ECONOMIC DEVELOPMENT STRATEGY
FOR GLOUCESTER LOCAL GOVERNMENT AREA

Report 1 : Local Economy Review

March 2010

Buchan

Business Strategy | Communication | Public Policy

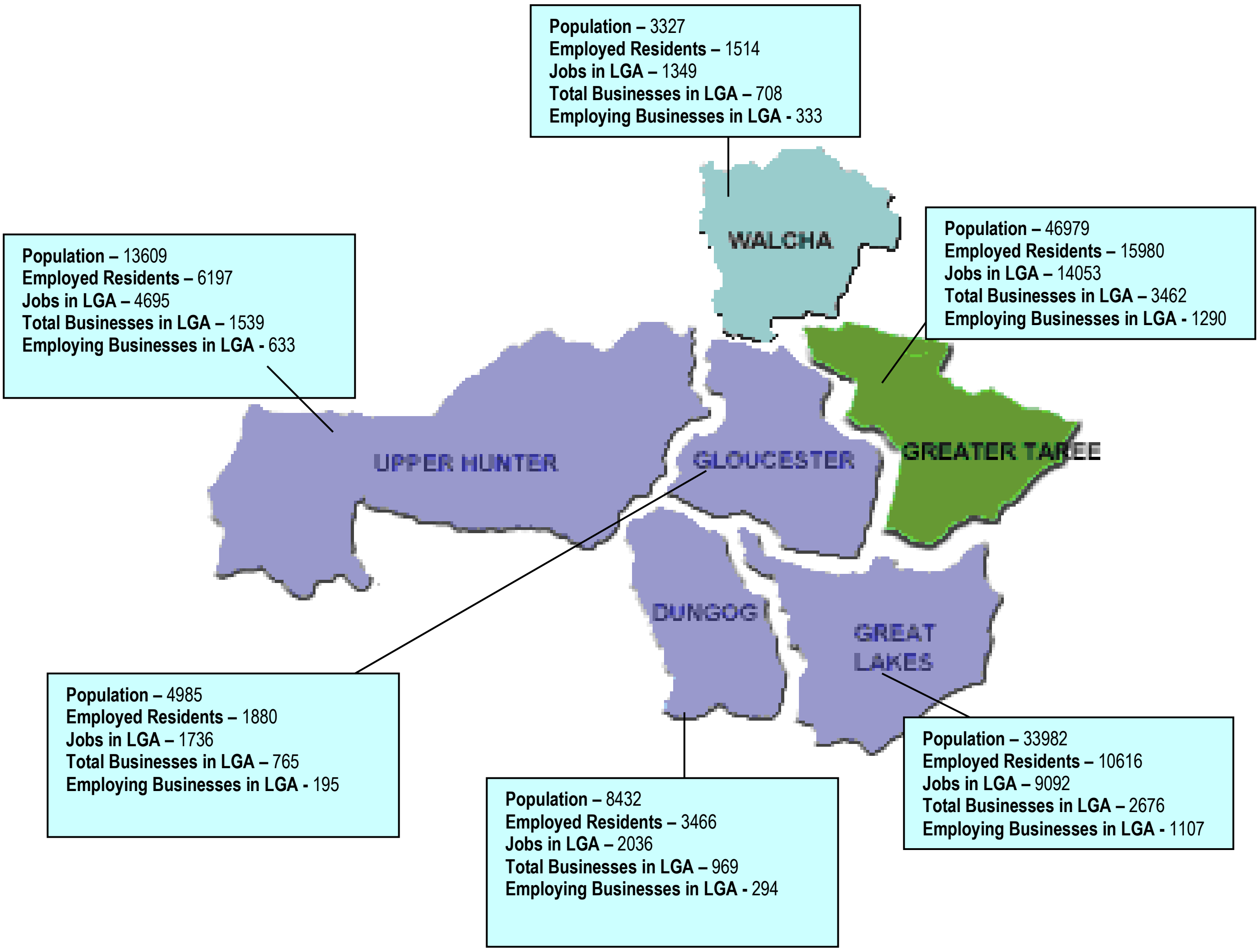
Contents

Executive Summary

This report is the first report in the development of an economic development strategy for Gloucester Shire. The report provides a detailed analysis of the local economy, businesses and employment.

Regional Context

The broader region surrounding Gloucester comprising these six LGAs has a total population of 111,314 and a total of 32,291 jobs, and 10,119 businesses. Gloucester is one of the smallest in terms of population and accounts for only 4.5% of the regional population, 5.3% of jobs and 7.6% of businesses. The two largest LGAs are Greater Taree (46,979 population and 15, 980 jobs) and Great Lakes (33,982 population and 10,616 jobs).



Gloucester town is the major centre of population and industry. It has the main retail and commercial and light industrial areas. It is also has the Council Offices, Gloucester Hospital and the main schools. Other villages include: Forbesdale, Stratford, Craven and Barrington. Most of the future growth prospects are in and around Gloucester Township.

Population

Trend analysis shows that the population is ageing as long term residents age in place and other mature aged persons are attracted to the area for retirement.

The LGA has a population of 4800 in 2006. In 2006 18% of the population were aged under 14 years; 34% were aged between 25 and 54 years; and 22% were aged over 65 years (1068 persons).

Trend data for 2003 and 2008 shows that: Gloucester population is ageing and is experiencing: a decline in children under 15 and adults aged 30-44 years; and an increase in the 55 year + age group. This is reflective of the region as a retirement destination (persons aged 60-64 increased by 145 – the largest increase in any age cohort). A similar pattern of ageing of the population was also evident in the other areas in the broader region.

Several long term population projections were examined. The NSW Department of Planning's projections for Gloucester are for a largely stable population over the period to 2026. With the population increasing from 4930 to 5110 over the period. This largely reflects an ageing population and limited attraction of families to the region.

In the broader area most of the growth is occurring in the LGAs with the larger populations, particular Great Lakes (an increase of over 16,000, from 32,000 in 2001 to 48,000 in 2026) and Greater Taree (around 5000). The population in the smaller population LGAs is broadly stable or declining (Walcha, Upper Hunter)

A 2006 study for Gloucester Council by Ratio Consultants has projected significant growth in the regional population.[1] The study used a model to project population based on two major variables: trends in dwelling approvals and average household size. Based on this analysis it predicted growth in the average number of dwellings constructed in the region.

Based on this analysis Ratio projected the population to increase from 4,840 persons in 2001 to 5,680 persons in 2016, and 7,080 persons by 2031.

Workforce

Gloucester LGA has a lower labour force participation rate (51%) compared with that for New South Wales overall (59%). In addition Gloucester has a lower share of persons working full time (57%) and a higher percentage of persons employed part-time. This reflects several features of the local economy including: the ageing workforce and the number of persons who are retired (impacting on the participation rate) and the mix of jobs, which includes service jobs, many of which are part-time.

Local area data shows that the unemployment in the region has been as high as 8.8% in 2006 and was 5.9% in mid 2009.

Income

The data shows that Gloucester has significantly lower income levels compared with New South Wales overall. In terms of household income there was a much lower share of households in the LGA earning more than $1400 per week (14%) compared with New South Wales (31%). At the lower income level, 20% of households had an income of less than $350 per week, compared with only 15% of New South Wale households.

This income pattern reflects a number of factors and these include: an older age structure and the share of persons who are retired and on pensions; the extent of agribusiness in the area

1 Development and Employment Land and Commercial / Retail Strategy : Business s Study, Ratio Consultants 2006 P6

and lower incomes in this sector; the limited range of higher level services being delivered in the area (with many of the local jobs being lower income service jobs).

Data on business income shows that it has generally been stable over the period. Combining total taxable income from wage and salary earners for 2004 $62 million and total business income of around $9 million. This implies that total regional income in 2004 was $71 million. Based on an assumption of income growth of 12% over the period 2004-2009, this would imply total regional income in 2009 of around $80 million.

Key Sectors

There are several key sectors in the regional economy, which are important sources of employment and have capacity for future growth. Gloucester is very much a small business economy. Only 4 businesses in the region employed more than 20 persons and these include the mine and several retailers. The number of businesses in the region has been declining in recent years (mainly due to agriculture and aaccommodation, cafes and restaurants.

Key Sectors

Sector	Key Features
Agriculture	The sector remains significant to the region, and this Includes traditional beef and dairy industries and emerging niche and boutique type farm industries, including goats, alpacas, aquaculture, organics industry, grapes and wine, herb production. The Gloucester Project is exploring the opportunities for expansion of agribusiness in the region, including specialty vegetables and fruit and the attraction of market garden activities.
Mining - coal and gas	Coal mining is significant through mining operations and some support activities. The Gloucester Coal Company operates two open-cut mining operations producing thermal and coking coal for domestic and export markets. AGL is developing coal seam gas.
Tourism	The sector is based on natural environment of the region - World Heritage rainforests and the grasslands of the Barrington Tops, the Bucketts Range and the river system. There has been an expansion in the accommodation sector, but overall tourism is underdeveloped compared with other regions. There is considerable scope for development of the sector, and this will require action on infrastructure, product, marketing, professionalism and development of attractions. .
Retail	Retail is a major employer in the LGA and is largely servicing the Gloucester local population. The sector is also affected by tourism in the region. There is some leakage to other areas (eg. Taree) but due to distances, the local retail captures a large share of retail expenditure. There is current expansion in the sector, with the proposed additional supermarket, and new buildings for one of the existing supermarkets and hardware store.
Services Sector	Gloucester township is the major service centre for the Shire. It has a range of retail services, professional services and government services activities. The sector is driven by population size and the number of businesses in the Shire (increasing demand for professional services)
Health services	Health is a significant employer due to an ageing population and the presence of the hospital operated by Hunter New England Health (HNEH). Relative to other small communities, Gloucester is well serviced by medical services.
Manufacturing and Light Industry	There are a range of engineering businesses supporting the mining and agriculture sector. There are several businesses that are servicing broader markets

Jobs in the Shire

Data for the LGA shows that there were a total of 1737 jobs located in the Gloucester SLA and 1878 residents who were in employment. The major concentrations of jobs in the area were in agriculture (19%) retail (11%) manufacturing (9%), and health care and social assistance. Most of the agriculture jobs were the owner operators of farms.

- A comparison of employed residents (1878) and jobs in the LGA (1737) indicate that most people are living and working in the LGA, with at least 141 persons travelling to jobs outside of the LGA.
- Between 2001 and 2006 there was a decline in the number of jobs in the LGA from 1906 jobs to 1737. Of the 169 jobs lost 152 were jobs held by males. Major declines were in agriculture (-73), retail (-71), construction (-29) and mining (-25).Growth occurred in several sectors: accommodation and food services (21), public administration (25), other services (17) and health services (11).
- This decline is a major issue of concern. While the Gloucester Shire has become a self contained service economy there are now fewer available in the LGA.

Most of the jobs in the LGA are driven by the local market – population related or through linkages to the industries in the area (agriculture or mining). Some of the major employing sectors are driven by population growth (eg retail, health, education, government services, business services and light industry). Agriculture, mining and several of the manufacturers and builders are servicing wider regional and national markets. Employment in agriculture continues to decline as farmers retire and technology change is reducing employment requirements in some sectors. Young people need to leave the area for higher education and employment.

This jobs trend creates a major challenge for securing future population growth and *renewing* the population, through families with children moving in. Future population growth in the region will be reliant on more jobs being created or attracted. In the absence of increased local jobs the capacity to attract new residents (particularly families) will be limited.

While the proposed new supermarket will generate some new jobs (mainly part-time), the region needs to secure more jobs, including higher skill jobs. The new jobs are likely to come from several sectors: jobs in the mining and the AGL gas plant; jobs from an expanded tourism sector; and future growth in specialised agriculture (as proposed by the Gloucester Project). In combination these sectors may add a total of 150-200 jobs over a period of 5-10 years.

To achieve more jobs will require the successful attraction of businesses that are servicing broader markets, and the Stratford Industrial Park becomes important for this. The rate of population growth projected by Ratio Consultants will not be achieved without a major increase in local employment availability.

Agriculture Sector

Agriculture still remains the largest sector of employment. Current agriculture in the region is dominated by beef cattle, dairy and non-cereal broad acre crops. Over half of persons employed in the sector are beef cattle farmers and 20% were dairy farmers. Vegetable growing in the region is currently limited and the numbers employed in the sector have continued to decline. The Gloucester Project is shaping a future in specialised agribusiness.

The next stage of the study will involve: examining the work being undertaken by the Gloucester Project; reviewing market outlooks for each of the major product categories; assessing issues in relation to vegetable growing and displacement of market gardens; reviewing current developments in relation to regionally branded products; assessing potential job impacts of developments in the sector; and developing recommendations on future development of agribusiness in the region.

Tourism Sector

Tourism is seen as important to Gloucester Shire. The major assets for tourism are seen as being the natural environment and rural lifestyle. This includes: a World Heritage Area (Barrington Tops is included in the World Heritage Listed Central Eastern Rainforest Reserves); wilderness areas, National Parks; and a farming/rural environment.

Activities in the area include: rural experiences such as farm stays; walking in National Parks, State Forests, and Barrington Tops. There as several operators providing services including canoe hire, overnight trail rides, National Parks Night Walks, and self-drive 4WD trails.[2] *"Farm Trails"* have been developing in the area and include organised site visits to various farms/businesses.[3] A number of other businesses receive also receive a boost from tourism and include cafes, restaurants, hotels, supermarkets and other retailers.

A major issue is that the tourism sector and key attractions, infrastructure and tourism product are underdeveloped relative to other areas in the Hunter Region and elsewhere.

There are issues in measuring the size of the sector due to limited data being available on visitor numbers and occupancy rates in accommodation.

- A 2006 study indicated that there had been an increase in accommodation from 26 properties in 1997 to 65 in 2005. Accommodation covers bed and breakfast, farm stays, country retreats, and motels/hotels, resort style accommodation and caravan and camping facilities. The analysis indicated that: tourist accommodation had a maximum capacity of 1600 in resorts, motels, bed and breakfasts and caravan parks; and there were a total of 945 camping sites in park areas - with total capacity of 3570 persons. This indicates that there is total accommodation in the area for around 5200 persons.
- The Gloucester Environmental Study 2006 quoted a $20 million figure for the value of tourism.[4] This figure is used in discussions of the sector and in submissions and other reports. This data is largely extrapolated from visitor data from 1996/97.

The following is illustrative (as we do not have current visitor numbers) and shows the sensitivity of total tourism spending to the number of visitors. The total expenditure value ranges from $22 million for 69,000 visitors and $16 million for 50,000 visitors.

2 Gloucester Local Environmental Study 2006 Hunter Development Brokerage, March 2006 P 95

3 Participants identified in the 2006 report included: Barrington Perch, Barrington Beef, Gloucester Gold, Hillview Herb Farm, Capparis Goat Cheese.

4 Gloucester Local Environmental Study 2006 Hunter Development Brokerage, March 2006 P 96

Tourism Expenditure Gloucester- Illustrative Examples

Visitor numbers	Ave stay	Visitor nights	Ave spend $	Total Spend $
69000	2.5	172500	128	22080000
60000	2.5	150000	128	19200000
50000	2.5	125000	128	16000000

Source: Buchan Consulting Estimates

The Tourism and Transport Forum (TTF) data estimates that there were 118 persons employed in tourism in Gloucester (5.5% of the workforce) in 2004/05.[5] They reported a decline in employment from 138 in 1997/98 (6.7% of the workforce). Buchan Consulting analysis shows 99 tourist related jobs or 5.7% of total jobs in the LGA.

There is a need to develop the tourism sector in the region, and this will require a strategic approach to market development and improvements in tourism product; infrastructure, services and marketing.

The next stage of the study will involve: modelling the tourism sector, including obtaining better information on visitor numbers in the region, including visits to the National Park areas; estimating current accommodation capacity in the region; estimating the size of the sector in terms of revenues generated and employment and the impacts of growth; reviewing the potential of each of the major market segments, including adventure tourism, environmental tourism, and the short breaks market; providing a Provide a SWOT assessment of the sector; developing recommendations on a strategic approach to market development; and providing an assessment of requirements for developing the sector, including infrastructure needs, brand development, facilities requirements, and marketing (including online).

Health Sector

Health and social assistance are an important part of the jobs in the LGA and accounted for 188 jobs or around 11% of jobs in 2006. The major areas of employment were in the hospital (98 persons) and medical and other health care services (55).

On an occupational basis the major categories were professionals (71) and community & personal service workers (62).

The major future issues for the sector are: maintenance of the hospital in Gloucester - a scaling back of services at the hospital would have a major negative impact on Gloucester due to the importance of health sector jobs for the region; and future support services for an ageing population, including low care and high care places. The next stage of the study will assess the implications of population growth for the future demand for health services in the region.

5 *NSW Tourism Employment Atlas 2005,* TTF Australia, 2006

Retail Sector

Retail is a major sector of employment in Gloucester. It accounted for 184 jobs or 11% of jobs in the Shire. The major segments were food retailing (80 jobs) and other store-based retailing (73). The town centre has a balanced mix of retail activities and a range of commercial, professional and community services.

The 2006 study by Ratio Consultants indicated that the retail catchment extends across the LGA to Taree LGA and Great Lakes LGA on the Coast, and covers a radius of around 60km-70km.[6] Around 85% of the town centre's trade is from this catchment. In 2005 the consultants identified 83 establishments and around 21,000 m2 gross leasable area (GLA).[7]

Future growth in the retail sector will be driven by population size and composition, and the development of the tourist market. . The Ratio Consultants study in 2005 projected significant growth in spending based on population growth (an increase in the LGA's population from 4980 to 6080 by 2021). Retail spending (in 2005 prices) is estimated to increase to $66.9 million in 2021 (up from $47.8 million in 2004/05).

