

# ECONOMIC SNAPSHOT 2016

INTRODUCTION	4
ECONOMY	6
THE SURFING ECONOMY	10
EMPLOYMENT	12
DEVELOPMENT	16
DEMOGRAPHICS	20

#### DISCLAIMER

*While the information contained in this information memorandum has been prepared with all due care for the benefit of the user, Surf Coast Shire, its officers, employees, agents ("Council") do not warrant or make representations as to its accuracy. The information is made available on the understanding that Council shall have no liability for any loss whatsoever that might arise as a result of the use of information by the reader or any third parties who receive the information directly or indirectly. It is the users responsibility to make his or her investigations, decisions and enquiries about the information.*

The Surf Coast economy is unique and it's growing. Powered by sectors including surfing, tourism, construction and retail, it generates over \$1 billion annually.

The Surf Coast Economic Snapshot provides an overview of the economic and demographic aspects of the Surf Coast Shire, measuring these trends against other regions and municipalities for benchmarking purposes.



# INTRODUCTION



Using a variety of data sources this publication identifies the distinctly different economic composition of the Shire and the opportunities that extend as a result.

The Surf Coast Shire, with its beaches, National Parks and rural environment, is located in south-western Victoria, one hour from Melbourne's CBD and 20 minutes south of Geelong's CBD. The Shire is home to nine distinct townships: Aireys Inlet, Anglesea, Deans Marsh, Fairhaven, Jan Juc, Lorne, Moriac, Torquay and Winchelsea.

These townships and the rural hinterland support over 3,000 businesses which drive an economy estimated to be worth over \$1 billion annually. The economy is unique, dominated by surfing, tourism, construction and retail sectors. Traditional and emerging sectors of agriculture and health compliment to create a distinctly different economy to that of Geelong and surrounding regions.

Critical to achieving sustained economic growth is the unique natural surrounds which includes world famous beaches, pristine coastal areas and National Parks. These natural assets are a corner stone in attracting approximately 2 million visitors who expend over \$500 million annually visiting Surf Coast Shire.

The Great Ocean Road (which starts in Torquay) further cements Surf Coast Shire's status as an internationally renowned tourism destination. Matching economic growth, proximity and lifestyle continue to contribute to the Shire being one the fastest growing municipalities in Victoria. Since 2001 the permanent population of the Shire has grown from 20,556 to 28,941 in June 2015 and is forecast to grow to nearly 44,000 by 2036.

POPULATION  
**28,941**

(AS AT JUNE 2015)

LGA SIZE KM<sup>2</sup>  
**1,560**

NO. OF  
PROPERTIES  
**20,564**

*Source: Surf Coast Shire Rates department*

GRP  
**\$1.007B**

The surf industry accounts for 27% of total employment and 26.5% of value added activities.



## TRAVEL TIMES

	MELBOURNE	AVALON AIRPORT	TORQUAY	LORNE	QUEENSCLIFF	TWELVE APOSTLES
MELBOURNE		42mins	1hr 13mins	1hr 49mins	1hr 24mins	4hrs
AVALON AIRPORT	56km		37mins	1hr 14mins	47mins	3hrs 19mins
TORQUAY	96km	41km		47mins	40mins	2hrs 52mins
LORNE	142km	89km	47km		1hr 24 mins	2hrs 15mins
QUEENSCLIFF	106km	53km	42km	90km		4hrs
TWELVE APOSTLES	254km	219km	177km	130km	215km	



Surf Coast Shire is highly accessible supported by excellent road infrastructure and a near by airport at Avalon. Rail services are available via Winchelsea.

# ECONOMY



## GROSS REGIONAL PRODUCT

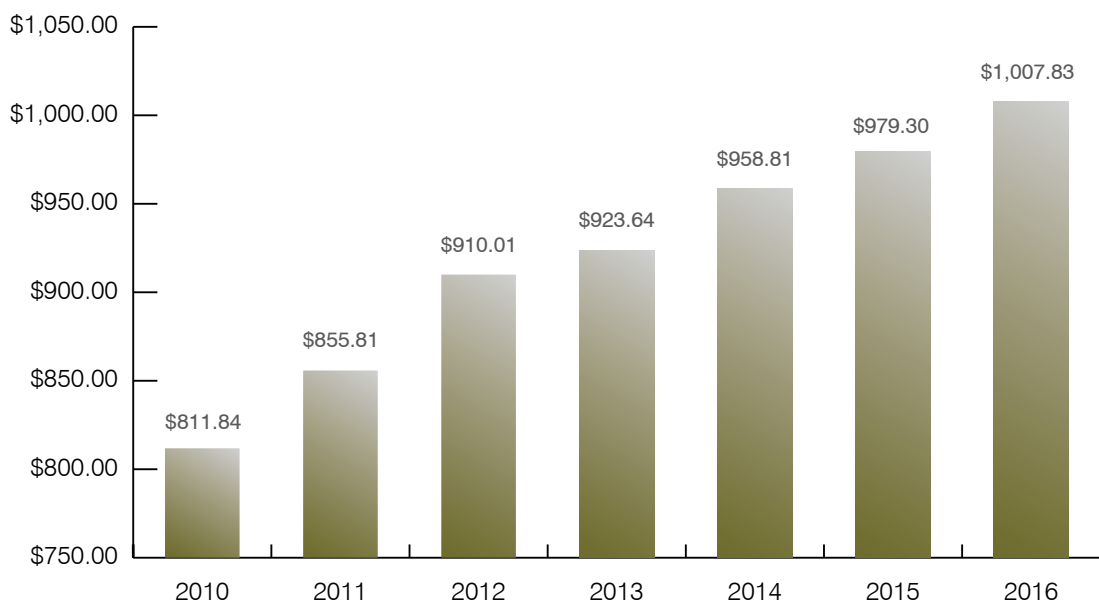
Over a five year period, the Gross Regional Product of the Surf Coast Shire grew by an average of 4.19%.

This is more than two and a half times higher than the average growth for the G21 region. It is also significantly higher when compared to the growth rate of Victoria overall.

Gross Regional Product is used as a measure of net wealth generated by the region.

GRP is the total value of final goods and service produced in a year.

## SURF COAST SHIRE GROSS REGIONAL PRODUCT



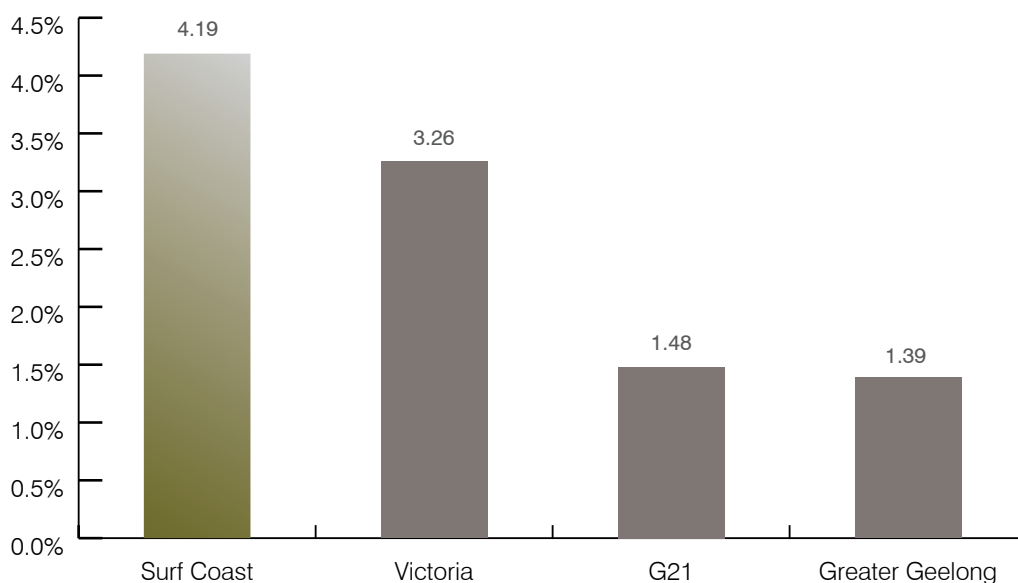
Source: REMPlan April 2016



The economy has expanded at four times the rate of other regional Council's in Victoria over the past 15 years and 1.3 times faster than the State average.

Fuelled by over 3,000 businesses Surf Coast's economy is estimated to be \$1.007 billion annually. Reaching the \$1 billion years threshold faster much sooner than previously forecasted.

## AVERAGE ANNUAL GRP GROWTH RATE 2012-2016



Source: Australia Bureau of Statistics. 2016. 8165.0 - Counts of Australian Businesses, Jun 2011 to Jun 2015



## INDUSTRY SECTORS IN SURF COAST

**While Retail Trade is the most significant contributor to value add activity it only employs 2% of the workforce.**

In the last 12 months Construction has become the most significant contributor to value add activity. Construction

businesses also account for approximately 23% of businesses in the Shire.

