Mansfield Shire Economic Profile

2011 – Census Update

MANSFIELD SHIRE | FEBRUARY 2013

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Document Information

Filename	Mansfield Shire Economic Profile 20130205
Last Saved	20 February 2013 5:06 PM
Last Printed	20 February 2013 5:07 PM
File Size	1,507 kb

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Executive Summary

MANSFIELD SHIRE OVERVIEW

Situated in North East Victoria, Mansfield Shire is in close proximity to the primary local market of Melbourne (around 2 hours) and major regional centres such as Shepparton, Wangaratta and Benalla (within 1 hour). The Shire also acts as a hub for nature based tourism being the gateway to Lake Eildon, Mt Buller/Mt Stirling and Alpine National Park.

Leveraging off the region's natural landscapes, Mansfield Shire's economy is characterised by a services sector based workforce with Accommodation and Food services remaining as the largest employing industry sector, followed by Retail Trade and Education. The Agricultural sector is also an important employer in the Shire.

Despite the pastoral presence, rapid urbanisation of Victoria's population has increased the demand for high amenity rural residential land in Mansfield Shire, rather than land for production purposes. Amenity purchases including hobby farms, rural residential properties and holiday home investment are influenced by the Shire's aesthetic landscape, lifestyle activities, relatively affordable and accessible rural residential land and close proximity to metropolitan areas and regional centres.

The region's high amenity has attracted an increasing number of migrating Metropolitan Melbourne residents and, more recently, Greater Geelong residents, typically consisting of professional service workers. Supported by these trends, Mansfield Shire's economy is currently diversifying towards service-based economy, unique to rural areas of Victoria; this trend is expected to sustain continued economic growth and revitalisation of the Shire. This is evident in the growth of employment in professional services, education and health in Mansfield Shire.

The region's rural amenity is an intrinsic part of the Shire's economic success. Tourism, livestock farming, holiday home investment and now professional service sector workers are attracted or leverage off the landscape and natural features of the region.

Mansfield Shire's strengths in nature based tourism (and in particular snow sports and water sports) makes it highly susceptible to climate change and climatic variations; historical low levels of snow fall and lake water levels have been followed by detrimental falls in tourist visitation, highlighting the importance of a diversified economic base to reduce exposure to potential decline in the industry. It is estimated that around half of all visitors to Mansfield Shire are travelling for snow sports or water sports.

Diversification of the tourism industry is underway in the Shire with investment in cycle tourism and events in the region. Strategies such as these will be important to sustain the economy in the face of climate change. The growth of knowledge industries and professional services will also assist in sustaining Mansfield Shire's economy and highlight some areas where future economic development may be focused, in particular how to leverage from and maximise the knowledge and skills capacity of professional services workers, working from home in the Shire.

There is also further potential to strengthen the agricultural sector; considerations may include branding of produce, exploration of organics, investigations into downstream processing and strategies to make hobby farms more productive.

It is important the Mansfield Shire diversify its economic base into industries which are compatible with the environmental and landscape values and build on the competitive attributes of the Shire.

ECONOMIC PROFILE KEY FINDINGS

The economic profile includes a review of relevant economic data drawn from a range of existing sources. The key findings from this review include:

DEMOGRAPHIC

- The population of Mansfield Shire has increased by 8% between 2001 and 2006, significantly higher than regional Victoria trends. Growth has been led by new residents from Metropolitan Melbourne and Greater Geelong, predominantly for lifestyle reasons.
- The most pronounced change in the Mansfield Shire age profile over the past decade is the increase in residents aged between 45 and 74 years, in line with regional Victoria trends. This corresponds with a significant increase in the number of couples with no children and lone person households, indicating the need for medium density and

seniors housing to meet the needs of the ageing population as tree change residents eventually look to moving into town.

- Conversely the census data also shows an additional 115 children aged less than 4 years, an increase of 30% between 2006 and 2011 censuses. This is corresponded with increases in the number of couples with children, indicating that Mansfield Shire is undergoing a sustainable residential lifecycle (despite the ageing of the population). This is a rare occurrence in municipalities of Mansfield's size in regional Victoria, but highlights that the lifestyle attraction of Mansfield is also a motivator for young families as well as older couples.
- The number of Mansfield residents with non-school qualifications has increased by 21%, greater than the 8% increase in population. The trend has been led by significant increases in Higher Education and TAFE Qualifications suggesting a transition in the labour force from blue collar to white collar workers. This may be attributed to the expanding presence of MACE and also the attraction of new residents with higher levels of education attainment.
- The household, family and personal incomes of Mansfield Shire residents all increased between the 2006 and 2011 censuses. In particular, the median household income has increased by more than 60% since 2001, and has increased by more than 25% over Consumer Price Index. This highlights that Mansfield is becoming increasing affluent, possibly with the attraction of new lifestyle residents.

BUSINESS AND INDUSTRY

- The Shire is predominantly a service sector based economy, with accommodation and food services being the largest employing industry sector (421 employees), followed by Retail Trade (404 employees).
- Other than the construction industry the highest growth in jobs since the 2006 census was in service sector industries including; education, accommodation, construction and health care and social assistance.
- Urban Enterprise PAVE (population and visitor estimator) Model estimates that over 1.14 million visitors were attracted to the region in 2011. The vast majority of these visitors were staying overnight in the Shire.
- Building approvals data indicates high levels of permit and building activity, driven by significant growth in the residential construction activity. In particular the Shire saw an additional 1,421 dwellings since 2006 and which has led to a 12% increase in Construction employment.
- Three industry sectors experience a reduction in employment, including Real Estate Services; Transport, Postal and Warehousing; and Wholesale Trade. In particular, changes seen in the Industrial and Manufacturing Sector shows that the economy is undergoing a transition away from product manufacturing industries towards building investment-based employment (e.g. building construction, construction services).
- Growth in the agricultural sector has been largely attributed to the increase in livestock slaughtering and livestock products within Mansfield Shire. However the data also shows that smaller niche agricultural sectors saw declines over the period, in particularly the horticultural industries (fruit, vegetables and nurseries).
- Data estimations indicate that retail expenditure in Mansfield Shire is valued at over $165.3 million, with over 52% attributed to expenditure to visitors and the remaining 48% to local residents. The data highlights the importance of tourism in maintaining the retail sector.

INDUSTRY SECTOR OVERVIEW

The table on the following page provides an overview of industry size in the Mansfield Shire. Indicators for industry size include number of businesses registered, employment and industry output.

The key industries in Mansfield Shire when considering these economic indicators are:

- Accommodation and food services;
- Retail trade;
- Agriculture and fishing;
- Education and training;
- Construction; and
- Health care.

INDUSTRY OVERVIEW 2011

Industry Sector	Number of Businesses in Mansfield Shire[1]	Employment in Mansfield Shire[2]	Industry Output (in millions) of Mansfield Shire[3]
Accommodation & Food Services	96	421	$31.496
Retail Trade	66	404	$25.596
Education & Training	6	313	$20.599
Agriculture, Forestry & Fishing	286	312	$38.445
Health Care & Social Assistance	15	303	$17.407
Construction	212	266	$55.569
Public Administration & Safety	3	164	$18.516
Manufacturing	33	140	$33.144
Professional, Scientific & Technical Services	79	126	$20.705
Transport, Postal & Warehousing	45	111	$12.556
Other Services	59	108	$7.408
Rental, Hiring & Real Estate Services	94	72	$33.191
Wholesale Trade	22	64	$13.351
Administrative & Support Services	52	57	$9.213
Arts & Recreation Services	11	36	$3.955
Financial & Insurance Services	47	33	$6.604
Mining	3	32	$14.437
Information Media & Telecommunications	9	27	$5.841
Electricity, Gas, Water & Waste Services	6	18	$4.184
Total	1,164	3,035	$372.215

[1] ABS Count of Businesses June 2011.
[2] ABS Census 2011 [Place of Work].
[3] Urban Enterprise Location Quotient Input-Output Economic Model - See Appendix A for definition of the Model

1. Introduction

1.1. Background

Mansfield Shire developed an Economic Development Strategy in 2005 detailing the objectives of Council and the supporting strategies to directly assist industry to create an environment of sustainable growth.

In November 2007, Council adopted a new portfolio approach, combining the roles of tourism and economic development. In light of these changes, Council's Tourism & Economic Development Unit undertook a detailed review of the Economic Profile and Economic Development Strategy in September 2008.

Urban Enterprise was commissioned by Mansfield Shire to undertake an updated economic and demographic profile of the Mansfield Shire. The report provides a consolidation of work undertaken by Mansfield Shire Council and Urban Enterprise.

1.2. About Mansfield Shire

Mansfield Shire is situated 200 Kilometres north east of Melbourne in a diverse geographical region made up of a series of river valleys, surrounded by Victoria's famous High Country. Complex mosaics of mountains, dominated by Mt Buller, are headwaters to five major river systems.

Between 1994 and 2002 the Mansfield municipality was included in the Delatite Shire, along with the Rural City of Benalla. The Mansfield Shire covers largely the same area following the de-amalgamation that it did prior to 1994.

Mansfield is the major town in the municipality. Other towns include Bonnie Doon, Jamieson, Kevington, Merrijig, Woods Point and Tolmie.

1.3. About the Census

The Census of Population and Housing is held every five years in August. As the Mansfield Shire is a popular winter destination, due to the nearby alpine resorts, the census includes seasonal workers servicing this tourism market, particularly in the accommodation sector.

1.3.1. Census Issues

Mansfield and Benalla Shires were combined as the Delatite Shire prior to 2002. 2001 data is based on the Delatite South SLA, which corresponds with Mansfield's Shire boundary, but includes the Mt Buller Alpine Resort region, which is excluded from the 2006 and 2011 data.

2006 was one of the worst winters for snow in recent times, impacting on the number of residents and employment related to the tourism industry in this census data.

1.3.2. Types of Census Data

Two types of census data are included in the Mansfield Shire Economic Profile, Usual Place of Residence and Place of Enumeration.

Usual Place of Residence

Usual Place of Residence refers to where the person usually lives, which may or may not be where they are on census night. This is used to analyse the resident population of Mansfield Shire.

Place of Enumeration

Place of Enumeration data refers to where the person is on census night, rather than their usual place of residence. The Place of Enumeration data provides information related to dwellings, including size, type and internet provision.

Place of Work

Place of Work data provides information on where people work. The address of each employed person's main place of work, in the week prior to Census Night, is used for employment data.

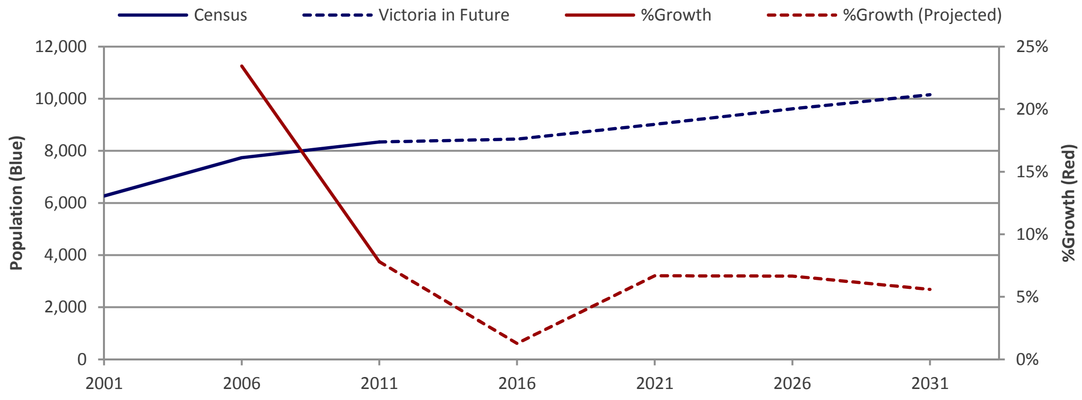
2. Population and Dwellings

2.1. Resident Population and Projections

The 2011 Census confirms that there has been ongoing population growth in the Mansfield Shire over the past decade. There were more than 2,000 additional Mansfield Shire residents in the 2011 Census than in 2001, as shown in Figure 1.