The next stage of the study will: examine the implications of population change for the future demand for retail services; estimate long term market growth under various population growth scenarios; and make recommendations on development of the sector.

Services Sector

The Gloucester town centre is the retail, commercial, professional and community services centre for the township and Shire. A total of 25 establishments were identified in the Ratio Consultants study, with a total floor area of approximately 5,200 m2 GLA.

Services are important for the regional economy, and services jobs (230) represent around 13% of local jobs. The major categories were public administration (94) – mainly local government, and professional, scientific and technical services (65).

The future for services industries will be driven by the size of the population (retail level services and government services) and growth in business activity (professional, technical and business services) in the region. It will also be influenced by the extent to which Gloucester can become a hub for persons (seeking a lifestyle change) and who deliver services to a wider markets.

The next stage of the study will: examine future demand for services in the region, including linkages with other key sectors; identify trends in composition of services; and provide recommendations for developing the sector

6 Development and Employment Land and Commercial / Retail Strategy : Business s Study, Ratio Consultants 2006
7 Development and Employment Land and Commercial / Retail Strategy : Business Study, Ratio Consultants 2006 P8

Mining Sector

ABS data indicates that in 2006 there were 99 jobs in the mining sector, with 76 of these jobs being held by local residents

Gloucester Coal: currently operates two mining operations at Stratford and Duralie. The deposits are located in the Gloucester Geological Basin, and the company has licenses (Coal Exploration Licenses A311, A315 and EL6904), which cover a major are of the Basin and include known coal deposits. Leighton Mining operates the mine under contract to Gloucester Coal. Duralie produces around 2 million tonnes of coal per year. At Duralie, Leighton Mining is responsible for all of the mine planning, surface mining operations and site rehabilitation (with 70 employees).

Gloucester Coal Seam Gas (CSG) Project: involves the development of coal seam gas in the area. The project includes: the installation of gas wells; construction of a central processing facility; and construction of a high-pressure pipeline to transport the gas. The project is being implemented by AGL, who acquired the coal gas seam assets in December 2008. AGL has other gas projects in the Hunter, Central Coast and Sydney Region.

The gas will supply a growing market in Sydney and Newcastle. Gas from the Gloucester will be delivered into the existing New South Wales Gas Market through the pipeline connection into the existing Newcastle/Sydney gas network at Hexham. Several advantages have been indentified for the development of the reserves: natural gas can fuel power generation and have lower emissions.[8]The Gloucester Basin reserves are located close to markets, including the growth region of Newcastle and the Hunter.

There are three components to the development in the Gloucester area: gas field area; corridor for the gas pipeline and the site for a Central Processing Facility. Pilot drilling of wells, testing and exploration has been undertaken since 2008. The central processing facility is adjacent to the Gloucester Coal processing plant at Stratford and it is proposed to develop an industrial estate at the site of the gas processing facility.

Permanent employment is estimated by AGL at 30-40 ongoing jobs when the project is operational. There are also current contractor jobs associated with exploration and pilot testing, and there will be jobs associated with the construction of the plant and the pipelines.

Stratford Industrial Park: Gloucester Coal is proposing the development of an industrial park (Stratford Industrial Park) at the site of the compression plant. Industry, which could benefit from access to gas, electricity, steam , water or proximity to rail are being are being targeted. Council has commissioned a technical study to identify synergistic activities that could be located in the industrial park

The major developments in the sector are the potential development of new mines, the AGL Gas Project and the development of the Stratford Industrial Park. The next stage of the study will involve: discussions with Gloucester Coal and AGL; an assessment of current and future employment in the sector and its impacts on the region; an assessment of linkages to other activities in the region; and developing recommendations on the strategy for the development of the industrial park.

8 CSG is a relatively 'clean' energy source compared to other hydrocarbons, burning much more efficiently than coal or oil and generating approximately 40% less greenhouse emissions than conventional electricity generation. Gloucester Coal Seam Gas Project Factsheet – Project Overview; Gloucester Coal Seam Gas Project Factsheet – Frequently Asked Questions.

1. Introduction

This report is the first report in the development of an economic development strategy for Gloucester Shire. The report provides a detailed analysis of the local economy, businesses and employment.

The report analyses a range of ABS data for the Shire, examines trends and reviews the major sectors in the local economy. It also draws on qualitative information from consultations with businesses in the region and the initial workshops held in February 2010.

The data provides a foundation of key information on: the structure of the regional economy, recent trends and the key directions for each of the sectors. This information will contribute to a better understanding of the local economy and its challenges and future opportunities.

The analysis in this report will be extended in the next stages of the study, with more detailed sector analysis and the development of the economic development strategy.

Work on this stage of the study has been undertaken by Michael Connell, Mike Bright and Craig Stapleton of Buchan Consulting.

2. Developing the Strategy

This project is shaping an economic development strategy for the region, and has a number of objectives that were set in the brief. The major objectives are:

- To understand the composition, segmentation and magnitude of employment and the economy of the Gloucester LGA.
- Through analysis identify and set clear direction through recommendations for the growth and development of present economic activities.
- Through analysis identify and recommend new or value added areas of economic and employment growth.
- To review planning policies and make recommendations to support and facilitate growth and development outcomes.
- Determine resources and infrastructure necessary to achieve economic goals and identify any obstacles to these economic growth outcomes.
- To take account of cultural, community and environmental factors and previous initiatives and studies.[9]

The outcomes are specified in the brief and these are:.

1. To provide analysis and to recommend appropriate initiatives, actions and policies that Council and other stakeholders in the Gloucester LGA can adopt to promote economic and employment growth including:

- Policies, actions and recommendations that can be initiated, taken and/or adopted and included in relevant Council management and/or planning documents including the Economic Development Plan, Local Environment Plan, Housing and Commercial Strategies etc.
- Identification of appropriate educational, promotional or marketing programs together with target stakeholders and timing to achieve these outcomes
- Recommendation of suitable surveys, measures and performance indicators to provide continuous and ongoing monitoring of economic and tourism growth/performance. [10]

2. To recommend the optimal structure(s) and financial and human resources necessary to effectively implement the proposed economic strategy; including review of the present Economic Development Committee and how this can best be utilised to support implementation of the proposed strategy. [11]

This segment of the project has involved: consultations with Council, businesses and key stakeholders; two initial workshops (tourism and economic development); a review of reports/strategies (State Government, Council); a review of key industry sectors; analysis of employment; and projections of future population.

More detailed sector analysis, identification of opportunities and development of strategies and actions are the next stage of the project.

9 Consultants Brief Economic Development Strategy for Gloucester Local Government Area, September 2009 P4
10 Consultants Brief Economic Development Strategy for Gloucester Local Government Area, September 2009 P17
11 Consultants Brief Economic Development Strategy for Gloucester Local Government Area, September 2009 P17

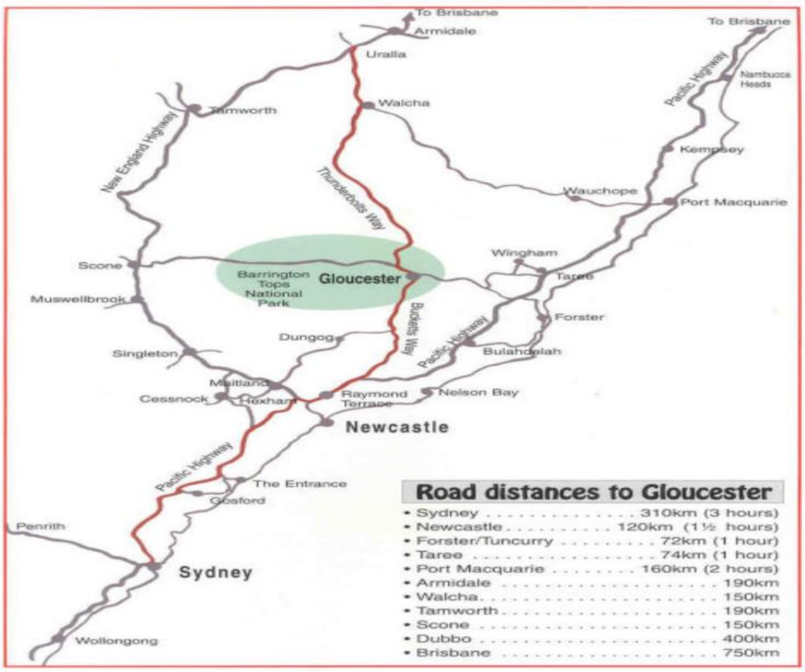
3 The Gloucester Region

3.1 The Regional Economy

3.1.1 The Region

Gloucester Shire is in the north-eastern segment of the Hunter Region of New South Wales and borders on five other local government areas: Great Lakes, Dungog, Walcha, Greater Taree and Upper Hunter.[12] Gloucester is 3 hours north of Sydney, 1.5 hours north of Newcastle and 1 hour west of Taree.

The Hunter Region



12 http://www.gloucester.nsw.gov.au/economic/2906.html

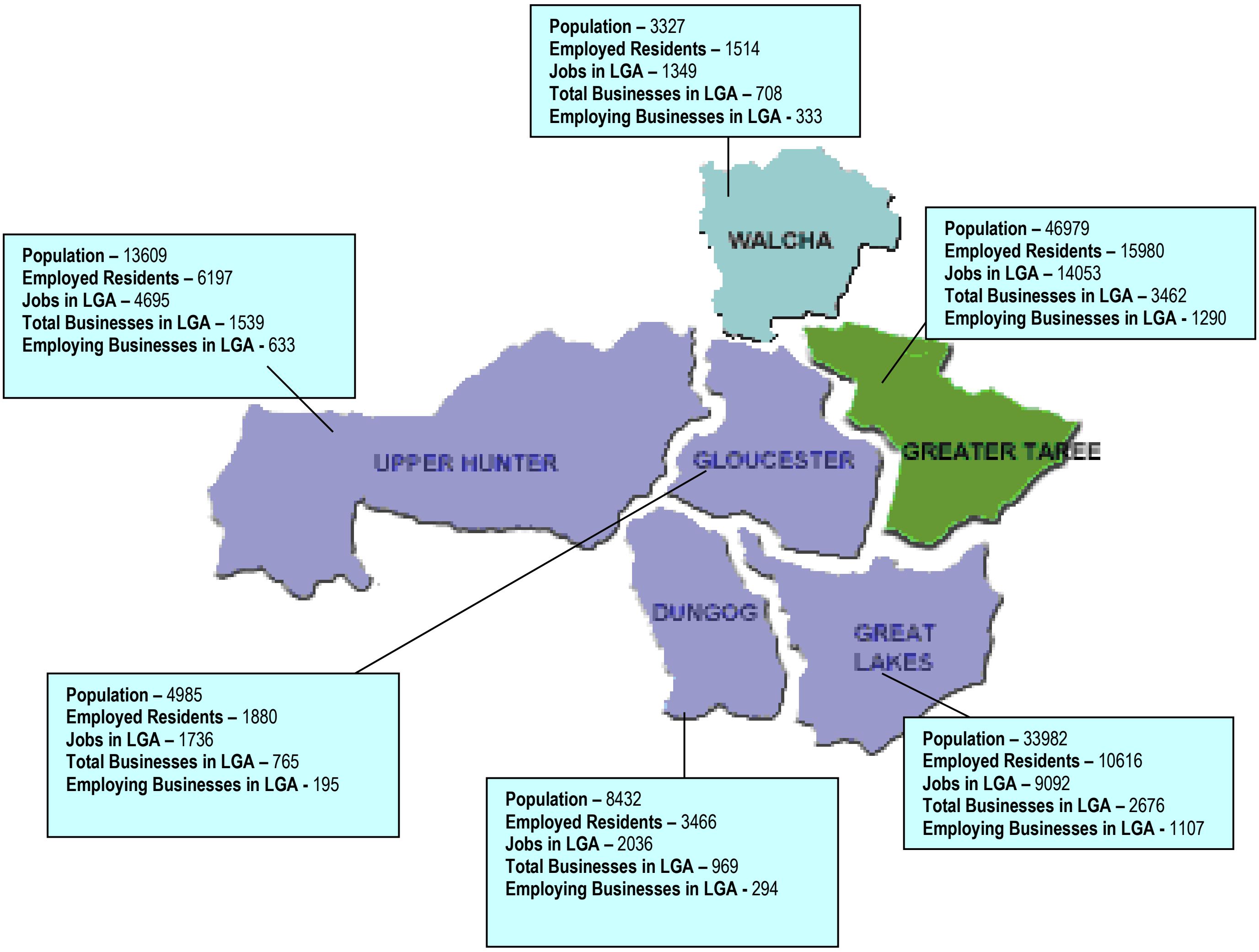
The surrounding region, comprising these six LGAs has: a total population of 111,314; 32,291 jobs; and 10,119 businesses.

- Gloucester is one of the smallest in terms of population and accounts for only 4.5% of the regional population, 5.3% of jobs and 7.6% of businesses.
- The two largest LGAs are Greater Taree (46,979 population and 15, 980 jobs) and Great Lakes (33,982 population and 10,616 jobs).

Table 1 Regional Population, Jobs and Businesses 2006

	Gloucester LGA	Walcha LGA	Dungog LGA	Great Lakes LGA	Greater Taree LGA	Upper Hunter LGA	Total Region 6 LGAs	Gloucester Share
Population in LGA	4985	3327	8432	33982	46979	13609	111314	4.5
Employed Residents in LGA	1880	1514	3466	10616	15980	6197	39653	4.7
Jobs in LGA	1736	1349	2036	9092	14053	4695	32961	5.3
Total Businesses in LGA 2007	765	708	969	2676	3462	1539	10119	7.6
Employing Businesses in LGA 2007	195	333	294	1107	1290	633	3852	5.1

Source: ABS National Regional Profile Gloucester LGA 2008



3.1.2 Gloucester Shire

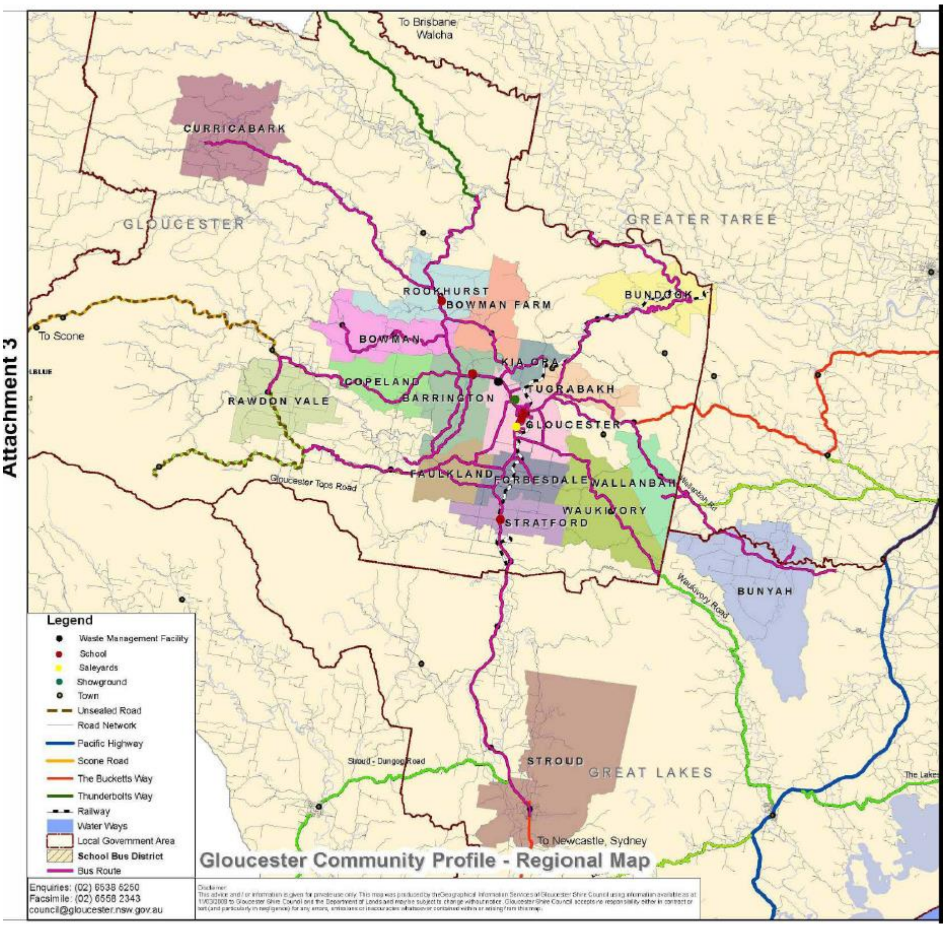
Gloucester Shire has an area of approximately 3000 square kilometres. The LGA extends from the Barrington River valley west to the Barrington Tops National Park and northwest to the Woko National Park. The eastern parts of the Shire are the main area of settlement.

The main industries include: agribusiness (dairying, beef), retail and services, coal mining and light manufacturing and tourism. Gloucester town is the major centre of population and industry. It has the main retail and commercial and light industrial areas. It is also has the Council Offices, Gloucester Hospital and the main schools. Other villages include: Forbesdale, Stratford, Craven and Barrington.

A combination of natural beauty and accessibility is seen as providing opportunities for the ongoing development of tourism and lifestyle living and retirement living. Most of the potential for future residential, commercial and industrial land is located in and around Gloucester town.

Gloucester is regarded as the Northern Gateway and Base camp to World Heritage Barrington Tops. There are a range of outdoor activities including bush drives, walking, swimming, golf, fishing, horse riding, 4WD tours, and canoeing. Accommodation in the area includes several resorts farm stays, B & BS, lodges, camping/caravans and hotels and motels.

There are a number of local events including: the Shakespeare on Avon Festival; the Blackmore's Mountain Man Tri Challenge; Rodeos; and Country Music camps.



