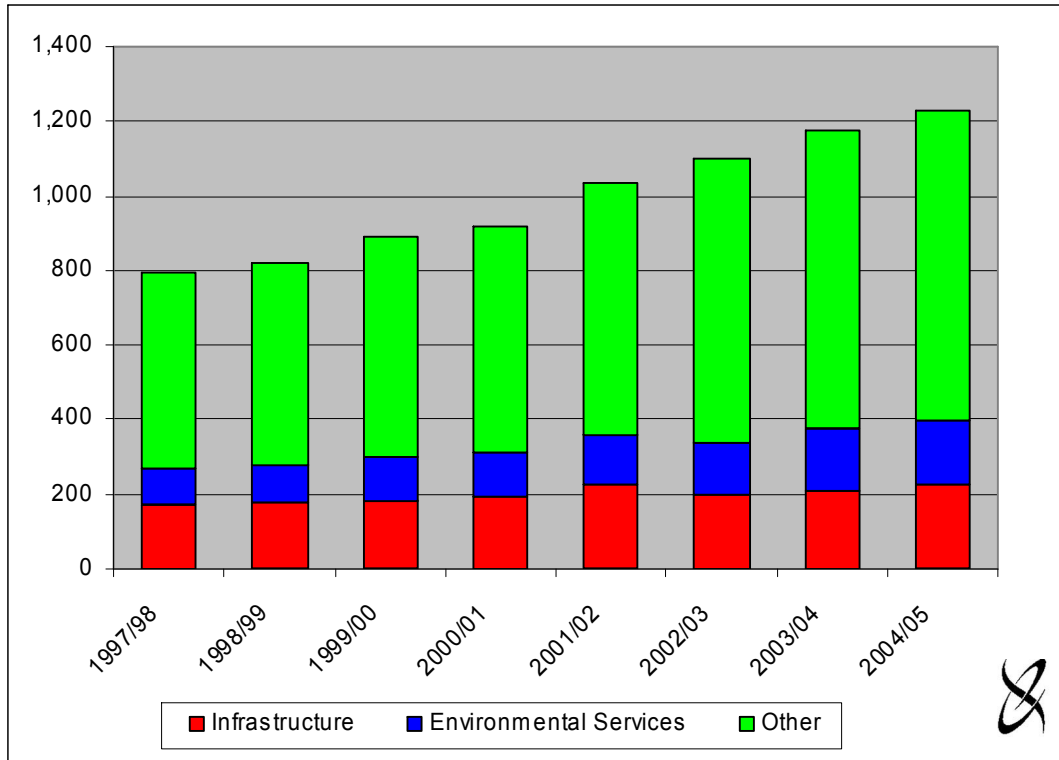


Source: South Australian Local Government Grants Commission (by request).

Despite a slight decrease in 2003/04, total local government outlay in the Murraylands followed an increasing trend over the eight years, 1997/98 to 2004/05. Total outlay increased by approximately 94 per cent from \$25.9 million in 1997/98 to \$50.5 million in 2004/05. Outlay on infrastructure generally increased over the period, ranging between \$7.3 million in 1998/99 and \$10.9 million in 2004/05. Outlay on environmental services fluctuated over the eight years, ranging between \$2.4 million in 1997/98 and \$6.6 million in 2002/03. Total other outlay increased by 125 per cent from \$15.2 million in 1997/98 to \$34.2 million in 2004/05 (Figure 9.1).



Figure 9.2 Local government outlay in SA, 1997/98 to 2004/05



Source: South Australian Local Government Grants Commission (by request).

Over the eight years, on average, expenditure on infrastructure accounted for approximately 27 per cent of total local government outlay in the Murraylands and 20 per cent in SA. Outlay on environmental services accounted for 11 per cent of total outlay in the Murraylands and 13 per cent in SA.



10. Business Registrations

Single location business registrations in the Murraylands region and for SA are detailed in Table 10.1 below.