The population growth of 604 people between 2006 and 2011 was less than in the previous 5 year period between censuses, at 1,470 people. The Victoria in Future population projections for Mansfield Shire indicate that population growth will continue to decline to 2016, before increasing by approximately 5% every 5 years between 2016 and 2031.

FIGURE 1 MANSFIELD SHIRE POPULATION 2001–2031



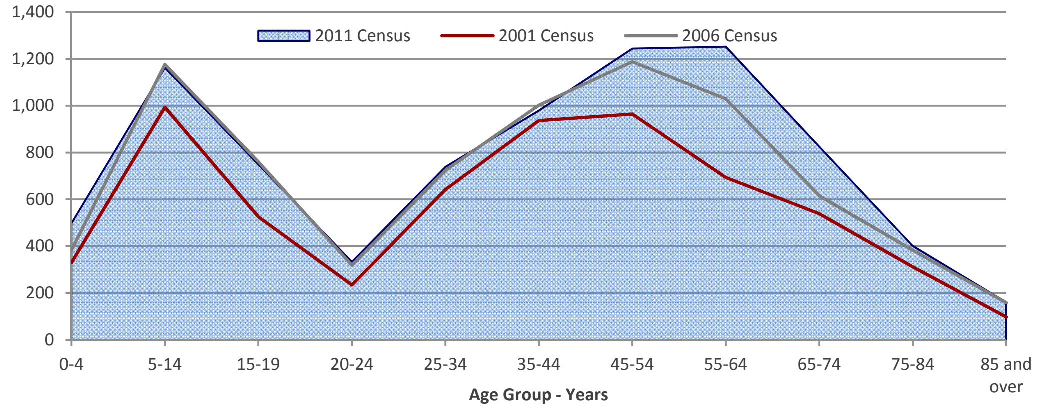
Source: ABS Census 2001, 2006 and 2011, Usual Place of Residence. DPCD: Victoria in Future 2012

2.1.1. Population Age

The most pronounced change in the Mansfield Shire age profile over the past decade is the increase in the residents aged between 45 and 74 years: almost the entire population increase between 2006 and 2011 is people of these ages. The number of residents not aged between 45 and 74 was relatively stagnant between 2006 and 2011, except for those aged under 4.

The census data also shows an additional 115 children aged less than 4 years, an increase of 30% between 2006 and 2011 censuses.

FIGURE 2 MANSFIELD SHIRE AGE PROFILE



Source: ABS Census 2001, 2006 and 2011, Usual Place of Residence.

2.1.2. REGIONAL VICTORIA CONTEXT

The population of the Mansfield Shire has grown at a substantially faster rate than Regional Victoria, particularly between 2001 and 2006, as shown in Table 1. Between the 2006 and 2011 censuses, the population of Mansfield Shire increased by 8%, a 3% higher growth rate than Regional Victoria.

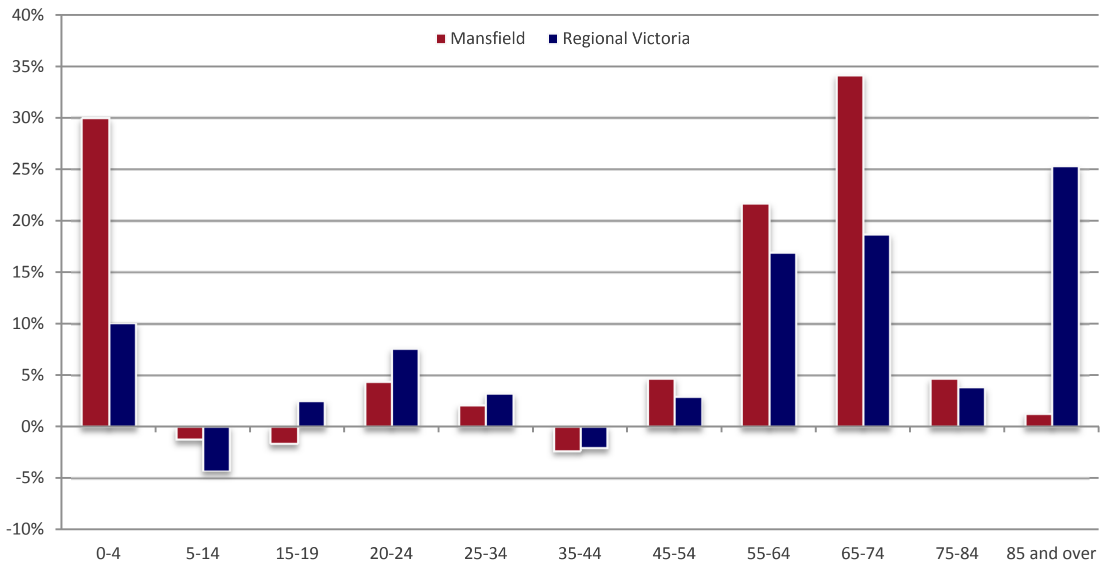
Figure 3 depicts the percentage change by age groups between 2006 and 2011 for Mansfield Shire and Regional Victoria. Mansfield has experienced a significantly high rate of growth in the 0-4, 55-64 and 65-74 year age brackets, while the growth in residents aged over 85 has been much stronger in Regional Victoria. The decline in the number of residents aged between 5 and 14 was much lower in Mansfield than in Regional Victoria.

TABLE 1 REGIONAL VICTORIA POPULATION GROWTH COMPARISON

		2001 Census	2006 Census	2011 Census
Regional Victoria	Population	1,231,196	1,268,213	1,335,713
	%Growth		3%	5%
Mansfield Shire	Population	6,269	7,739	8,343
	%Growth		23%	8%

Source: ABS Census: 2011, 2006 and 2011, Usual Place of Residence.

FIGURE 3 AGE PROFILE CHANGES: MANSFIELD SHIRE AND REGIONAL VICTORIA, 2006 – 2011



Source: ABS Census: 2011, 2006 and 2011.

2.1.3. COUNTRY OF BIRTH

Australian born residents increased by 10% over the 5 years between censuses, similar to the overall population growth. Of the 1,426 people born overseas, most were from the United Kingdom, Germany and New Zealand.

In percentage terms, the most significant increases were recorded by people born in India, Canada and the USA, while the most significant decrease was in South African born residents.

Note that 497 Mansfield Shire residents did not indicate their place of birth in the 2011 census.

TABLE 2 COUNTRY OF BIRTH

Country	2001 Census	2006 Census	2011 Census	%Growth 2006-2011
Australia	5,210	6,284	6,915	10%
United Kingdom	293	321	363	13%
Germany	77	99	97	-2%
New Zealand	59	78	92	18%
Netherlands	27	35	35	0%
United States of America	10	23	31	35%
India	6	13	29	123%
Canada	5	14	21	50%
South Africa	5	32	21	-34%
Other Asia	30	77	91	18%
Other Europe	55	59	62	5%
Total	6,271	7,739	8,341	8%

Source, ABS 2006, 2011: Usual Place of Residence

2.2. DWELLINGS

2.2.1. CHANGE IN DWELLINGS

There was a 28% increase in the total number of dwellings in Mansfield Shire between 2006 and 2011, as shown in Table 3. More than 950 of the additional 1,421 dwellings were in the unoccupied category. This indicates an increase in the number of holiday homes in the municipality.

The large number of dwellings recorded as Unoccupied in the last three censuses makes any assessment of changes in dwelling stock unreliable. The 2011 census recorded 48% of dwellings as unoccupied, and the census does not record the dwelling type for unoccupied dwellings. Also, the number of unoccupied dwellings increased significantly between the last two censuses.

The fluctuations between semi-detached and flat type dwellings between 2006 and 2011 may also be somewhat due to changes in the way these dwellings have been registered by occupants, although this cannot be substantiated.

The residential building approvals data for Mansfield Shire, sourced from the Building Commission, records 875 new buildings between August 2006 and August 2011. Although this does not equate to the entire 1,421 additional dwellings recorded in the census, it does indicate substantial residential construction activity in the Shire between the two censuses. Also, the continued population growth in the Shire, discussed in Section 2.1, would also require the construction of new dwellings.

TABLE 3 CHANGE IN DWELLINGS 2001-2011

Dwelling Type	Number of Dwellings			Growth: 2006 to 2011
	2001	2006	2011	
Separate house	2285	2,714	2,859	5%
Semi-detached, row or terrace, townhouse	47	28	197	
Flat, unit, apartment	183	133	51	
TOTAL Flats/Semi-Detached	230	161	248	54%
Other dwelling	95	65	49	-25%
Not stated	15	0	4	0%
Unoccupied private dwellings	2,366	2,205	3,160	43%
Total	4,991	5,147	6,568	28%

Source: 2008 Mansfield Shire Economic Profile, 2011 Census, Mansfield LGA, Place of Enumeration.

TABLE 4 RESIDENTIAL BUILDING APPROVALS 2006-2011

Year Ending August	2007	2008	2009	2010	2011	Total
Building Approvals	161	193	159	167	195	875

Source: Building Commission Pulse Database, Mansfield Shire Domestic and Residential Permits

2.2.2. HOUSEHOLD COMPOSITION

Between the 2006 and 2011 censuses there was significant growth in both family and lone person households. There were 166 additional family households, following an increase of 262 people between the 2001 and 2006 censuses. Couple with no Children households increased the most within the broader family household's category.

Between 2001 and 2011 lone person households have increased by 50%, the largest percentage increase in household composition.

TABLE 5 HOUSEHOLD COMPOSITION

Census	Family Households					Lone person	Group	Other	Total
	Couple no children	Couple with children	One Parent family	Other family	Total				
2001	727	627	217	10	1,581	598	72	165	**2,416**
2006	917	694	213	19	1,843	781	82	235	**2,941**
2011	1,008	721	261	19	2,009	897	79	173	**3,158**

Source: ABS, 2001, 2006 and 2011 Census, Mansfield LGA, Place of Enumeration

2.2.3. INTERNET CONNECTIONS

More than 700 additional dwellings were recorded as having internet connection in the 2011 census in comparison to 2006. This is based on Place of Enumeration; therefore the unoccupied dwellings are not included in this data set.

The census data also indicates that there has been a significant conversion of internet connections from Dial-Up to Broadband between 2006 and 2011. Only 120 Dial Up users were recorded in the 2011 census, compared to the 954 in 2006.

TABLE 6 INTERNET CONNECTIONS

Type of Internet Connection	2011		2006	
	No.	%Total	No.	%Total
No Internet connection	724	23%	1,195	41%
Type of Internet connection:				
Broadband	1,976	63%	550	19%
Dial-Up	120	4%	954	32%
Other	135	4%	13	0.4%
Total	*2,231*	*71%*	*1,517*	*52%*
Internet connection not stated	206	7%	229	8%
Occupied Dwellings	3,161		2,941	

Source: ABS, 2006 and 2011 Census, Mansfield LGA, Place of Enumeration

2.3. EDUCATION

The number of Mansfield residents with a non-school qualification has increased by 21% between the 2006 and 2011 censuses. This is greater than the 13% population increase over the same period.