Source: Gloucester Community Profile 2007 Appendix 2

3.2 Population Profile

3.2.1 Population

The LGA has a population of 4800 in 2006. The following table shows the numbers in age groups. In 2006 18% of the population was aged under 14 years; 34% were aged between 25 and 54 years; and 22% were aged over 65 years (1068 persons). Trend analysis shows that the population is ageing as long term residents age in place and other mature aged persons are attracted to the area for retirement.

Table 1. Age Profile of Gloucester Shire Population – 2006

Age Group	Males	Females	Persons	Share
				%
0-4	110	116	226	4.7
5-14	324	323	647	13.5
15-24	227	193	420	8.8
25-44	453	506	959	20.0
45-54	346	348	694	14.5
55-64	386	400	786	16.4
65-74	279	280	559	11.6
75-84	177	194	371	7.7
85+	50	88	138	2.9
Total	2352	2448	4800	100.0

Source: ABS Census 2006 Resident Population Data

3.2.2 Education Levels

The following table shows an increase in the number of persons with post school qualifications between 2002 and 2006.[13] The data shows that of the persons over 15 years, 56% had no qualifications; 19% had a vocational education certificate (eg. trades) and 14% had a degree or diploma.

This pattern reflects several aspects of the structure of the region and this includes: the importance of agribusiness, where many persons do not have formal qualifications; the concentration of higher level services in Gloucester (eg. health, education and professional services – each of which require qualifications); and the importance of the local retail sector (often employees have no post school qualifications).

Discussions with businesses in the area highlighted that skills are often lost to the mining sector, as tradespersons take up higher paid jobs and often leave the area.

Table 2. Educational Attainment Persons Aged 15 Years and Over - Gloucester Shire 2006

	2006		2001		Change (2001-2006)
	No	%	No	%	no r
Bachelor degree or higher	329	8.4	238	6.4	91
Advanced Diploma or Diploma	216	5.5	187	5.1	29
Certificate	739	18.8	624	16.9	115
No qualifications	2213	56.4	2299	62.2	-86
Inadequately described/Not stated	430	10.9	349	9.4	81
Total	3927	100.0	3697	100.0	230

Source: ABS Census 2001 & 2006 Resident Population Data

[13] Some of this growth may be due to retiring professionals settling in the area.

3.2.3 Workforce Participation

Gloucester LGA has a lower labour force participation rate (51%) compared with that for New South Wales overall (59%). In addition Gloucester has: a lower share of persons working full time (57%); and a higher percentage of persons employed part-time.

This reflects several features of the local economy including: the ageing workforce and the number of persons who are retired (impacting on the participation rate) and the mix of jobs, which includes service jobs (many of which are part-time).

Table 3. Labour Force Participation Persons Aged 15 Years and Over - Gloucester Shire 2006

Labour Force (Population aged 15 years and over)	Gloucester LGA	% of persons in the labour force in LGA	Gloucester Urban Centre/Locality	% of persons in the labour force in Urban Centre	% of persons in the labour force in New South Wales
Employed full-time	1147	57.3	491	55.3	60.8
Employed part-time	620	31.0	266	30.0	27.2
Employed & away from work	58	2.9	27	3.0	3.3
Employed hours not stated	57	2.8	31	3.5	2.7
Unemployed	121	6.0	73	8.2	5.9
		% of total persons 15+		**% of total persons 15+**	**% of total persons 15+**
Not in the labour force	1743	44.4	993	49.7	34.3
Total labour force (includes employed and unemployed persons)	2003	51.0	888	44.4	58.9
Total persons 15 years and over+	3927		2000		

Source: ABS Census 2006 Data

Local area data shows that the unemployment in the region has been as high as 8.8% in 2006 and was 5.9% in mid 2009.

Table 4. Gloucester Shire Unemployment – June Quarters 2002 to 2009

	Jun-02	Jun-03	Jun-04	Jun-05	Jun-06	Jun-07	Jun-08	Jun-09
Unemployed persons	178	155	149	121	197	124	128	144
Unemployment rate	8.5	8.0	7.0	5.0	8.8	4.8	5.5	5.9

Source: Australian Bureau of Statistics National Regional Profiles 2002-2006, DEEWR Small Area Labour Markets Data (2007-08)

3.2.4 Income in the Shire

The following compares income data for Gloucester LGA, Gloucester Urban Area (town) and the New South Wales. The data shows that Gloucester has significantly lower income levels compared with New South Wales overall.

In terms of household income there was a much lower share of households in the LGA earning more than $1400 per week (14%) compared with New South Wales (31%). At the lower income level, 20% of households had an income of less than $350 per week, compared with only 15% of New South Wale households.

This income pattern reflects a number of factors and these include: an older age structure and the share of persons who are retired and on pensions; the extent of agribusiness in the area and lower incomes in this sector; the limited range of higher level services being delivered in the area (with many of the local jobs being lower income /part time service jobs).

Table 5. Median Income – Gloucester Shire and Gloucester Urban Centre - 2006

	$/week		
Measure	Gloucester LGA	Gloucester Urban Centre/ Locality	New South Wales
Median individual income	343	328	461
Median family income	846	776	1181
Median household income	665	619	1036

Source: ABS Census 2006 Resident Population Data

Table 6. Weekly Household Income – Gloucester Shire and Gloucester Urban Centre - 2006

Weekly Household Income		Number of Households	Shares %	Shares %	Shares %
Income Level	Gloucester LGA	Gloucester Urban Centre/Locality	Gloucester LGA	Gloucester Urban Centre/Locality	New South Wales Average
Negative/Nil income	26	5	1.3	0.5	1.2
$1-$149	43	17	2.2	1.7	1.5
$150-$249	135	85	7.0	8.4	5.2
$250-$349	188	123	9.8	12.2	7.0
$350-$499	187	100	9.7	9.9	5.2
$500-$649	279	150	14.5	14.9	10.0
$650-$799	151	80	7.8	7.9	6.0
$800-$999	148	71	7.7	7.1	6.5
$1,000-$1,199	220	109	11.4	10.8	9.9
$1,200-$1,399	94	41	4.9	4.1	5.1
$1,400-$1,699	82	38	4.3	3.8	7.2
$1,700-$1,999	68	33	3.5	3.3	5.9
$2,000-$2,499	52	28	2.7	2.8	6.0
$2,500 -$2,999	42	12	2.2	1.2	6.0
$3,000 or more	25	10	1.3	1.0	6.0
Partial income stated(c)	128	61	6.6	6.1	8.3
All incomes not stated(d)	58	44	3.0	4.4	2.9
Total	**1,926**	**1,007**	**100.0**	**100.0**	**100.0**

Source: ABS Census 2006 Resident Population Data

Some other taxation data for the region confirms these income patterns. It shows that the number of non-taxable individuals have been increasing (persons on pensions and low incomes). The data shows that in average total income of wage and salary earners was $34,015.

Table 7. Taxation Statistics - year ended 30 June 2002-2005

Taxation Statistics - year ended 30 June		2002	2003	2004	2005
Non-taxable individuals	no.	653	713	772	782
Taxable individuals	no.	1603	1662	1703	1753
Taxable income	$m	53.9	56.6	62.0	65.3
Average taxable income	$	33 654	34 065	36 405	37 247
Net tax	$m	11.6	12.7	13.4	14.3
Average net tax	$	7236	7643	7855	8130
Average net tax ratio	%	21.5	22.4	21.6	21.8
Wage and Salary Earners * - year ended 30 June		**2002**	**2003**	**2004**	**2005**
Wage and salary earners	no.	1364	1382	1416	1435
Wage and salary income	$m	42.0	43.8	46.3	48.8
Total income	$m	43.7	45.1	48.6	50.2
Average wage and salary income	$	30780	31694	3 729	34015
Average total income	$	32053	32621	34341	34974

Source: Cat 1379.0.55.001 National Regional Profile, Gloucester (A), 2002 to 2006

Table 8. Wage and Salary Earners by Age and Sex - year ended 30 June 2002-2005

Wage and Salary Earners		2002	2003	2004	2005
Males					
Males - 15 years to 24 years	no.	155	141	138	152
Males - 25 years to 34 years	no.	144	146	133	129
Males - 35 years to 44 years	no.	187	198	192	199
Males - 45 years to 54 years	no.	175	173	194	188
Males - 55 years and over	no.	110	109	132	137
Males - Total	**no.**	**771**	**767**	**789**	**805**
Females					
Females - 15 years to 24 years	no.	110	106	112	110
Females - 25 years to 34 years	no.	96	99	100	99
Females - 35 years to 44 years	no.	153	159	160	154
Females - 45 years to 54 years	no.	152	167	163	164
Females - 55 years and over	no.	82	85	92	104
Females - Total	**no.**	**593**	**616**	**627**	**631**
Persons					
Persons - 15 years to 24 years	no.	265	247	250	262
Persons - 25 years to 34 years	no.	240	245	233	228
Persons - 35 years to 44 years	no.	340	357	352	353
Persons - 45 years to 54 years	no.	327	340	357	352
Persons - 55 years and over	no.	192	194	224	241
Persons - Total	**no.**	**1 364**	**1 383**	**1 416**	**1 436**

Source: Cat 1379.0.55.001 National Regional Profile, Gloucester (A), 2002 to 2006

Data on business income shows that it has generally been stable over the period. Combining total taxable income from wage and salary earners for 2004 of $62 million and total business income of around $9 million, this implies that total regional income in 2004 was $71 million.

Based on an assumption of income growth of 12% over the period 2004-2009, this would imply total regional income in 2009 of around $80 million.

Table 9. Persons with Business Incomes 2002-2004

PERSONS WITH OWN UNINCORPORATED BUSINESS * - year ended 30 June		2002	2003	2004
Males				
Males with own unincorporated business	no.	234	205	216
Own unincorporated business income	$m	5.5	4.4	5.1
Total income	**$m**	**5.9**	**5.1**	**5.8**
Average own unincorporated business income	$	23300	21382	23 569
Average total income	$	25114	24775	26814
Females				
Females with own unincorporated business	no.	155	123	119
Own unincorporated business income	$m	2.7	2.5	2.3
Total income	**$m**	**3.2**	**2.9**	**2.8**
Average own unincorporated business income	$	17 470	20 159	19 724
Average total income	$	20788	23412	23853
Persons				
Persons with own unincorporated business	no.	389	328	335
Own unincorporated business income	$m	8.2	6.9	7.4
Total income	**$m**	**9.1**	**8.0**	**8.6**
Average own unincorporated business income	$	20 977	20 923	22 203
Average total income	$	23 390	24 264	25 762

Source: Cat 1379.0.55.001 National Regional Profile, Gloucester (A), 2002 to 2006

3.3 Population Trends

3.3.1 Recent Trends

The following table shows trends in population between 2003 and 2008. It shows that:

- The Gloucester population is ageing and is experiencing: a decline in children (under 15); a decline in the 30-44 age group; and an increase in the 55 year and over. This is reflective of the region as a retirement destination (persons aged 60-64 increased by 145 – the largest increase in any age cohort.).
- A similar pattern of ageing of the population was evident in the most of the other adjacent Shires.

Table 10. Estimated Resident Population by Age, Persons – 2003 and 2008 Gloucester and Adjacent LGAs

		0-4	5–9	10–14	15–19	20–24	25–29	30–34	35–39	40–44	45–49	50–54	55–59	60–64	65–69	70–74	75–79	80–84	85 and over	Total Persons
LGA	Population	no.	no.	no.	no.	no.	no.	no.	no.	no.	no.	no.	no.	no.	no.	no.	no.	no.	no.	no.
Gloucester																				
Gloucester	2003	246	310	378	334	163	168	254	312	375	326	346	380	313	301	272	186	124	125	4913
share		5	6.3	7.7	6.8	3.3	3.4	5.2	6.4	7.6	6.6	7	7.7	6.4	6.1	5.5	3.8	2.5	2.5	100
Gloucester	2008	216	287	337	336	170	171	194	291	322	373	331	408	458	301	269	246	164	127	5001
share		4.3	5.7	6.7	6.7	3.4	3.4	3.9	5.8	6.4	7.5	6.6	8.2	9.2	6	5.4	4.9	3.3	2.5	100
Change	2003-08	-30	-23	-41	2	7	3	-60	-21	-53	47	-15	28	145	0	-3	60	40	2	88
Upper Hunter																				
Upper Hunter	2003	910	915	946	955	753	747	842	927	1053	991	914	877	692	555	498	373	262	254	13464
share		6.8	6.8	7	7.1	5.6	5.5	6.3	6.9	7.8	7.4	6.8	6.5	5.1	4.1	3.7	2.8	1.9	1.9	100
Upper Hunter	2008	952	920	864	840	927	927	835	872	875	1007	895	866	830	680	500	417	308	270	13785
share		6.9	6.7	6.3	6.1	6.7	6.7	6.1	6.3	6.3	7.3	6.5	6.3	6	4.9	3.6	3	2.2	2	100
Change	2003-08	42	5	-82	-115	174	180	-7	-55	-178	16	-19	-11	138	125	2	44	46	16	321
Greater Taree																				
Greater Taree	2003	2695	3234	3689	3168	1938	1874	2384	2680	3398	3299	3200	3107	2736	2399	2132	1794	1140	823	45690
share		5.9	7.1	8.1	6.9	4.2	4.1	5.2	5.9	7.4	7.2	7	6.8	6	5.3	4.7	3.9	2.5	1.8	100
Greater Taree	2008	2540	3056	3468	3413	2172	1989	2032	2767	2942	3559	3585	3422	3396	2889	2309	1850	1365	1027	47781
share		5.3	6.4	7.3	7.1	4.5	4.2	4.3	5.8	6.2	7.4	7.5	7.2	7.1	6	4.8	3.9	2.9	2.1	100
Change		-155	-178	-221	245	234	115	-352	87	-456	260	385	315	660	490	177	56	225	204	2091
Dungog																				
Dungog	2003	497	612	700	583	348	335	538	569	725	628	612	546	496	389	277	248	166	124	8393
share		5.9	7.3	8.3	6.9	4.1	4	6.4	6.8	8.6	7.5	7.3	6.5	5.9	4.6	3.3	3	2	1.5	100
Dungog	2008	466	590	656	605	335	327	396	617	615	706	641	614	549	467	319	229	178	137	8447
share		5.5	7	7.8	7.2	4	3.9	4.7	7.3	7.3	8.4	7.6	7.3	6.5	5.5	3.8	2.7	2.1	1.6	100
Change	2003-08	-31	-22	-44	22	-13	-8	-142	48	-110	78	29	68	53	78	42	-19	12	13	54
Great Lakes																				
Great Lakes	2003	1563	1843	2100	1884	1111	1160	1577	1763	2202	2169	2203	2533	2588	2431	2228	1861	1212	753	33181
share		4.7	5.6	6.3	5.7	3.3	3.5	4.8	5.3	6.6	6.5	6.6	7.6	7.8	7.3	6.7	5.6	3.7	2.3	100
Great Lakes	2008	1528	1791	1989	2027	1312	1167	1321	1775	1986	2328	2365	2539	2886	2820	2407	2000	1481	1131	34853
share		4.4	5.1	5.7	5.8	3.8	3.3	3.8	5.1	5.7	6.7	6.8	7.3	8.3	8.1	6.9	5.7	4.2	3.2	100
Change	2003-08	-35	-52	-111	143	201	7	-256	12	-216	159	162	6	298	389	179	139	269	378	1672
Walcha																				
Walcha	2003	240	266	224	174	135	146	225	218	232	249	251	234	183	162	119	104	72	55	3289
share		7.3	8.1	6.8	5.3	4.1	4.4	6.8	6.6	7.1	7.6	7.6	7.1	5.6	4.9	3.6	3.2	2.2	1.7	100
Walcha	2008	189	233	234	204	120	140	147	226	238	239	244	260	238	166	136	103	72	87	3276
share		5.8	7.1	7.1	6.2	3.7	4.3	4.5	6.9	7.3	7.3	7.4	7.9	7.3	5.1	4.2	3.1	2.2	2.7	100

Change	2003-08	-51	-33	10	30	-15	-6	-78	8	6	-10	-7	26	55	4	17	-1	0	32	-13

Source: ABS Cat 3235

3.3.2 Population Projections

Department of Planning Projections

The NSW Department of Planning's projections for Gloucester are for a largely stable population over the period to 2026, with the population increasing from 4930 to 5110 over the period. This largely reflects an ageing population and the limited attraction of families to the region.

Table 11. Population Projections 2001 – 2026 NSW Department of Planning

	2001	2006	2011	2016	2021	2026
Population	4930	4960	4990	5030	5080	5110
Average Annual Growth (%)	n/a	0.12	0.12	0.16	0.20	0.12

Source: NSW Department of Planning – NSW Statistical Local Area Population Projections – 2001-2031 – 2005 Release

The following projections for Gloucester indicate that the median age will increase from 42 in 2001 to 55 in 2031. In 2031 35% of the population will be aged 65 year and over compared with 19% in 2001.

Table 12. Age Structure Gloucester 2001 and 2031

	2001						2031					
	0-14	15-29	30-49	50-64	65+	Total	0-14	15-29	30-49	50-64	65+	Total
Gloucester												
Population	1010	650	1300	1010	960	4930	670	450	1080	1150	1780	5130
Percent of Population in Age Group	20.5	13.3	26.4	20.5	19.4	-	13.1	8.8	21	22.4	34.8	
Median Age						42						55

Source: NSW Department of Planning – NSW Statistical Local Area Population Projections – 2001-2031 – 2005 Release

The projections for the period to 2026 show that most of the growth is occurring in the LGAs with the larger populations, particular Great Lakes (an increase of over 16,000 from 32,000 in 2001 to 48,000 in 2026)) and Greater Taree (around 5000). The population in the smaller population LGAs is broadly stable or declining (Walcha, Upper Hunter).

