



Business Insights Forum

1 November 2023

Economic Review & Analysis

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Astrolabe Group**

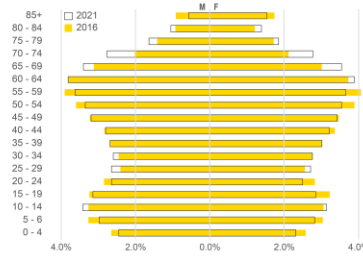
Purpose of this analysis

- Review of current state, to explore where to go next
- Mixed method of data analysis and targeted interviews
 - State government agencies
 - Education
 - Tourism
 - Arts & Culture
 - Agriculture industry

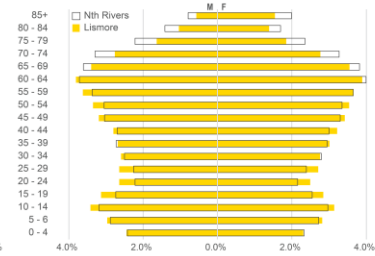
Data insights

Changing population

Lismore - 2016 vs 2021



Lismore vs. Northern Rivers - 2021



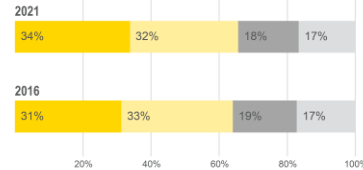
Key insights

- Lismore's population is ageing. From 2016 – 2021, the proportion of residents above the age of 60 has increased from 18.2% to 20.5%
- Lismore has a younger population when compared to the Northern Rivers, where 24.5% of the population are over the age of 65

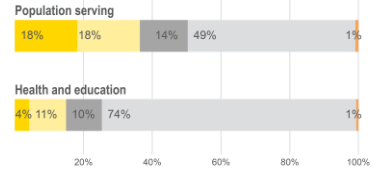
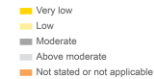
Working residents

Working residents refers to people that live in Lismore and may work in Lismore or elsewhere in 2021

Industry group breakdown (by number of employees)



Income breakdown



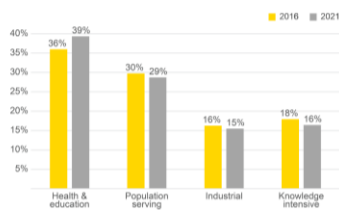
Key insights

- 19,278 Lismore residents are employed
- Health and education and population serving are the largest industry groups, employing 34% and 32% of residents respectively
- Of the residents that work in health and education industries, 66% are in health care (4,300) and 34% are in education (2,200)
- From 2016 – 2021, the proportion of residents working in health and education industries increased from 31% to 34%, while all others decreased
- 50% of residents working in population serving are likely to earn lower incomes, this is double the share in health and education

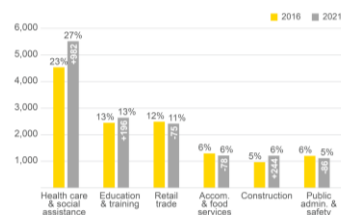
Local workers

Local workers refers to people that work in Lismore and may live in Lismore or elsewhere

Industry group breakdown
(by number of workers)



Largest industries
(by number of employees)

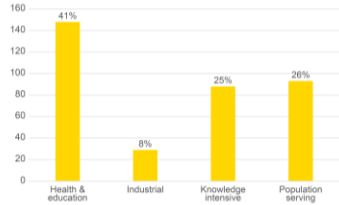


Key insights

- 21,537 people work in Lismore LGA
- Health and education and population serving industries are the largest employers of local workers, making up 39% and 29% of employed residents respectively
- From 2016 – 2021, the proportion of local workers employed in health and education increased from 36% to 39%, while all other sectors decreased
- The growth of the health and education industry group has largely been driven by health care & social assistance, which has grown by 962 workers since 2016
- After health care & social assistance, the construction industry experienced the second greatest total growth from 2016 – 2021
- From 2016 – 2021, Public administration and safety was overtaken by construction as the 5th largest industry