Table 10.1 Single location business registrations in the Murraylands and SA, 2001

| Industry | 2001 | | | |
|------------------------------------|--------------------|---------------|-----------------|---------------|
| | Murraylands Region | | South Australia | |
| | (no.) | % of total | (no.) | % of total |
| Agriculture, Forestry & Fishing | 2,123 | 51.8% | 23,195 | 15.3% |
| Mining | n.a. | - | 488 | 0.3% |
| Manufacturing | 142 | 3.5% | 8,661 | 5.7% |
| Electricity, Gas & Water Supply | n.a. | - | 121 | 0.1% |
| Construction | 365 | 8.9% | 18,946 | 12.5% |
| Wholesale Trade | 94 | 2.3% | 5,316 | 3.5% |
| Retail Trade | 406 | 9.9% | 16,508 | 10.9% |
| Accommodation, Cafes & Restaurants | 84 | 2.1% | 3,627 | 2.4% |
| Transport & Storage | 149 | 3.6% | 8,316 | 5.5% |
| Communication Services | 22 | 0.5% | 2,143 | 1.4% |
| Finance & Insurance | 75 | 1.8% | 14,552 | 9.6% |
| Property & Business Services | 368 | 9.0% | 28,668 | 19.0% |
| Government Admin & Defence | 12 | 0.3% | 393 | 0.3% |
| Education | 20 | 0.5% | 2,247 | 1.5% |
| Health & Community Services | 87 | 2.1% | 6,828 | 4.5% |
| Cultural & Recreational Services | 70 | 1.7% | 3,977 | 2.6% |
| Personal & Other Services | 73 | 1.8% | 6,973 | 4.6% |
| Industry Not Stated | 5 | 0.1% | 235 | 0.2% |
| Total | 4,544 | 100.0% | 151,194 | 100.0% |

Source: ABS (2002).

According to the Australian Business Register, there were 4,544 single location business registrations within the Murraylands in 2001. The majority of these businesses were in the agriculture, forestry and fishing (51.8 per cent), retail trade (9.9 per cent), property and business services (9.0 per cent) and construction (8.9 per cent) industries (Table 10.1). Together, these four industries made up more than three-quarters of all single location business registrations in the region.

The breakdown of business registrations by industry highlights some differences between the Murraylands and SA (Table 10.1). The most significant differences occurred in the following sectors:

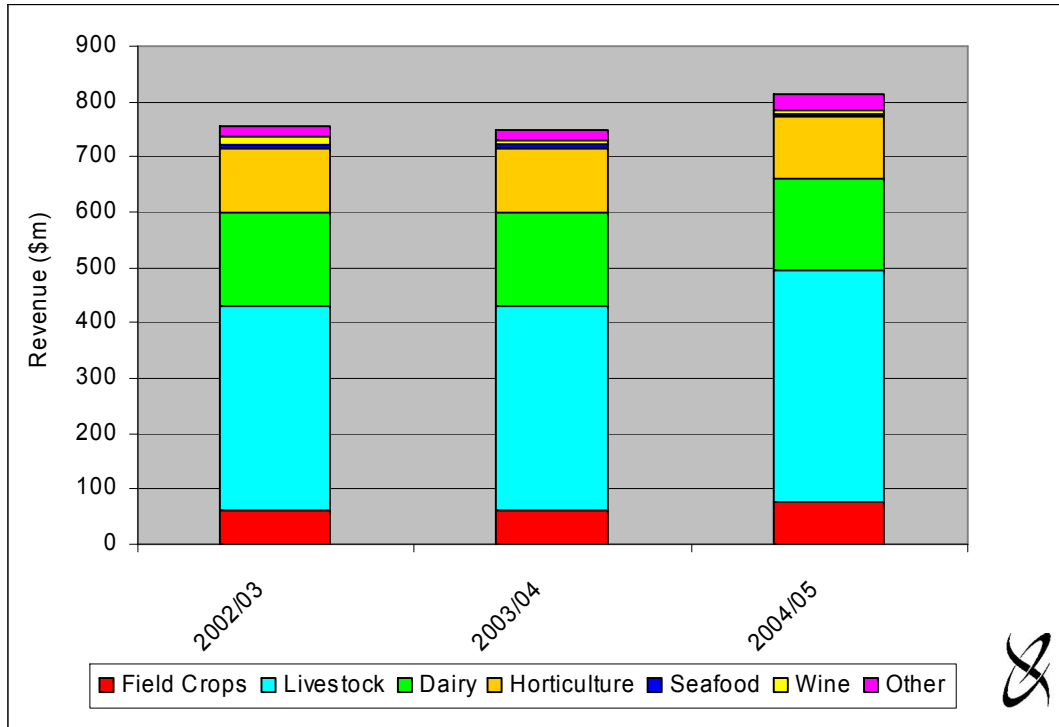
- agriculture, forestry and fishing – 51.8 per cent in the Murraylands and 15.3 per cent in SA;
- property and business services – 9.0 per cent in the Murraylands and 19.0 per cent in SA; and
- finance and insurance – 1.8 per cent in the Murraylands and 9.6 per cent in SA.