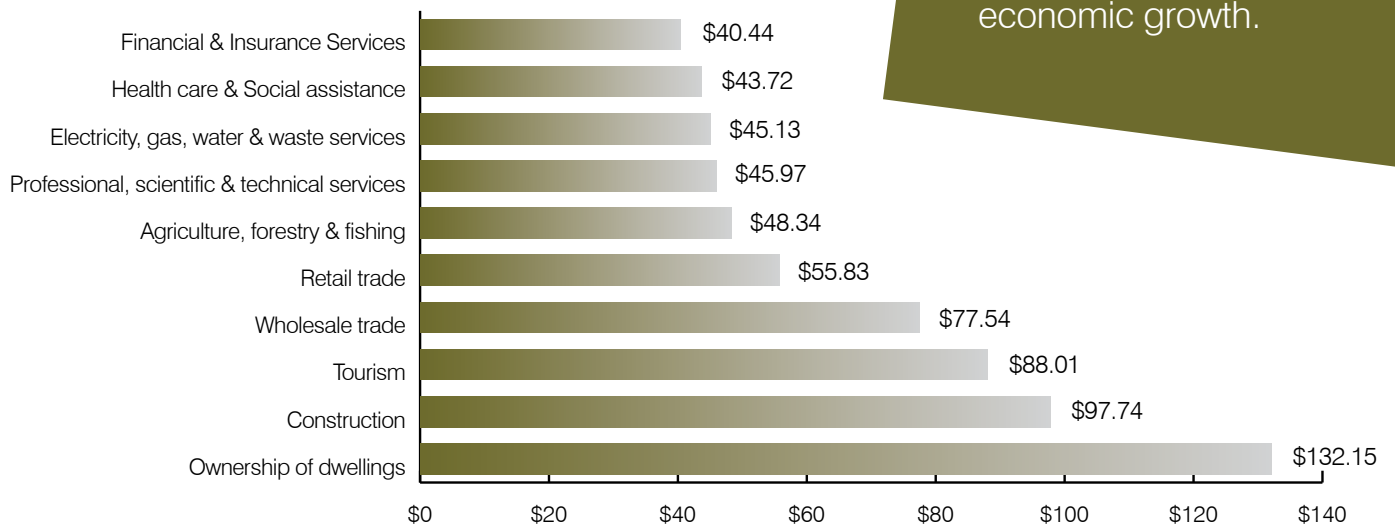
Agriculture, while significant in business numbers, has a comparatively low value add. Of the 3,079 businesses, the vast majority employ four or less people.

Surf Coast (S) (Aug 2015) Industry sector	Output \$M	Value Add \$M	Employment	Business Count Jun 15	
Construction	\$363.98	\$97.74	13.40%	723	23.48%
Rental, Hiring & Real Estate Services	\$255.23	\$34.26	4.20%	277	9.00%
Manufacturing	\$171.28	\$27.72	4.70%	94	3.05%
Accommodation & Food Services	\$163.02	\$70.98	15.50%	206	6.69%
Wholesale Trade	\$162.26	\$10.29	1.50%	80	2.60%
Retail Trade	\$103.69	\$178.47	2.00%	181	5.88%
Agriculture, Forestry & Fishing	\$103.07	\$48.65	6.50%	411	13.35%
Professional, Scientific & Technical Services	\$92.52	\$16.40	3.50%	380	12.34%
Electricity, Gas, Water & Waste Services	\$85.26	\$45.13	1.50%	9	0.29%
Financial & Insurance Services	\$61.41	\$40.46	1.60%	200	6.50%
Public Administration & Safety	\$61.10	\$45.97	5.30%	3	0.10%
Health Care & Social Assistance	\$56.92	\$43.95	7.90%	166	5.39%
Education & Training	\$44.04	\$33.02	6.10%	29	0.94%
Administrative & Support Services	\$42.23	\$21.93	2.90%	88	2.86%
Other Services	\$30.45	\$3.44	0.20%	81	2.63%
Information Media & Telecommunications	\$25.64	\$10.77	0.80%	27	0.88%
Transport, Postal & Warehousing	\$24.50	\$61.43	13.50%	69	2.24%
Arts & Recreation Services	\$22.02	\$8.96	2.20%	52	1.69%
Mining	\$9.61	\$78.96	6.80%	3	0.10%
<b>Total</b>	<b>\$1,878.23</b>	<b>\$878.52</b>	<b>100%</b>	<b>3079</b>	<b>100%</b>

Source: REMPlan April 2016



## TOP 10 INDUSTRY SECTORS - VALUE ADDED ACTIVITY



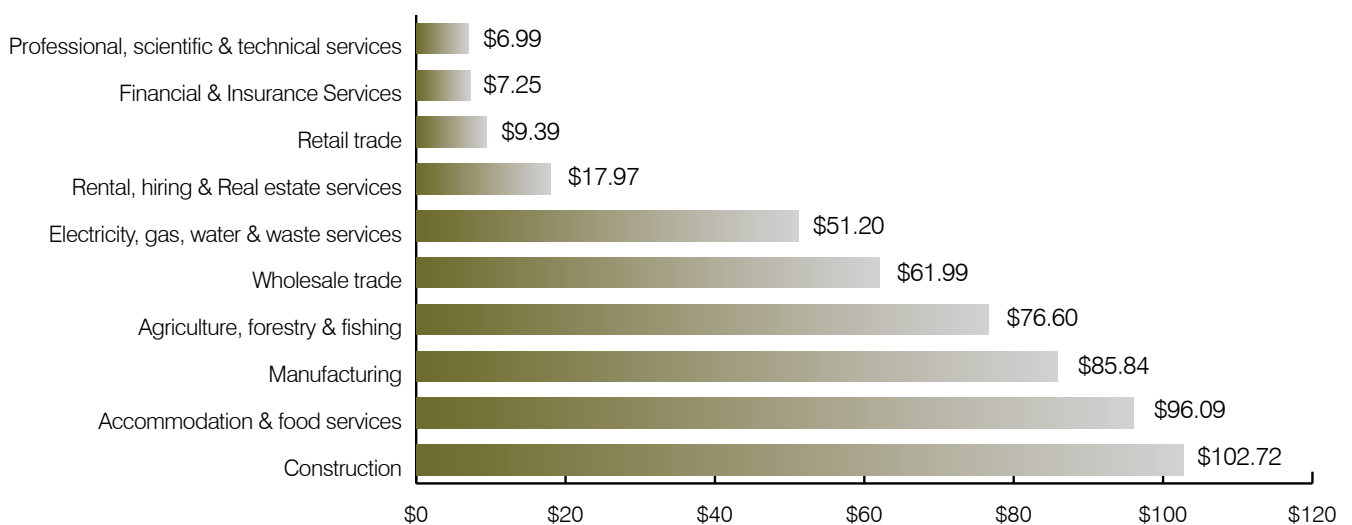
Source: REMPlan March 2014

The economy is multi-pronged with several sectors contributing to economic growth.

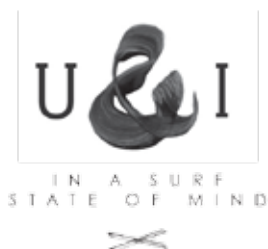
## TOURISM IS THE THIRD LARGEST CONTRIBUTOR TO VALUE ADD ACTIVITY WORTH OVER \$88 MILLION

The total value of exports from Surf Coast Shire is estimated to be over \$560 million annually.

## TOP 10 INDUSTRY SECTORS - REGIONAL EXPORTS



Source: REMPlan March 2016



## U&I

Chasing sea and surf, Australian Fashion Designer Jodie Hayes, and Swedish Designer and Photographer Emma Bäcklund both arrived in Torquay in 2012.

Twelve months later they came together to collaborate and create U&I, an independent women's surf wear label designed for ocean dwellers not sun bakers. U&I is stylish and simple active wear complementing the Women of Bells lifestyle – worn from the shaping bay to surf to yoga and even into the night. Like Torquay's iconic surf wear giants, U&I was born from humble beginnings in the back shed of a Torquay shack. Now working from an open studio space in Surf City, Jodie takes care of manufacturing and fashion design, and Emma looks after operations, marketing and graphic/web design.

"Road testing" their garments is the best part of their process, going surfing to make sure their products live up to their impeccably high standards as active water women. To complement their online store, U&I currently stock a growing number of select boutiques along the Australian East Coast and Bali, and are hopeful to develop their retail partnerships over the next couple years with interest from stores in the US.

*"We believe being niche when starting a business is a great way to go... We welcome any young creative entrepreneurs on the Surf Coast to come into our studio for a chat as we'd love to be a support to anyone wanting to follow their dream and passion."*

[uandilabel.com.au](http://uandilabel.com.au)



## OISHI-M

Miyo Fallshaw owns Oishi-m, a children's clothing brand and retailer based in Gilbert St, Torquay. Oishi-m was created nearly 10 years ago due to a lack of funky, interesting clothing for children. Oishi-m creates fashion-forward children's clothing line for infants and toddlers. Oishi is "yummy" in Japanese and the "m" stands for the mini one in your life. Oishi-m has a unique philosophy of producing limited edition garments, designed to make little munchkins look and feel amazing.

Oishi-m now employs more than fifteen people, not to mention a small army of freelancers and independent contractors. Initially with they were excited when an order came in from anyone they didn't know, but after rebuilding their website four times, they now ship more than 15,000 parcels around the globe annually.

The accessibility of online business means they're able to do business worldwide from their base in Torquay. For the domestic market, being a member of the Australia Post Express Delivery network means their customers in metropolitan areas can get their parcels the very next day.