Job vacancies and unemployment

Job vacancies by industry groups (April 2023)



Date	Unemployment rate
Jun-16	8.6%
Jun-17	6.6%
Jun-18	6.0%
Jun-19	5.1%
Jun-20	5.3%
Jun-21	5.6%
Jun-22	5.8%

Key insights

- The unemployment rate in Lismore steadily decreased from 2016 to 2019. Since then, it has risen by 0.5 percentage points
- At April 2023, there were 148 job vacancies in Lismore - 41% of these are in the health and education industries
- Knowledge intensive and population serving industry groups make up a combined 51% of job vacancies

Workforce exits

Workforce exits considers employed people aged over 60, to provide an indication of those likely to leave the workforce in the following 1 - 10 years from 2021

Key insights

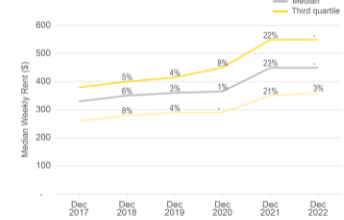
- Over 3,000 workers in Lismore are over the age of 60 - making up 27% of the workforce overall
- Over 1,000 workers working will likely leave the health and education industry within the next decade as they enter retirement
- 60+ year olds make up almost a quarter of the workforce in industrial industries

Date	Health and education	Population serving	Industrial	Knowledge intensive
Total employed 60+ year olds	1,124	747	815	610
% of industry aged 60+	17%	12%	24%	16%

Cost and availability of housing

Date	Vacancy rate
Mar-16	0.7%
Mar-17	0.8%
Mar-18	0.7%
Mar-19	0.9%
Mar-20	1.4%
Mar-21	0.6%
Mar-22	0.6%
Mar-23	1.3%

Median weekly rent



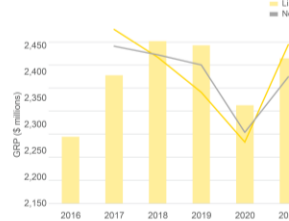
Key insights

- Lismore's rental vacancy rate of 1.3% shows that it has eased since the pandemic, though still represents a very tight rental market
- There was a significant increase (21 - 23%) in weekly rent at the beginning of the pandemic (Dec 2020 - 2021), though rent has since stagnated for first quartile and median dwellings, with third quartile dwellings increasing slightly by 3%

Gross regional product and value add

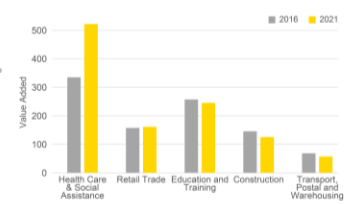
Value added by industry is an indicator of business productivity - it shows how productive industries are at increasing the value of its inputs.

Gross Regional Product



Lismore Value Add

Largest 3 ind. (2021), 3 industries with greatest productivity decrease (2016-21)



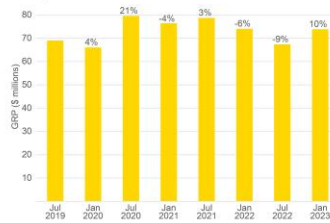
Key insights

- Lismore's GRP decreased significantly at the start of the pandemic. This decrease occurred at a faster rate when compared to the Northern Rivers, though has since recovered at a higher rate. Lismore's GRP has not yet returned to pre-pandemic levels
- Health care and social assistance has experienced the greatest value add of all Lismore's industries (\$180m since 2016)
- Education and training, Lismore's 2nd largest industry, has seen a decrease in productivity since 2016. Alongside Construction and Transport, and Postal and Warehousing, these three industries have seen the greatest drops in productivity in Lismore

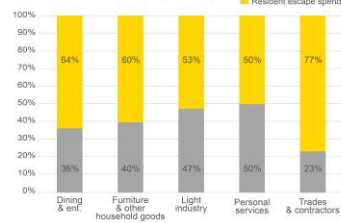
Consumer spending

Visitor spend refers to money spent by people coming from outside Lismore LGA. Escape spend refers to money being spent by people leaving Lismore LGA for other destinations.

