

# ECONOMIC OUTLOOK REPORT



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A PROJECT OF  
THE MURRAYLANDS REGIONAL DEVELOPMENT BOARD INC

# Murraylands Economic Outlook Report: Standard Economic Analysis (Summary)

A report prepared for



Prepared by



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EconSearch Pty Ltd  
PO Box 746, Unley BC SA 5061  
Tel: (08) 8357 9560  
Fax: (08) 8357 2299  
[www.econsearch.com.au](http://www.econsearch.com.au)

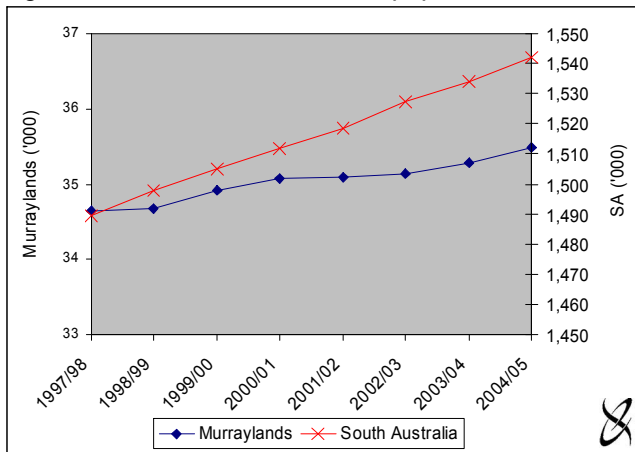




### Demographic Profile

In 2004/05 the estimated resident population in the Murraylands was 35,485 persons (Figure 1), representing 2.3 per cent of the SA total (approximately 1,542,000 persons).

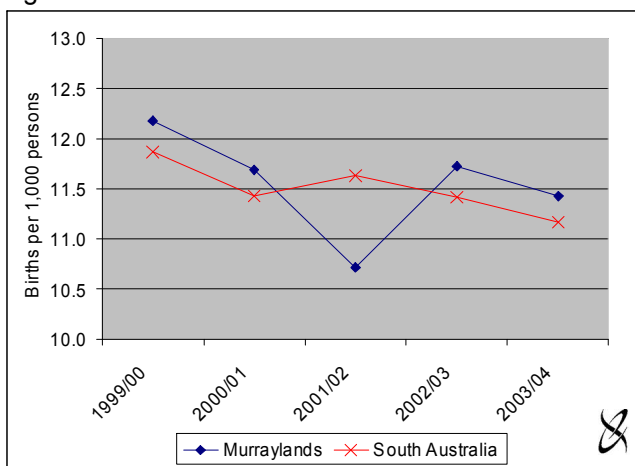
Figure 1 Estimated resident population



Source: Australian Bureau of Statistics

The number of births in the Murraylands fell from 425 in 1999/00 to 403 in 2003/04. The number of births in SA fell from 18,005 to 17,140 (Figure 2).

Figure 2 Crude birth rates

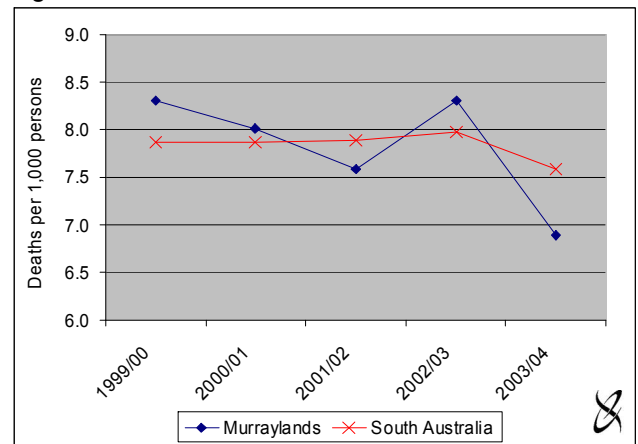


Source: Australian Bureau of Statistics

The number of deaths in the Murraylands 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 number of deaths and the death rate increased slightly between 1999/00 and 2002/03. In 1999/00 there were 11,843 deaths in SA, by 2002/03 this had increased to 12,185. The crude death rate for SA increased from 7.9 in 1997/98 to 8.0 in 2002/03 (Figure 2.3). The number of deaths in SA decreased in 2003/04 to 11,629, the death rate was 7.6.