*"We moved to the Surf Coast for the coastal lifestyle. Being able to work in the local surf industry among globally recognised brands was a bonus. Since we've had children, it's been amazing to be able to work in our own business with the added benefits of flexibility and being surrounded by the location's skilled creative workforce drawing on great experience from local surf brands and major retailers. The Surf Coast is not only beautiful but a great creative hub that is a stone's throw away from the conveniences of world-class Melbourne."*

[oishi-m.com](http://oishi-m.com)





## OTWAY WALNUTS

As most walnuts sold in Australia are imported from overseas; over a decade ago Marcelle and Mike Halstead-Lyons of Otway Walnuts recognised a significant opportunity to take advantage of the ideal walnut growing environment in the Surf Coast's hinterland area surrounding Deans Marsh to develop and produce fresh, high quality walnuts. Taking advantage of the ideal walnut growing environment of the area, Otway Walnuts began the long patient work of establishing their walnut grove near Bambra. The task was very significant indeed and it took many years indeed just to acquire plant and prune the walnuts trees into an optimal shape to produce the highest quality walnuts available. Fast forward ten years and the Otway Walnuts' walnut grove is now producing some of the best, highest quality Australian walnuts that are available.

Mike is very passionate about walnuts and the burgeoning high quality local food scene of the Surf Coast Hinterland. Mike is of the view that properly managed the Surf Coast Hinterland area has the very real potential to be one of the top "must visit" areas for Victorian food lovers and international visitors.

*"To us this has been and continues to be one of the most enjoyable and richly rewarding life experiences that we could have ever had and we have been very lucky to have had this privilege."*

[otwaywalnuts.com.au](http://otwaywalnuts.com.au)

## BELLROY



Bellroy craft better ways to carry your everyday things. With slim tailoring being a key catalyst in the founding of Bellroy, passionate surfers and family men Andy Fallshaw & Hadrien Monloup created Bellroy's first wallet in 2010, after meeting while working for Rip Curl in Torquay. As the world swapped their baggy pants out for slimmer fits, Fallshaw and Monloup struggled to ignore those ugly wallet lumps. As designers and engineers, they, along with a team from Investling and friends tackled the problem and challenged the way a wallet should be built from the ground up.

Starting out with just a few people, Bellroy now employs more than 50 people, some in their office near BELLS Beach, some in their office in FitzROY (BELL-ROY); others working remotely throughout Australia and the rest of the world. Being global is at the heart of Bellroy, it keeps them connected, and ensures they see life from many different perspectives. Bellroy's products are now stocked in over 1100 retailers globally, with orders shipping to more than 100 different countries monthly.

*"In terms of establishing a business here, there's definitely something about living a more balanced life, incorporating community, outdoors and reflection time that each seem easier to find outside of a city. But then there's also surf and the ocean, which, for us, is a pretty huge factor in it all. The thing about the Surf Coast is that we're only 75 minutes from the city, so you don't have to give up too much to win the ocean and the space. With a high concentration of world class brands that were seeded around town, the Surf Coast Shire is a pretty unique part of the world."*

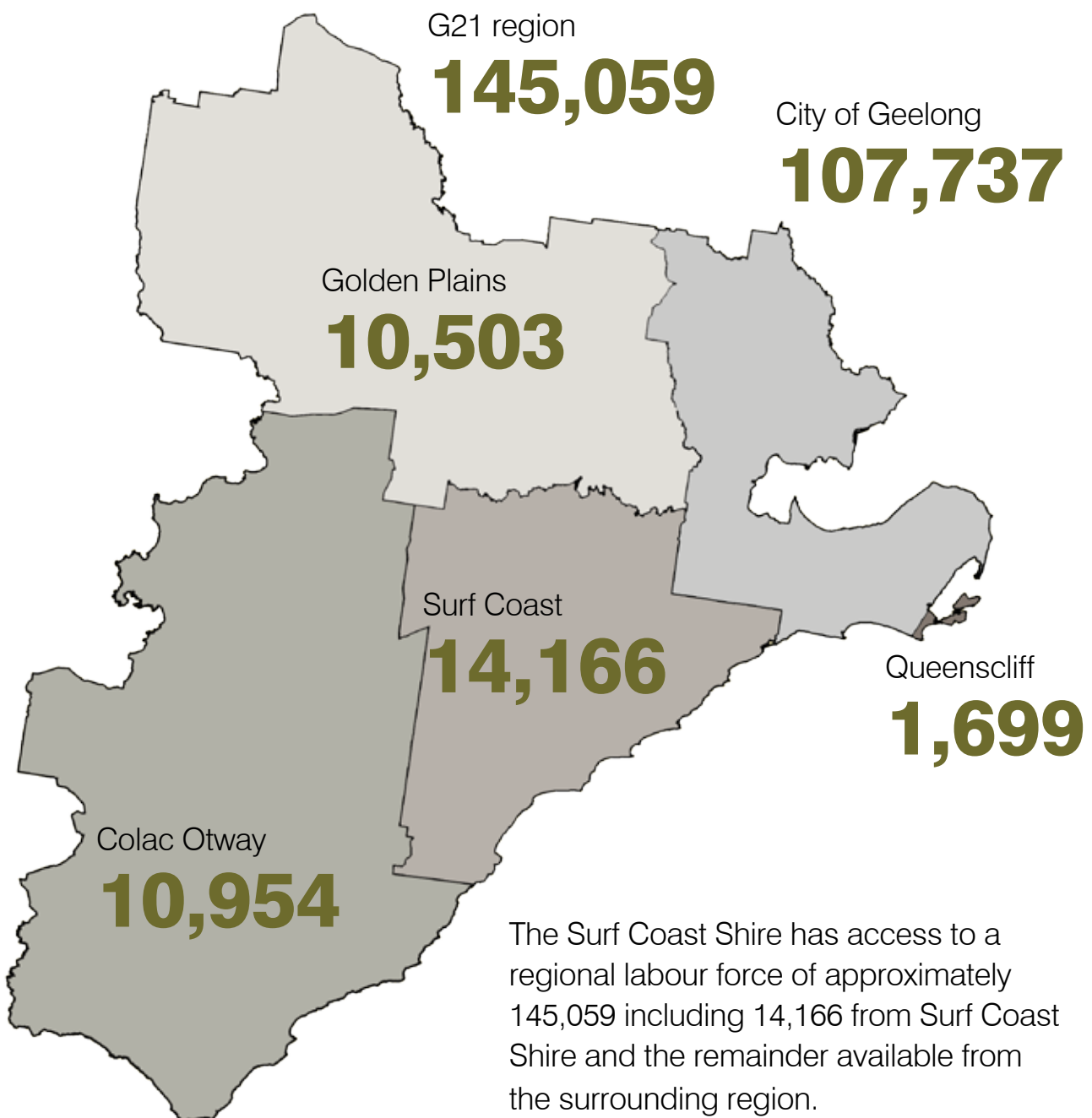
[bellroy.com](http://bellroy.com)



**Surf Coast Shire is home to a number of innovative businesses. If you are interested in having your business profiled by Surf Coast Shire please contact us at [info@surfcoast.vic.gov.au](mailto:info@surfcoast.vic.gov.au)**



# EMPLOYMENT

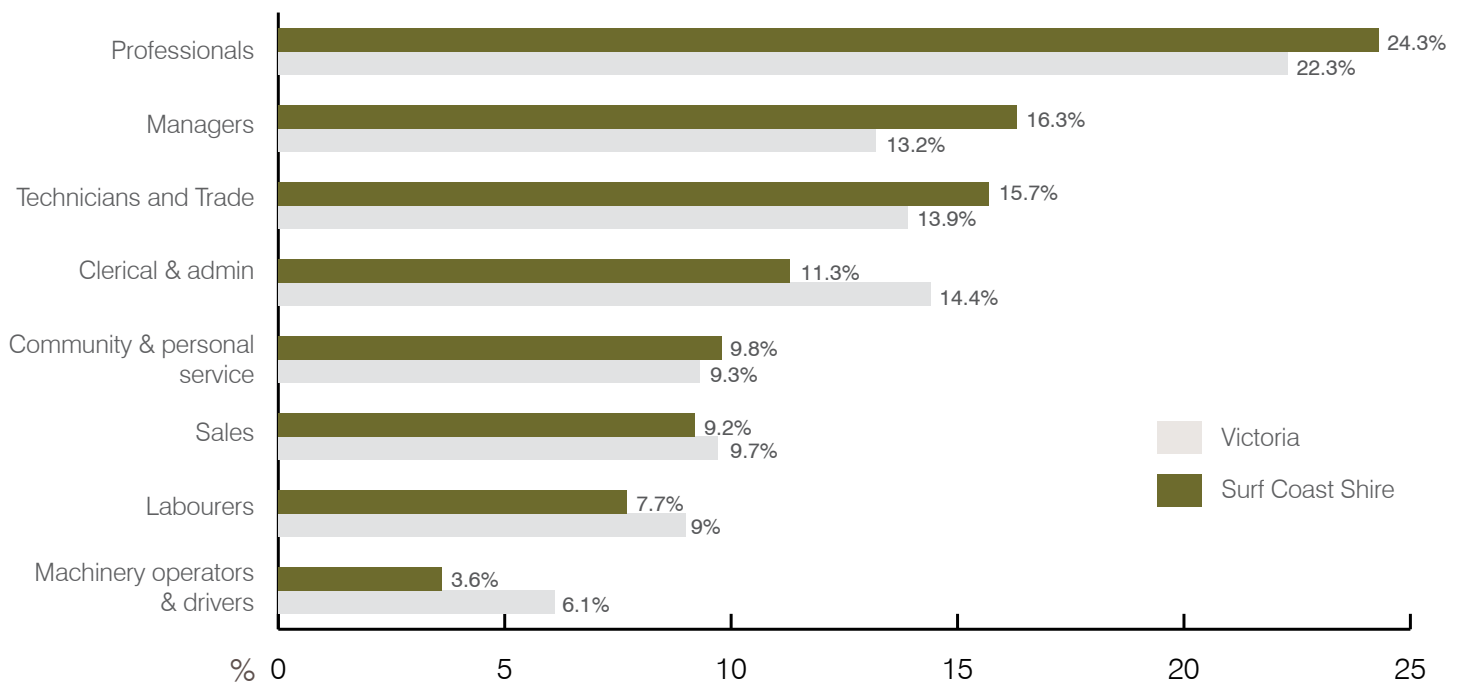


Source: Australian Government Department of Employment. April 2016. Labour Market Analysis - Labour Market Research and Analysis Branch