Notably, there were significant increases in Higher Education qualifications, with an additional 21% of residents having obtained Postgraduate, Graduate Diploma or Certificate, or Bachelor Degree qualifications over the 5 years between censuses.

There was a larger growth in Vocational Education and Training qualifications, with an additional 27% of residents indicating that they hold an Advanced Diploma, Associate Degree, Diploma or Certificate qualification. The decline in residents with a Certificate I or II may be due to people undertaking further study and obtaining higher qualifications.

TABLE 7 NON-SCHOOL EDUCATION

	Qualification	2006	2011	%Growth	%Mansf-ield	%Reg. Victoria
Postgraduate	Doctoral Degree	10	8	-20%	0%	1%
	Master Degree	40	65	63%	3%	3%
Graduate Diploma & Certificate	Graduate Diploma	71	80	13%	4%	4%
	Graduate Certificate	8	12	50%	1%	1%
	Bachelor Degree	395	468	18%	21%	22%
Advanced Diploma & Diploma	Advanced Diploma & Diploma, nfd	0	9		0%	0%
	Advanced Diploma & Associate Degree	158	175	11%	8%	7%
	Diploma	133	207	56%	9%	9%
Certificate	Certificate, nfd	37	58	57%	3%	3%
	Certificate III & IV(d)	766	982	28%	43%	41%
	Certificate I & II(e)	67	49	-27%	2%	3%
	Inadequately described/Not stated	196	169	-14%	7%	7%
	Total	**1,881**	**2,282**	**21%**		

Source: ABS Census, 2006 and 2011, usual place of residence

2.4. MIGRATION

2.4.1. PREVIOUS PLACE OF RESIDENCE

Table 8 depicts the top eleven place of usual residence 1 year ago and 5 years ago, for Mansfield residents at 2011 Census night.

Data indicates that between the 2011 and 2006 Census, a large proportion of new residents originated from Metropolitan Melbourne, namely the western metropolitan areas of Yarra Ranges, Boroondara and Knox.

The data also indicates a change in the trend of new residents, with the majority of new 1 year residents originating from Greater Geelong, followed by areas of Metropolitan Melbourne.

The data suggests that migration will be increasingly sourced from Metropolitan Melbourne and the urbanising areas of Greater Geelong, as metropolitan workers and families continue to seek alternative rural lifestyle changes.

2.4.2. OCCUPATION OF NEW RESIDENTS

Table 9 depicts the occupation of these new residents in 2011. The data shows a strong presence of new managers and professionals, indicating that Mansfield Shire is driven by increasing numbers of white collar workers; the data suggests that the service sector is playing a crucial role in supporting new residents, jobs and industry growth in the Shire.

The data also shows a strong migration trend of Technicians and Trade Workers, suggesting that migration is driven by increasing investment trends in the residential sector (refer to Section 4.4).

TABLE 8 PLACE OF USUAL RESIDENCE, 1 YEAR AND 5 YEARS AGO, MANSFIELD SHIRE RESIDENTS 2011

	LGA	Place of Usual Residence Five Years Ago	LGA	Place of Usual Residence One Year Ago
1	Mansfield (S)	5250	Mansfield (S)	6658
2	Yarra Ranges (S)	103	Greater Geelong (C)	76
3	Boroondara (C)	79	Stonnington (C)	56
4	Knox (C)	76	Boroondara (C)	42
5	Mornington Peninsula (S)	65	Casey (C)	34
6	Stonnington (C)	58	Yarra Ranges (S)	27
7	Whitehorse (C)	55	Knox (C)	26
8	Maroondah (C)	54	Kingston (C)	25
9	Casey (C)	53	Bayside (C)	21
10	Murrindindi (S)	45	Manningham (C)	20
11	Monash (C)	43	Mornington Peninsula (S)	19

Source: ABS Census, 2011, Usual place of residence

TABLE 9 OCCUPATION OF NEW RESIDENTS

Industry	Number of Workers
Managers	143
Professionals	125
Technicians and Trades Workers	74
Community and Personal Service Workers	69
Clerical and Administrative Workers	67
Sales Workers	54
Machinery Operators and Drivers	32
Labourers	59
Inadequately described	6
Not stated	0
Not applicable	727
Total	1356

Source: ABS Census, 2011, Usual place of residence 5 years ago

3. Income and Employment

3.1. Income

In 2011 the median household income was $1,146, family income was $889, and the personal income was $485.

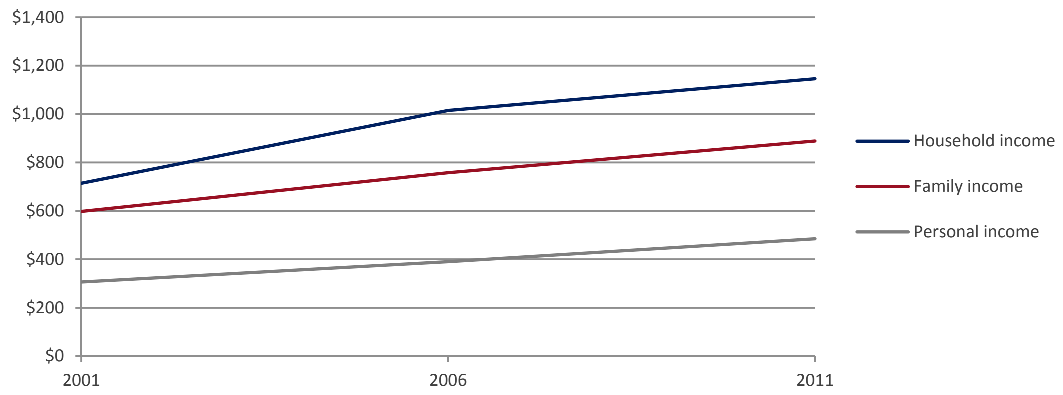
The household, family and personal incomes of Mansfield Shire residents all increased between the 2006 and 2011 censuses. The rate of growth for personal and family income increased at a rate similar to the previous 5 year period, whereas there was a notable reduction in the rate of increase for households.

The reduction in growth in median household income may be due to the increased number of lone person households in the municipality, as discussed in section 2.2.2.

All three income types measured by the census increased at a faster rate than the Consumer Price Index (CPI) since 2001, as shown in Figure 5. This indicates that there has been real income growth in Mansfield Shire over the past 10 years.

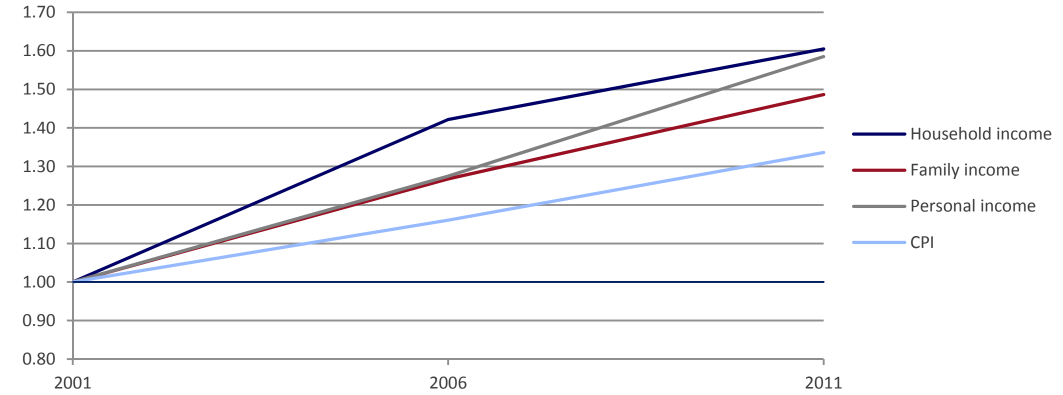
The median household income has increased by more than 60% since 2001, and has increased by more than 25% over CPI. The median family income has increased at a lower rate than the other two income categories.

FIGURE 4 MEDIAN INCOMES



Source: ABS, 2001, 2006 and 2011 Census, Mansfield LGA, Place of Enumeration

FIGURE 5 INDEXED INCOMES



Source: ABS, 2001, 2006 and 2011 Census, Mansfield LGA, Place of Enumeration. CPI for Sept 2001, 2006 and 2011

3.2. EMPLOYMENT

3.2.1. TOTAL EMPLOYMENT

Employment of Mansfield Shire residents grew by 13% between the 2006 and 2011 censuses, from 3,296 to 3,715 employed people. Significantly, this is in excess of the 8% population growth recorded over the same period.

3.2.2. INDUSTRY OF EMPLOYMENT

Accommodation and food services remained the largest employing industry sector, with 485 employees in 2011: employment in this sector also grew by 17% between the censuses. Retail trade also remained the second largest sector of employment, with 444 employees.

Education is now the third largest sector of employment in the Shire, with an additional 112 residents employed in this sector in 2011 than in 2006, representing a 37% growth. Construction, Agriculture and Health Care remain significant employers of Mansfield residents.

More generally, the data indicates an increase in employment within service industries, such as health, education, professional, financial, and administrative services. Also of note is the significant increase in mining employment, although from a low base.

Three industry sectors experienced a reduction in employment between the 2006 and 2011 censuses, Real estate services, Transport, postal and warehousing and Wholesale trade.

In comparison to Regional Victoria, Mansfield Shire is more reliant on Accommodation and food services, Education and training, Health care and Retail trade to provide resident employment. Manufacturing and Construction are the two industry sectors that have significantly lower levels of employment than Regional Victoria.

TABLE 10 EMPLOYMENT BY INDUSTRY [PLACE OF RESIDENCE]

Place of Usual Residence	2006	2011	%Change	Mansfield	Regional Victoria
Accommodation & food services	415	485	17%	13%	5%
Administrative & support services	80	104	30%	3%	2%
Agriculture, forestry & fishing	338	345	2%	9%	10%
Arts & recreation services	38	42	11%	1%	1%
Construction	364	409	12%	11%	15%
Education & training	303	415	37%	11%	5%
Electricity, gas, water & waste services	19	34	79%	1%	2%
Financial & insurance services	30	41	37%	1%	1%
Health care & social assistance	286	331	16%	9%	4%
Information media & telecommunications	22	34	55%	1%	1%
Manufacturing	160	166	4%	4%	15%
Mining	6	42	600%	1%	1%
Other services	114	121	6%	3%	4%
Professional, scientific & technical services	118	148	25%	4%	4%
Public administration & safety	163	197	21%	5%	6%
Rental, hiring & real estate services	83	72	-13%	2%	1%
Retail trade	409	444	9%	12%	9%
Transport, postal & warehousing	176	135	-23%	4%	6%
Wholesale trade	79	67	-15%	2%	4%
Inadequately described/Not stated	*93*	*83*	*-11%*	*2%*	*2%*
Total	3,296	3,715	13%		

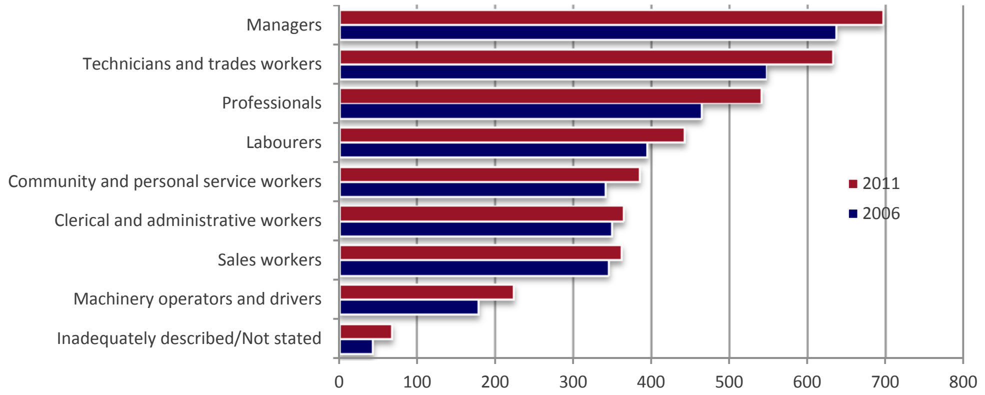
Source: ABS Census, 2006 and 2011, usual place of residence.