Figure 3 Crude death rates



Source: Australian Bureau of Statistics

Compared with SA, 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 (Table 1).

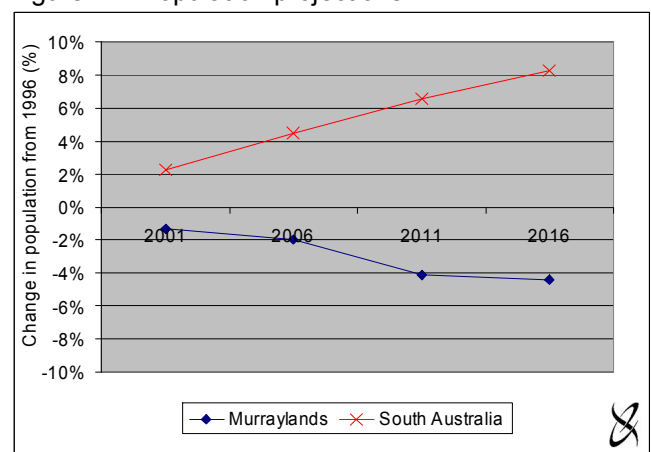
Table 1 Population age distribution

Age	Year					
	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05
<b>Murraylands</b>						
0 to 14	21%	21%	21%	21%	20%	20%
15 to 64	64%	64%	64%	64%	64%	63%
65 or older	15%	15%	15%	15%	16%	17%
Total	100%	100%	100%	100%	100%	100%
<b>South Australia</b>						
0 to 14	19%	19%	19%	19%	19%	18%
15 to 64	66%	66%	66%	66%	66%	66%
65 or older	14%	15%	15%	15%	15%	15%
Total	100%	100%	100%	100%	100%	100%

Source: Australian Bureau of Statistics

According to Planning SA projections, population in the Murraylands is likely to decline by over 4 per cent over the next decade while total SA population is likely to increase by approximately 8 per cent (Figure 4).

Figure 4 Population projections



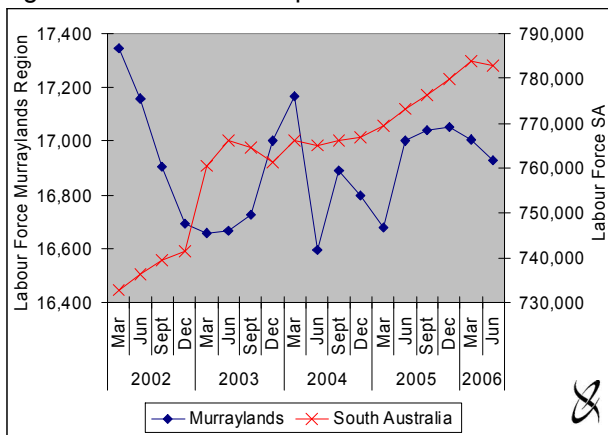
Source: Planning SA

### Labour Force Indicators

The 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 (Figure 5).

The labour force in SA fluctuated between 732,900 in March 2002 and 783,864 in March 2006 (Figure 5).

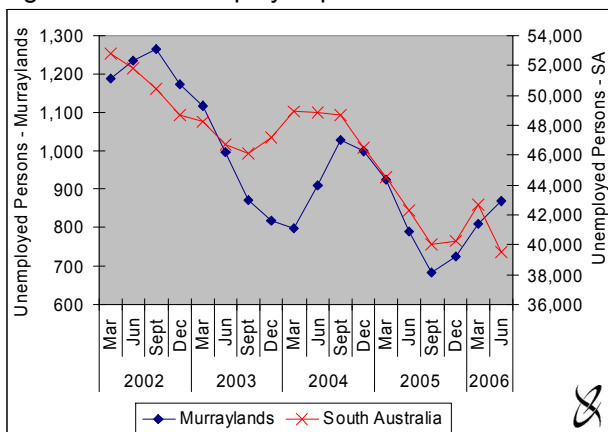
Figure 5 Number of persons in the labour force



Source: DEWR

The number of unemployed persons in the Murraylands fluctuated over the period March 2002 to June 2006, decreasing by 27 per cent overall. The number of unemployed persons in SA decreased by 25 per cent, despite some fluctuations (Figure 6).