# LABOUR FORCE TRENDS



## EMPLOYMENT BY OCCUPATION



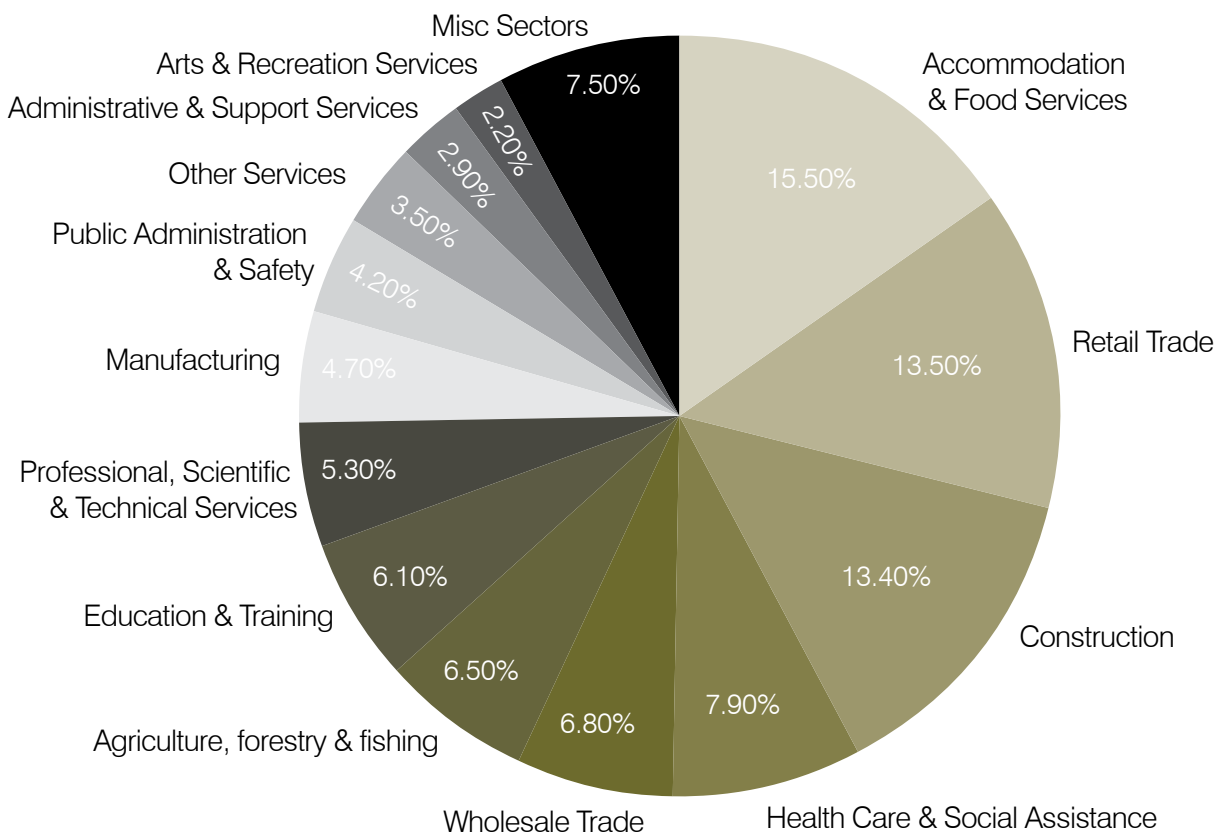
Source: Australian Government Department of Employment. April 2016. Labour Market Analysis - Labour Market Research and Analysis Branch

Over 23% of Surf Coast Shire's labour force has a tertiary qualification, almost 3% above the Victorian average.

This means a highly skilled workforce is available to Surf Coast with over 40% of people employed as managers and professionals.



## EMPLOYMENT BY SECTOR



Source: REMPlan March 2016, ABS, Tourism Satellite Account

Over 87% of all  
businesses employ 4  
or less people.



# 1 IN 5

PEOPLE IN SURF COAST SHIRE ARE DIRECTLY EMPLOYED BY SURFING



SURF COAST SHIRE IS HOME TO THE THREE LARGEST SURF LIFESAVING CLUBS IN VICTORIA



RETAIL AND WHOLESALE ARE THE BIGGEST EMPLOYERS IN THE SURF INDUSTRY

HOME OF THE LONGEST RUNNING SURFING EVENT IN THE WORLD - THE RIP CURL PRO AT BELLS BEACH

THE SURF INDUSTRY ACCOUNTS FOR

# 20¢

IN EVERY DOLLAR OF WAGES PAID IN SURF COAST SHIRE

THE SURF INDUSTRY ACCOUNTS FOR

# 25.5%

OF THE OUTPUT IN SURF COAST SHIRE'S ECONOMY



# 200+ EVENTS

# 240,000+ PARTICIPANTS



\$

# \$105M

OF ECONOMIC  
BENEFIT

# 3,300

INTERNATIONAL  
ATTENDEES



# 160

COUNTRIES

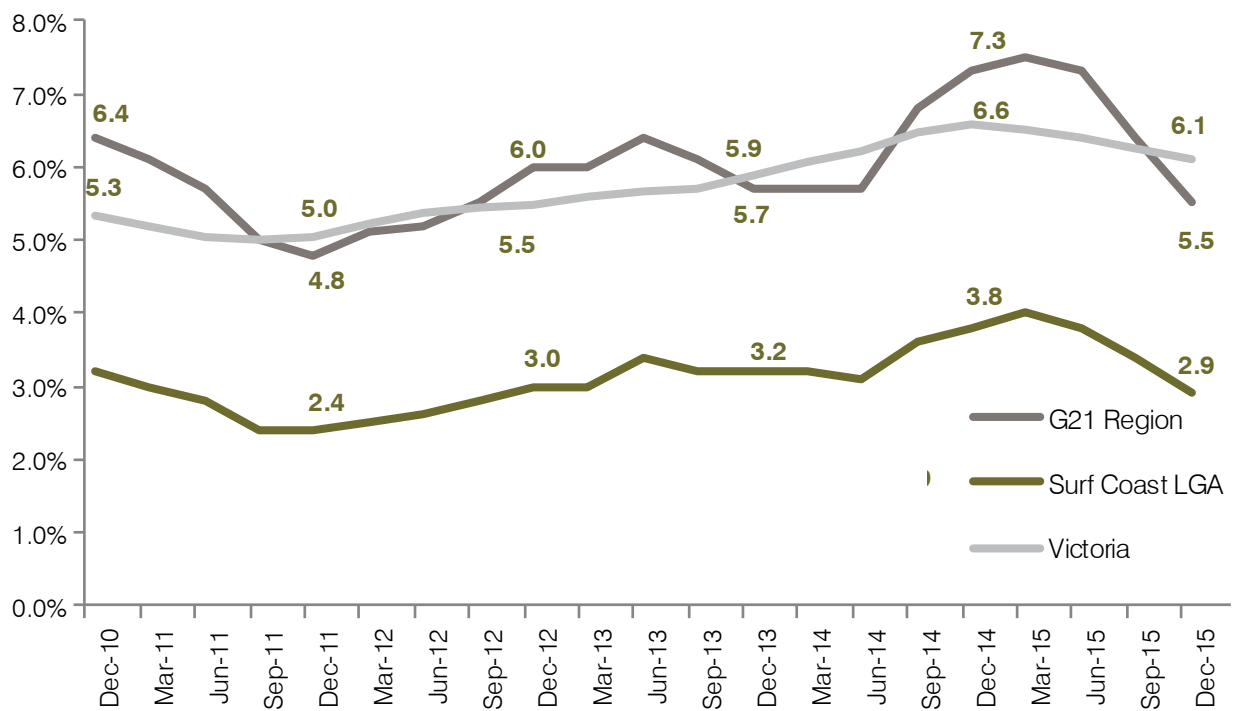


# 32M

GLOBAL  
VIEWING



## UNEMPLOYMENT RATE



Source: Australian Government Department of Employment. April 2016. Labour Market Analysis - Labour Market Research and Analysis Branch.