11. Value of Food Production

The breakdown of the total value of food production is illustrated in Figures 11.1 and 11.2 for the Murraylands and SA respectively.

Figure 11.1 Gross value of food production in the Murraylands, 2002/03 to 2004/05

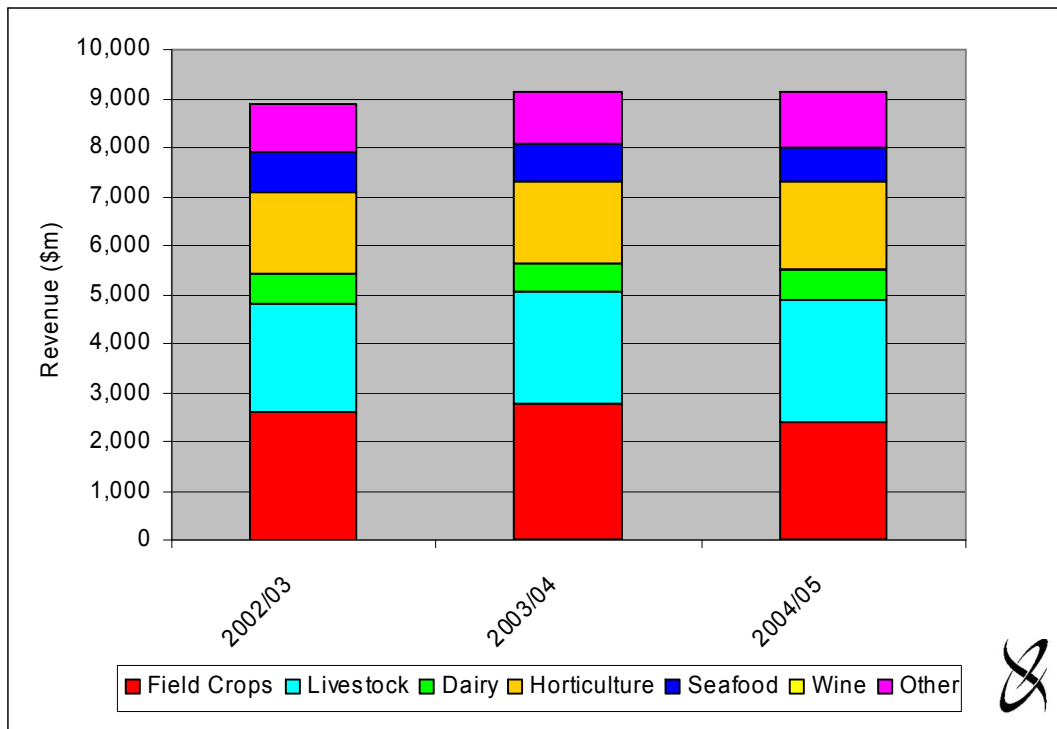


Source: PIRSA (2005).