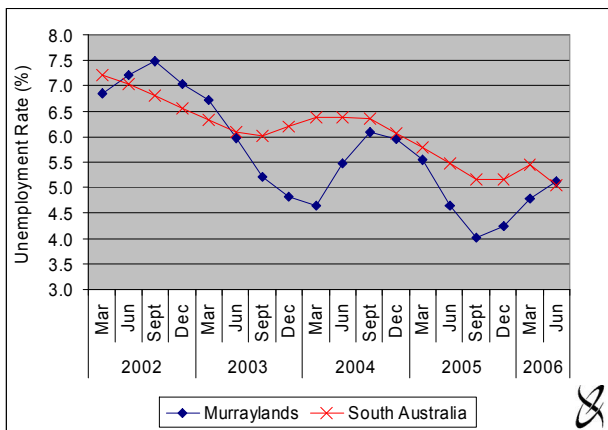
Figure 6 Unemployed persons



Source: DEWR

The unemployment rate in the Murraylands generally followed a declining trend. The unemployment rate in the Murraylands was in general slightly lower than the rate for SA (Figure 7).

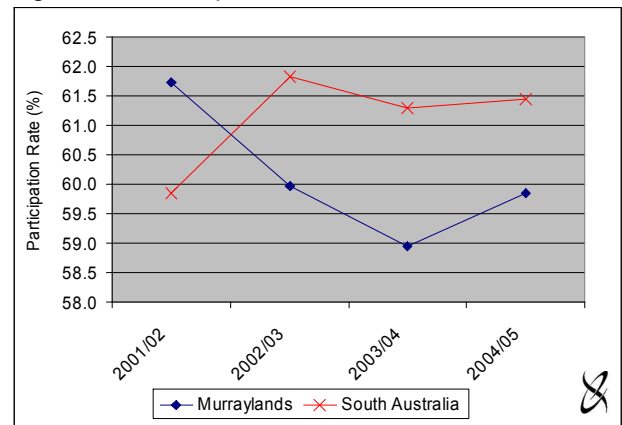
Figure 7 Unemployment rate



Source: DEWR and EconSearch analysis.

The participation rate in the Murraylands decreased between 2001/02 and 2003/04, from 62 per cent to 59 per cent. The participation rate increased between 2003/04 and 2004/05 to almost 60 per cent. The participation rate in SA fluctuated over the four years, ranging between 60 and 62 per cent (Figure 8).

Figure 8 Participation rate



Source: DEWR and EconSearch analysis.

### Education and Training

Total enrolments in Murraylands schools decreased between 2000 and 2004. Primary school enrolments decreased by 2.6 per cent, while secondary enrolments increased by 3.2 per cent (Table 2).

Table 2 School enrolments

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

Source: DEWR

The number of students attending government schools in the Murraylands declined steadily, while the number of students attending non-government schools increased (Table 2).

The number of residents in the Murraylands with a non-school qualification increased steadily over the three Census years. When compared with SA, persons aged 15 and over in the Murraylands had a below average level of qualifications in all three Census years, particularly for bachelor degree and higher qualification levels (Table 3).

**Table 3 Non-school qualifications**

Qualification	Murraylands					
	1991		1996		2001	
Postgraduate Degree	23	0%	46	0%	57	0%
Grad. Dip & Grad Cert	100	0%	136	1%	164	1%
Bachelor Degree	477	2%	648	3%	888	3%
Advanced Diploma & Diploma	1,042	4%	984	4%	875	3%
Certificate						
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%
<b>Total</b>	<b>25,463</b>	<b>100%</b>	<b>25,512</b>	<b>100%</b>	<b>26,323</b>	<b>100%</b>