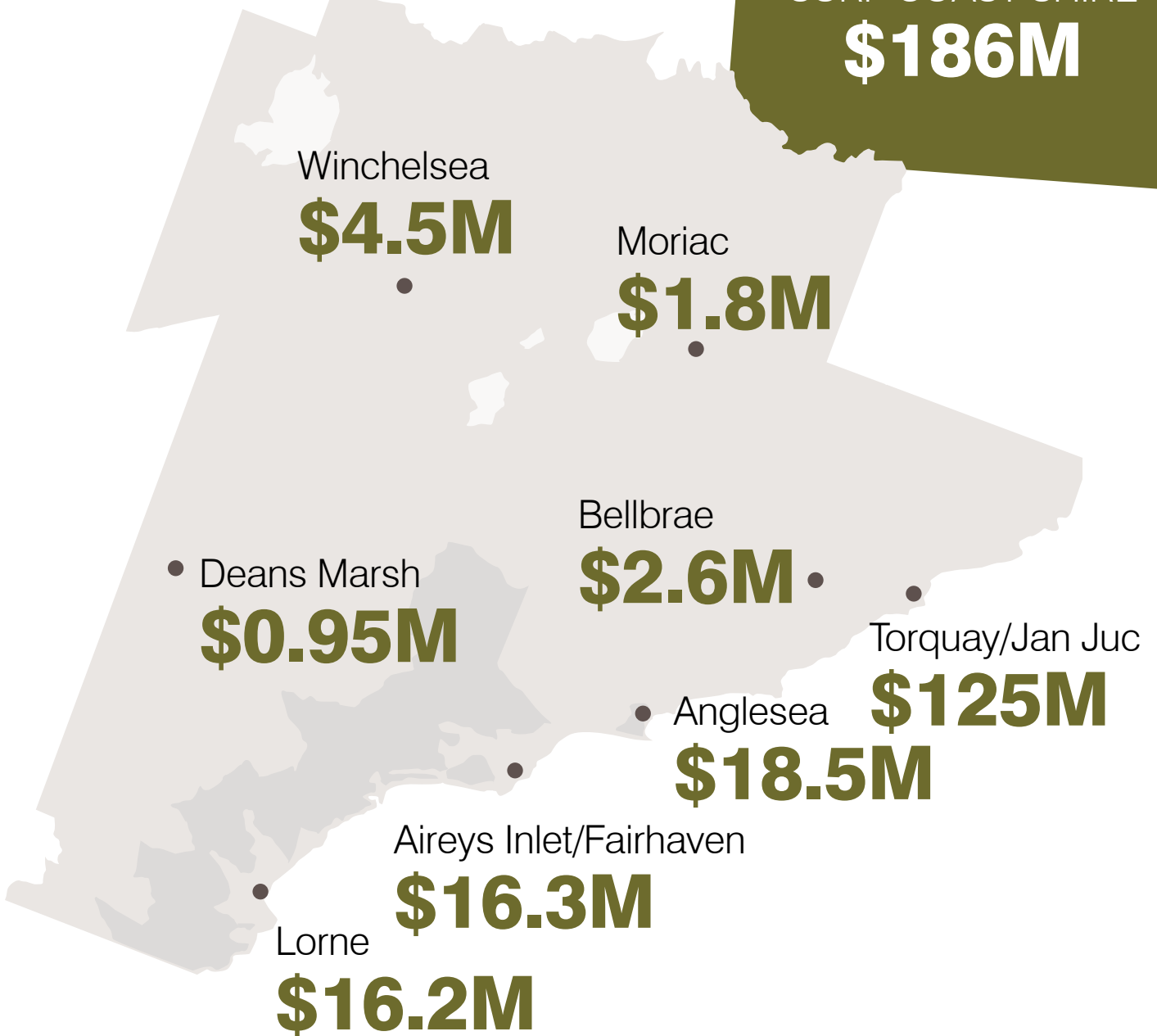
More than 3,000 additional jobs will be required by 2031 to match population growth and maintain the same rate of employment.

# MAJOR DEVELOPMENT FRONTS

**blunt**  
SKATEBOARDING CO.

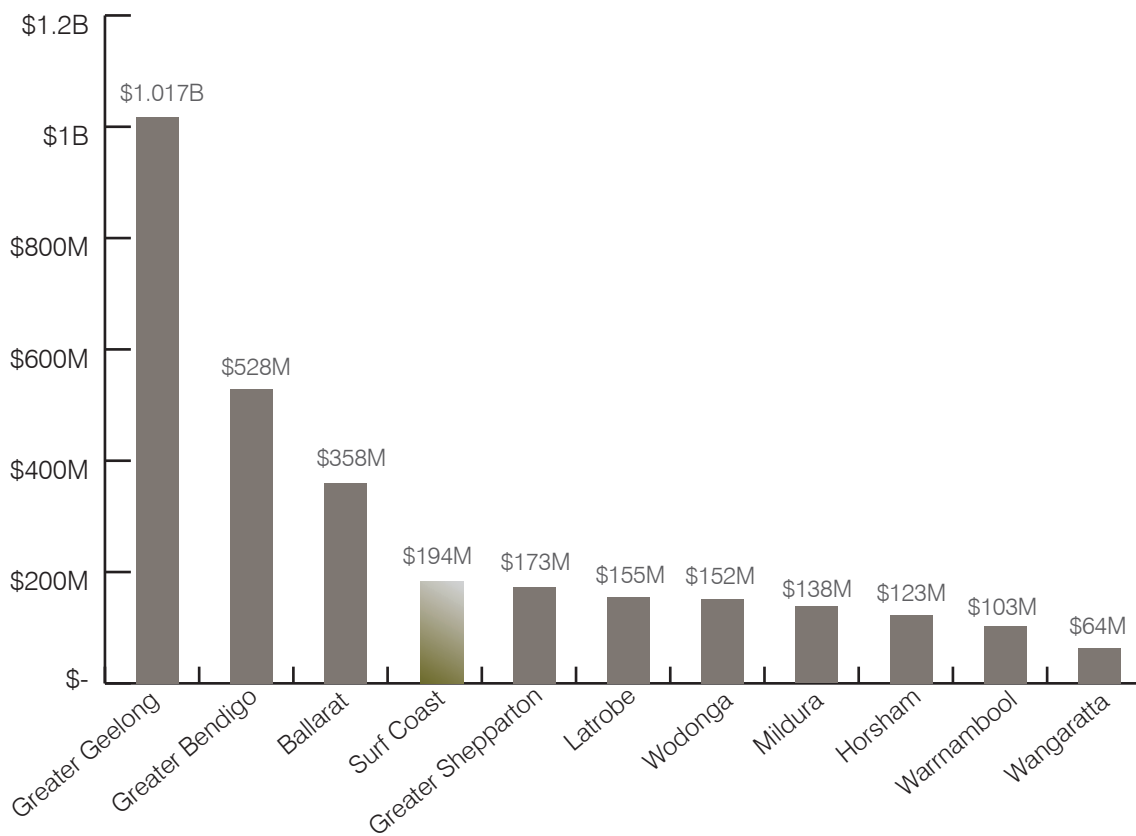
CONSTRUCTION SPEND PER YEAR  
(5 Year Average 2011-15)

SURF COAST SHIRE  
**\$186M**





## REGIONAL CITY CONSTRUCTION ACTIVITY COMPARISON 5 YEAR AVERAGE FROM 2011-2015



Source: Victorian Building Authority, April 2016



## QUARTERLY CONSTRUCTION: FINANCIAL YEAR 2014-2015

Number of Permits	July - Sept	Oct - Dec	Jan - March	Apr - June	Total '14 -'15
Residential	219	248	180	264	911
Non -Residential	19	11	7		37
<b>Total</b>	<b>238</b>	<b>259</b>	<b>187</b>	<b>264</b>	

Value \$	July - Sept	Oct - Dec	Jan - March	Apr - June	Total '14 -'15
Residential	\$37,965,653	\$48,687,116	\$37,317,279	\$51,734,908	\$175,704,956
Non -Residential	\$20,672,148	\$1,813,009	\$2,337,302	\$2,951,062	\$27,773,521
<b>Total</b>	<b>\$58,637,801</b>	<b>\$50,500,125</b>	<b>\$39,654,581</b>	<b>\$54,685,970</b>	<b>\$203,478,477</b>

Source: Surf Coast Shire

## ANNUAL CONSTRUCTION: CALENDAR YEAR 2011-2015

Number of Permits	2011	2012	2013	2014	2015	2013	2014
Residential	896	769	695	780	869	695	820
Non -Residential	106	101	133	26	47	133	38
<b>Total</b>	<b>1002</b>	<b>870</b>	<b>828</b>	<b>806</b>	<b>916</b>	<b>828</b>	<b>858</b>

Value \$	2011	2012	2013	2014	2015	2013	2014
Residential	\$273,241,143	\$147,650,563	\$152,995,191	\$164,341,985	\$177,990,279	152,995,191	16,559,650
Non -Residential	\$220,320,548	\$78,767,114	\$35,886,745	\$8,246,494	\$19,326,705	35,886,745	26,076,044
<b>Total</b>	<b>\$493,561,691</b>	<b>\$226,417,677</b>	<b>\$188,881,936</b>	<b>\$172,588,479</b>	<b>\$197,316,984</b>	<b>188,881,936</b>	<b>191,634,694</b>