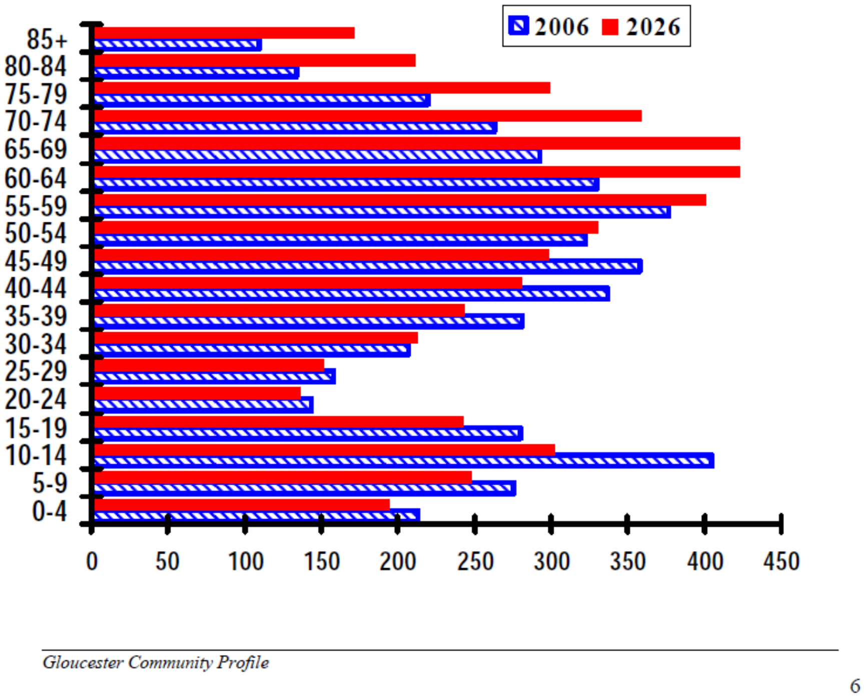
Table 13. Projected Population 2011-2026 Gloucester and Adjacent LGAs

	2001	2006	2011	2016	2021	2026
Gloucester						
Population	4930	4960	4990	5030	5080	5110
Average Annual Growth (%)	n/a	0.12	0.12	0.16	0.2	0.12
Greater Taree						
Population	44740	46640	47510	48260	48990	49650
Average Annual Growth (%)	n/a	0.84	0.37	0.31	0.30	0.27
Dungog						
Population	8410	8620	8850	9080	9330	9570
Average Annual Growth (%)	n/a	0.49	0.53	0.51	0.54	0.51
Upper Hunter						
Population	13540	13400	13250	13100	12970	12830
Average Annual Growth (%)	n/a	-0.21	-0.22	-0.23	-0.20	-0.22
Great Lakes						
Population	32200	35430	38680	41930	45170	48320
Average Annual Growth (%)	n/a	1.93	1.77	1.63	1.50	1.36
Walcha						
Population	3310	3210	3090	2970	2880	2790
Average Annual Growth (%)	n/a	-0.61	-0.76	-0.79	-0.61	-0.63

Source: NSW Department of Planning – NSW Statistical Local Area Population Projections – 2001-2031 – 2005 Release

Hunter Valley Research Foundation Projections

Recent projections by the Hunter Valley Research Foundation show an increase in population and a significant ageing. [14]



Source: Gloucester Community Profile 2007 P 6

Projections from Ratio Consultants Study

A 2006 study for Gloucester Council by Ratio Consultants has projected significant growth in the regional population.[15]

The study used a model to project population based on two major variables: trends in dwelling approvals and average household size. Based on this analysis it predicted significant growth in the average number of dwellings constructed in the region. The growth in dwellings was as follows.

Table 14. Dwellings Per Year Gloucester Shire – Projections

Period	Dwellings per year
1991/96 – 1995/96	29
1996/97 – 2000/01	30
2001/02 – 2005/06	32
2006/07 – 2010/11	35
Increase over the period	Up in each 5 year period
2026/27 – 2030/31	55

Source: Development and Employment Land and Commercial / Retail Strategy: Business Study, Ratio Consultants 2006 P6

On this basis, the total dwelling stock for the Shire is projected to rise from approximately 2,270 dwelling units in 2001 to 2,810 units by 2016, to 3,560 units by 2031. Households are projected to increase in the Shire, from approximately 1,880 in 2001 to 2,440 by 2016, and 3,310 by 2031. Household sizes are projected to continue to fall in the Shire for a number of social and demographic reasons (ageing of the population, and further projected increases in the divorce rate). In 2001, average household size was 2.576 persons; with projections of 2.324 persons by 2016, and 2.139 persons by 2031.

14 Gloucester Community Profile 2007 P6
15 Development and Employment Land and Commercial / Retail Strategy : Business s Study, Ratio Consultants 2006 P6

Based on this analysis, Ratio projected the population to increase from 4,840 persons in 2001 to 5,680 persons in 2016 and to 7,080 persons by 2031

Whereas the Department of Planning projections have the population as stable, the Ratio Projections show significant population growth. In the 2001 – 2011 decade, the Shire's population is projected to increase by 470 persons, or by approximately 10% over the entire decade. In the period 2011 – 2021, the Shire's population is projected to increase by a further 770 persons, or by approximately 15% over the entire decade. In the period 2021 – 2031, the Shire's population is projected to increase by 1,000 persons, or by approximately 16% over this ten-year period.

Table 15. Projected Total Dwelling Stock, Households and Resident Population (2001-2003) –Ratio Consultants

Year ended 30 June	Total Dwelling Stock	Occupied Dwellings		Yield Rate (Persons/ Occupied Dwelling)	Estimated Resident Population * (ERP)
		% Total Dwelling Stock	No. Households		No. persons
2001	2,273	82.7	1,879	2.576	4,840
2006	2,432	83.0	2,019	2.486	5,020
2011	2,607	85.0	2,216	2.396	5,310
2016	2,807	87.0	2,442	2.324	5,680
2021	3,032	89.0	2,698	2.252	6,080
2026	3,282	91.0	2,987	2.196	6,560
2031	3,557	93.0	3,308	2.139	7,080

Source: Development and Employment Land and Commercial / Retail Strategy: Business Study, Ratio Consultants 2006 Table E.2

Table 16. Comparison of Population Projections (2001-2031)

Reference	Estimated Resident Population (No. Persons)						
	2001	2006	2011	2016	2021	2026	2031
DIPNR *	4,930	4,980	4,980	4,990	5,010	5,040	5,050
Ratio Consultants Pty Ltd (October 2005)	4,840	5,020	5,310	5,680	6,080	6,560	7,080

* Department of Infrastructure, Planning and Natural Resources (New South Wales Statistical Local Area Population Projections 2001-2031, Transport and Population Data Centre, 2004)

Source: Development and Employment Land and Commercial / Retail Strategy: Business Study, Ratio Consultants 2006 Table E.3

4 Industry and Employment

4.1 Overview

There are several key sectors in the regional economy, which are important sources of current employment, and have capacity for future growth. This section examines the structure of employment in the local economy and recent job trends.

Key Sectors

Sector	Key Features
Agriculture	The sector remains significant to the region, and this Includes traditional beef and dairy industries and emerging niche and boutique type farm industries, including goats, alpacas, aquaculture, organics industry, grapes and wine, herb production. The Gloucester Project is exploring the opportunities for expansion of agribusiness in the region, including specialty vegetables and fruit and the attraction of market garden activities.
Mining - coal and gas	Coal mining is significant through mining operations and some support activities. The Gloucester Coal Company operates two open-cut mining operations producing thermal and coking coal for domestic and export markets. AGL is developing coal seam gas.
Tourism	The sector is based on natural environment of the region - World Heritage rainforests and the grasslands of the Barrington Tops, the Bucketts Range and the river system. There has been an expansion in the accommodation sector, but overall tourism is underdeveloped compared with other regions. There is considerable scope for development of the sector, and this will require action on infrastructure, product, marketing, professionalism and development of attractions. .
Retail	Retail is a major employer in the LGA and is largely servicing the Gloucester's local population. The sector is also affected by tourism in the region. There is some leakage to other areas (eg. Taree) but due to distances, the local retail captures a large share of retail expenditure. There is current expansion in the sector, with the proposed additional supermarket, and new buildings for one of the existing supermarkets and hardware store.
Services Sector	Gloucester township is the major service centre for the Shire. It has a range of retail services, professional services and government services activities. The sector is driven by population size and the number of businesses in the Shire (increasing demand for professional services)
Health services	Health is a significant employer due to an ageing population and the presence of the hospital operated by Hunter New England Health (HNEH). Relative to other small communities, Gloucester is well serviced by medical services.
Manufacturing and Light Industry	There are a range of engineering businesses supporting the mining and agriculture sector. There are several businesses that are servicing broader markets

4.2 Businesses in Area

Gloucester is very much a small business economy. The following ABS data shows that there were a total of 717 businesses in the Shire in 2007 and most of these are very small businesses. There are a number of features of business structure.

- Half of the businesses were farms and most of these did not have employees (ie operated by the owner).
- There were around 220 businesses in other sectors that were single person operations.
- Another 105 businesses employed between 1 and 4 employees.
- 69 businesses employed between 5 and 19 persons.
- Only 3 businesses employed 20 or more persons (2 retailers – supermarkets and 3 accommodation, cafes and restaurants.

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Table 17. Gloucester Shire - Businesses by Industry by Employment Size 2007

Industry	Non employing	1-4	5-19	20-49	50-99	100-199	200+	Total
Agriculture, Forestry & Fishing	315	24	15	0	0	0	0	354
Manufacturing	6	3	0	0	0	0	0	9
Construction	45	18	3	0	0	0	0	66
Wholesale Trade	6	0	3	0	0	0	0	9
Retail Trade	27	21	9	3	0	0	0	60
Accommodation, Cafes & Restaurants	3	3	9	3	0	0	0	18
Transport & Storage	24	6	15	0	0	0	0	45
Communication Services	3	3	0	0	0	0	0	6
Finance & Insurance	12	0	0	0	0	0	0	12
Property & Business Services	75	15	9	0	0	0	0	99
Education	0	0	0	0	0	0	0	0
Health & Community Services	12	9	6	0	0	0	0	27
Cultural & Recreational Services	6	3	0	0	0	0	0	9
Personal & Other Services	3	0	0	0	0	0	0	3
Total	**537**	**105**	**69**	**6**	**0**	**0**	**0**	**717**

Source: ABS Business Register 2007

On a turnover basis, only 75 businesses had a turnover of greater than $500,000 per year and 400 businesses had turnovers below $75,000 per year. In the agribusiness sector, around one third of farming enterprises had turnovers of less than $25,000, which indicates the existence of hobby farms and some marginal properties. All six of the businesses with turnover of between $2 million and $5 million were in retail.

Table 18. Gloucester Shire – Businesses by Industry by Turnover 2007

Industry	Zero to less than $25k	$25k to less than $50k	$50k to less than $75K	$75k to less than $100k	$100k to less than $150k	$150k to less than $200k	$200k to less than $500k	$500k to less than $1m	$1m to less than $2m	$2m to less than $5m	$5m to less than $10m	$10m to less than $20m	$20m to less than $50m	Total
	no.	no.	no.	no.	no.	no.	no.	no.	no.	no.	no.	no.	no.	no.
Agriculture, Forestry & Fishing	129	66	48	30	27	9	27	15	3	0	0	0	0	354
Manufacturing	3	3	0	0	0	0	3	0	0	0	0	0	0	9
Construction	12	9	6	9	6	6	12	3	3	0	0	0	0	66
Wholesale Trade	6	0	0	0	0	0	0	3	0	0	0	0	0	9
Retail Trade	9	12	0	9	6	3	3	12	0	6	0	0	0	60
Accommodation, Cafes & Restaurants	0	0	3	3	0	0	3	3	6	0	0	0	0	18
Transport & Storage	0	6	3	6	6	6	6	3	9	0	0	0	0	45
Communication Services	0	0	3	3	0	0	0	0	0	0	0	0	0	6
Finance & Insurance	6	3	0	0	0	0	3	0	0	0	0	0	0	12
Property & Business Services	21	21	15	9	15	3	12	3	0	0	0	0	0	99
Education	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Health & Community Services	3	3	3	9	0	3	0	3	3	0	0	0	0	27
Cultural & Recreational Services	3	0	3	0	3	0	0	0	0	0	0	0	0	9
Personal & Other Services	3	0	0	0	0	0	0	0	0	0	0	0	0	3
Total	195	123	84	78	63	30	69	45	24	6	0	0	0	**717**

Source: ABS Business Register 2007

The table below shows that there has been a decline in the number of businesses, with most of the decline being accounted for by two sectors – agriculture; and aaccommodation, cafes and restaurants.

Table 19. Number of Businesses by Industry- Gloucester Shire 2003-2006

Number of Businesses by Industry - at 30 June	2003	2004	2005	2006	Share 2006
Agriculture, forestry and fishing	426	399	390	381	49.8
Mining	0	0	0	0	0.0
Manufacturing	6	12	6	6	0.8
Electricity, gas and water supply	0	0	0	0	0.0
Construction	66	78	66	57	7.5
Wholesale trade	18	12	12	12	1.6
Retail trade	69	66	57	63	8.2
Accommodation, cafes and restaurants	30	27	24	15	2.0
Transport and storage	45	51	54	51	6.7
Communication services	6	6	9	12	1.6
Finance and insurance	12	18	18	15	2.0
Property and business services	99	96	111	114	14.9
Education	0	0	3	3	0.4
Health and community services	27	27	24	24	3.1
Cultural and recreational services	12	9	9	9	1.2
Personal and other services	6	6	9	3	0.4
Total Businesses	**822**	**807**	**792**	**765**	**100.0**

Source: ABS National Regional Profile Gloucester LGA 2008

Businesses are dynamic with new businesses being established and others going out of business. The following table shows this data for the period 2003-2006.

Table 20. Counts of Business Entries and Exits – Gloucester Shire – 2003-2006

	2003	2004	2005	2006
Number of Businesses - at 30 June				
Non-employing businesses	660	621	597	570
Employing businesses: 1 to 4 employees	96	120	129	126
Employing businesses: 5 or more employees	66	66	66	69
Total businesses	**822**	**807**	**792**	**765**
Business Entries - year ended 30 June				
Non-employing businesses		72	51	48
Employing businesses		39	18	21
Total business entries		**111**	**69**	**69**
Business Exits - year ended 30 June				
Non-employing businesses		90	87	72
Employing businesses		0	3	24
Total business exits		**90**	**90**	**96**

The Gloucester Business Directory provides a good guide to businesses in the area.

The following table examined the number of businesses in the Gloucester Business Directory. The directory had 399 businesses listed across all sectors. The major differences between this and the ABS data, is that few farms are listed in the directory and the ABS data reports more property and business services businesses (but many of these are non-employing businesses and would include semi-retired professionals who do some part-time work).

Table 21. Gloucester Shire – Business Directory Businesses by Industry

	Business Directory 2009		ABS NRP Data 2006 data	
Category	Number of businesses	Share (%)	Number of businesses	Share (%)
Agriculture, Forestry & Fishing	20	5.0	381	49.8
Mining	3	0.8	0	0.0
Manufacturing	13	3.3	6	0.8
Construction	56	14.0	57	7.5
Wholesale Trade	9	2.3	12	1.6
Retail Trade	61	15.3	63	8.2
Accommodation, Cafes & Restaurants	66	16.5	15	2.0
Transport & Storage	11	2.8	51	6.7
Communication Services	9	2.3	12	1.6
Finance & Insurance	10	2.5	15	2.0
Property & Business Services	38	9.5	114	14.9
Education	10	2.5	3	0.4
Health & Community Services	11	2.8	24	3.1
Cultural & Recreational Services	28	7.0	9	1.2
Personal & Other Services	53	13.3	3	0.4
Government	1	0.3	0	0.0
Total	**399**	**100.0**	**765**	**100.0**

Source: Gloucester Business Directory, Gloucester Shire Council. , ABS National Regional Profile Gloucester LGA 2008

4.3 Jobs in the Area

4.3.1 Current Jobs

Data for the LGA shows that there were a total of 1737 jobs located in the Gloucester SLA and 1878 residents, who were in employment. The major concentrations of jobs in the area were in: agriculture (19%); retail (11%); manufacturing (9%); and health care and social assistance (115). Most of the agriculture jobs were the owner/operators of farms.

Table 22. Jobs in Gloucester LGA by Industry 2006

Industry	Males	Share (%)	Females	Share (%)	Persons	Share (%)
Goods Producing						
Agriculture, forestry & fishing	226	23.6	111	14.2	337	19.4
Mining	84	8.8	9	1.2	93	5.4
Manufacturing	127	13.3	33	4.2	160	9.2
Electricity, gas, water & waste services	15	1.6	0	0.0	15	0.9
Construction	71	7.4	9	1.2	80	4.6
Total	**523**	**54.6**	**162**	**20.8**	**685**	**39.4**
Goods Related						
Transport, postal & warehousing	46	4.8	21	2.7	67	3.9
Wholesale trade	33	3.4	13	1.7	46	2.6
Total	**79**	**8.2**	**34**	**4.4**	**113**	**6.5**
Knowledge & Business Services						
Information media & telecommunications	6	0.6	9	1.2	15	0.9
Financial & insurance services	3	0.3	15	1.9	18	1.0
Rental, hiring & real estate services	9	0.9	14	1.8	23	1.3
Professional, scientific & technical services	27	2.8	38	4.9	65	3.7
Administrative & support services	14	1.5	6	0.8	20	1.2
Total	59	**6.2**	**82**	**10.5**	**141**	**8.1**
In-Person Services						
Retail trade	71	7.4	113	14.5	184	10.6
Accommodation & food services	37	3.9	87	11.2	124	7.1
Public administration & safety	70	7.3	23	3.0	93	5.4
Education & training	37	3.9	91	11.7	128	7.4
Health care & social assistance	34	3.5	154	19.8	188	10.8
Arts & recreation services	8	0.8	3	0.4	11	0.6
Other services	35	3.7	22	2.8	57	3.3
Total	**292**	**30.5**	**493**	**63.3**	**785**	**45.2**
Inadequately described/Not stated	5	0.5	8	1.0	13	0.7
		100.0		100.0		100.0
Total	**958**	**55.2**	**779**	**44.8**	**1737**	**100.0**

Source: ABS Census 2006(Working Population Data), Cat. No. 2068.0 – 2006

The following table shows the industry of employment of residents who were employed (1878). Almost 20% of residents were employed in agriculture, 10% in retail and 10% in health.