3.2.3. OCCUPATION

Employment of Mansfield Shire residents grew in all occupations between the 2006 and 2011 census, as shown in Figure 6. Managers remained the largest occupation of Mansfield Shire Residents, followed by Technicians and Professionals.

Machinery operators (26%), Professionals (17%) and Technicians (16%) all increased more than the 13% overall increase in employment in the shire. Managers (9%), Sales Workers (5%) and Clerical workers (4%) all grew by less than the overall employment growth in the Shire. Community and personal service workers and Labourers both increased by approximately 13% over the 5 years between censuses.

FIGURE 6 OCCUPATION 2006-2011



Source: ABS Census, 2006 and 2011, usual place of residence

3.2.4. UNEMPLOYMENT

As of the June 2012 Quarter, the Mansfield Shire Labour force was 4,005 people[4].

The Mansfield Shire unemployment rate declined from 4.3% in the June 2011 quarter to 3.8% in the June 2012 Quarter. During this period the Mansfield unemployment rate was on average 72% of the unemployment rate for Regional Victoria.

In comparison to data from 2007/08, the unemployment rate has increased by just less than 1% in the past 4 years. In this period, the Mansfield Shire unemployment rate has also increased as a percentage of the Regional Victorian rate, from 60% to 72%.

TABLE 11 MANSFIELD UNEMPLOYMENT

Quarter/Unemployment Rates	Unemployment Rate (%)					
2011/12	June	Sept	Dec	March	June	Average
Mansfield	4.3	4.0	3.7	3.8	3.8	3.92
Balance of Victoria	5.9	5.5	5.2	5.3	5.2	5.42
2007/08	June	Sept	Dec	March	June	Average
Mansfield	3.5	3.0	2.8	2.8	3.1	3.04
Regional Victoria	5.3	5.2	5.1	5	4.8	5.08
Mansfield/Regional Vic	June	Sept	Dec	March	June	Average
2011-12	73%	73%	71%	72%	73%	72%
2007-08	66%	58%	55%	56%	65%	60%

Source: DEEWR, Small Area Labour Markets, June Qrtr, 2012. 2007-08 Data from 2008 Mansfield Economic Development Strategy

[4] DEEWR, Small Area Labour Markets, June Qrtr, 2012.

3.2.5. PLACE OF WORK

Mansfield is a net exporter of employment, as Table 12 depicts that the number of working residents outnumbers the number of workers within the Shire. Overall the Shire exports over 680 workers to the remaining areas of Victoria.

In particular, Mansfield is a net exporter of employment in Construction, Education and Training, Accommodation and Food Services, Administrative and Support Services and Retail Trade.

TABLE 12 PLACE OF WORK AND PLACE OF RESIDENCE

Industry Sector	Number of workers in Mansfield	Number of employed Mansfield residents	Net Exports (Number of Workers)
Accommodation and Food Services	421	485	64
Administrative and Support Services	57	104	47
Agriculture, Forestry and Fishing	312	345	33
Arts and Recreation Services	36	42	6
Construction	266	409	143
Education and Training	313	415	102
Electricity, Gas, Water and Waste Services	18	34	16
Financial and Insurance Services	33	41	8
Health Care and Social Assistance	303	331	28
Information Media and Telecommunications	27	34	7
Manufacturing	140	166	26
Mining	32	42	10
Other Services	108	121	13
Professional, Scientific and Technical Services	126	148	22
Public Administration and Safety	164	197	33
Rental, Hiring and Real Estate Services	72	72	0
Retail Trade	404	444	40
Transport, Postal and Warehousing	111	135	24
Wholesale Trade	64	67	3
Inadequately described	28	83	55
Total	3,035	3,715	680

Table 13 depicts the location of work of employed Mansfield residents.

Mt Buller has been assumed to consist of residents employed in ABS defined boundaries of Unincorporated Victoria and State/Territory Undefined Victoria.

The data shows nearly 79% of working residents are employed locally within Mansfield.

The largest location of employment outside the Shire is Mt Buller, employing over 8.1% of the Mansfield working population. This may explain the relatively higher proportions of Net Exports in industries such as Education and Training (winter sports and recreation lessons), Accommodation and Food Services and Retail Trade, as seen in Table 12.

A smaller proportion of working residents are employed within the surrounding regions (including Murrindindi, Benalla, Wangaratta, Strathbogie and Greater Shepparton). Employment in these regional centres is usually in higher order services.

TABLE 13 LOCATION OF WORK, MANSFIELD WORKING RESIDENTS, 2011

	Location of Work	Number of Persons Employed	% of employed Mansfield Residents
1	Mansfield (S)	2804	78.9%
2	Mt Buller*	289	8.1%
3	Murrindindi (S)	54	1.5%
4	Benalla (RC)	48	1.4%
5	Melbourne (C)	29	0.8%
6	Wangaratta (RC)	24	0.7%
7	Strathbogie (S)	18	0.5%
8	Greater Shepparton (C)	16	0.5%
9	Kingston (C)	8	0.2%
	Moira (S)	8	0.2%
	Yarra Ranges (S)	8	0.2%
10	Banyule (C)	6	0.2%
	Bass Coast (S)	6	0.2%
	Hume (C)	6	0.2%
	Knox (C)	6	0.2%
	Monash (C)	6	0.2%
	Nillumbik (S)	6	0.2%
	Stonnington (C)	6	0.2%
	Whittlesea (C)	6	0.2%
11	Greater Geelong (C)	5	0.1%
	Yarra (C)	5	0.1%
12	Boroondara (C)	3	0.1%
	Mildura (RC)	3	0.1%
	Moreland (C)	3	0.1%
	Whitehorse (C)	3	0.1%
	Total	3555	100%

Source: ABS 2011 Place of Work Data. * Mt Buller assumed to consist of Unicorporated Victoria and State/Territory Undefined.

4. INDUSTRY

4.1. INTRODUCTION

The following section provides an industry profile of Mansfield Shire, including an overview of business, employment and investment trends, and an economic profile of major industries including Agriculture, Tourism and Retail Trade.

4.2. INDUSTRY DATA CHANGES

Changes to the way the ABS categorises industries and businesses impacts on the analysis of trends in the numbers and types of businesses in Mansfield Shire between the 2006 and 2011 censuses. The counts of businesses are based on the quarterly BAS statements submitted to the Australian Tax Office.

The categorisation of industries has changed; therefore categories from data prior to 2009 do not align with those from 2011. In the analysis included in this report, industry categories from the 2006 Australian Business Register are aligned where possible to the 2011 register.

The method of determining long term non-remitters also changed in June 2010. Prior to this data, businesses that had not submitted a BAS statement for 5 consecutive quarters were excluded from the count, this non-remittance period was increased to 3 years. This will impact on the count of non-employing businesses in particular.

The bands used to categorise industries by annual turnover have also changed between censuses, creating difficulty in identifying trends in this data.

4.3. OVERVIEW

4.3.1. NUMBER OF BUSINESSES

The ABS identified 1,164 businesses in Mansfield in June 2011, an increase of 20% from 2007 as shown in Table 14. Nearly 200 additional non-employing businesses were operating in the region in June 2011 than in June 2007. In addition, the number of businesses employing between 20 and 199 people increased by 36% over the same period.

There were 50 less businesses with between 5 and 19 employees in June 2011 compared to June 2007, although some of these may be included in the 11 additional businesses with more than 20 employees. Overall, the total number of businesses providing employment decreased by 4 over this 4 year period, which is more than offset by the significant growth in the number of businesses employing more than 20 people. The percentages for number of people employed by businesses in Mansfield are approximately the same as Regional Victoria.

TABLE 14 BUSINESS GROWTH 2007–2011

	No. Employees					Total
	Non employing	1-4	5-19	20-199	200+	
June 2007	549	237	162	24	0	972
June 2009	685	279	125	50	3	1142
June 2011	745	272	112	35	0	1164
Growth 2007 - 2011	36%	15%	-31%	46%	0%	20%
%Mansfield	64%	23%	10%	3%	0%	
%Regional Vic	61%	24%	12%	3%	0%	

Source: ABS: Counts of Australian Businesses, including Entries and Exits, Jun 2007 to Jun 2011, Mansfield Shire

4.3.2. BUSINESS TURNOVER

Changes to the banding of annual business turnover, in addition to the impact of CPI and bracket creep, make annual turnover comparisons between 2011 and previous years difficult.

There has been an increase in businesses earning over $100,000 per annum, from 489 to 579 from 2006 to 2011, an increase of 18%. Although not a perfect measure, this indicates that there has been some real growth in business turnover in this period.

TABLE 15 BUSINESS TURNOVER

	$0 - $49,999	$50 000 - $99,999	$100,000 - $1,000000	More than $1m			More than $100,000	Total
2001	483	284	325	37			362	1,129
2006	294	189	438	51			489	972
	$0 - $49,999	$50 000 - $99,999	$100,000 - $199,000	$200,000 - $499,000	$500,000 to less than $2m	$2m or more	More than $100,000	Total
2011	369	216	223	210	120	26	579	1,164

Source: ABS: Counts of Australian Businesses, including Entries and Exits, Jun 2007 to Jun 2011, Mansfield Shire Economic Profile 2008

4.3.3. BUSINESSES BY SECTOR

The sector with the most businesses in Mansfield Shire as of June 2011 was Agriculture, Forestry and Fishing, with 286 businesses, followed by Construction with 212. Agriculture, Forestry and Fishing also accounted for the most number of businesses employing more than 20 people, with 8 businesses.

Of the larger industry sectors, 79% of Financial and Insurance Services businesses have no employees, that is, they are owner-operator businesses. 78% of Rental, Hiring and Real Estate Services, 73% of Agriculture and 67% of Professional, Scientific and Technical Services also do not have any employees. As these are service industries, it indicates that there may be a large number of work from home consulting services in the Shire.

TABLE 16 BUSINESS EMPLOYEES BY INDUSTRY SECTOR – 2011

	No. Employees					
Sector	0[5]	1-4	5-19	20-199	200+	Total
Agriculture, Forestry and Fishing	209	44	25	8	0	286
Construction	136	61	15	0	0	212
Accommodation and Food Services	48	22	20	6	0	96
Rental, Hiring and Real Estate Services	73	12	3	6	0	94
Professional, Scientific and Technical Services	53	17	9	0	0	79
Retail Trade	21	26	13	6	0	66
Other Services	31	16	12	0	0	59
Administrative and Support Services	28	12	9	3	0	52
Financial and Insurance Services	37	10	0	0	0	47
Transport, Postal and Warehousing	20	22	3	0	0	45
Manufacturing	24	6	0	3	0	33
Wholesale Trade	13	6	3	0	0	22
Health Care and Social Assistance	12	3	0	0	0	15
Arts and Recreation Services	5	6	0	0	0	11
Information Media and Telecommunications	3	3	0	3	0	9
Electricity, Gas, Water and Waste Services	3	3	0	0	0	6
Education and Training	3	3	0	0	0	6
Mining	3	0	0	0	0	3
Public Administration and Safety	3	0	0	0	0	3
Not Classified	20	0	0	0	0	20
Total	745	272	112	35	0	1164

Source: ABS: Counts of Australian Businesses, including Entries and Exits, Jun 2007 to Jun

[5] Non-employing businesses, owner operated.