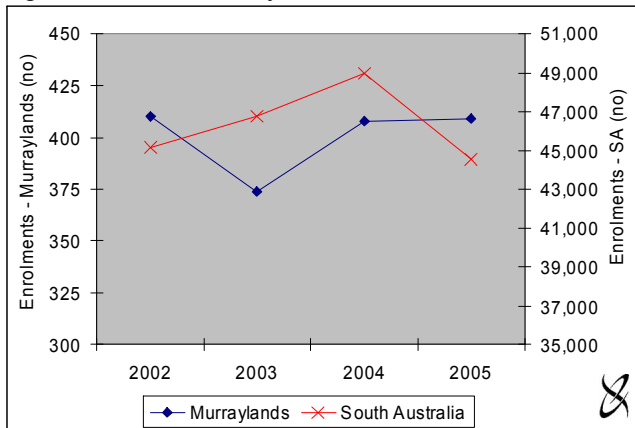
  

Qualification	South Australia					
	1991		1996		2001	
Postgraduate Degree	8,413	1%	11,632	1%	15,248	1%
Grad. Dip & Grad Cert	8,596	1%	12,539	1%	14,351	1%
Bachelor Degree	52,725	5%	72,855	6%	95,840	8%
Advanced Diploma & Diploma	57,556	5%	63,420	6%	63,412	5%
Certificate						
Certificate Level, nfd(b)	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%
<b>Total</b>	<b>1,100,291</b>	<b>100%</b>	<b>1,128,389</b>	<b>100%</b>	<b>1,171,734</b>	<b>100%</b>

Source: DFEEST

University enrolments by students from the Murraylands remained stable over the four years, except for a slight decline in 2003. The number of students from the Murraylands as a proportion of students from SA remained relatively stable over the 3 year period, at about 1 per cent (Figure 9).

**Figure 9 University enrolments**



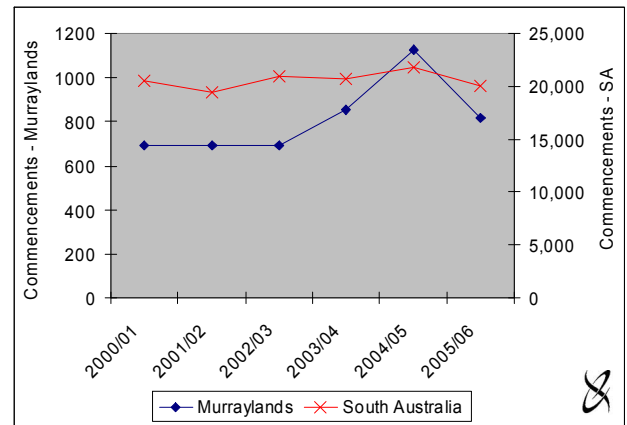
Source: Flinders University, University of South Australia and The University of Adelaide

The breakdown of enrolments by program level over the four year period highlights some differences between the Murraylands and SA.

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

The number of contract of training commencements in the Murraylands generally followed an increasing trend over the 5 year period to 2005/06 (Figure 10).

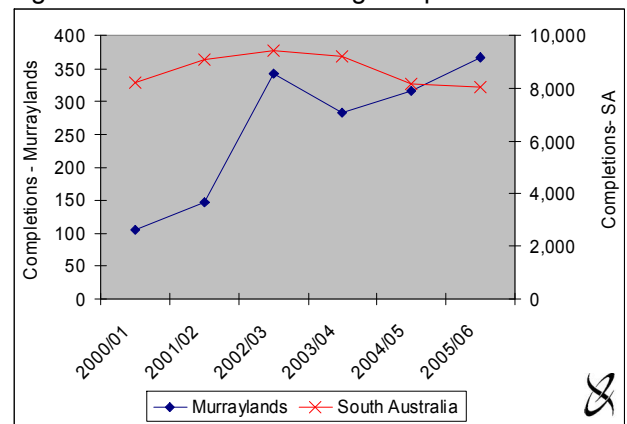
**Figure 10 Contract of training commencements**



Source: DFEEST

The number of contract of training completions in the Murraylands fluctuated over the 5 year period, but generally followed an increasing trend (Figure 11).