Males tended to be employed agriculture, manufacturing and construction and mining, and females were more concentrated in health, retail and accommodation and food service.

A comparison of employed residents (1878) and jobs in the LGA (1737) indicate that most people are living and working in the LGA, with at least 141 persons travelling to jobs outside of the LGA.

Table 23. **Employed Residents by Industry of Employment – Gloucester LGA 2006**

Industry	Males	Share (%)	Females	Share (%)	Persons	Share (%)
Goods Producing						
Agriculture, forestry & fishing	243	12.9	124	6.6	367	19.5
Mining	73	3.9	6	0.3	79	4.2
Manufacturing	127	6.8	27	1.4	154	8.2
Electricity, gas, water & waste services	8	0.4	0	0.0	8	0.4
Construction	118	6.3	12	0.6	130	6.9
Total	**569**	**30.3**	**169**	**9.0**	**738**	**39.3**
Goods Related						
Transport, postal & warehousing	69	3.7	19	1.0	88	4.7
Wholesale trade	30	1.6	15	0.8	45	2.4
Total	**99**	**5.3**	**34**	**1.8**	**133**	**7.1**
Knowledge & Business Services						
Information media & telecommunications	6	0.3	6	0.3	12	0.6
Financial & insurance services	9	0.5	12	0.6	21	1.1
Rental, hiring & real estate services	9	0.5	15	0.8	24	1.3
Professional, scientific & technical services	36	1.9	39	2.1	75	4.0
Administrative & support services	21	1.1	14	0.7	35	1.9
Total	**81**	**4.3**	**86**	**4.6**	**167**	**8.9**
In-Person Services						
Retail trade	76	4.0	109	5.8	185	9.9
Accommodation & food services	36	1.9	86	4.6	122	6.5
Public administration & safety	65	3.5	31	1.7	96	5.1
Education & training	30	1.6	91	4.8	121	6.4
Health care & social assistance	35	1.9	162	8.6	197	10.5
Arts & recreation services	11	0.6	3	0.2	14	0.7
Other services	35	1.9	25	1.3	60	3.2
Total	**288**	**15.3**	**507**	**27.0**	**795**	**42.3**
Inadequately described/Not stated	21	1.1	24	1.3	45	2.4
Total Jobs by Occupation	**1058**	**56.3**	**820**	**43.7**	**1878**	**100.0**

Source: ABS Census 2006 (Resident Population Data)

Table 24. Comparison of Employed Residents and Jobs Gloucester Shire 2006

	Employed Residents			Jobs			Difference		
Industry	**Males**	**Females**	**Persons**	**Males**	**Females**	**Persons**	**Males**	**Females**	**Persons**
Goods Producing									
Agriculture, forestry & fishing	243	124	367	226	111	337	-17	-13	-30
Mining	73	6	79	84	9	93	11	3	14
Manufacturing	127	27	154	127	33	160	0	6	6
Electricity, gas, water & waste services	8	0	8	15	0	15	7	0	7
Construction	118	12	130	71	9	80	-47	-3	-50
Total	569	169	738	523	162	685	-46	-7	-53
Goods Related							**0**	**0**	**0**
Transport, postal & warehousing	69	19	88	46	21	67	-23	2	-21
Wholesale trade	30	15	45	33	13	46	3	-2	1
Total	99	34	133	79	34	113	-20	0	-20
Knowledge & Business Services									
Information media & telecommunications	6	6	12	6	9	15	0	3	3
Financial & insurance services	9	12	21	3	15	18	-6	3	-3
Rental, hiring & real estate services	9	15	24	9	14	23	0	-1	-1
Professional, scientific & technical services	36	39	75	27	38	65	-9	-1	-10
Administrative & support services	21	14	35	14	6	20	-7	-8	-15
Total	81	86	167	59	82	141	-22	-4	-26
In-Person Services							**0**	**0**	**0**
Retail trade	76	109	185	71	113	184	-5	4	-1
Accommodation & food services	36	86	122	37	87	124	1	1	2
Public administration & safety	65	31	96	70	23	93	5	-8	-3
Education & training	30	91	121	37	91	128	7	0	7
Health care & social assistance	35	162	197	34	154	188	-1	-8	-9
Arts & recreation services	11	3	14	8	3	11	-3	0	-3
Other services	35	25	60	35	22	57	0	-3	-3
Total	288	507	795	292	493	785	4	-14	-10
Inadequately described/Not stated	21	24	45	5	8	13	-16	-16	-32
Total	1058	820	1878	958	779	1737	-100	-41	-141

Source: ABS Census 2006 (Resident Population Data); ABS Census 2006(Working Population Data)

The following table shows the occupation groups of jobs. Managers accounted for 25% of jobs (though two thirds of these are farm owners). Technicians and tradespersons accounted for 14% of jobs and professionals for 12%. Around 20% of jobs were for labourers or machine operators.

Table 25. Jobs in Gloucester LGA - Industry and Occupation 2006 (Persons)

Industry (Persons)	Managers	Professionals	Technicians & trades workers	personal service workers	Clerical & admin workers	Sales workers	Machinery operators & drivers	Labourers	Inadequately described/ Not stated	Total	Share (%)
Goods Producing											
Agriculture, forestry & fishing	287	0	4	0	4	0	5	37	0	337	19.4
Mining	7	4	25	0	8	0	47	0	0	91	5.2
Manufacturing	19	3	69	4	12	3	12	34	3	159	9.2
Electricity, gas, water & waste services	0	0	7	0	4	0	3	0	0	14	0.8
Construction	6	0	35	0	11	0	20	4	3	79	4.6
Total	**319**	**7**	**140**	**4**	**39**	**3**	**87**	**75**	**6**	**680**	**39.2**
Goods Related											
Transport, postal & warehousing	10	0	0	0	12	3	37	4	0	66	3.8
Wholesale trade	3	0	3	0	9	16	3	11	0	45	2.6
Total	**13**	**0**	**3**	**0**	**21**	**19**	**40**	**15**	**0**	**111**	**6.4**
Knowledge & Business Services											
Information media & telecommunications	0	3	3	0	4	0	0	3	0	13	0.7
Financial & insurance services	0	0	0	0	17	0	0	0	0	17	1.0
Rental, hiring & real estate services	0	0	0	0	9	14	0	0	0	23	1.3
Professional, scientific & technical services	3	28	3	0	28	3	0	3	0	68	3.9
Administrative & support services	0	0	3	3	3	0	0	13	0	22	1.3
Total	**3**	**31**	**9**	**3**	**61**	**17**	**0**	**19**	**0**	**143**	**8.2**
In-Person Services											
Retail trade	35	3	11	3	13	90	3	21	3	182	10.5
Accommodation & food services	25	0	14	41	5	6	0	33	0	124	7.1
Public administration & safety	11	9	19	10	10	0	20	11	3	93	5.4
Education & training	15	81	0	19	9	0	0	4	0	128	7.4
Health care & social assistance	7	71	8	63	18	3	3	12	3	188	10.8
Arts & recreation services	3	3	3	3	0	0	0	0	0	12	0.7
Other services	3	6	29	4	3	0	3	8	0	56	3.2
Total	**99**	**173**	**84**	**143**	**58**	**99**	**29**	**89**	**9**	**783**	**45.1**
Inadequately described/Not stated	0	3	7	0	3	0	3	0	3	19	1.1
Total Jobs	**434**	**214**	**243**	**150**	**182**	**138**	**159**	**198**	**18**	**1,736**	**100.0**
% Share of total jobs by occupation	**25.0**	**12.3**	**14.0**	**8.6**	**10.5**	**7.9**	**9.2**	**11.4**	**1.0**	**100.0**	

Source: 2006 ABS Census (Working Population Data), Cat. No. 2068.0 – 2006

4.3.2 Job Trends

The following table shows jobs in the LGA in 2001 by industry. In 2001 there were a total of 1906 jobs located in the region. Between 2001 and 2006 there was a decline in the number of jobs in the LGA.

- There was a decline of 169 jobs, with 152 of these being jobs held by males.
- Major declines were in agriculture (-73), retail (-71), construction (-29) and mining (-25).
- Growth occurred in several sectors accommodation and food services (21), public administration (25), other services (17) and health services (11).

This decline is a major issue of concern. While the area has become a self contained service regional economy there are now fewer jobs that are available in the LGA.

There are a number of factors at work.

- Employment in agriculture continues to decline as farmers retire
- Technology change is reducing employment requirements in some sectors.
- There are only a few local manufacturers who are producing products for broader markets, and a number of businesses are reliant on servicing agriculture.
- Young people need to leave the area for higher education and employment.

Most of the jobs in the LGA are driven by the local market – population related or through linkages to the industries in the area (agriculture or mining). Some of the major employing sectors are driven by population growth (eg retail, health, education, government services, business services and light industry). Only agriculture, mining and several of the manufacturers and builders are servicing wider regional and national markets.

Table 26. Jobs in the Gloucester LGA by Industry 2001

Jobs 2001 Industry	Male	Female	Persons	Share %
Goods Producing				
Agriculture, Forestry & Fishing	267	143	410	21.5
Mining	118	0	118	6.2
Manufacturing	148	28	176	9.2
Electricity, Gas & Water Supply	7	0	7	0.4
Construction	98	11	109	5.7
Total Goods Producing	**638**	**182**	**820**	**43.0**
Goods Related Services				
Wholesale Trade	60	21	81	4.2
Transport, Postal and Warehousing	38	26	64	3.4
Total Goods Related	**98**	**47**	**145**	**7.6**
Business & Knowledge based				
Information Media and Telecommunications	12	6	18	0.9
Finance and Insurance Services	11	15	26	1.4
Property Services	7	14	21	1.1
Business Services	28	46	74	3.9
Total Business and Knowledge Based	**58**	**81**	**139**	**7.3**
In Person Service industries				
Accommodation, Cafes & Restaurants	38	65	103	5.4
Retail Trade	121	134	255	13.4
Government Administration & Defence	43	25	68	3.6
Education & Training	37	87	124	6.5
Health & Social Assistance	34	143	177	9.3
Arts & Recreational Services	13	3	16	0.8
Other Services	19	21	40	2.1
Total In Person Service Industries	**305**	**478**	**783**	**41.1**
Inadequately described	0	0	0	0.0
Industry of employment not stated	11	8	19	1.0
Total	**1110**	**796**	**1906**	**100.0**

Source: ABS Census 2001 (Working Population Data), 2001

Table 27. Employment Trends 2001-2006 Gloucester LGA

	2006			2001			Change 2001-06		
Industry 2006 Jobs	Males	Females	Persons	Males	Females	Persons	Males	Females	Persons
Goods Producing									
Agriculture, forestry & fishing	226	111	337	267	143	410	-41	-32	-73
Mining	84	9	93	118	0	118	-34	9	-25
Manufacturing	127	33	160	148	28	176	-21	5	-16
Electricity, gas, water & waste services	15	0	15	7	0	7	8	0	8
Construction	71	9	80	98	11	109	-27	-2	-29
Total	**523**	**162**	**685**	**638**	**182**	**820**	-115	-20	-135
Goods Related									
Transport, postal & warehousing	46	21	67	60	21	81	-14	0	-14
Wholesale trade	33	13	46	38	26	64	-5	-13	-18
Total	**79**	**34**	**113**	**98**	**47**	**145**	-19	-13	-32
Knowledge & Business Services									
Information media & telecommunications	6	9	15	12	6	18	-6	3	-3
Financial & insurance services	3	15	18	11	15	26	-8	0	-8
Rental, hiring & real estate services	9	14	23	7	14	21	2	0	2
Professional, scientific & technical services	27	38	65	28	46	74	-1	-8	-9
Total	**45**	**76**	**121**	**58**	**81**	**139**	-13	-5	-18
In-Person Services									
Retail trade	71	113	184	121	134	255	-50	-21	-71
Accommodation & food services	37	87	124	38	65	103	-1	22	21
Public administration & safety	70	23	93	43	25	68	27	-2	25
Education & training	37	91	128	37	87	124	0	4	4
Health care & social assistance	34	154	188	34	143	177	0	11	11
Arts & recreation services	8	3	11	13	3	16	-5	0	-5
Other services (and admin services)	39	28	57	19	21	40	20	7	17
Total	**296**	**499**	**785**	**305**	**478**	**783**	-9	21	2
Inadequately described/Not stated	5	8	13	11	8	19	-6	0	-6
Total	**958**	**779**	**1737**	**1110**	**796**	**1906**	-152	-17	-169

Future population growth in the region will be reliant on more jobs being created/attracted. In the absence of increases in local employment opportunities, the capacity to attract new residents (particularly families) will be limited.

While the proposed new supermarket will generate some new jobs (mainly part-time), the region needs to secure more jobs, including higher skill jobs. The new jobs are likely to come from several sectors: jobs in the mining and the AGL gas plant; jobs from an expanded tourism sector; and future growth in specialised agriculture (as proposed by the Gloucester Project).

In combination these sectors may add a total of 150-200 jobs over a period of 5-10 years. To achieve additional jobs will require successful attraction of businesses that are servicing broader markets. The Stratford Industrial Park becomes important for this.

The jobs are important to be able to increase the population in the region and to renew the population by attracting families to the region. The rate population growth projected by Ratio Consultants will not be achieved without a major increase in local employment.

5 Agriculture

5.1 Overview

Sector	Key Features
Agriculture	The sector remains significant to the region, and this Includes traditional beef and dairy industries and emerging niche and boutique type farm industries, including goats, alpacas, aquaculture, organics industry, grapes and wine, herb production. The Gloucester Project is exploring the opportunities for expansion of agribusiness in the region, including specialty vegetables and fruit and the attraction of market garden activities.

5.2 Agriculture Activity

Current agriculture in the region is dominated by beef cattle, dairy and non-cereal broad acre crops. Vegetable growing in the region is currently limited.

There has been a restructuring of dairy and some consolidation in beef. There has also been diversification into agricultural tourism with farm trail tours, farm gate sales and the development of a farmers' market. The Gloucester Project is exploring opportunities for the diversification of agriculture in the region and the development of specialty horticulture. There has also been development of a regional brand for food products.

Table 28. Agricultural Activity – Gloucester Shire 2006

Agricultural Commodities		2006 <Year ended June 30>
Total area		
Area of holding	ha	152,346
Cereals for grain	ha	3.4
Vegetables for human consumption	ha	2.9
Orchard trees (including nuts)	ha	40.6
All fruit (excluding grapes)	ha	40.6
Non-cereal broad acre crops	ha	151.6
Total number		
Sheep and lambs	no.	198
Milk cattle (excluding house cows)	no.	7316
Meat cattle	no.	62, 522
Pigs	no.	12

Source ABS 1379.0.55.001 National Regional Profile, Gloucester (A), 2002 to 2006

5.3 Employment in the Sector

The current specialisation is reflected in the number of jobs and occupations of persons employed in agriculture in the area. Agriculture accounts for almost 20% of jobs in the region.

Table 29. Employment in Agriculture - Gloucester Shire 2006

	Males	Females	Persons
Residents Employed (1)			
Gloucester Residents Employed in Agriculture	243	124	367
Total All Employed Residents	1,060	818	1,878
Jobs in the Shire (2)			
Jobs in Agriculture in Gloucester Shire	226	111	337
Total All Jobs in Shire	958	779	1737

Source: (1) ABS Census 2006 Resident Population Data (2) ABS Census 2006 Working Population Data

Table 30. Jobs by Sector - Gloucester Shire 2006

Sector	Males	Females	Persons
Agriculture, forestry and fishing			
Agriculture, forestry and fishing, nfd	0	0	0
Agriculture	216	111	327
Aquaculture	0	0	0
Forestry and logging	10	0	10
Fishing, hunting and trapping	0	0	0
Agriculture, forestry and fishing support services	0	0	0
Total Agriculture	*226*	*111*	*337*
Total – All Jobs in Region	**958**	**779**	**1,737**

Over half of persons employed in the sector are beef cattle farmers and 20% were dairy farmers.

Table 31. Employed Persons by Occupation – Gloucester Shire 2006

Occupations	Males	Females	Persons	Share %
=721111 Agricultural and Horticultural Mobile Plant Operator	3	0	3	0.9
121111 Aquaculture Farmer	3	3	6	1.8
121312 Beef Cattle Farmer	109	72	181	54.0
841511 Beef Cattle Farm Worker	16	0	16	4.8
121313 Dairy Cattle Farmer	42	14	56	16.7
841512 Dairy Cattle Farm Worker	7	3	10	3.0
234113 Forester (Aus) / Forest Scientist (NZ)	4	0	4	1.2
121315 Goat Farmer	3	3	6	1.8
841312 Logging Assistant	3	0	3	0.9
121411 Mixed Crop and Livestock Farmer	10	0	10	3.0
121317 Mixed Livestock Farmer	5	0	5	1.5
362411 Nurseryperson	3	3	6	1.8
841514 Poultry Farm Worker	3	3	6	1.8
611112 Stock and Station Agent	10	0	10	3.0
841313 Tree Faller	6	3	9	2.7
121221 Vegetable Grower (Aus) / Market Gardener (NZ)	4	0	4	1.2
Total	**231**	**104**	**335**	**100.0**

Source: ABS Census Resident Population Data

There has been a continuing decline in the number of agriculture businesses in the Shire as farmers retire.