4.3.4. CHANGE IN INDUSTRY SECTORS

There are many extensive changes in the numbers of businesses by sector between 2007 and 2011, even in sectors where there is a direct relationship between the old and new business categories. This indicates that in some cases changes may be due to businesses shifting their classification rather than any changes in the types of businesses operating in Mansfield Shire.

Generally the sectors which have grown include Accommodation, Agriculture, Construction, and Finance and Insurance.

TABLE 17 NUMBER OF BUSINESSES BY SECTOR

1993 ABS Industry Categories	2007	2009	2011	2006 ABS Industry Categories
Accommodation Cafes and Restaurants	54	84	96	Accommodation and Food Services
Agriculture, Forestry and Fishing	273	297	286	Agriculture, Forestry and Fishing
Construction	189	182	212	Construction
Cultural and Recreational Services	24	15	11	Arts and Recreation Services
Education	9	3	6	Education and Training
Finance and Insurance	21	22	47	Financial and Insurance Services
Health and Community Services	21	24	15	Health Care and Social Assistance
Manufacturing	48	33	33	Manufacturing
Personal and Other Services	27	39	52	Administrative and Support Services
		72	79	Professional, Scientific and Technical Services
		48	59	Other Services
Property and Business Services	159	63	94	Rental, Hiring and Real Estate Services
Retail Trade	90	81	66	Retail Trade
Transport and Storage	33	61	45	Transport, Postal and Warehousing
Wholesale Trade	15	24	22	Wholesale Trade
Electricity, Gas and Water Supply	3	6	6	Electricity, Gas, Water and Waste Services
Communication Services	0	6	9	Information Media and Telecommunications
Mining	6	3	3	Mining
		15	20	Not Classified
		9	3	Public Administration and Safety
Total	**972**	**1087**	**1164**	

Source: ABS: Counts of Australian Businesses, including Entries and Exits, Jun 2007 to Jun 2011, Mansfield Shire

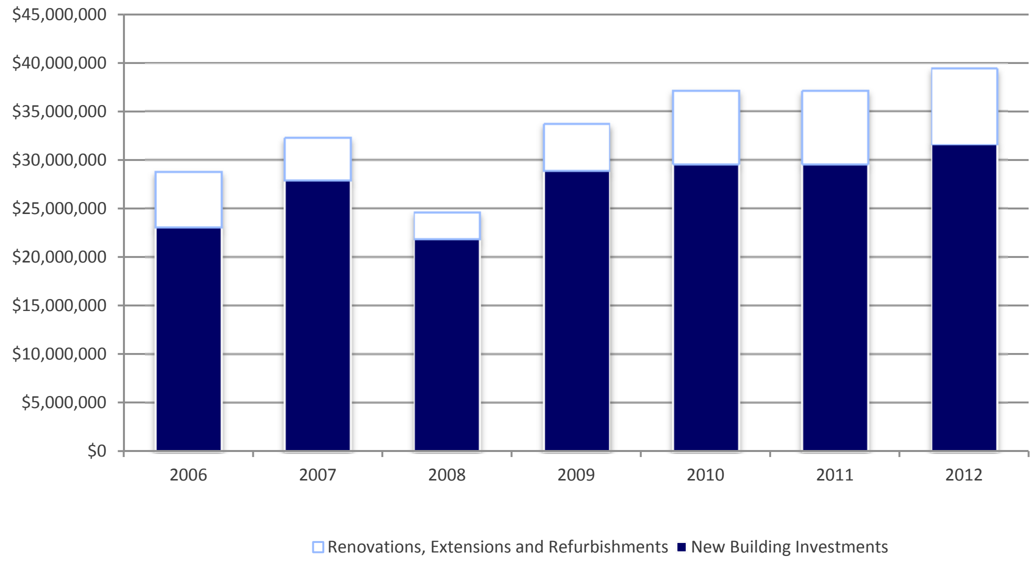
4.4. PROPERTY INVESTMENT

4.4.1. TOTAL INVESTMENT IN PROPERTY

Figure 7 depicts investment trends in Mansfield Shire between year ending September 2006 to September 2012. The data shows that the Shire has experienced positive increases in investment (5.3% growth p.a.), despite decreases in 2008 attributed to the Global Financial Crisis.

The data further depicts that investment in the Shire is primarily driven by new building constructions (nearly 80%) with the remaining attributed to renovations, extensions and refurbishments (20%).

FIGURE 7 VALUE OF TOTAL INVESTMENT – MANSFIELD SHIRE, 2006 – 2012



Source: Year Ending September 2006 - 2012, Building Commission Pulse data.

4.4.2. NEW BUILDING INVESTMENT

Figure 8 depicts new building investment by type (residential and non-residential) between year ending September 2006 to September 2012.

The data shows that positive trends in new buildings have been primarily driven by residential investment, which consists of nearly 80%-90% of investment over the period.

The data also shows that non-resident investment has seen moderate declines from peak levels of investment in 2009.

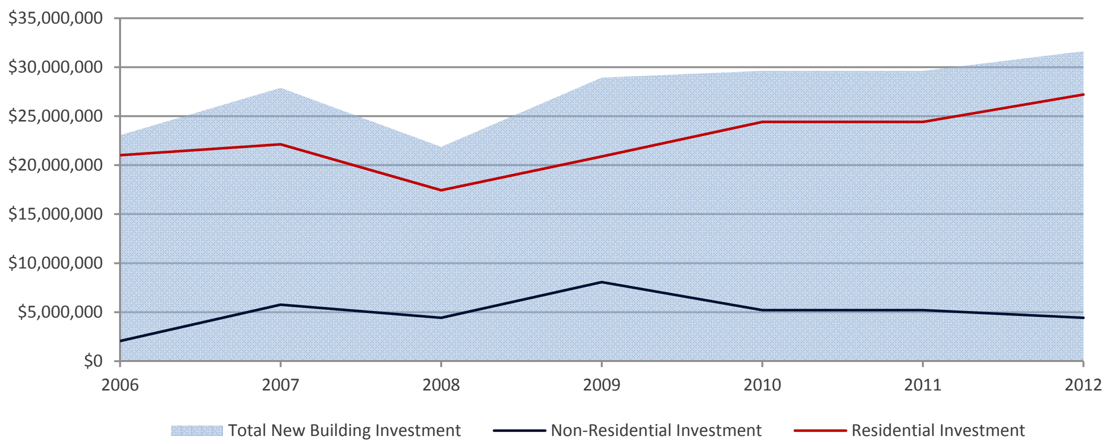
4.4.3. RESIDENTIAL INVESTMENT – MEDIAN HOUSE PRICE TRENDS

Figure 9 depicts median house prices in Mansfield Shire, Metropolitan Melbourne and Regional Victoria in 1997 and 2012. Trend data has been sourced for Mansfield Shire (2007-2012), Mansfield Township (2001 to 2012) and Merrijig Township (2011 to 2012).

The data indicates that Mansfield Shire has followed house price growth trends seen in Melbourne and Regional Victoria. However, the region has persistently maintained a lower median house price compared to Regional Victoria. Anecdotal evidence suggests that this has been attributed to an oversupply of residential lots in Merrijig, which attained median house prices of $168,000 in 2012 (compared to $255,000 in Mansfield Shire).

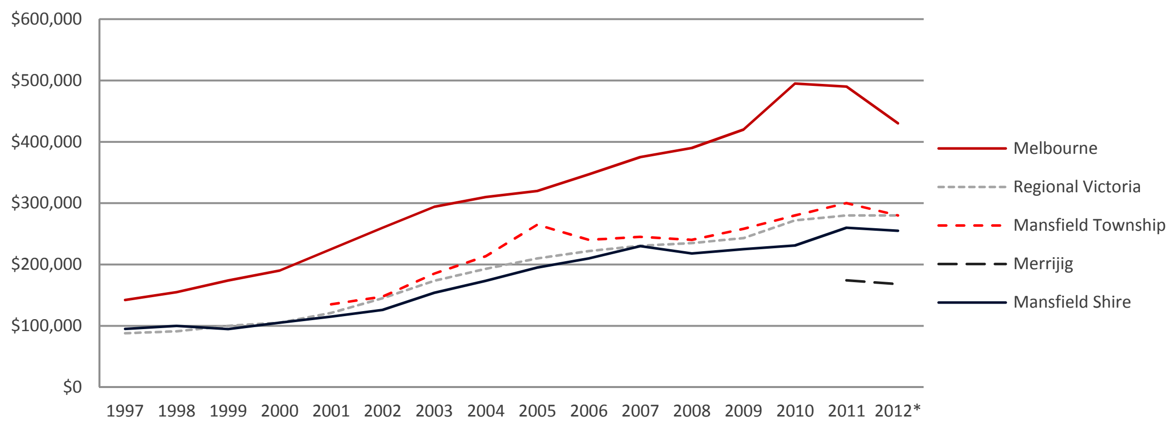
Mansfield (township) has maintained higher than regional Victorian average house prices between 2003 and 2011, reflecting higher demand in the township than the rest of the Shire.

FIGURE 8 VALUE OF NEW BUILDING INVESTMENT BY TYPE, 2006 – 2012



Source: Year Ending September 2006 - 2012, Building Commission Pulse data.

FIGURE 9 MEDIAN HOUSE PRICE TRENDS, 1997 – 2012

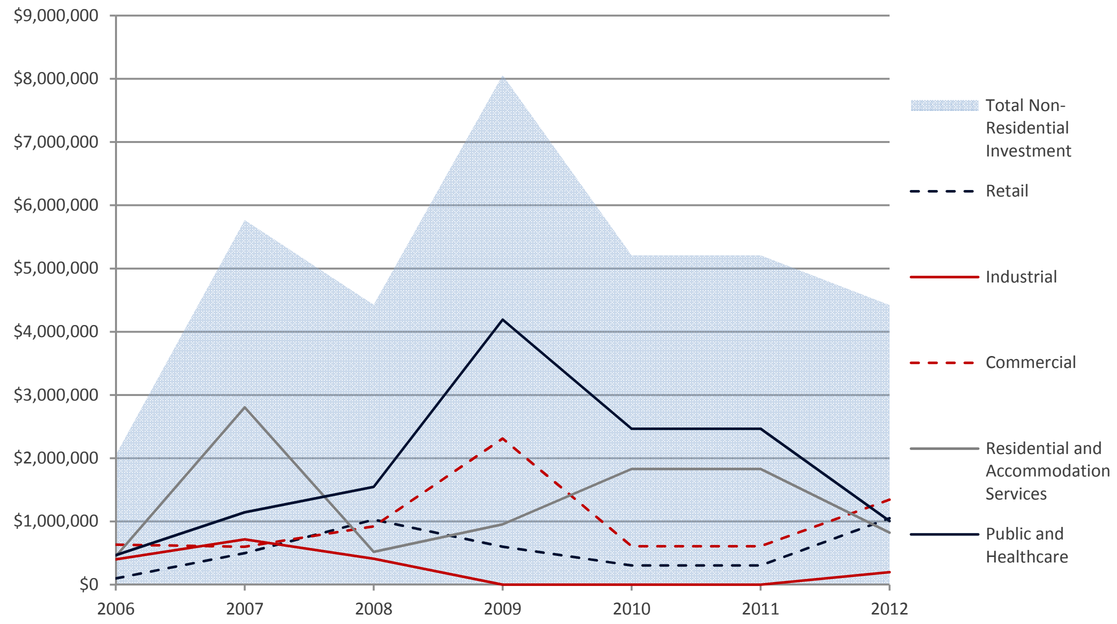


Source: Year Ending September 2006 - 2012, Building Commission Pulse data, Guide to Property Values 2011 and Westpac Home Price Guide for Merrijig. * Year ending July 2012.