Total spend within Lismore



Resident local vs. escape spend (Jan 2023)

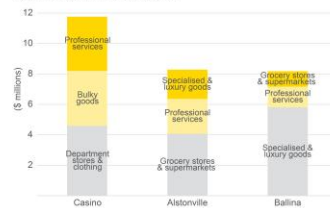


Key insights

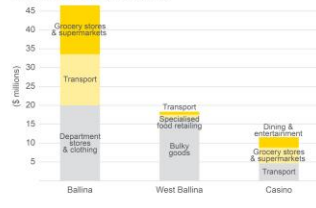
- Consumer spending in Lismore decreased by 9% when comparing January to July 2022 (pre and post February floods)
- Spending in Lismore almost a year post-floods (Jan 2023) is at 99.8% of the level of spending seen before the floods (Jan 2022)
- Lismore's residents are more likely to spend outside of the LGA when spending on dining & entertainment, furniture, light industry or trades. They spend as much on personal services within Lismore as they do outside of it.

Visitor and escape spend

Visitor spend (Jan 2023)
(Top 3 locations, top 3 spend categories)



Escape spend (Jan 2023)
(Top 3 locations, top 3 spend categories)



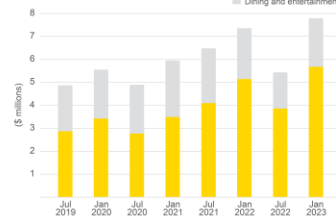
Key insights

- People traveling from Casino, Altonville and Ballina account for the most visitor spend in Lismore LGA
- Visitors spend the most money on specialised and luxury goods and professional services
- Lismore residents spend the most money beyond the LGA in Ballina

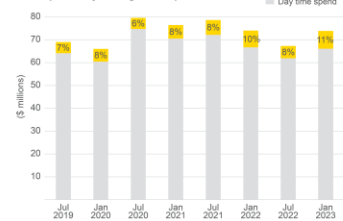
Night time economy

Night time spending is defined as transactions that occur between 6pm - 6am

Total night time spend



Total spend - day and night time split



Key insights

- Night time spending in Lismore peaked in January 2023 - making up a total of close to \$8 million
- Night time spending as a proportion of overall spend in Lismore is increasing, making up 11% of total spending in January of 2023

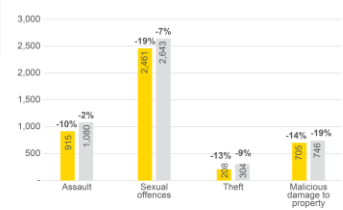
Crime

Percentage denotes change in crime rate since 2018

Key insights

- Crime rates are lower in Lismore when compared to the average of all remaining councils in the Northern Rivers
- Crime rates for assault, sexual offences, theft, property damage and robber have decreased in Lismore since 2018

Crime rates (year to Mar 2023)
(per 100,000 people)



Key considerations for EDS update

Business activity

- Immediate focus of retaining and maintaining existing businesses and institutions
- Enable decision making for businesses under uncertainty – clear communication regarding insurance availability, infrastructure investments, pipeline of unconstrained industrial land
- All land across Lismore has a use ‘allocation’. Lismore needs to assess if current allocation aligns with future economic vision. If it doesn’t, deliberate moves to trade-off certain land uses will be required
- Ensure other land uses that support economic activity are adequate e.g. safe residential land

Talent and housing

- Skills shortages are currently impacting all industries, causing business operations to move operations outside of Lismore or seek remote talent
- Affordability and availability of quality housing is a key barrier to talent attraction
- Provision of ‘key worker’ housing needs to provide for a broader definition of ‘key workers’ to consider the driving workforce of Lismore – those in the ‘care economy’ such as aged, early education and disability workers.