Table 32. Number of Businesses – Gloucester Shire 2003-2006

Number of Businesses by Industry - at 30 June	2003	2004	2005	2006
Agriculture, forestry and fishing	426	399	390	381
Total businesses	822	807	792	765

Source ABS 1379.0.55.001 National Regional Profile, Gloucester (A), 2002 to 2006

5.4 Future Directions for the Sector

Future diversification and potential for smaller scale agriculture, food bowl concept and small scale complementary agriculture capable of supplying co-operative type organisations including fish farming, herbs, mushrooms, wild flowers, vegetables and wine.

The next stage of the study will focus on opportunities identification and assessment and involve:

- Examining the work being undertaken by the Gloucester Project.
- Reviewing market outlooks for each of the major product categories.
- Assessing issues in relation to vegetable growing and displacement of market gardens.
- Reviewing current developments in relation to regionally branded products.
- Assessing potential job impacts of developments in the sector.
- Developing recommendations on future development of agribusiness in the region.

6. Tourism and Hospitality

6.1 Overview

Sector	Key Features
Tourism	The sector is based on natural environment of the region - World Heritage rainforests and the grasslands of the Barrington Tops, the Bucketts Range and the river system. There has been an expansion in the accommodation sector, but overall tourism is underdeveloped compared with other regions. There is considerable scope for development of the sector, and this will require action on infrastructure, product, marketing, professionalism and development of attractions. .

6.2 Tourism Activity

6.2.1 Key Assets

Tourism is seen as important to Gloucester Shire. The major assets for tourism are seen as being the natural environment and rural lifestyle. This includes: a World Heritage Area (Barrington Tops is included in the World Heritage Listed Central Eastern Rainforest Reserves); wilderness areas, National Parks; and a farming/rural environment.

One of the fastest growing activities contributing to the Gloucester economy has been tourism which, in the four years leading up to 2007 was estimated to inject into the district in excess of $20M per annum. The World Heritage rainforests and the grasslands of the Barrington Tops, the monolithic Bucketts Range and the river systems around Gloucester provide a unique tourism opportunity only a few hours north of the major population centres of Sydney, the Central Coast and Newcastle. Gloucester is considered to have the most reliable river system outside the Sydney basin, making it a perfect destination for canoeing and kayaking. This, along with the increasing popularity of Thunderbolts Way and Bucketts Way as a Tourist Drives, places Gloucester in a enviable position to capitalise on the wonderful balance of passive and active recreation to create a combined tourism and lifestyle experience.

Source: Gloucester Economic Profile, Gloucester Shire Council 2008

Activities in the area include: rural experiences such as farm stays; walking in National Parks, State Forests, and Barrington Tops. There as several operators providing services including canoe hire, overnight trail rides, National Parks Night Walks, and self-drive 4WD trails.[16] *"Farm Trails"* have been developing in the area and include organised site visits to various farms/businesses.[17] A number of other businesses receive a boost from tourism and include cafes, restaurants, hotels, supermarkets and other retailers.

6.2.2 Tourism Accommodation

A 2006 study indicated that there had been an increase in accommodation from 26 properties in 1997 to 65 in 2005. Accommodation covers bed and breakfast, farm stays, country retreats, and motels/hotels, resort style accommodation and caravan and camping facilities.

Table 33. Accommodation in Gloucester Shire 2005

Type of Accommodation	No
Bed and Breakfasts	9
Farm Stay	1
Self contained accommodation	34
Units	2
Hotels	1
Resort	5
Camps	2
Motels	3
Camping/Caravans/Cabins	8
Total	**65**

Source: Gloucester Local Environmental Study 2006 Hunter Development Brokerage, March 2006 Table 6H

16 Gloucester Local Environmental Study 2006 Hunter Development Brokerage, March 2006 P 95
17 Participants identified in the 2006 report included: Barrington Perch, Barrington Beef, Gloucester Gold, Hillview Herb Farm, Capparis Goat Cheese.

The analysis indicated that: tourist accommodation had a maximum capacity of 1600 in resorts, motels, bed and breakfasts and caravan parks; and there were a total of 945 camping sites in park areas - with total capacity of 3570 persons. This indicates that there is total accommodation in the area for around 5200 persons.

A major issue for tourism planning is that there is no available data on occupancy rates of accommodation in the area.

6.2.3 Tourism Market

Market data In the Gloucester Environmental Study 2006 (and sourced to the Gloucester Visitor Information Centre), indicated that visitors were from Sydney (59%), Hunter (30%) and Central Coast (7%). The major categories were: families (37%); couples (22%) and DINKS (15%).

Table 34. Market Information- Gloucester Shire

	No	Share (%)
Origin		
Sydney	627	59
Central Coast	74	7
Hunter	322	30
Mid North Coast	18	1
Interstate	5	1
Overseas	23	2
Total	**1069.3**	**100**
Type of visitor		
DINKS	167	15
Family	421.4	37
Couple	242	22
Corporate	65	6
Retirees	77.5	7
Singles	89.1	8
Parent/Social/Work-related groups	56.5	5
Total	1062	100
Heard About		
Website/Internet	590.5	46
Barrington Tops Visitor Guide	91.8	7
Word of Mouth	163.2	13
Paper	154.5	12
Re-booking	69	5
Visitor Information Centre	192	15
Signage	24	2
Total	**1285**	**100**

Source: Gloucester Local Environmental Study 2006, Hunter Development Brokerage, March 2006 P95

6.2.4 Value of Tourism

The Gloucester Environmental Study 2006 quoted a $20 million figure for the value of tourism.[18] This figure is used in discussions of the sector and in submissions and other reports. This data is largely extrapolated from visitor data from 1996/97. The following table is from Gloucester Local Environmental Study 2006 and provides visits and spending data (average daily spend of $68.40 in 1996/97).

Table 35. Visitor Data – Gloucester Shire

	1993/1994	1994/1995	1995/1996	1996/1997
Visits	44,000	53,000	63,000	69,000
Visitor Nights	132,000	139,000	163,000	190,000
Visitor Spending	$8M	$9M	$11M	$13M
Average Stay (Nights)	3.0	2.6	2.6	2.8

Source: Tourism NSW. Included in Gloucester Local Environmental Study 2006 Hunter Development Brokerage, March 2006 P96

[18] Gloucester Local Environmental Study 2006 Hunter Development Brokerage, March 2006 P 96

A major obstacle to calculating the regional value of tourism is that we do not have current visitor data. Tourism expenditure is by both overnight visitors and day visitors. Data for the Hunter Region, indicate that domestic overnight visitor spend $161 per night in the region and domestic day trip visitors spend $95 per trip.[19]

To estimate the value of tourism to Gloucester, we require current visitor numbers and the split between overnight visitors and day visitors. The impact on the accommodation sector also depends on the mix of visitors and the numbers staying with friends and family. It is also influenced by average duration of stay.

The following is illustrative (as we do not have current visitor numbers) and shows the sensitivity of total tourism spending to the number of visitors.[20] The total expenditure value ranges from $22 million for 69,000 visitors and $16 million for 50,000 visitors. It should be noted that the recent trends

Table 36. Tourism Expenditure Gloucester- Illustrative Examples

Visitor numbers	Ave stay	Visitor nights	Ave spend $	Total Spend $
69000	2.5	172500	128	22080000
60000	2.5	150000	128	19200000
50000	2.5	125000	128	16000000

Source: Buchan Consulting Estimates

A major issue is the absence of current local area visitor data for the Shire. In the next stage of the study we are going to develop some estimates of visitor numbers as a foundation for estimating the current value of tourism and modelling the impacts of growth in tourism on the region.

6.3 Employment in Tourism

The Tourism and Transport Forum (TTF) data estimates that there were 118 persons employed in tourism in Gloucester LGA (5.5% of the workforce) in 2004/05.[21] They reported a decline in employment from 138 in 1997/98 (6.7% of the workforce).

As part of the analysis of the tourism sector, the number of jobs in the Shire that are tourism related were estimated by Buchan Consulting. This is based on data on total jobs in a sector and applying the *Tourism and Transport Forum Australia* data on the share of each sector that is related to tourism (eg. TTF data indicate 79% of accommodation sector, 28% of food and beverage services and 8% of general retail are tourist related).
Based on this analysis, there are an estimated 99 jobs that are tourist related (or 5.7% of total jobs in the LGA). The major concentrations are in accommodation (24), food and beverage services (26) and in retail (14).

Table 37. Estimated Tourism Jobs in Gloucester Shire 2006

	Total Employ			Estimated Employment In Tourism	Estimated Tourism Share ATTF
Sectors	Males	Females	Persons	no	ratio
Agriculture	226	111	337	9.4	2.8
Manufacturing	127	33	160	4.58	2.8
Retail	71	113	184	14.2	7.7
Accommodation	8	23	31	24.4	78.6
Food and beverage services	29	64	93	26.2	28.2
Transport	45	22	67	6.6	9.8
Education and Training	38	90	128	5.9	4.6
Arts and Recreation	8	3	11	1.2	11.3
Personal Services	*35*	*22*	*57*	*6.4*	11.3
Total Jobs in these Sectors	**587**	**481**	**1068**	**98.8**	
Tourism Jobs as a share of total jobs in these sectors				9.3	
Tourism Share of total jobs in the region			1736	5.7	

Source: Buchan Consulting analysis of 2006 Census Working Population Data and National Tourism Employment Atlas, Tourism and Transport Forum Australia 2008

19 Travel to the Hunter Year ended September 2009, Tourism New South Wales.
20 For average daily spending we have used a lower figure of $128 per night representing lower costs in Gloucester.
21 *NSW Tourism Employment Atlas 2005,* TTF Australia, 2006

The ABS has analysed information for hospitality and tourism related occupations for each LGA.[22] Based on this analysis, there were a total of 114 jobs identified in the area that were tourism and hospitality related.

Table 38. Tourist Related Occupations Gloucester Shire 2006

Resident Population Data 2006	Males	Females	Persons	
431111 Bar Attendant	15	6	21	18.4
431112 Barista	0	4	4	3.5
141111 Cafe or Restaurant Manager	0	7	7	6.1
141211 Caravan Park and Camping Ground Manager	4	0	4	3.5
731111 Chauffeur	3	0	3	2.6
351311 Chef	3	3	6	5.3
351411 Cook	0	12	12	10.5
141311 Hotel or Motel Manager	3	3	6	5.3
542113 Hotel or Motel Receptionist	0	4	4	3.5
851311 Kitchen hand	3	13	16	14.0
141411 Licensed Club Manager	4	0	4	3.5
451412 Tour Guide	0	3	3	2.6
451611 Tourist Information Officer	0	4	4	3.5
149413 Transport Company Manager	3	0	3	2.6
431511 Waiter	0	17	17	14.9
Total	**38**	**76**	**114**	**100.0**

Source: ABS Resident Population Data: Tourism and Hospitality Occupations Cat no 2068.0

The following data shows that there were 124 jobs in accommodation and food services and 11 in arts and recreation.

Table 39. Jobs in the Region - Tourist Related Sectors Gloucester Shire 3006

2006 Industry Employment	Males	Females	Persons
Accommodation and food services			
Accommodation and food services, nfd	0	0	0
Accommodation	8	23	31
Food and beverage services	29	64	93
Total	**37**	**87**	**124**
Arts and recreation services			
Arts and recreation services, nfd	0	0	0
Heritage activities	5	0	5
Creative and performing arts activities	0	0	0
Sports and recreation activities	3	3	6
Gambling activities	0	0	0
Total	**8**	**3**	**11**
Total Sectors	**45**	**90**	**135**

Source: ABS Working Population Data

22 ABS Resident Population Data: Tourism and Hospitality Occupations Cat no 2068.0

6.4 Future Directions for the Sector

A major issue is that the tourism sector and attractions are underdeveloped relative to other areas in the Hunter and elsewhere. There is a need to develop the tourism sector in the region, and this will require a strategic approach to market development and improvements in tourism product; infrastructure, services and marketing.

The next stage of the study will involve:

- Modelling the tourism sector, including obtaining better information on visitor numbers in the region, including visits to the National Park areas.
- Estimating current accommodation capacity in the region.
- Estimating the size of the sector in terms of revenues generated and employment and the impacts of growth.
- Review the potential of each of the major market segments, including adventure tourism, environmental tourism, and the short breaks market.
- Provide a SWOT assessment of the sector and competitor analysis.
- Provide recommendations on a strategic approach to market development
- Providing an assessment of requirements for developing the sector, including infrastructure needs, brand development, facilities requirements, marketing (including online)

7 Health Sector

7.1 Overview

Key Sectors

Sector	Key Features
Health services	Health is a significant employer due to an ageing population and the presence of the hospital operated by Hunter New England Health (HNEH). Relative to other small communities, Gloucester is well serviced by medical services.

Source: Gloucester Economic Profile 2009, Gloucester Shire Council

7.2 Employment in Health

Health and social assistance are an important part of the jobs in the LGA and accounted for 188 jobs or around 11% of jobs in 2006. The major areas of employment were the in the hospital (98 persons) and medical and other health care services (55). On an occupational basis the major categories were professionals (71) and community and personal service workers (62).

Table 40. **Health Sector Jobs and Employed Residents Gloucester Shire 2006**

	Males	Females	Persons
Residents Employed (1)			
Gloucester Residents Employed in Health ad Social Assistance	**35**	**162**	**197**
Total All Employed Residents	1,060	818	1,878
Jobs in the Shire (2)			
Jobs in Health ad Social Assistance in Gloucester Shire	**34**	**154**	**188**
Total All Jobs in Shire	958	779	1737

Source: (1) ABS Census 2006 Resident Population Data (2) ABS Census 2006 Working Population Data

Table 41. Health Sector Employment in Gloucester Shire - 2006

Employment Gloucester LGA	Males	Females	Persons
Health care and social assistance			
Health care and social assistance, nfd	0	0	0
Hospitals	17	81	98
Medical and other health care services	17	38	55
Residential care services	0	10	10
Social assistance services	0	24	24
Total Health care and social assistance	***34***	***153***	***187***

Source: ABS Census 2006 Working Population Data

Table 42. Health Sector Employment in Gloucester Shire by Occupation Group - 2006

	Managers	Professionals	Technicians & trades workers	Community & personal service workers	Clerical & administrative workers	Sales workers	Machinery operators & drivers	Labourers	Inadequately described/Not stated	Total
Health care & social assistance	7	71	9	62	17	3	3	13	3	188
Total All Jobs	435	214	243	150	182	138	159	197	18	1,736

Source: ABS Census Working Population Data

The following shows the occupations of residents employed in the health sector. As well as providing services to the region, health is one of the major areas of employment for professionals, who live in the Shire.

Table 43. Employment in Health Sector Gloucester Shire by Occupation and Sex - 2006

Occupations	Males	Females	Persons
411111 Ambulance Officer	3	0	3
423211 Dental Assistant	0	4	4
272112 Drug and Alcohol Counsellor	0	3	3
411411 Enrolled Nurse	0	8	8
452111 Fitness Instructor	0	5	5
253111 General Medical Practitioner	0	4	4
134299 Health and Welfare Services Managers nec	0	3	3
512211 Health Practice Manager	0	3	3
423311 Hospital Orderly	7	0	7
411611 Massage Therapist	0	4	4
251211 Medical Diagnostic Radiographer	5	0	5
542114 Medical Receptionist	0	7	7
423312 Nursing Support Worker	**0**	**12**	**12**
399913 Optical Dispenser (Aus) / Dispensing Optician (NZ)	0	4	4
423313 Personal Care Assistant	0	4	4
621411 Pharmacy Sales Assistant	0	5	5
252511 Physiotherapist	4	0	4
253411 Psychiatrist	4	0	4
254412 Registered Nurse (Aged Care)	**0**	**15**	**15**
254415 Registered Nurse (Critical Care and Emergency)	0	3	3
254421 Registered Nurse (Medical Practice)	0	4	4
254418 Registered Nurse (Medical)	0	3	3
254423 Registered Nurse (Perioperative)	0	5	5
254499 Registered Nurses nec	0	8	8
Total Nurses	**0**	**38**	**38**
Total Health Occupations	**23**	**104**	**127**

Source: ABS Census 2006 Resident Population Data

7.3 Future Directions for the Sector

The major future issues for the sector are:

- Maintenance of the hospital in Gloucester. A scaling back of services at the hospital would have a major negative impact on Gloucester due to the importance of health sector jobs for the region. Health has one of the major concentrations of professional jobs in the Shire.
- Future support services for an ageing population, including low care and high care places.

The next stage of the study will assess the implications of population growth for the future demand for health services in the region.

8. Retail Sector

8.1 Overview

Sector	Key Features
Retail	Retail is a major employer in the LGA and is largely servicing the Gloucester's local population. The sector is also affected by tourism in the region. There is some leakage to other areas (eg. Taree) but due to distances, the local retail captures a large share of retail expenditure. There is current expansion in the sector, with the proposed additional supermarket, and new buildings for one of the existing supermarkets and hardware store.

Source: Gloucester Economic Profile 2009, Gloucester Shire Council

8.2 Retail Activities

8.2.1 Businesses and Markets

The study by Ratio Consultants indicated that the retail catchment extends across the LGA to Taree LGA and Great Lakes LGA on the Coast, and covers a radius of around 60km-70km. [23] Around 85% of the town centre's trade is from this catchment.