4.4.4. NON-RESIDENTIAL BUILDING AND INFRASTRUCTURE INVESTMENT

Figure 10 provides a breakdown of non-residential property investment by type over the 2006-2012 period. The data shows that Mansfield Shire has experienced declines investment between 2009 and 2011 across all sectors. Trends in investment have been primarily driven by government investment in public (e.g. roads, buildings) and healthcare infrastructure, followed by residential/accommodation services (e.g. hotels, motels).

FIGURE 10 VALUE OF NON-RESIDENTIAL INVESTMENT BY TYPE, 2006-2012



4.5. AGRICULTURE

4.5.1. AGRICULTURE LAND USE BY HECTARE

Table 18 indicates that over 98% of privately owned rural land in the in Mansfield Shire is apportioned for agricultural uses. This is above state averages, where 94% of rural land in regional Victoria supports agricultural activities.

Mansfield Shire has a greater prominence of the livestock industry, compared to Victoria; over 95% of privately owned rural land is apportioned as grazing land (compared to Victorian average of 57%).

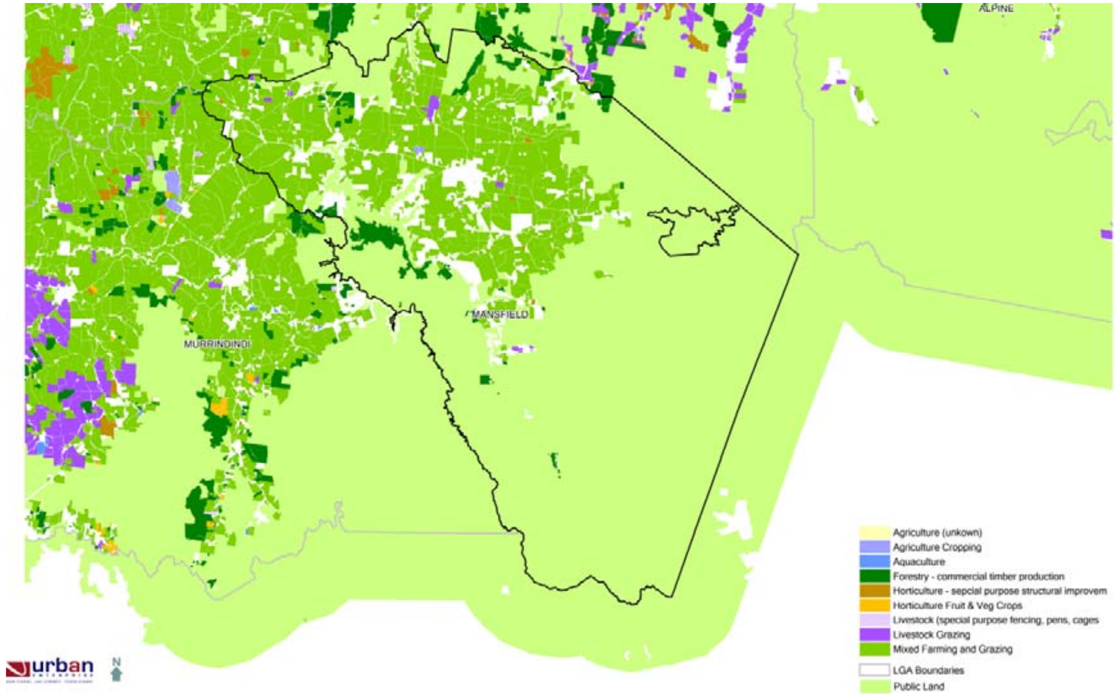
Conversely, Mansfield Shire has a significantly smaller proportion of cropping land (2%) compared to Victoria (36%). Figure 11 depicts the distribution of agricultural land use in Mansfield Shire.

TABLE 18 LAND USE OF PRIVATELY OWNED RURAL LAND, 2010/11

Land Use Type	Mansfield	%	Victoria	%
Land under crop (inc. broadacre and horticulture)	3,052	2%	4,488,840	36%
Grazing land (including pastures and range land)	140,885	95%	7,259,230	57%
Land under commercial forestry plantations	293	0%	45,747	0%
Other Agricultural Purposes	176	0%	23,453	0%
Total Agricultural Uses	**144,406**	**98%**	**11,817,270**	**94%**
Total Non-agricultural Uses	3,246	2%	669,777	5%
Land Use - Total Area of Holding (ha)	147,601		12,625,915	

Source: ABS Agricultural Commodities: Small Area Data, 2010-11.

FIGURE 11 AGRICULTURAL LAND USE, 2012



Source: Hume Rural Land Use Strategy (Urban Enterprise, 2012).

4.5.2. AGRICULTURE BY VALUE

Table 19 shows the gross value of agriculture in Mansfield Shire in 2010/11 and Table 20 provides an overview of the top ten agricultural products produced in Mansfield Shire.

In 2011, Mansfield Shire contributed over $43.7 million in total gross value of agriculture; this represents 2.4% of total gross value of agriculture in the Hume Region.

The data shows that the most significant agricultural sector is the livestock sector, which contributed over $35 million (or 80%) to the gross value of the Shire. Mansfield's primary agricultural product consists of livestock slaughtered, including cattle and calves ($14.7 million in gross value), sheep and lambs ($13 million) and goats ($0.4 million). Mansfield also contributes over $6.9 million in wool and livestock products.

This is followed by the broadacre crops sectors, which contributed an estimated $7.5 million (or 17%) to the region's agricultural value.

The horticultural industry represents a small proportion of agricultural activity in Mansfield Shire (3% of industry), despite the regional location in the Hume region, a major national and state contributor of horticultural produce.

TABLE 19 GROSS VALUE OF AGRICULTURE, 2010/11

Agricultural activity	Mansfield	% of industry	Hume Region	% of industry	Victoria	% of industry
Livestock (slaughtered and products)	$35,000,000	80%	$955,200,000	52%	$6,515,100,000	56%
Horticulture	$1,200,000	3%	$624,100,000	34%	$2,611,300,000	22%
Broadacre crops	$7,500,000	17%	$256,500,000	14%	$2,491,600,000	21%
Agriculture - Total Gross Value	**$43,700,000**		**$1,835,400,000**		**$11,618,000,000**	

Source: ABS Agricultural Commodities: Small Area Data, 2005-06.

TABLE 20 TOP TEN AGRICULTURAL PRODUCTS IN MANSFIELD SHIRE BY GROSS VALUE, 2010/11

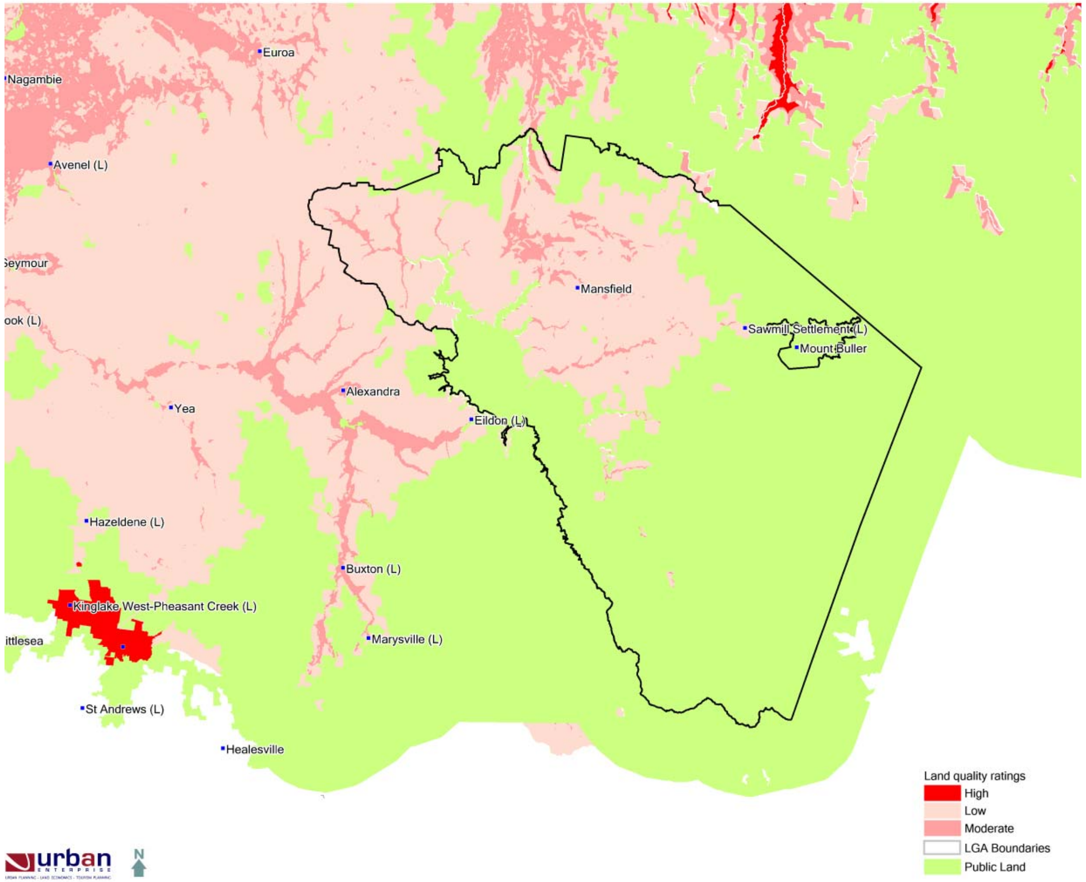
Agricultural Product	Mansfield	Hume Region	% of Hume Region	Victoria	% of Vic
Cattle and calves - Livestock slaughtered and other disposals	$14,700,000	$294,700,000	5.0%	$1,369,600,000	1.1%
Sheep and lambs - Livestock slaughtered and other disposals	$13,000,000	$120,000,000	10.8%	$1,092,200,000	1.2%
Broadacre crops	$7,500,000	$256,500,000	2.9%	$2,491,600,000	0.3%
Wool - Livestock products	$6,900,000	$89,600,000	7.7%	$682,800,000	1.0%
Nurseries and cut flowers and cultivated turf	$500,000	$41,900,000	1.2%	$418,800,000	0.1%
Fruit (excluding grapes)	$400,000	$513,000,000	0.1%	$1,121,900,000	0.0%
Goats - Livestock slaughtered and other disposals	$400,000	$7,200,000	5.6%	$34,600,000	1.2%
Vegetables for human consumption	$300,000	$56,100,000	0.5%	$726,400,000	0.0%
Whole milk - Livestock products	$100,000	$373,100,000	0.0%	$2,483,400,000	0.0%
Grapes	-	$12,500,000	0.0%	$309,400,000	0.0%

Source: ABS Agricultural Commodities: Small Area Data, 2005-06.

4.5.3. AGRICULTURAL LAND QUALITY

Figure 12 depicts Mansfield Shire and surrounding regions by land quality ratings (High, Low, and Moderate). The lower proportion of horticultural produce is attributed to the dominance of Moderate agricultural land quality found in Mansfield Shire, where land is suitable for grazing and crop production.