Other opportunities and barriers

Opportunities

- Lismore's high density of education institutions should be leveraged. Education and training is Lismore's second largest industry, however has been experiencing decline in productivity from 2016 – 2021
- Attracting students back to Lismore doubles as an opportunity to begin building Lismore's future community, grow its workforce, and increase productivity
- Lismore's unique appetite for arts and culture is not found elsewhere in Northern Rivers – opportunity to collaborate with institutions and partners to deliver what the industry needs to grow and thrive
- Tourism – Lismore's landscape and location prime for growing demand in 'wellness tourism'. Leverage existing and planned endowments: Minyon Falls, the River Rail Trail, Nimbin, Agri-tourism
- A thriving arts and culture and tourism industry is a way to improve perceptions of liveability in Lismore, which currently impact decisions of workers to come or stay in Lismore

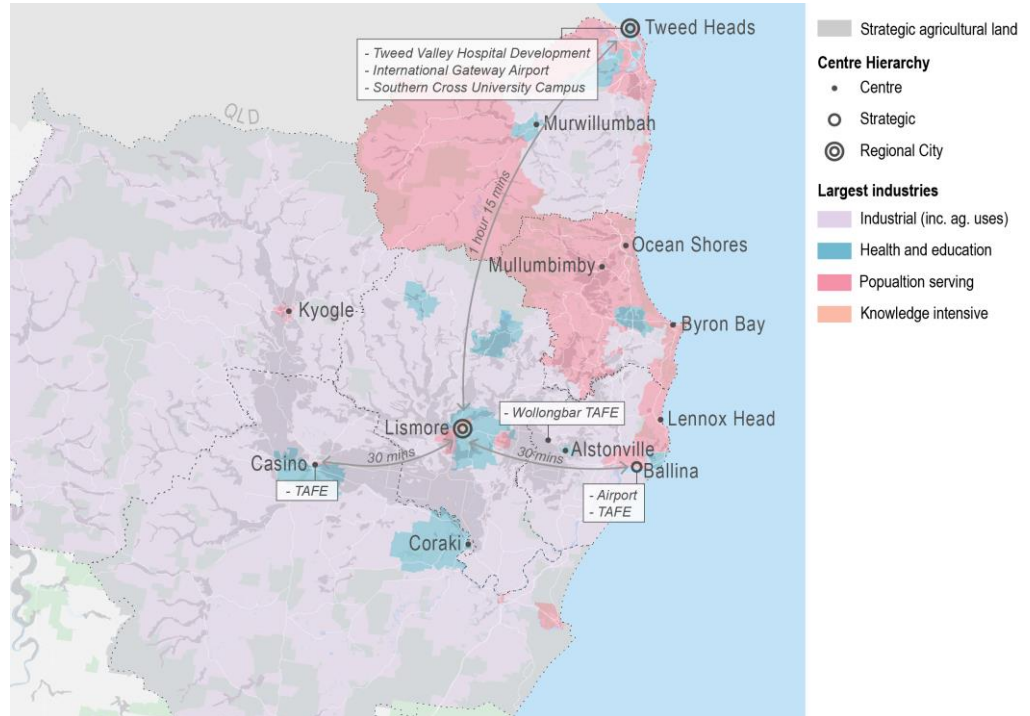
Other opportunities and barriers

Barriers

- Lismore's diversity as a strength and a challenge – a varied population makes it more challenging to be truly inclusive and cater to the needs of all
- Perception of 'instability' within Lismore has inhibited market confidence in investing in Lismore – must be addressed to ensure it doesn't hinder economic activity

Northern Rivers investments and centre network

- Understand the impact of investments across the Northern Rivers on Lismore's role in the centre hierarchy – will these developments undermine Lismore's gravitation pull as the key service centre?