Agricultural activities in the Murraylands are concentrated in the livestock, dairy and horticulture sectors which, in 2004/05, accounted for over 85 per cent of the region’s gross food and wine revenue. Field crops, wine, and seafood comprised 9.5 per cent, 1.1 per cent, and 0.6 per cent respectively of gross food and wine revenue for 2004/05 (Figure 11.1). The Murraylands region’s gross food revenue of \$813.9 million in 2004/05 represents 8.9 per cent of the state’s gross food revenue. The key livestock industries in the Murraylands are pigs, beef, wool, sheep and poultry meat and egg production. The horticulture industry is comprised mainly of potatoes, onions, lettuces and carrots. The major field crops in the region are wheat, barley, lupins and canola.



Figure 11.2 Gross value of food production in SA, 2002/03 to 2004/05



Source: PIRSA (2005).



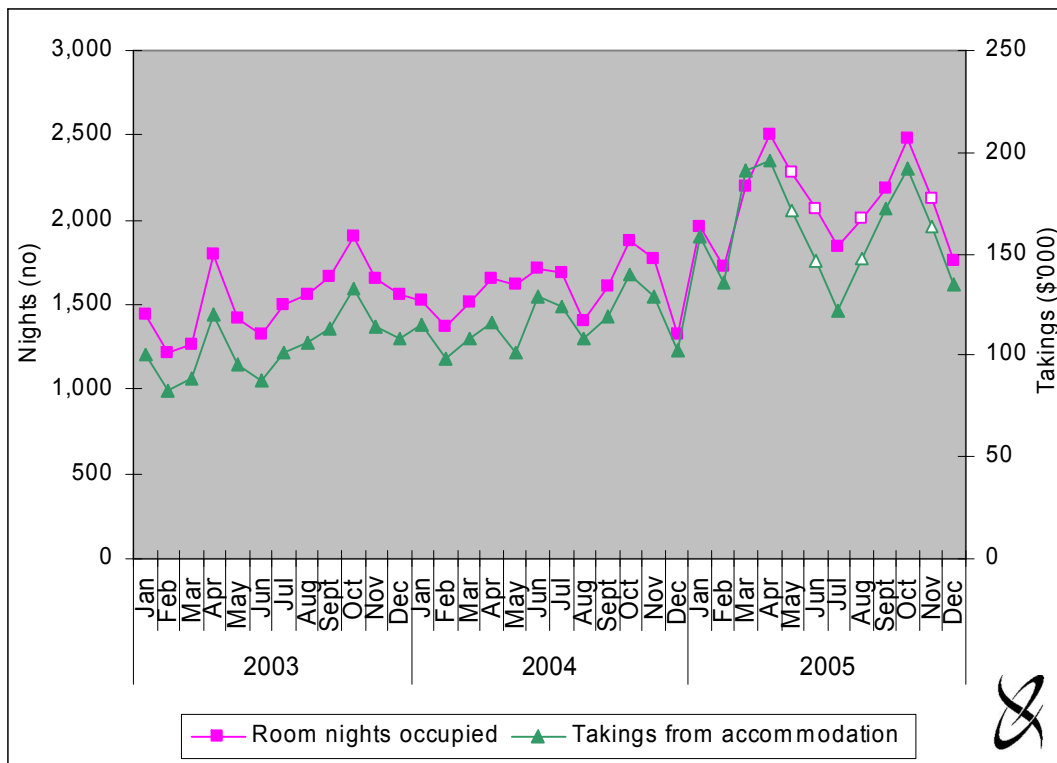
12. Tourism

This section provides descriptive and comparative statistics of some tourism related indicators including accommodation takings⁸ and room occupancy rate⁹ for hotels, motels and serviced apartments with 15 or more rooms in the Murraylands and SA.

Note: Some data were unavailable for some months. Averages have been calculated where data were unavailable for illustrative purposes, based on previous and subsequent months. The months where data have been calculated are illustrated by the white data points.

The total number of rooms occupied and total accommodation takings by hotels, motels and serviced apartments with 15 or more rooms in the Murraylands are illustrated in Figure 12.1.

Figure 12.1 Rooms occupied and takings in the Murraylands, 2003 to 2005



Source: ABS (2006d).