**Figure 11 Contract of training completions**



Source: DFEEST

**Income**

The proportion of taxable individuals in the Murraylands fluctuated over the six year period, ranging from 76 per cent to 79 per cent. Despite a slight decrease over the six year period the proportion of taxable individuals in SA was greater than the Murraylands in all years (Table 4).

**Table 4 Taxable individuals and income**

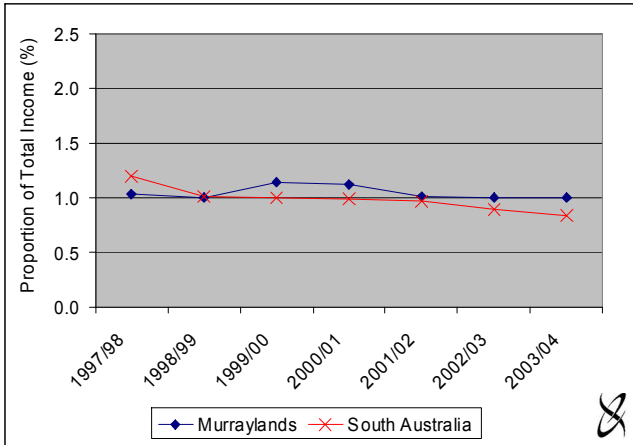
	1997/98	1998/99	1999/00	2000/01	2001/02	2002/03	2003/04
<b>Murraylands</b>							
Taxable individuals (%)	79%	77%	78%	76%	77%	76%	76%
Mean income - nominal (\$)	25,962	27,481	28,128	29,775	32,425	32,720	33,833
Mean income - real (\$)	25,962	27,124	27,081	27,121	28,738	27,882	27,987
<b>South Australia</b>							
Taxable individuals (%)	84%	82%	83%	81%	81%	81%	81%
Mean income - nominal (\$)	30,474	31,961	32,865	35,256	36,406	37,857	39,644
Mean income - real (\$)	30,474	31,546	31,642	32,114	32,266	32,260	32,794

Source: Australian Taxation Office and Australian Bureau of Statistics

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 (Table 4).

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 (Figure 12).

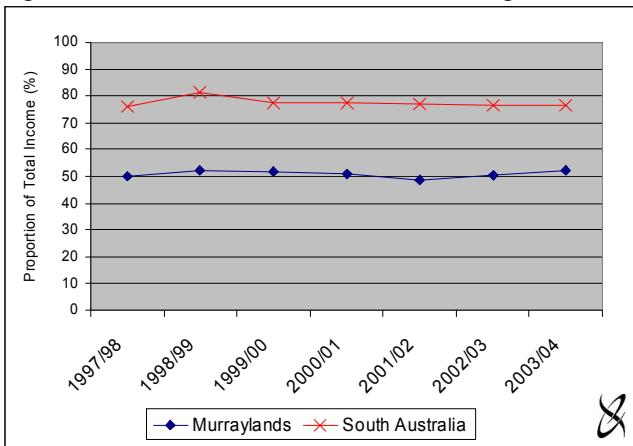
Figure 12 Income from Commonwealth benefits



Source: Australian Taxation Office

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 income from of salaries and wages in SA remained relatively stable in averaging around 77 per cent over the seven years (Figure 13).

Figure 13 Income from salaries and wages



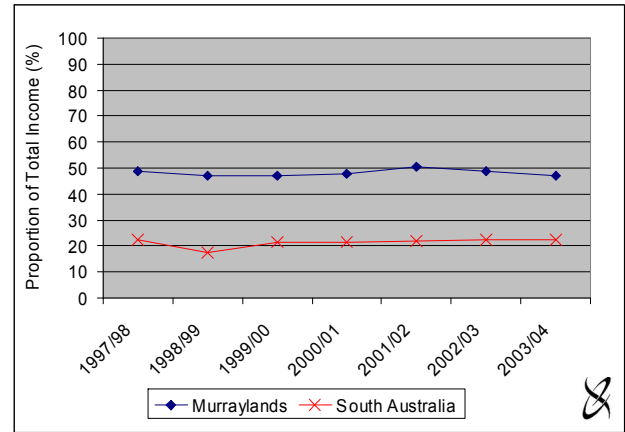
Source: Australian Taxation Office

The proportion of total taxable income sourced from 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 (Figure 14).