Source: Surf Coast Shire

# DEMOGRAPHICS



## SUBURB HOUSE MEDIANS STATS BOOK REPORT 2014

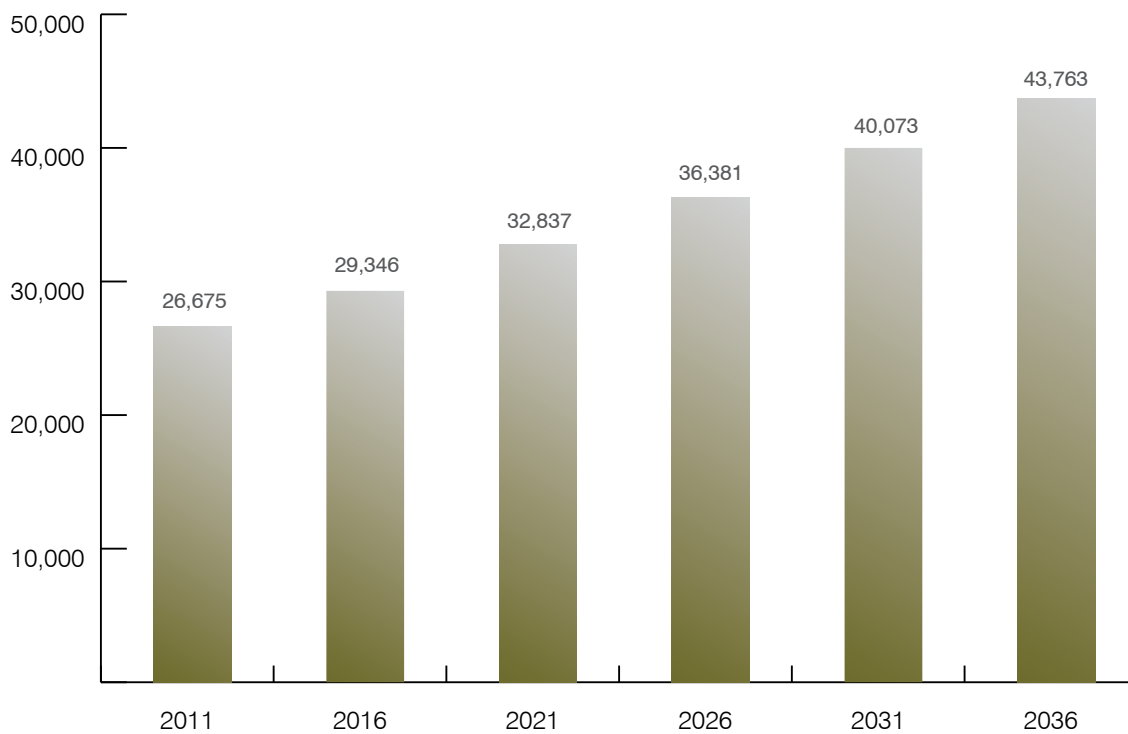
LOCALITY	2009	2010	2011	2012	2013	2014	2015
AIREYS INLET	\$512,500	\$606,000	\$680,000	\$634,000	\$664,000	\$636,000	\$522,500
ANGLESEA	\$516,500	\$580,000	\$600,500	\$595,000	\$550,000	\$615,000	\$560,000
FAIRHAVEN	\$725,000	\$866,000	\$715,000	\$990,000	\$785,000	\$955,000	\$655,000
JAN JUC	\$467,000	\$542,500	\$590,000	\$570,000	\$557,500	\$595,000	\$627,000
LORNE	\$752,500	\$780,000	\$832,500	\$800,000	\$855,000	\$812,500	\$880,000
TORQUAY	\$475,000	\$532,500	\$563,500	\$565,000	\$580,000	\$580,000	\$570,000
WINCHELSEA	\$206,000	\$235,000	\$260,000	\$268,500	\$287,000	\$287,500	\$260,000
<b>Surf Coast</b>	<b>\$522,071</b>	<b>\$591,714</b>	<b>\$605,929</b>	<b>\$631,786</b>	<b>\$611,214</b>	<b>\$640,143</b>	<b>\$582,071</b>

Source: Department of Transport, Planning and Local Infrastructure. July 2014.  
 Statistics for 2015 are based on a small number of sales and are preliminary only.

Median house prices have increased by over 51% in the last 10 years.



## PERMANENT POPULATION - CURRENT AND FORECAST



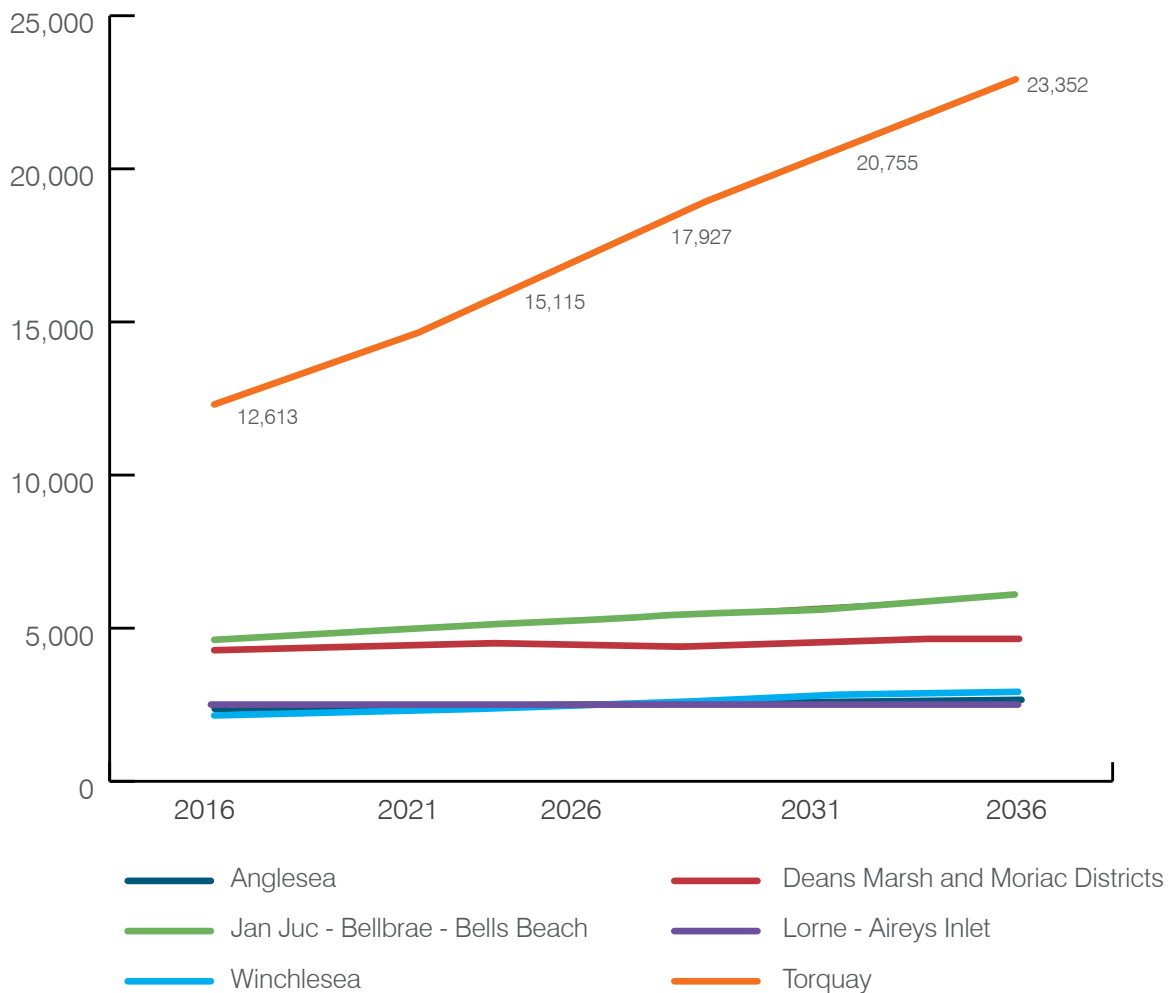
Source: .id, May 2015. Population and household forecasts, 2011 to 2036

AS AT 1ST OF MAY 2016,  
SURF COAST SHIRE HAD  
AN ESTIMATED RESIDENT  
POPULATION OF  
**29,346**

Surf Coast Shire rates highly as a place of health and wellbeing featuring an active healthy community, a safe environment, sustainable living and high life expectancy. It offers opportunities for community connection and recreational activities in its coastal, rural and built environments.



## POPULATION GROWTH IN SURF COAST SHIRE TOWNSHIPS 2016 - 2026



Torquay North's population is forecast to rise from an estimated 6,714 to 13,786 over the next 10 years

Source: Population and household forecasts, 2011 to 2036, prepared by .id, the population experts, May 2015.





## PART TIME AND VISITOR POPULATION

In addition to the growing permanent population, part-time and visitor populations are significant. This is due to the attractiveness of the Surf Coast as a tourist destination and also to the large number of non-permanent residents living in the Surf Coast part-time or owning a holiday home.