In 2005 the consultants identified 83 establishments and around 21,000 m2 gross leasable area (GLA).[24]

The town centre has a balanced mix of retail activities and these include: two current supermarkets(Food Works and IGA) and a third is planned; cafes and hotels; and a mix of non food retail, including clothing and footwear stores, household goods, including newsagents goods, pharmaceutical items and home wares stores. There are four stores retailing furniture, furnishings and whitegoods. There are a range of retail level services including: banks, dry cleaners, travel agents, real estate agents, hairdressers and other services. Other activities include motor vehicle retailing and servicing establishments. The town centre also has a range of commercial, professional and community services.

Table 44. Gloucester Town Centre – Retail Activities and Floor Space

Retail	Businesses No s	Floor Space
Food		
Supermarkets	2	2,350 m2 GLA;
Cafes, takeaway, bars etc	12	2,560 m2 GLA
Other retail food /liquor	3	600 m2 GLA
Total Food	**17**	**5,510 m2 GLA**
Non Food		
Retail non-food (clothing and footwear stores , household goods, newsagents, pharmaceutical products , home wares)	22	3,820 m2 GLA
Bulky goods retailers, or stores retailing furniture, furnishings and whitegoods	4	3,220 m2 GLA
Retail Services		
Other retail services, including banks, dry cleaners, travel agents, real estate agents, hairdressers and other services	11	2,150 m2 GLA
Motor vehicle retailing and servicing	4	1,870 m2 GLA
Services		
Commercial, professional and community services.	25	5,200 m2 GLA;
Total	**83**	**20,800 m2 GLA**

Source: Development and Employment Land and Commercial / Retail Strategy: Business Study, Ratio Consultants 2006

At the time of the 2005 survey there was no vacant space, and the current proposals will extend floor space in the town centre.

23 Development and Employment Land and Commercial / Retail Strategy : Business s Study, Ratio Consultants 2006
24 Development and Employment Land and Commercial / Retail Strategy : Business Study, Ratio Consultants 2006 P8

The survey conducted showed that Gloucester town centre captures the following shares of expenditure by Gloucester Shire households: 78% of food, groceries and liquor expenditures; 70% of bulky goods expenditures; and 75% of spending on other household goods (including footwear, clothing, newsagents goods, pharmaceutical goods, photographic equipment, jewellery, home wares etc). [25] The town centre captures 21% of retail sales from beyond Gloucester Shire.

Table 45. Retail Expenditure Estimates 2005

Gloucester Shire	2004/05 ($ million)
Escape Expenditure	$11.53
Inbound Expenditure	$9.90
Town Centre Retail Sales	$46.20
Resident Spending	$47.8

Source: Development and Employment Land and Commercial / Retail Strategy: Business Study, Ratio Consultants 2006

In aggregate terms the town centre is in a reasonably strong position and achieves a balanced level of expenditure across all of its retail and service categories. Resident frequency of visits is high (84% several times per week or weekly). Around 15% of consumers were from beyond the immediate area.[26] In the case of leakage most is to Taree for bulk products and household products.

8.2.2 Future Retail Spending

Future retail spending will be driven by population growth and the age structure. The Ratio Consultants study projected significant growth in spending based on population growth (an increase in the LGA's population from 4980 to 6080 by 2021). Retail spending (in 2005 prices) is estimated to increase to $66.9 million in 2021 (up from $47.8 million in 2004/05).

Table 46. Gloucester LGA Projected Retail Sales 2020/21 (at 2005 constant prices)

Major Commodity Group	Market Share of Resident Household Expenditures % Bound to Town Centre	% Retail Sales Drawn from Beyond SLA	Estimated Resident Household Expenditures $ million at June 2005 prices	Resident Household Expenditures Bound to Town Centre $ million at June 2005 prices	Estimated contribution to retail sales from beyond SLA $ million at June 2005 prices	Total Estimated Town Centre Retail Sales $ million at June 2005 prices	Projected Escape Expenditures from Gloucester to Other Centres, Towns, Cities $ million at June 2005 prices
Food, groceries and liquor	85.0	27.0	37.23	31.65	11.70	43.35	5.58
Bulky goods	70.0	15.0	14.05	9.84	1.74	11.57	4.22
Other household goods	75.0	15.0	15.59	11.69	2.07	13.76	3.90
Total Retail Goods	-	-	66.87	53.17	15.51	68.68	13.70
Column (1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)

Source: Development and Employment Land and Commercial / Retail Strategy: Business Study, Ratio Consultants 2006 Table F6

Table 47. Gloucester LGA Estimated Retail Sales 2005 and 2021 (at 2005 constant prices)

Major Commodity Group	Gloucester SLA : Resident Household Retail Goods Expenditures $ million at constant June 2005 prices	
	2004/05 * Estimated	2020/21 ** Projected
Food, groceries and liquor	28.31	37.23
Bulky goods	8.53	14.05
Other household goods	10.98	15.59
Total Retail Goods	47.82	66.87

* Estimated Resident Population (ERP) for Gloucester SLA at December 2004 was approximately 4,970 persons.
** Estimated Resident Population (ERP) for Gloucester SLA at December 2020 is projected to be 6,040 persons.

Source: Development and Employment Land and Commercial / Retail Strategy: Business Study, Ratio Consultants 2006 Table F3

25 Development and Employment Land and Commercial / Retail Strategy : Business Study, Ratio Consultants 2006 P8-9
26 Development and Employment Land and Commercial / Retail Strategy : Business Study, Ratio Consultants 2006 P10

Table 48. Gloucester LGA Per Capita Retail Spending (2004)

Major Commodity Group	Per Capita Retail Expenditures ($)						
	At 2003/04 Prices	At June 2004 Prices	June 2005 Constant Prices				
			June 2005	June 2011	June 2016	June 2021	June 2031
Food, groceries and liquor	5,421	5,502	5,696	5,867	6,013	6,164	6,318
Bulky goods	1,609	1,633	1,716	1,922	2,114	2,325	2,558
Other household goods	2,092	2,123	2,208	2,341	2,458	2,581	2,710
Total Retail Goods	**9,122**	**9,258**	**9,620**	**10,129**	**10,585**	**11,070**	**11,585**
Column (1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)

Source: Development and Employment Land and Commercial / Retail Strategy: Business Study, Ratio Consultants 2006 Table F2

This growth in spending would create additional space requirements of 5,980 m2 GLA for all retail, commercial and services floor space (3990m2 shopfront and 1990 m2 for additional commercial, professional, community and trade services.

8.3 Employment in Retail

Retail is a major sector of employment in Gloucester. It accounted for 184 jobs or 11% of jobs in the Shire. The major segments were food retailing (80 jobs) and other store-based retailing (73).

Table 49. Retail Sector Jobs and Employed Residents Gloucester Shire 2006

	Males	Females	Persons
Residents Employed (1)			
Gloucester Residents Employed in Retail	76	109	185
Total All Employed Residents	1,060	818	1,878
Jobs in the Shire (2)			
Jobs in Retail in Gloucester Shire	71	113	184
Total All Jobs in Shire	958	779	1737

Source: (1) ABS Census 2006 Resident Population Data (2) ABS Census 2006 Working Population Data

Table 50. Retail Jobs in Gloucester Shire – 2006

	Males	Females	Total
Retail trade			
Retail trade, nfd	6	4	10
Motor vehicle and motor vehicle parts retailing	8	6	14
Fuel retailing	4	3	7
Food retailing	29	51	80
Other store-based retailing	24	49	73
Retail trade total	*71*	*113*	*184*

Source: ABS Working Population Data

Table 41 shows the occupations of residents of the LGA who are employed in retail. The major occupations were Sales Assistants (General) – 83 and Retail Managers - 41.[27]

Table 51. Retail Jobs Held by Gloucester Shire Residents- Occupations - 2006

Occupations	Males	Females	Persons	Share
Checkout Operators and Office Cashiers	0	9	9	4.7
Motor Vehicle Parts and Accessories Fitters	3	0	3	1.6
Motor Vehicle and Vehicle Parts Salespersons	7	0	7	3.6
Other Sales Assistants and Salespersons	3	0	3	1.6
Other Sales Support Workers	0	0	0	0.0
Pharmacists	0	4	4	2.1
Pharmacy Sales Assistants	0	6	6	3.1
Retail Managers	**17**	**24**	**41**	**21.4**
Retail Supervisors	0	3	3	1.6
Sales Assistants (General)	**23**	**60**	**83**	**43.2**
Sales Assistants and Salespersons, nfd	0	3	3	1.6
Sales Representatives	5	0	5	2.6
Sales Representatives and Agents, nfd	3	0	3	1.6
Sales Support Workers, nfd	0	0	0	0.0
Sales Workers, nfd	0	0	0	0.0
Service Station Attendants	3	6	9	4.7
Shelf Fillers	3	6	9	4.7
Street Vendors and Related Salespersons	4	0	4	2.1
Total Retail	**71**	**121**	**192**	100.0

Source: ABS Resident Population data

27 The manager category includes proprietors.

8.4 Future Directions for the Sector

Future growth in the retail sector will be driven by population size and composition and development of the tourist market. The next stage of the study will:

- Examine the implications of population change for the future demand for retail services.
- Estimate long term market growth under various population growth scenarios.
- Make recommendations on development of the sector.

9. Services Sector

9.1 Overview

Sector	Key Features
Services Sector	Gloucester township is the major service centre for the Shire. It has a range of retail services, professional services and government services activities. The sector is driven by population size and the number of businesses in the Shire (increasing demand for professional services).

Source: Gloucester Economic Profile 2009, Gloucester Shire Council

9.2 Service Activities

The Gloucester town centre is the retail, commercial, professional and community services centre for the township and Shire. A total of 25 establishments were identified in 2006, with a total floor area of approximately 5,200 m_2 GLA.[28]

9.3 Employment in Services

Services are important for the regional economy, and services jobs (230) represent around 13% of local jobs. The major categories were public administration (94) – mainly local government, and professional, scientific and technical services (65).

Table 52. Service Sector Jobs and Employed Residents Gloucester Shire 2006

	Males	Females	Persons
Residents Employed (1)			
Gloucester Residents Employed in Services	76	109	185
Total All Employed Residents	1,060	818	1,878
Jobs in the Shire (2)			
Jobs in Services in Gloucester Shire	127	103	230
Total All Jobs in Shire	958	779	1737

Source: (1) ABS Census 2006 Resident Population Data (2) ABS Census 2006 Working Population Data

Table 53. Jobs in Services - Gloucester Shire -2006

Services Sector	Males	Females	Persons	Share (%)
Information media and telecommunications	*6*	*9*	*15*	0.9
Financial and insurance services	*3*	*15*	*18*	1
Rental, hiring and real estate services	9	14	23	1.3
Professional, scientific and technical services	*27*	*38*	*65*	3.7
Administrative and support services	11	4	15	0.9
Public administration and safety	*71*	*23*	*94*	5.4
Total Services Jobs	**127**	**103**	**230**	**13.2**
Total All Jobs	958	779	1,737	100

Source: ABS Census 2006 Working Population data

The following shows a more detail breakdown of jobs by sector.

28 Development and Employment Land and Commercial / Retail Strategy : Business Study, Ratio Consultants 2006 P10

Table 54. Jobs in Services by Segment Gloucester Shire - 2006

	Males	Females	Persons
Information media and telecommunications			
Publishing (except internet and music publishing)	3	9	12
Telecommunications services	3	0	3
Information media and telecommunications total	**6**	**9**	**15**
Financial and insurance services			
Finance	3	15	18
Insurance and superannuation funds	0	0	0
Auxiliary finance and insurance services	0	0	0
Financial and insurance services total	**3**	**15**	**18**
Rental, hiring and real estate services			
Property operators and real estate services	9	14	23
Rental, hiring and real estate services total	**9**	**14**	**23**
Professional, scientific and technical services			
Professional, scientific and technical services (except computer system design and related services)	22	33	55
Computer system design and related services	5	5	10
Professional, scientific and technical services total	**27**	**38**	**65**
Administrative and support services			
Administrative services	3	3	6
Building cleaning, pest control and other support services	11	4	15
Administrative and support services total	**14**	**7**	**21**
Public administration and safety			
Public administration	61	23	84
Defence	0	0	0
Public order, safety and regulatory services	10	0	10
Public administration and safety total	**71**	**23**	**94**
TOTAL	**130**	**106**	**236**

Source: ABS Census 2006 Working Population data

The following table provides a detailed occupational breakdown of employed residents of the Shire who work in the services sector.

Table 55. Employed Persons in Service Occupations–Gloucester Shire 2006

	Males	Females	Persons
Accounting and Legal			
Accountants	5	3	8
Accounting Clerks	3	4	7
Solicitors	3	0	3
Bookkeepers	3	24	27
Finance Managers	3	3	6
Accounting and Legal Total	**17**	**34**	**51**
Finance			
Bank Workers	3	12	15
Finance Total	**3**	**12**	**15**
Property Services			
Real Estate Sales Agents	5	4	9
Auctioneers, and Stock and Station Agents	8	0	8
Property Services Total	**13**	**4**	**17**
Building and Construction			
Architects and Landscape Architects	3	0	3
Architectural, Building and Surveying Technicians	3	0	3
Cartographers and Surveyors	3	0	3
Civil Engineering Draftspersons and Technicians	3	0	3
Civil Engineering Professionals	4	0	4
Electronic Engineering Draftspersons and Technicians	3	0	3
Other Building and Engineering Technicians	3	0	3
Building and Construction Total	**22**	**0**	**22**
ICT Services			
ICT Managers	3	0	3
ICT Professionals, nfd	4	0	4
ICT Services Total	**7**	**0**	**7**
Agribusiness Services			
Agricultural Technicians	3	0	3
Agricultural Services Total	**3**	**0**	**3**
Other Professionals			
Industrial, Mechanical and Production Engineers	3	0	3
Environmental Scientists	0	5	5
Marine Transport Professionals	3	0	3
Photographers	3	0	3
Aircraft Maintenance Engineers	3	0	3
Tourism and Travel Advisers	0	4	4
Advertising and Marketing Professionals	3	0	3
Software and Applications Programmers	3	0	3
Management and Organisation Analysts	3	0	3
Occupational and Environmental Health Professionals	3	0	3
Contract, Program and Project Administrators	3	3	6
Other Professionals Total	**27**	**12**	**39**
Administrative			
Receptionists	0	19	19
Secretaries	3	35	38
Office Managers	0	14	14
Administrative Total	**3**	**68**	**71**
Inadequately described/Not stated			
Inadequately described	9	3	12
Not stated	8	7	15
Inadequately described/Not stated Total	**17**	**10**	**27**
Total Services Occupations	**105**	**140**	**245**

Source: ABS Census 2006 Resident Population data 2006

9.4 Future Directions for the Sector

The future for services industries will be driven by the size of the population (retail level services and government services) and growth in business activity (professional, technical and business services) in the region. It will also be influenced by the extent to which Gloucester can become a hub for persons (seeking a lifestyle change) and who deliver services to a wider markets.

The next stage of the study will:

- Examine future demand for services in the region, including linkages with other key sectors.
- Indentify trends in composition of services.
- Provide recommendations for developing the sector.

10. Mining Sector

10.1 Overview

Sector	Key Features
Mining - coal and gas	Coal mining is significant through mining operations and some support activities. The Gloucester Coal Company operates two open-cut mining operations producing thermal and coking coal for domestic and export markets. AGL is developing coal seam gas.

Source: Gloucester Economic Profile 2009, Gloucester Shire Council

10.2 Employment in the Mining Sector

ABS data indicates that in 2006 there were 99 jobs in the mining sector, with 76 of these jobs being held by local residents.

Table 56. Employment in Mining Gloucester Shire 2006

	Males	Females	Persons
Residents Employed (1)			
Gloucester Residents Employed in Mining	**68**	**8**	**76**
Total All Employed Residents	1,060	818	1,878
Jobs in the Shire (2)			
Jobs in Mining in Gloucester Shire	*83*	*9*	*92*
Jobs in Non-metallic mineral product manufacturing	4	3	7
Total Mining	**87**	**12**	**99**
Total All Jobs in Shire	958	779	1737

Source: (1) ABS Census 2006 Resident Population Data (2) ABS Census 2006 Working Population Data

Table 57. Jobs in the Mining Sector Gloucester Shire 2006

	Males	Females	Persons
Mining			
Mining, nfd	0	0	0
Coal mining	29	9	38
Oil and gas extraction	0	0	0
Metal ore mining	35	0	35
Non-metallic mineral mining and quarrying	0	0	0
Exploration and other mining support services	19	0	19
Total Mining	**83**	**9**	**92**
Manufacturing			
Non-metallic mineral product manufacturing	4	3	7

ABS Census 2006 Working Population Data

Occupation data shows that of the 91 jobs in 2006 – 47 were Machinery operators & drivers (including 36 Drillers, Miners and Shot Firers), 24 were tradespersons and technicians, 5 were professionals and 7 were managers.