Endowments



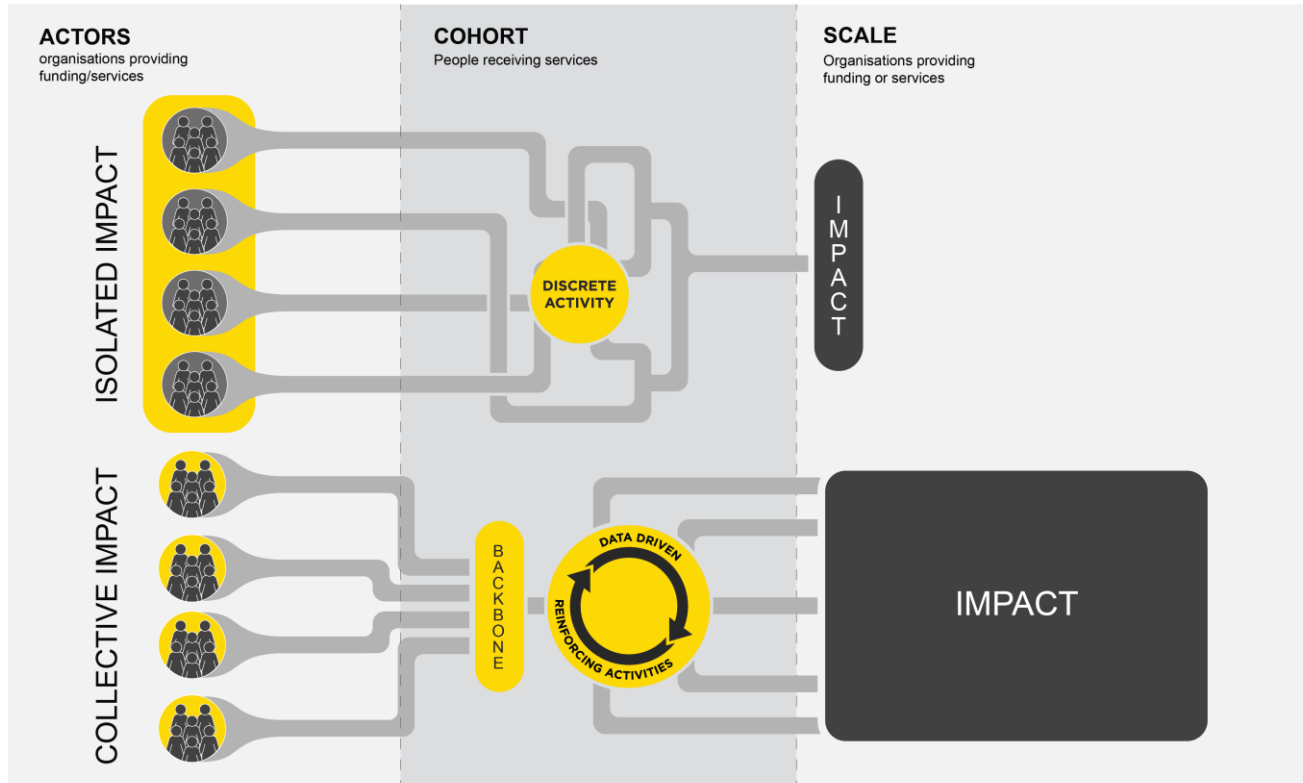
Further exploration

- Conduct an audit of land owned by Council to identify which parcels may be underutilised, and advocate for all levels of government to do the same
- Conduct an audit of employment and agricultural lands for suitability and productivity, to identify areas where Council may intervene to support better uses of land

Council's roles and responsibilities

- **Buyer** – considered and targeted procurement and spending
- **Provider** – providing essential support and services to businesses and the community
- **Regulator** – ‘setting/administering the rules’ to enable and encourage activity
- **Communicator** – leading with transparency through consistent monitoring, reporting and clear messaging
- **Convenor** – bringing stakeholders together to build a common agenda
- **Advocate** – building and leveraging relationships to promote Lismore's vision and strengths

Collective impact



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