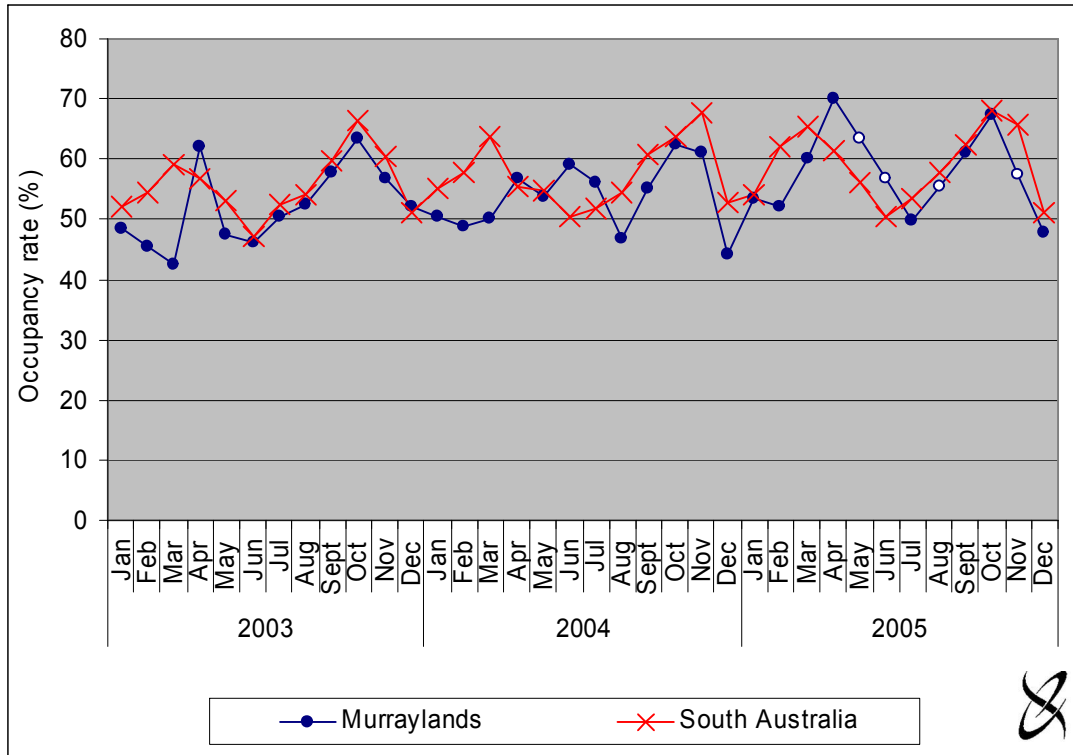
The room occupancy rate and the takings per occupied room night for hotels, motels or serviced apartments with 15 rooms or more in the Murraylands and SA are illustrated in Figures 12.2 and 12.3.

⁸ Accommodation takings include gross revenue from the provision of accommodation, including GST. Takings from meals are excluded.

⁹ Room occupancy rate (%) = (Room nights occupied ÷ Room nights available) * 100.