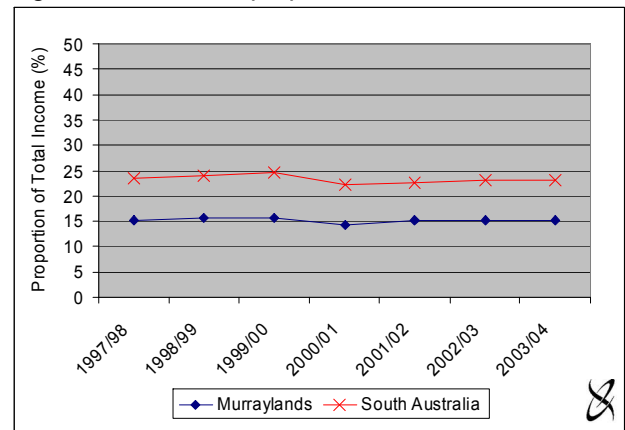
In the Murraylands, tax as a proportion of total income varied slightly over the seven years averaging around 15 per cent. For SA as a whole, the proportion of tax also remained relatively stable averaging around 23 per cent over the seven years (Figure 15).

Figure 14 Income from other sources



Source: Australian Taxation Office

Figure 15 Tax as a proportion of total income



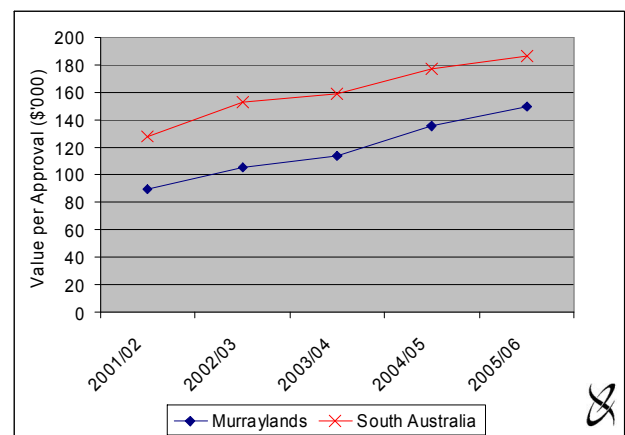
Source: Australian Taxation Office

**Building Approvals**

The total number of building approvals in the Murraylands generally followed an increasing trend over the period 2001/02 to 2005/06. 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 16).

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 16).

Figure 16 Average value per approval



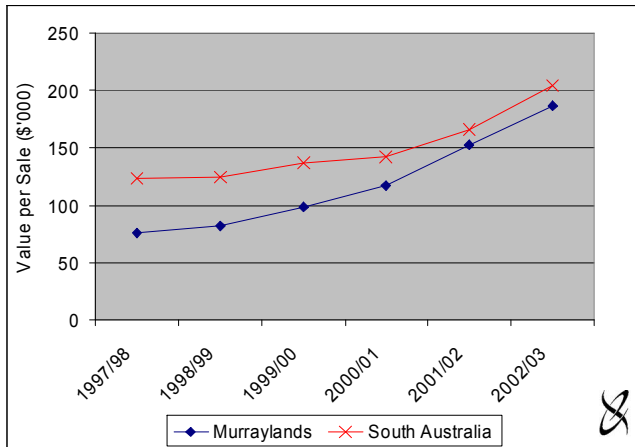
Source: Australian Bureau of Statistics



**Property Sales**

The average value of residential sales in the Murraylands increased by almost 146 per cent between 1997/98 and 2002/03. The value per sale in SA was consistently higher than in the Murraylands (Figure 17).