FIGURE 12 AGRICULTURAL LAND QUALITY, 2012



Source: Hume Rural Land Use Strategy (Urban Enterprise, 2012).

4.5.4. AGRICULTURAL TRENDS

Figure 13 depicts the indexed change in value of agricultural production in Mansfield Shire, with comparison to Victoria and Hume Region; agricultural data for Mansfield Shire was only available for 2005/06 and 2010/11 financial years.

The data shows that the growth in the value of agricultural production has outpaced regional benchmarks between 2005/06 and 2010/11.

Table 21 shows that Mansfield Shire has grown an average of 7.5% p.a. in agricultural value within the period; this is comparatively higher to Victoria (4.7%) and Hume Region (3.4%).

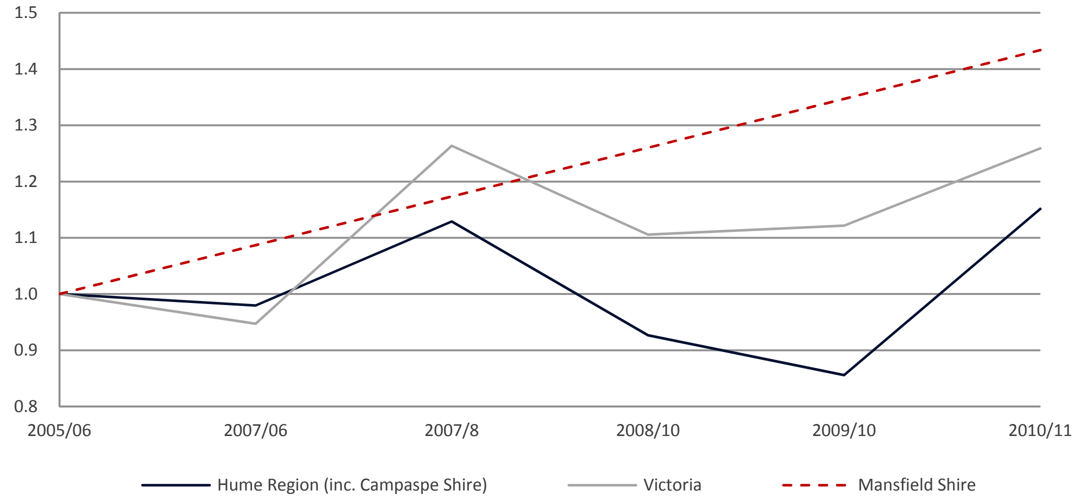
The data indicates that growth has been largely attributed to the livestock slaughterings and products industries within Mansfield Shire. However the data also shows that smaller niche agricultural sectors saw declines over the period, in particularly the horticultural industries (fruit, vegetables and nurseries).

TABLE 21 CHANGE IN VALUE OF AGRICULTURAL PRODUCTION, $ MILLION

	2005/06	2010/11	% p.a. change
Victoria	$9,226.6	$11,618.0	4.7%
Hume Region	$1,550.6	$1,835.4	3.4%
Mansfield Shire	$30.5	$43.7	7.5%
Crops	*$6.4*	*$7.5*	*3.3%*
Nurseries, cut flowers and cultivated turf	*$0.6*	*$0.5*	*-3.4%*
Vegetables	*$0.4*	*$0.3*	*-3.4%*
Fruit	*$0.5*	*$0.4*	*-6.0%*
Livestock slaughterings	*$19.6*	*$28.1*	*7.4%*
Livestock products	*$4.5*	*$7.0*	*9.3%*

Source: ABS Agricultural Commodities: Small Area Data, 2005-06 to 2010/11.

FIGURE 13 INDEXED CHANGE IN VALUE OF AGRICULTURAL PRODUCTION



Source: ABS Agricultural Commodities: Small Area Data, 2005-06 to 2010/11.

4.6. MANUFACTURING AND INDUSTRIAL

Table 22 depicts number of persons employed in the Manufacturing and Industrial sectors in Mansfield Shire in 2006 and 2011.

The data shows that high proportion of manufacturing and industrial jobs are concentrated towards construction industries, particularly Construction Services (176 persons employed) and Building Construction (75 persons. The data may be reflective of recent growth trends in residential building investment.

The data indicates that overall, the Manufacturing and Industrial sector has seen marginal levels of growth between 2006 and 2011, led by increases in employment in the construction sectors.

The data also depicts that the manufacturing industries are dominated by small scale operators, with the largest levels of employment seen in Food Product Manufacturing (employing 27 persons).

The manufacturing sectors saw a number of business declines, including the exit of small scale employing industries (Printing, Chemical Product Manufacturing and Wholesale Trade) and decline of employment in other sectors (Wood Product Manufacturing and Wholesale).

The changes in employment reflects a declining trend in the manufacturing and industrial industries, with the economy undergoing a transition away from product manufacturing industries towards building investment-based employment (e.g. building construction, construction services).

TABLE 22 MANUFACTURING AND INDUSTRIAL EMPLOYMENT IN MANSFIELD SHIRE, 2006 AND 2011

	Manufacturing and Industrial Sector	Person Employed in Mansfield Shire - 2006	Person Employed in Mansfield Shire - 2011	% Annual Change
Manufacturing	Food Product Manufacturing	27	27	0%
	Beverage and Tobacco Product Manufacturing	14	17	4%
	Furniture and Other Manufacturing	9	17	14%
	Machinery and Equipment Manufacturing	9	16	12%
	Manufacturing, nfd	15	16	1%
	Primary Metal and Metal Product Manufacturing	7	12	11%
	Transport Equipment Manufacturing	7	12	11%
	Wood Product Manufacturing	26	8	-21%
	Non-Metallic Mineral Product Manufacturing	9	8	-2%
	Textile, Leather, Clothing and Footwear Manufacturing	0	4	Industry Entry
	Fabricated Metal Product Manufacturing	10	4	-17%
	Printing (including the Reproduction of Recorded Media)	3	0	Industry Exit
	Basic Chemical and Chemical Product Manufacturing	4	0	Industry Exit
	Total Manufacturing	140	141	0%
Light Industrial	Basic Material Wholesaling	29	38	6%
	Building Construction	75	75	0%
	Construction Services	152	176	3%
	Construction, nfd	3	6	15%
	Grocery, Liquor and Tobacco Product Wholesaling	16	15	-1%
	Heavy and Civil Engineering Construction	9	16	12%
	Machinery and Equipment Wholesaling	14	4	-22%
	Motor Vehicle and Motor Vehicle Parts Wholesaling	4	0	Industry Exit
	Other Goods Wholesaling	5	0	Industry Exit
	Wholesale Trade, nfd	4	0	Industry Exit
	Total Light Industrial	311	330	1%
	Total Industrial and Manufacturing Employment	591	612	1%
	Share of Industrial and Manufacturing Employment	22%	20%	-1%
	Total Employment in Shire	2,726	3,035	2%

Source: ABS Place of Work 2011 and 2006.

4.7. TOURISM SECTOR

4.7.1. VISITATION METHODOLOGY

Mansfield Shire has a number of drivers for tourist visitation. These include:

- Lake Eildon and rivers;
- Mount Buller/Stirling;
- Food and wine tourism;
- Nature-based tourism; and
- Cycle tourism.

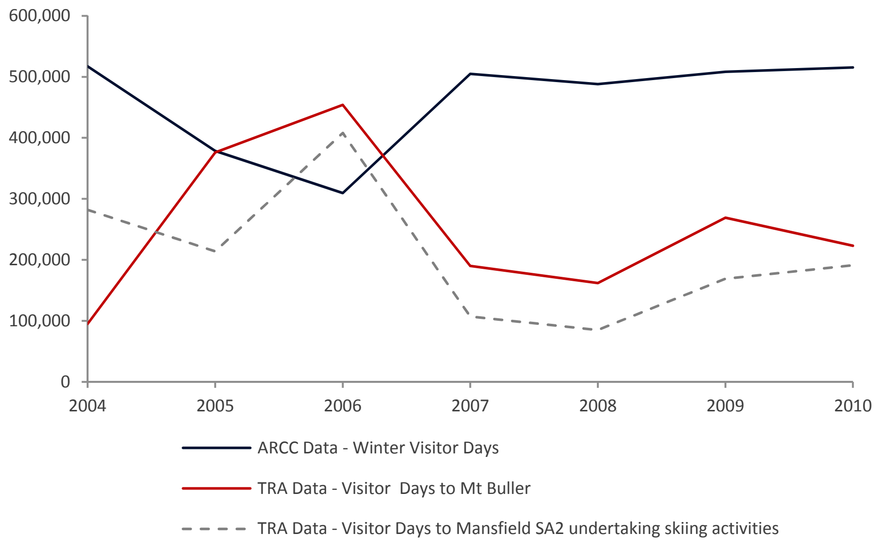
Data has been prepared for the following geographic areas:

- Mansfield Shire; and
- Mount Buller and Mount Stirling Alpine Regions.

Visitation to the region has been estimated using the Urban Enterprise PAVE model, with assumptions based on ABS, Tourism Research Australia and Alpine Resort Coordinating Council data and consultation with Mansfield Shire Council. Relying on traditional data sources such as the Australian Bureau of Statistics and Tourism Research Australia (TRA) data in isolation does not provide insight into local trends and can be limiting due to the following factors:

- International Visitor Survey and National Visitor Survey (Tourism Research Australia) does not capture visitation for persons 14 years and under;
- International Visitor Survey data substantially underestimates visitation to Victoria's regions.
- National Visitor Survey data substantially underestimates the impact of the holiday home sector and visitors in general, particularly for areas of small sample sizes. Figure 14 provides a comparison between TRA Visitation Estimates and primary research undertaken by Alpine Region Co-ordination Council (ARCC). The data shows that at small areas TRA data does not register reliable estimate of data and trends of visitation to Mt Buller; and
- Australian Bureau of Statistics Survey of Tourism data does not provide data for the number of commercial accommodation establishments under fifteen rooms.

FIGURE 14 VISITOR DAYS TO MOUNT BULLER – ARCC AND TRA DATA COMPARISON



The PAVE model is assumed to include visitation to non-official campsites and holiday homes; and visitors aged less than 14 years (which are not identified in the Tourism Research Australia visitation estimations) and utilises primary research undertaken by ARCC.

However, the PAVE model is based on limited assumptions of accommodation supply and occupancy rates sourced from ABS Small Area Tourism Accommodation Data 2009-2011; additional primary research (e.g. accommodation audit, visitor surveys) may be required to improve the accuracy of the estimations.

4.7.2. VISITATION TO MANSFIELD SHIRE AND MOUNT BULLER

Visitation to Mansfield Shire, Mt Buller and Mt Stirling Alpine Region is shown below, calculated using Urban Enterprises PAVE model.

The PAVE model estimates that around 1.18 million visitors were attracted to Mansfield Shire and Mount Buller Alpine Region, of which over 81% is attributed to overnight visitors (or 966,521 visitors) and the remaining 19% to daytrip visitors (or 212,035 visitors).

Mansfield Shire alone attracted around 765,000 visitors over the 2010/11 year, whilst Mt Buller/Stirling Alpine Resorts attracted an estimated 413,000 visitors.