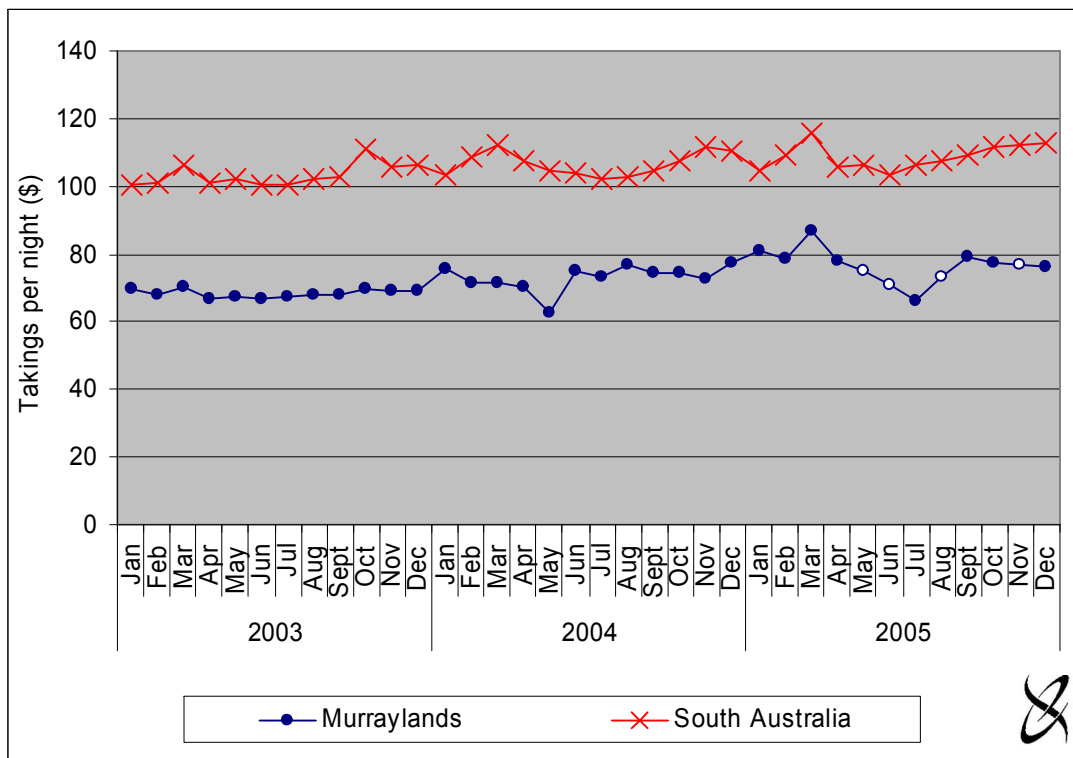


Figure 12.2 Room occupancy rate in the Murraylands and SA, 2003 to 2005



Source: ABS (2006d).

Figure 12.3 Takings per room in the Murraylands and SA, 2003 to 2005



Source: ABS (2006d).



The room occupancy rate in the Murraylands averaged 55 per cent over the three year period, while the occupancy rate in SA was slightly greater at 57 per cent (Figure 12.2). Average takings per room in the Murraylands were lower than for SA. Over the three years the average takings per room in the Murraylands was approximately \$70, while for SA it was just over \$105 dollars.



13. Gross Regional Product

Contribution to gross regional/state product (GRP/GSP) is a measure of the net contribution of an activity to the regional or national economy. Contribution to GRP/GSP is measured as value of output less the cost of goods and services (including imports) used in producing the output. In other words, it can be measured as household income plus other value added (gross operating surplus and all taxes, less subsidies). It represents payments to the primary inputs of production (labour, capital and land). Using contribution to GRP as a measure of economic impact avoids the problem of double counting that may arise from using value of output for this purpose.

Gross Regional Product can be calculated for the Murraylands from the information provided in a regional input-output table for 2002/03 (EconSearch 2005). Estimates for subsequent years have been based on changes in employment by industry at a regional level, changes in wage rates by industry and changes in business profitability, also at an industry level. GSP is published annually by the ABS as part of their National Account: State Account series.

Table 13.1 Gross regional production in the Murraylands and SA, 2002/03 to 2004/05

| | 2002/03 | 2003/04 | 2004/05 | 2005/06 |
|---|---------|---------|---------|---------|
| Murraylands | | | | |
| - GRP (\$m) | 840 | 899 | 919 | 964 |
| - Nominal growth over previous year (%) | - | 7.1% | 2.2% | 4.8% |
| - Real growth over previous year (%) | - | 4.0% | 0.1% | 1.0% |
| South Australia | | | | |
| - GRP (\$m) | 53,611 | 57,155 | 59,457 | 62,798 |
| - Nominal growth over previous year (%) | - | 6.6% | 4.0% | 5.6% |
| - Real growth over previous year (%) | - | 3.5% | 1.8% | 1.7% |

Source: ABS (2005b), EconSearch (2005) and EconSearch analysis.

The Murraylands and SA GRP/GSP were \$840 million and \$53,611 million, respectively, in 2002/03. The GRP of the Murraylands region comprised approximately 1.5 per cent of the SA GSP over the four years.

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