**The peak overnight population of Surf Coast Shire between December 2013 to January 2014 was estimated at about 85,400 (Economic Indicators Bulletin 2013). Further information on visitation to the Surf Coast Shire can be found in the Visitor Insights publication on the Surf Coast Shire website.**

- **47% OF PROPERTIES** within Surf Coast Shire are owned by people residing outside the Shire.
- On Census night 2011, **42% OF PRIVATE DWELLINGS** were unoccupied
- **26% OF HOLIDAY HOUSE OWNERS** have a future intention of moving permanently to Surf Coast Shire
- **37.5%** of these intend to do so within 2-5 years and a further **30%** between 5-10 years.

The baby boomers (people born 1946-1964) are the main group intending to move permanently to their holiday house.

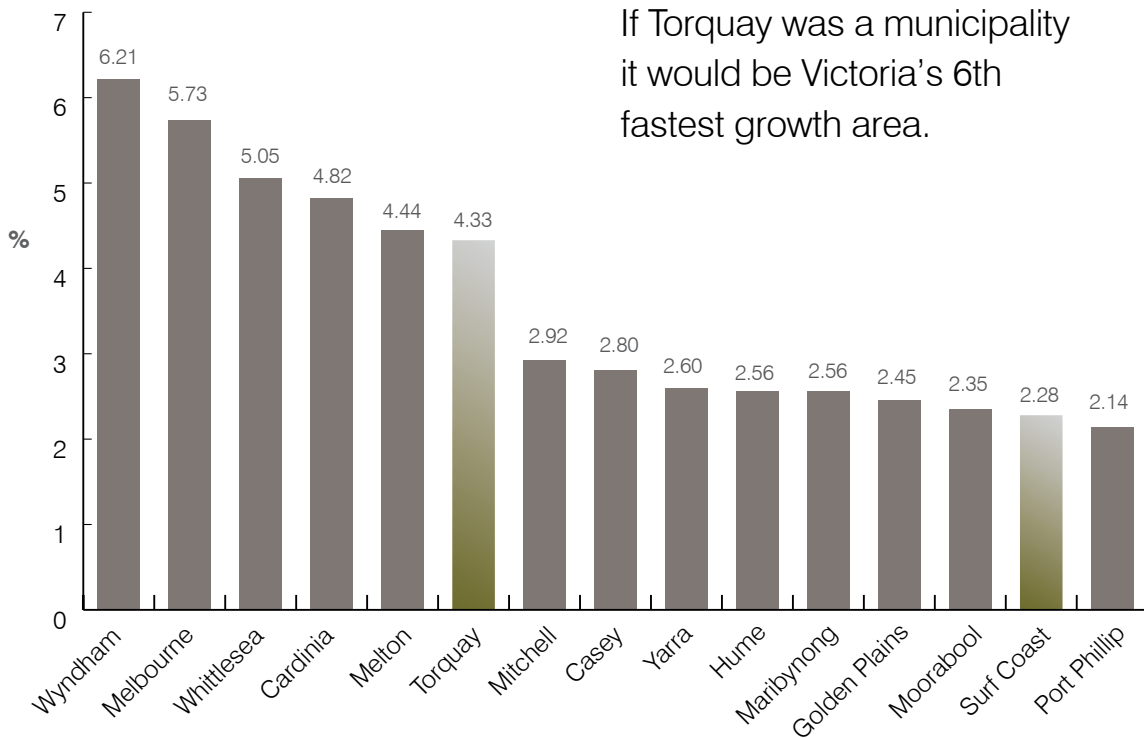
In 2011 this group had above average income levels and employment in managerial/professional occupations.

Should they move permanently to sea change locations they are likely to bring significant spending power.

Source: .id forecast, Hugo, G. and Harris, K (2013) "Time and Tide: moving towards an understanding of temporal population changes in coastal Australia" (prepared for the National Sea Change Taskforce)



## TOP 15 GROWTH AREAS VICTORIA: 2010 - 2015



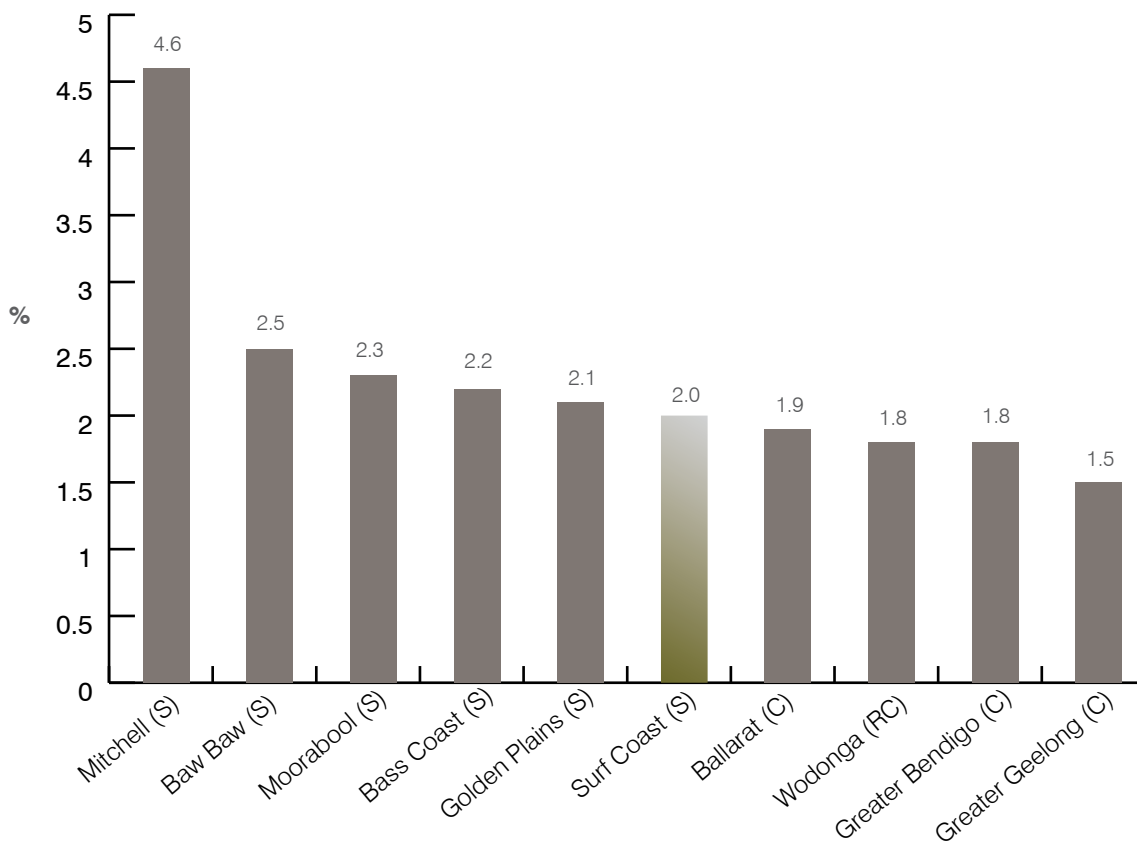
If Torquay was a municipality it would be Victoria's 6th fastest growth area.

Over the past 5 years Surf Coast Shire has been Victoria's 10th fastest growing municipality by percentage growth.

Outside of metro Melbourne, Surf Coast is Victoria's third fastest growing municipality over the past 5 years.



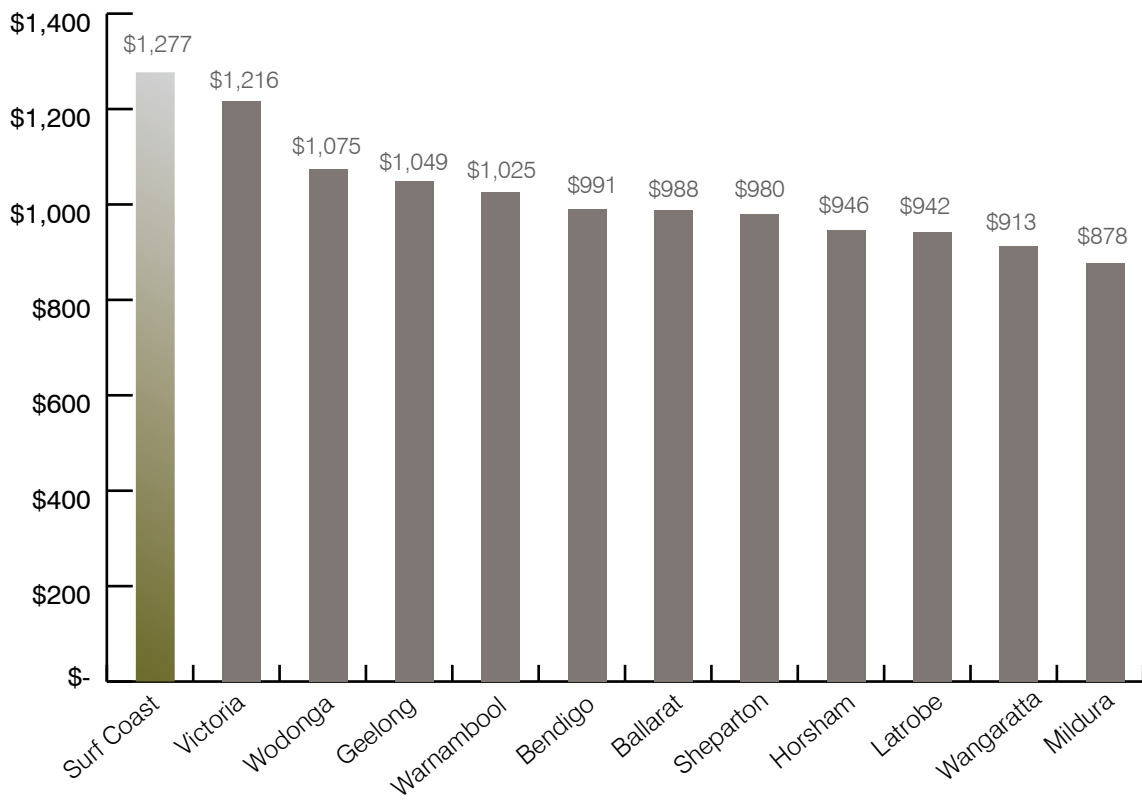
## FORECAST GROWTH AVERAGE ANNUAL CHANGE, REGIONAL LOCAL GOVERNMENT AREAS, 2011 - 2031



According to State Government forecasts Surf Coast Shire will remain in regional Victoria's top 10 fastest growing municipalities from 2011 to 2031.