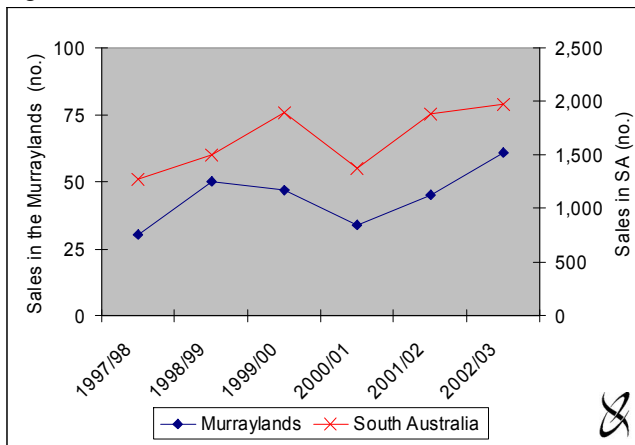
Figure 17 Average value of residential sales



Source: Australian Bureau of Statistics

The number of commercial sales in the Murraylands generally followed an increasing trend over the six years, despite decreases in 1999/00 and 2000/01 (Figure 18).

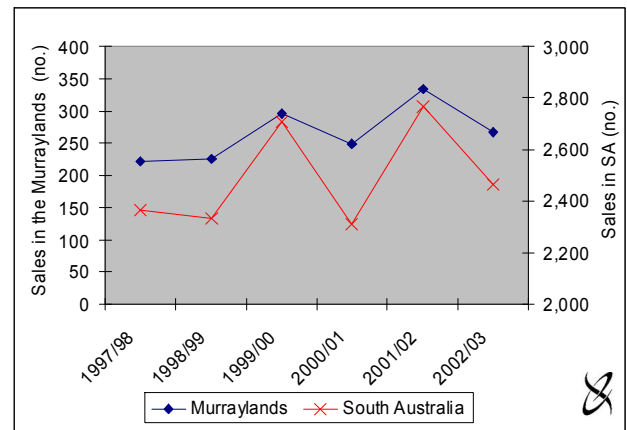
Figure 18 Number of commercial sales



Source: Australian Bureau of Statistics

The total number of primary production sales in the Murraylands and SA both fluctuated over the six years, but generally followed an increasing trend (Figure 19).

Figure 19 Number of primary production sales



Source: Australian Bureau of Statistics

**Motor Vehicles**

New motor vehicle sales in the Murraylands increased by 20 per cent between 2001/02 and 2003/04. For SA, the number of new motor vehicle sales increased by 25 per cent (Table 5).

Table 5 New motor vehicle sales

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: Australian Bureau of Statistics

The number of registered vehicles in the Murraylands increased by approximately 2 per cent over the three years, while registrations in SA increased by 3 per cent (Table 6).

Table 6 Motor vehicle registrations

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
<b>Total</b>	<b>19,542</b>	<b>19,821</b>	<b>19,885</b>	<b>1,077,154</b>	<b>1,095,923</b>	<b>1,111,712</b>

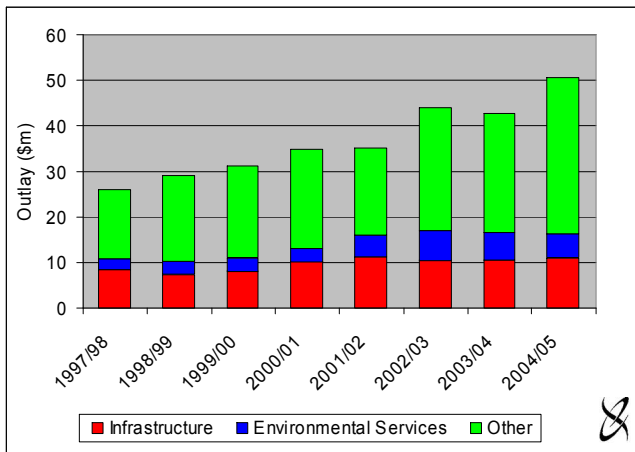
Source: Australian Bureau of Statistics

**Local Government Finance**

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 (Figure 20).

Over the eight years, on average, expenditure on infrastructure accounted for approximately 27 per cent of total 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.