TABLE 23 VISITATION TO MANSFIELD, MOUNT BULLER AND MOUNT STIRLING, 2010/11

ANNUAL VISITATION SUMMARY 2010/11	Mansfield Shire	Mt Buller and Mt Stirling	Total Visitors
Number of visitors staying in Commercial Accommodation	330,000	190,153	520,153
Number of visitors staying in Caravan Parks	72,124	-	72,124
SUB TOTAL- Number of visitors staying in public accommodation	*402,124*	*190,153*	*592,277*
Number of visitors staying Holiday Homes	199,310	114,847	314,157
Number of visitors staying with Friends & Relatives	60,087	-	60,087
TOTAL Number of Overnight Visitors	**661,521**	**305,000**	**966,521**
TOTAL Number of Daytrip Visitors	**104,000**	**108,035**	**212,035**
TOTAL NUMBER OF VISITORS	**765,521**	**413,035**	**1,178,556**

Source: Urban Enterprise PAVE model 2012, utilising assumptions from ABS Small Area Accommodation Data 2009-2011, Tourism Research Australia Data 2011, ARCC 2009-2011 Annual Reports and consultation with Mansfield Shire Council.

4.7.3. VISITATION TRENDS

Trends for visitation to Mansfield Shire are unavailable as the Urban Enterprise PAVE model relies on estimations based on fixed non-trending indicators (e.g. accommodation supply). As such, PAVE model estimations solely provide estimations for a specified year. Furthermore, annual visitation figures from Tourism Research Australia data are based on sample sizes below statistically significant levels; as such, estimated visitation levels may not provide sufficiently robust reflections of actual visitation to the region.

Figure 15 depicts annual visitor days to Mount Buller and all Victorian Alpine Resorts from 2002 to 2011. Although the data may not be reflective of the *level* of visitation to the Mansfield/Mt Buller region, the annual visitor days may provide an understanding of *trends* in the visitation to the region, in comparison to other Alpine regions.

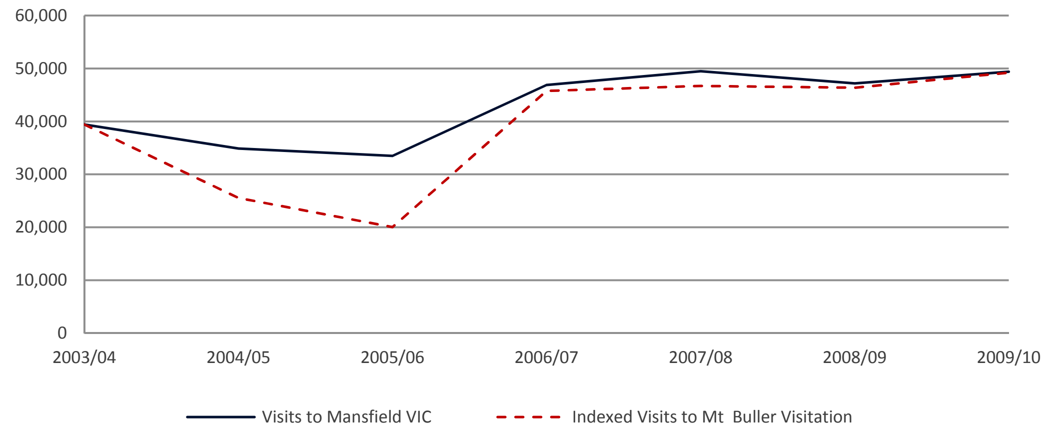
The data shows that visitation to Mt Buller has remained relatively constant between 2002 and 2011, with the exception of marked declines seen in 2004-06 due to low levels of snowfalls. These trends align with changes in annual visitor days seen in all Alpine Resorts, including marked declines in the 2004-06 periods. Furthermore, the data also shows that the share of Alpine Resort visitation to Mt Buller has remained relatively constant at 35%.

Figure 16 depicts annual visits to Mansfield Visitor Information Centre (VIC) and provides indexed visitation to Mt Buller as a comparison. The data strongly indicates that visits to Mansfield township are heavily influenced by tourism to Mt Buller; however, the Mansfield VIC corresponded with a moderate decline in 2005/06 compared to Mt Buller, suggesting that the township is also supported by a significant level of non-alpine visitation.

FIGURE 15 VISITOR DAYS TO MT BULLER AND ALL ALPINE RESORTS, 2002–2011

Source: ARCC, 2011.

FIGURE 16 VISITORS TO MANSFIELD VISITOR INFORMATION CENTRE (VIC), 2003/04–2009/10



Source: Tourism Alliance Victoria 2009/10 and Mansfield Mt Buller Regional Tourism Association Limited 2008/09 Annual Report.

VISITOR EXPENDITURE

An estimated $314.21 has been spent per visitor in the Mansfield Shire. Utilising PAVE model visitor, an estimated $322 million has been spent by tourism visitors in the region, of which $304 million is attributed to overnight visitors and the remaining $18 million to daytrip visitors.

TABLE 24 VISITOR EXPENDITURE TO MANSFIELD SHIRE, 2010/11

	2011/12
Accommodation	$110.94
Entertainment/attractions	$23.47
Travel/transport	$49.10
Shopping (excl groceries & alcohol)	$28.14
Groceries (incl alcohol)	$22.42
Total Shopping (incl groceries & alcohol)	*$50.56*
Food & drink - dining out	$17.05
Food & drink - takeaway	$47.11
Food & drink purchased at attractions	$9.11
Total Food & Drink	*$73.27*
Other	$6.96
Total Average Expenditure per person	$314.31

Source: A Profile of Visitors to Mansfield Shire, 2011.

TABLE 25 VISITOR EXPENDITURE TO MANSFIELD AND MOUNT BULLER, 2010/11

2010/11	Total Visitors	Total Visitor Expenditure
Overnight Visitors	966,521	$303,787,371
Daytrip Visitors	211,015	$18,227,822
Total Visitors	**1,140,500**	$322,015,193

Source: Urban Enterprise PAVE Model 2012 utilising data sourced from Tourism Research Australia NVS/IVS 2010/11, Mount Buller 2010/11 Annual Report and consultation with Mansfield Shire Council.

4.8. RETAIL TRADE

4.8.1. RETAIL EXPENDITURE BY RESIDENTS

Retail expenditure per resident in Mansfield Shire is notably higher than Regional Victorian averages. The data estimated that on average, over $13,010 is spent per Mansfield Shire resident, compared to the average Regional Victorian resident of $11,754.

The data shows that Mansfield residents spent a higher proportion of income on Bulky Goods; Apparel, Homesware & Leisure; and Groceries and Liquor.

Urban Enterprise has estimated that over $79.1 million of retail expenditure has been undertaken in Mansfield Shire in 2011; 60% attributed to local residential food expenditure (or $47.7 million), with the remaining 40% attributed to local residential non-food expenditure ($31.4 million).

4.8.2. TOTAL RETAIL EXPENDITURE

Accounting from impact of tourist visitor expenditure reveals that an estimated $165 million has been spent in retail expenditure, of which approximately 52% has been attributed to visitor retail expenditure ($86 million) and the remaining 48% to local retail expenditure ($79.1 million).

The data highlights the importance of tourism in supporting the retail sector in Mansfield Shire.

However, it is important to note that the value of local retail expenditure differs significantly from Retail industry economic output. This is attributed to regional economic models that exclude the value of regional imports (goods and services purchased outside Mansfield Shire) from industry output. Appendix A provides further details of the Input-Output Economic Model.

TABLE 26 ESTIMATED EXPENDITURE PER RESIDENT, 2011

	Food and Non-Food Groceries and Liquor	Food Catering	Apparel, Homesware and Leisure	Bulky Goods	Service	Total
Mansfield Shire	$5,388.04	$981.56	$4,411.08	$1,839.70	$390.07	**$13,010.44**
Regional Victoria	$4,877.06	$1,562.11	$3,611.74	$1,272.08	$431.28	**$11,754.27**

Source: MarketInfo 2006/07, extrapolated to 2011.

TABLE 27 ESTIMATED TOTAL EXPENDITURE, 2010/11

	Estimated Expenditure by Residents 2010-11	Estimated Expenditure by Visitors 2010-11	Total Estimated Expenditure 2010-11	%
Food, Non-food Groceries and Liqour	$41,038,432	$35,192,287	$76,230,719	46%
Food Catering	$6,689,179	$51,009,670	$57,698,849	35%
Apparel, Homewares and Leisure	$20,399,410	-	$20,399,410	12%
Bulky Goods	$8,676,743	-	$8,676,743	5%
Services	$2,299,627	-	$2,299,627	1%
Local Food Pool	$47,727,612	$86,201,957	$133,929,569	81%
Local Non-food Pool	$31,375,781	-	$31,375,781	19%
Local Retail Expenditure Pool	**$79,103,393**	**$86,201,957**	**$165,305,350**	**100%**

Source: Urban Enterprise Review Model, 2012, A Profile of Visitors to Mansfield Shire [Draft] (Urban Enterprise, 2013) and Urban Enterprise PAVE model, utilising Marketinfo data.

APPENDIX A: URBAN ENTERPRISE INPUT-OUTPUT MODEL

WHAT IS AN INPUT-OUTPUT TABLE?

INTRODUCTION

The following section provides the description of use and methodology of the economic impact assessment through a regional input-output table.

WHAT IS AN INPUT-OUTPUT TABLE?

An Input-Output (I-O) table fulfils two key functions; it is a descriptive framework for showing the relationship between industries and sectors and between inputs and outputs in an economy. It is also an analytical tool for measuring the impact of autonomous disturbances on an economy's output, employment and income. Utilising the Leontief Inverse and several other augmentation methods, the economic impact of expenditure the region can be depicted through the I-O model.

URBAN ENTERPRISE INPUT-OUTPUT MODEL METHODOLOGY

As regional input-output models are not readily available, the report utilises input-output model technique from Flegg and Webber (2000), the Location Quotient (LQ) adjustment technique to construct a Regional Input-Output Table[6]. The LQ adjustment technique will allow for accounting the regional industry mix of the region. Due to the unavailability of regional data, government expenditure, taxes and subsidies have been excluded from the model.

The report will utilise the ABS 2007 Input-Output Industry Groups (IOIG) consisting of 111 industry sectors for the economic impact analysis. The Total Economic Impact is constructed through three categories:

- **Initial Output Effects** - the estimated initial expenditure on the general regional economy.
- **Production Induced Effects** - this is the estimated impact of the Initial Output Effects on the general economy. The Production Induced Effects are made up of two components:
  - The First Round Effects - is the amount of output required from all industries of the economy to product the Initial Output Effect; and
  - Industrial Support Effects - the effects of the second and subsequent rounds of induced production;
- **Consumption Induced Effects** - the induced production of extra goods and services as a result of private final consumption expenditure of households affected by the initial output affects.

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[6]Flegg. A.T., Webber, C.D., and Elliot, M.V., 1995, On The Appropriate Use of Location-Quotients In Generating Regional Input-Output Tables, Regional Studies, Vol. 29, No. 6,

WHAT IS THE DIFFERENCE BETWEEN EXPENDITURE, OUTPUT, VALUE ADD AND GROSS DOMESTIC PRODUCT?

Expenditure or industry consumption represents the internal consumption by households, business and government for particular given industry.

Direct Industry Output is equal to expenditure [or industry consumption] less the costs to retailers of domestic goods sold, costs to industry of imported goods sold and net taxes on products. In the context of regional economies, *imports relate to goods and services purchased outside a defined region (in this case Mansfield Shire)*. As such, costs of imported goods sold sourced from outside Mansfield Shire are not attributed to the value of Output for a given Industry; for certain industries that rely heavily on imports from outside a regional area, the value of direct output will be significant less than the value of industry expenditure.

Direct Industry Value Added is calculated by subtracting industry intermediate inputs (goods and services product and supplied by other businesses).

Direct Industry Gross Regional Domestic Product is then calculated by adding industry next taxes on products to direct industry value added

The figure to the right depicts flow of industry expenditure to industry output, value added and gross domestic product.