## MEDIAN WEEKLY HOUSEHOLD INCOME



Surf Coast Shire has a higher median weekly household income than any of Victoria's regional Cities and the State.



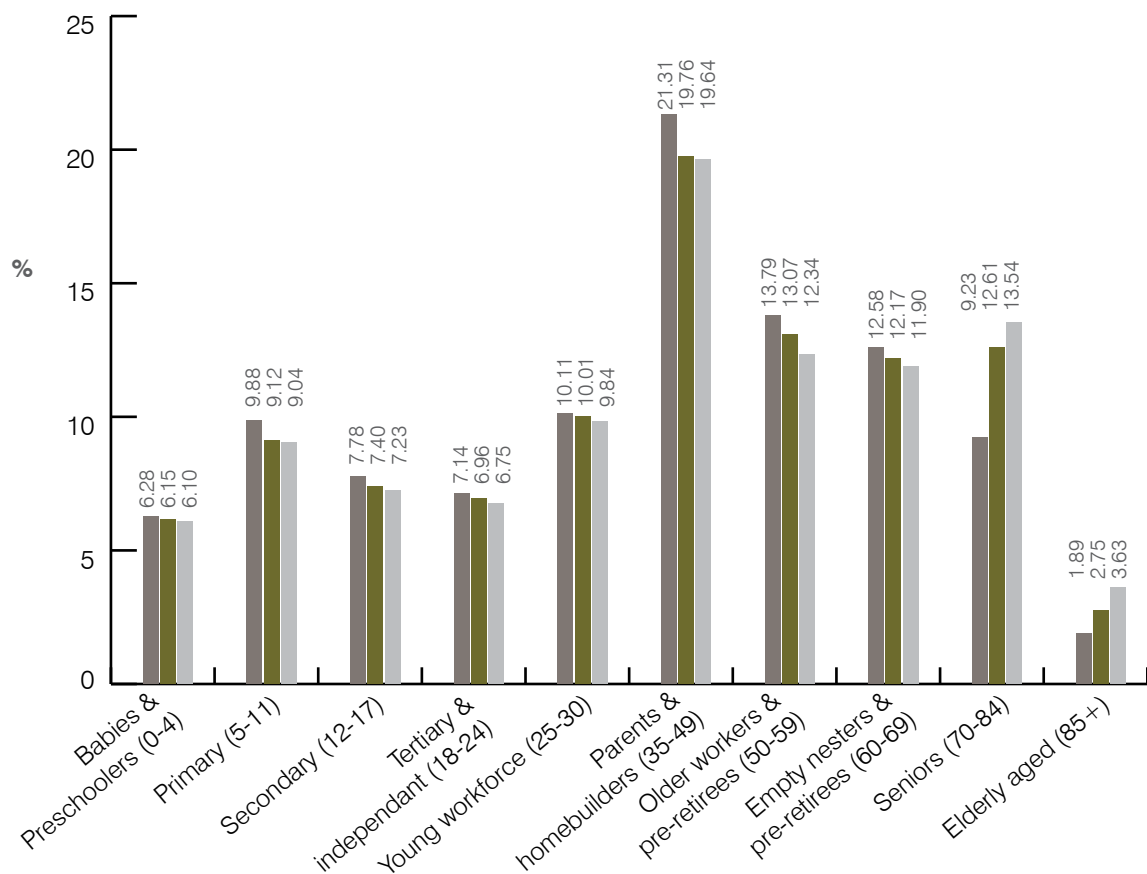
## MEDIAN WEEKLY HOUSEHOLD INCOME



Of the five major centres, Torquay/Jan Juc has the highest median household income.

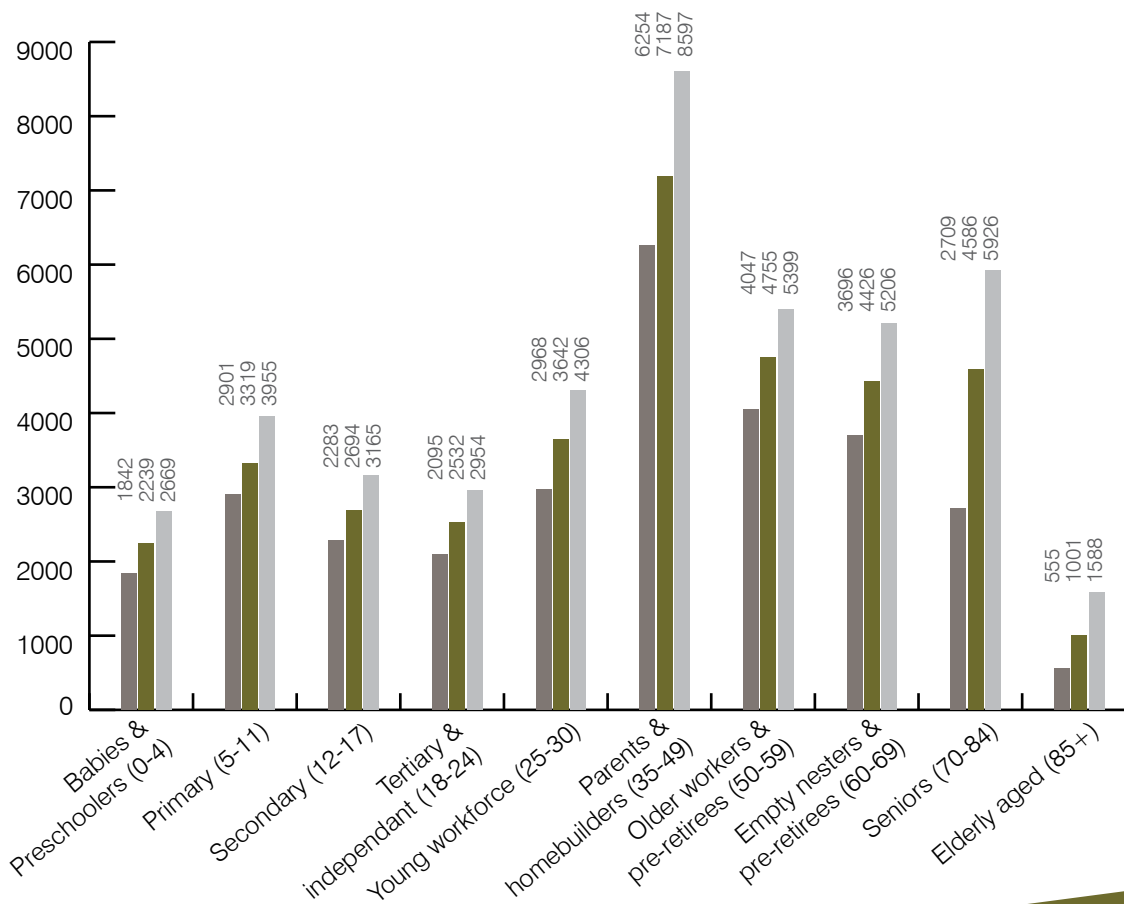


## SURF COAST SHIRE FORECAST AGE STRUCTURE - 2016, 2026, 2036



Source: Population and household forecasts, 2011 to 2036, prepared by .id, the population experts, May 2015.

Despite the population of 35 to 49 year olds rising substantially over the next 20 years their overall percentage of the population will flatten as Seniors and the Elderly rise.



Source Australian Bureau of Statistics, Census 2011

The median age in Surf Coast Shire is 40 compared to the State average of 37

Parents & homebuilders (35 – 49) form the most dominant age structure.

There is a lower than average representation of young people aged 18 – 34.



Council's Economic Development and Tourism unit has collated a range of statistics to assist businesses in making strategic decisions about expanding or relocating to Surf Coast Shire including:

- Economic Snapshot
- Surf Industry Mapping
- Visitor Insights
- Economic Impact of Events

Contact the unit for business support and information.



**SURF COAST SHIRE COUNCIL**  
1 Merrijig Drive, Torquay Victoria 3228  
**P. 03 5261 0600**  
**E. [info@surfcoast.vic.gov.au](mailto:info@surfcoast.vic.gov.au)**  
**[www.surfcoast.vic.gov.au](http://www.surfcoast.vic.gov.au)**