Figure 15 Local government outlay - Murraylands



Source: SA Local Government Grants Commission

**Business Registrations**

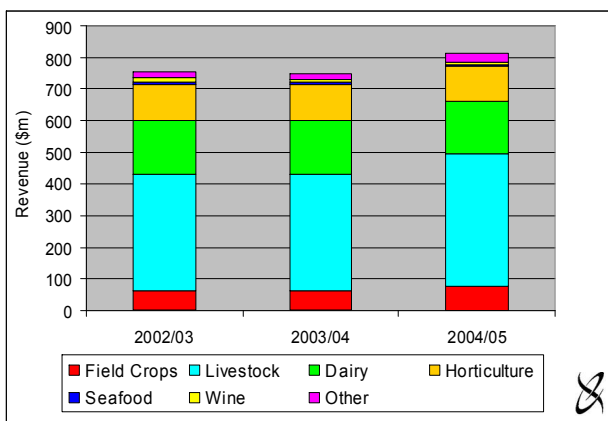
The breakdown of business registrations by industry highlights some differences between the Murraylands and SA. The most significant differences occurred in the following sectors:

- 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.

**Value of Food Production**

Agricultural activities 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. The Murraylands gross food revenue of \$813.9 million in 2004/05 represents 8.9 per cent of the state’s gross food revenue (Figure 21).

Figure 16 Value of food production – Murraylands

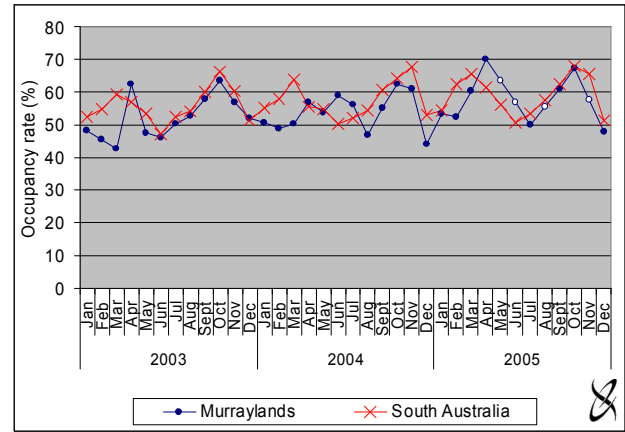


Source: Primary Industries and Resources South Australia

**Tourism**

The occupancy rate in the Murraylands averaged 55 per cent over the three years, while the rate in SA was slightly greater at 57 per cent (Figure 22).

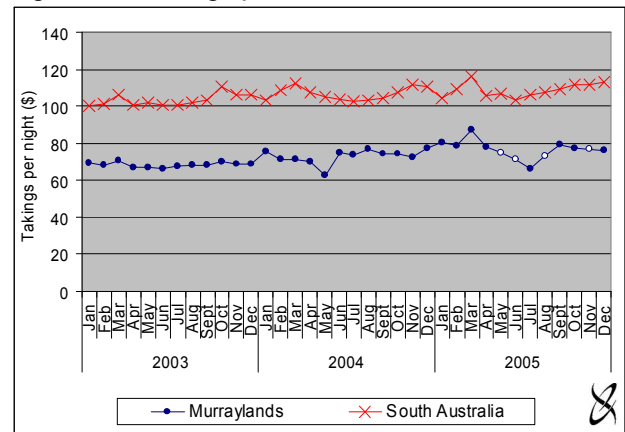
Figure 17 Room occupancy rate



Source: Australian Bureau of Statistics

Average takings per room in the Murraylands (around \$70) were lower than for SA (around \$105) (Figure 23).

Figure 23 Takings per room



Source: Australian Bureau of Statistics

**Gross Regional Product**

Table 8 Gross regional production

	2002/03	2003/04	2004/05	2005/06
<b>Murraylands</b>				
- 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%
<b>South Australia</b>				
- 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: Australian Bureau of Statistics 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 comprised approximately 1.5 per cent of the SA GSP over the four years.



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	 <p><b>DISTRICT COUNCIL OF KAROONDA EAST MURRAY</b></p>	

FOR FURTHER INFORMATION

Ann Herraman  
Project Manager - RIO Project  
Regional Investment Opportunities Prospectus  
Murraylands Regional Development Board  
137 Adelaide Road, Murray Bridge SA 5253  
T: 08 8535 7170  
M: 0429 357 192  
E: aherraman@murraylands.org.au

