

INQUIRY INTO TOURISM IN LOCAL COMMUNITIES

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The Far South Coast (FSC) of NSW is a region covering 14,230sqkm of coastal land from Berry in the north down to the NSW/ Victoria border.

It is made up of three local government areas – Shoalhaven City, Eurobodalla Shire and Bega Valley Shire.

The FSC is strategically located between the nation's main capital cities, approximately 2-5 hours from Sydney, 8-10 hours from Melbourne and just 2 hours from Canberra.

Regional Development Australia – Far South Coast (RDA FSC), through its Strategic Regional Plan (SRP) presents an agreed government position on the future of the South Coast. It is the pre-eminent planning document for the South Coast region and has been prepared to complement and inform other relevant State and Federal planning instruments. Other RDA FSC documents, such as the Business Plan, the South Coast Skills Audit (SCSA) and the Equine Industry Scoping Report (EISR), support the SRP.

The primary purpose of the SRP is to ensure that the South Coast retains those characteristics that make it such a uniquely liveable environment while adequately addressing identified gaps or shortfalls and providing for the future needs of the region and its increasing population.

Goals and Priorities

The goals and priorities pursued by RDA FSC seek to achieve results that benefit the regional economy, its environment and the people who live and work in the region.

People & Community

The estimated resident population of the FSC as at 30 June 2010 was 166,735 persons. More than half of these were in the Shoalhaven (95,812).

The population has increased by 5.5% over the last five years and currently has a density of around 11.8 people per square kilometre.

At the time of the last census, 3.7% of the population identified itself as being of Indigenous heritage, compared to a national average of 2.3%.

The relatively strong rate of average annual population growth is projected to increase to 1.4% per annum over the next thirty years. According to the NSW Department of Planning, this means the population of the Far South Coast should reach 229,210 by 2036.

Workforce

One third of the FSC's workforce falls within the occupational classifications of Technicians & Trades Workers (16.9%) or Professionals (15.9%). Managers account for 14.0%. Labourers (12.3%) and Clerical & Administrative Workers (12.1%) each comprise around one in eight workers. Sales Workers and Community & Personal Service Workers make up 11.0% and 10.8% of the workforce, respectively, while 5.8% of employed persons were Machinery Operators & Drivers.

The most noticeable difference between the spread of FSC workers across the occupational groupings and that of Australia as a whole was that the FSC has fewer professionals. The national average was 19.8%, or 4.3% higher. The region also had a smaller share of Clerical & Administrative Workers (<2.9% pts) but more Technicians & Trades Workers (>2.5%).

More recently, the average unemployment rate for the FSC was 7.8% for the March 2010 quarter, compared to a national average of 5.6%. 5,845 residents were looking for work.

Income

In the year ending 30 June 2010 there were 56,073 wage and salary earners in the FSC earning a total \$1.8b in income which equates to an average annual income of \$33,328 per person. The national average is \$ 44,818 per person.

Economy & Industry

The distribution of the workforce across the region's industries is an effective way of gauging their relative strength and importance in the FSC economy.

Retail, including tourism services, is the largest employer of FSC residents, at 14.7% of the workforce, followed by Health Care & Social Assistance at 11.5%. This mirrors the national trend of 11.29% for Retail and 10.79% for Health Care & Social Assistance, although the share of workers in these

industries is higher in the FSC.

Accommodation & Food Services hires 10.0% of workers, while Construction accounts for 9.9%. These are both higher than the national averages of 6.3% and 7.8% respectively.

As can be clearly seen, Tourism is one of the largest employers in the region.

Manufacturing is comparatively small on the FSC, employing 8.0% of workers. While this is one of the larger employing industries in the region, its share is below the Australian benchmark of 10.5%.

Tourism

With 400km of pristine coastline as well as vast national and state parks, the FSC is one of the state's most popular tourist destinations. Over four million people visit the region annually with a balanced division between day- trippers and overnight visitors. Over 60,000 international visitors travel to the region each year.

There are 155 tourist accommodation establishments with five or more rooms in the FSC which offer approximately 3,000 guest rooms and 9,000 beds.

Local accommodation providers received 532,915 guest arrivals in the year to December 2010, an increase of 3.3% on the previous year. These guests accounted for 979,695 visitor nights and 493,007 room nights. These establishments contributed \$57.1M to the local economy in 2010, up 1.3% on the previous year.

It is estimated that at least 25,800 new jobs will be required in the region to support the projected 60,000 population growth (South Coast Regional Strategy 2006-31). The region's economic base will need to rapidly diversify, shifting from a reliance on traditional primary industries to a wider range of economic opportunities.

While we acknowledge that it is important to avoid an over-reliance on the service oriented industries such as aged-care and tourism as, for the most part, these industries offer low-paid or entry level positions which, while filling a role for the area's unskilled or younger workers, does little to improve the base median salary of the region or contribute to much needed diversification. The existing employment base in tourism, primary industry, defence and manufacturing needs to be maintained and supported by encouraging diversification, innovation and growth and identifying and addressing skills shortages.

The challenge of developing and/or attracting the appropriate skills to the region is complex and not quickly achieved. However, the results of from the RDA FSC SCSA support those of earlier studies, research papers and other literature analysing national, state and regional job/skills creation.

The most significant constraint identified by the Audit is the lack of serious infrastructure development. The consensus of opinion is that infrastructure development would stimulate population growth. That increased population will seek more services and products, it will provide a larger pool of potential employers and employees and a more economically viable range of social and recreational opportunities to attract and hold more people in the region.

An increase in tourism infrastructure in particular, would increase jobs and grow both economic and social capital in a region that relies heavily on the tourism industry.