Table 58. Jobs in Mining by Occupation - Gloucester Shire - 2006

	Managers	Professionals	Technicians & trades workers	Community and Personal Service workers	Clerical & admin workers	Sales workers	Machinery operators & drivers	Labourers	Not stated	Total
Mining Jobs	7	5	24	0	8	0	47	0	0	91
Total All Jobs	435	214	243	150	182	138	159	197	18	1,736

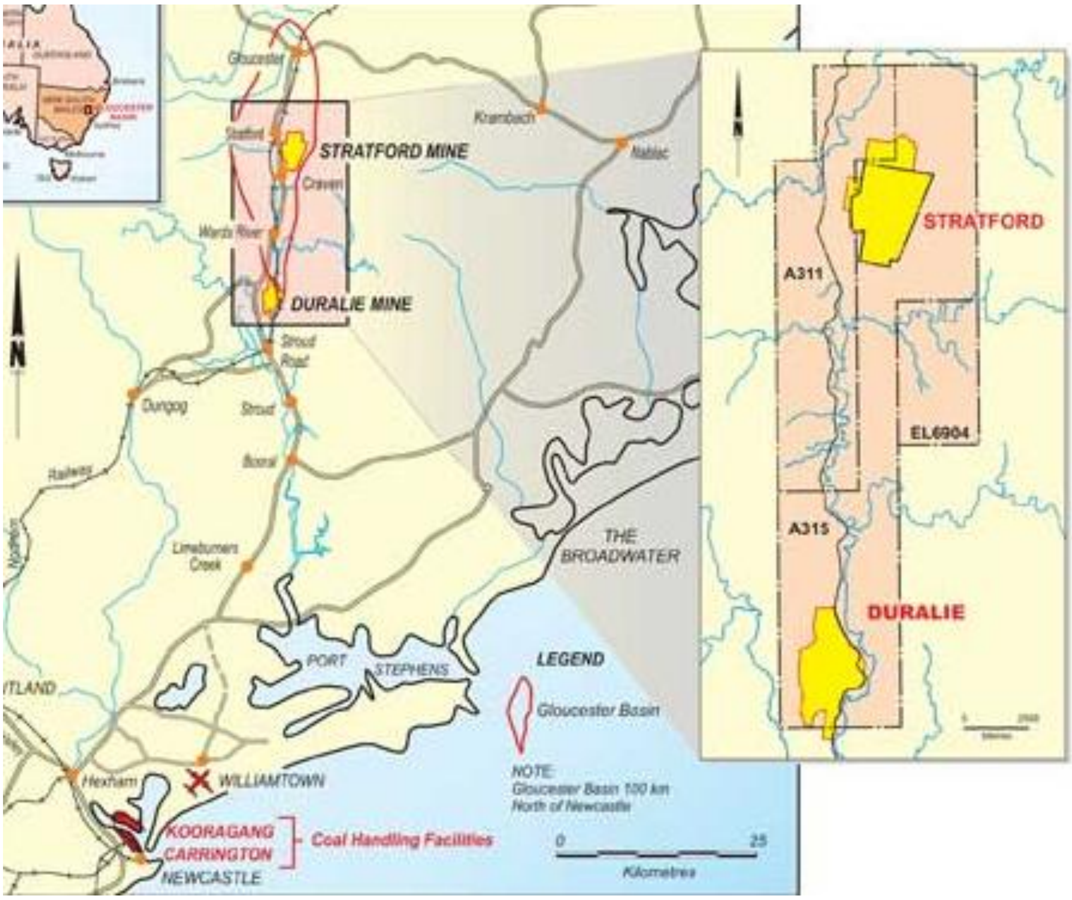
Source: ABS Census 2006Working Population Data

10.3 Gloucester Coal

Gloucester Coal currently operates two mining operations at Stratford and Duralie. The deposits are located in the Gloucester Geological Basin, and the company has licenses (Coal Exploration Licenses A311, A315 and EL6904), which cover a major are of the Basin and include known coal deposits.

The Stratford mine has operated since 1995. The site has involved investment of $39 million dollars covering site work, buildings and the coal processing plant. The mine had a capacity of 2.7 Mtpa in full production and had 120 employees.

Stratford Main Deposit: Coal production from the Stratford Main Deposit ceased in mid 2003. The area is now being utilised for the Stratford Coal Handling and Preparation Plant.

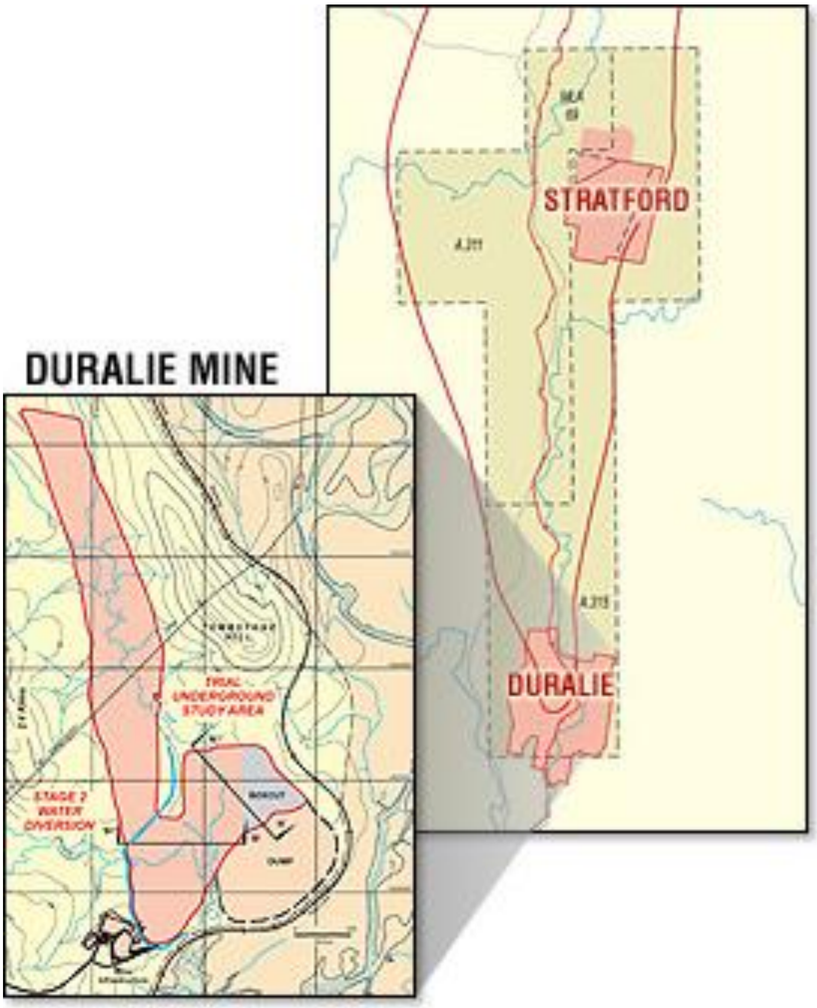


Source: http://www.gloucestercoal.com.au/operations.php

Bowens Road North (BRN): This deposit commenced production in early 2003 and is located 1.5 km north of the Stratford Main Deposit. Coal mined this deposit is used either blended with raw coal from other GCL operations and washed to produce coking and thermal coals for the export market or sold as an unwashed thermal coal into the domestic market.

STRATFORD AND BOWENS ROAD NORTH OPERATIONS Oblique Aerial View - December 2004

Duralie Project



The Duralie Project commenced mining operations started in March 2003. Duralie is located in the southern part of the Gloucester Basin, and is 20 kilometres south of GCL's Stratford Operation. Duralie is integrated with the Stratford Operation with coal is being transported to Stratford by using a shuttle train on the existing rail line.

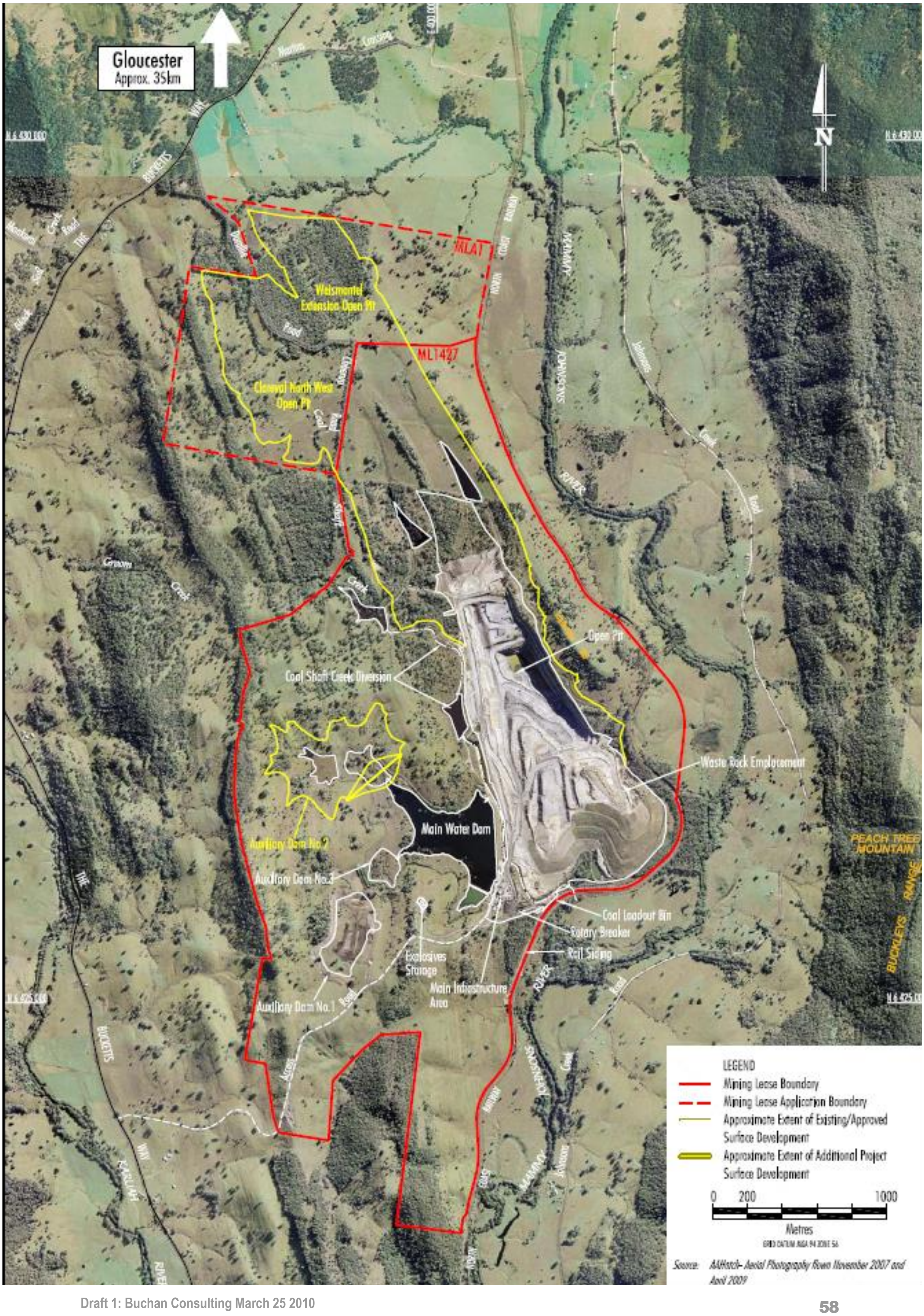
Duralie produces a high fluidity coking coal. To optimise the recovery of coal, Duralie coal is blended with other raw coal and washed to produce low ash coking coal and a higher ash thermal coal. This occurs at the Stratford Coal Handling and Preparation Plant (CHPP).All product coal is transported by rail to Newcastle for export or for distribution to New South Wales Power Stations.

Leighton Mining operates the mine under contract to Gloucester Coal. Duralie produces around 2 million tonnes of coal per year. At Duralie Leighton Mining is responsible for all of the mine planning, surface mining operations and site rehabilitation. Leightons also provides drill and blast services for the Bowens Road North Mine.

Leighton Mining runs a fleet of eight 190- tonne dump trucks loaded by two 250-tonne class and one 180-tonne. excavator. Coal is dumped into the train loader hopper and railed to Stratford for processing.

There are 70 Leighton employees at the mine, working 11 -hour shifts on a continuous roster, six days a week. Leighton’s indicate that most employees live locally and are long-term employees. The team is involved in the operation and on site maintenance of the equipment.

There is a proposal to further extend mining at Duralie.


Gloucester
Approx. 35km
N
Weismantel Extension Open Pit
Clareval North West Open Pit
ML1427
Coal Shaft Creek Diversion
Open Pit
Waste Rock Emplacement
Auxiliary Dam No.2
Main Water Dam
Auxiliary Dam No.3
Auxiliary Dam No.1
Explosives Storage
Main Infrastructure Area
Coal Loadout Bin
Rotary Breaker
Rail Siding
PEACH TREE MOUNTAIN
BUCKLEYS RANGE
LEGEND
Mining Lease Boundary
Mining Lease Application Boundary
Approximate Extent of Existing/Approved Surface Development
Approximate Extent of Additional Project Surface Development
0 200 1000
Metres
Source: AAMHatch- Aerial Photography flown November 2007 and April 2009

10.4 Gloucester Coal Seam Gas Project

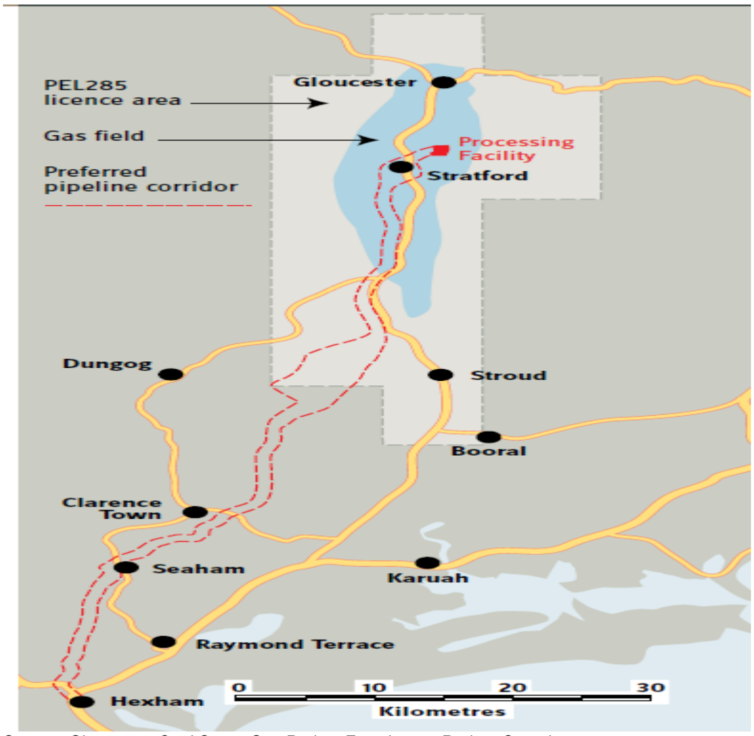
10.4.1 The Project

The Gloucester Coal Seam Gas (CSG) Project involves the development of coal seam gas in the area. The project includes: the installation of gas wells; construction of a central processing facility; and construction of a high-pressure pipeline to transport the gas. The project is being implemented by AGL, who acquired the coal gas seam assets in December 2008.[29] AGL has other gas projects in the Hunter, Central Coast and Sydney Region.

The gas will supply a growing market in Sydney and Newcastle. Gas from the Gloucester will be delivered into the existing New South Wales Gas Market through the pipeline connection into the existing Newcastle/Sydney gas network at Hexham. Several advantages have been indentified for the development of the reserves: natural gas can fuel power generation and have lower emissions.[30]The Gloucester Basin reserves are located close to markets, including the growth region of Newcastle and the Hunter.

The Gloucester Basin has significant reserves. This has been assessed to comprise current reserves of 423 petajoules (PJ) of 2P (Proved and Probable) Reserves and 630 PJ of 3P (Proved, Probable and Possible) Reserves. Gas from the Gloucester Basin would produce at 20 – 30 PJ per annum, which is more than 10% of the existing New South Wales market.[31]

There are three components to the development in the Gloucester area: gas field area; corridor for the gas pipeline and the site for a Central Processing Facility. Pilot drilling of wells, testing and exploration has been undertaken since 2008.



Source: Gloucester Coal Seam Gas Project Factsheet – Project Overview

29 AGL acquired the Gloucester Basin coal seam gas assets in December 2008. The petroleum export licence (PEL 285) has 175 PJ of 2P reserves certified by NSAI as at February 2008, representing approximately 26% of New South Wales certified reserves.
30 CSG is a relatively 'clean' energy source compared to other hydrocarbons, burning much more efficiently than coal or oil and generating approximately 40% less greenhouse emissions than conventional electricity generation. Gloucester Coal Seam Gas Project Factsheet – Project Overview; Gloucester Coal Seam Gas Project Factsheet – Frequently Asked Questions.
31 Gloucester Coal Seam Gas Project Factsheet – Project Overview; Gloucester Coal Seam Gas Project Factsheet – Frequently Asked Questions.

The Project involves four integrated components as outlined below.

Project Components
Gas Field Development Area (GFDA): development of producing wells and associated infrastructure within the Concept Area and Stage 1 GFDA. The project development plans for 60 – 90 wells between the east of Gloucester and to the south of Stratford. All gas from the wells is carried to the Central Processing Facility by underground pipelines.
Central Processing Facility (CPF): this facility comprises compression of gas up to 30PJ per year with an 80 TJ/day average, water treatment facility including associated storage and evaporation ponds, small scale ancillary power generation facility, and other ancillary infrastructure.
Gas Transmission Pipeline: high pressure gas pipeline from Stratford to Hexham
Hexham Delivery Station (HDS): custody transfer point for Coal Seam Gas (CSG) from the pipeline to the Sydney Newcastle trunk pipeline.

Source: www.agl.com.au/about/EnergySources/indevelopment/Pages/GloucesterGasProject.aspx

The central processing facility is adjacent to the Gloucester Coal processing plant at Stratford and it is proposed to develop an industrial estate at the site of the gas processing facility.

Permanent employment is estimated by AGL at 30-40 ongoing jobs when the project is operational. There are also current contractor jobs associated with exploration and pilot testing, and there will be jobs associated with the construction of the plant and the pipelines.

10.4.2 Spin Off Developments

- Water: There is the potential to use some of the low salt content (treated water) for irrigation for agriculture or for industrial use.[32] All water is stored on site in dams under strict environmental requirements and treatment processes are monitored.

- Industrial development: Gloucester Coal is proposing the development of an industrial park (Stratford Industrial Park) at the site of the compression plant. Industry which could benefit from access to gas, electricity, steam , water or proximity to rail are being are being targeted. Council has commissioned a technical study to identify synergistic activities that could be located in the industrial park

10.5 Stratford Industrial Park

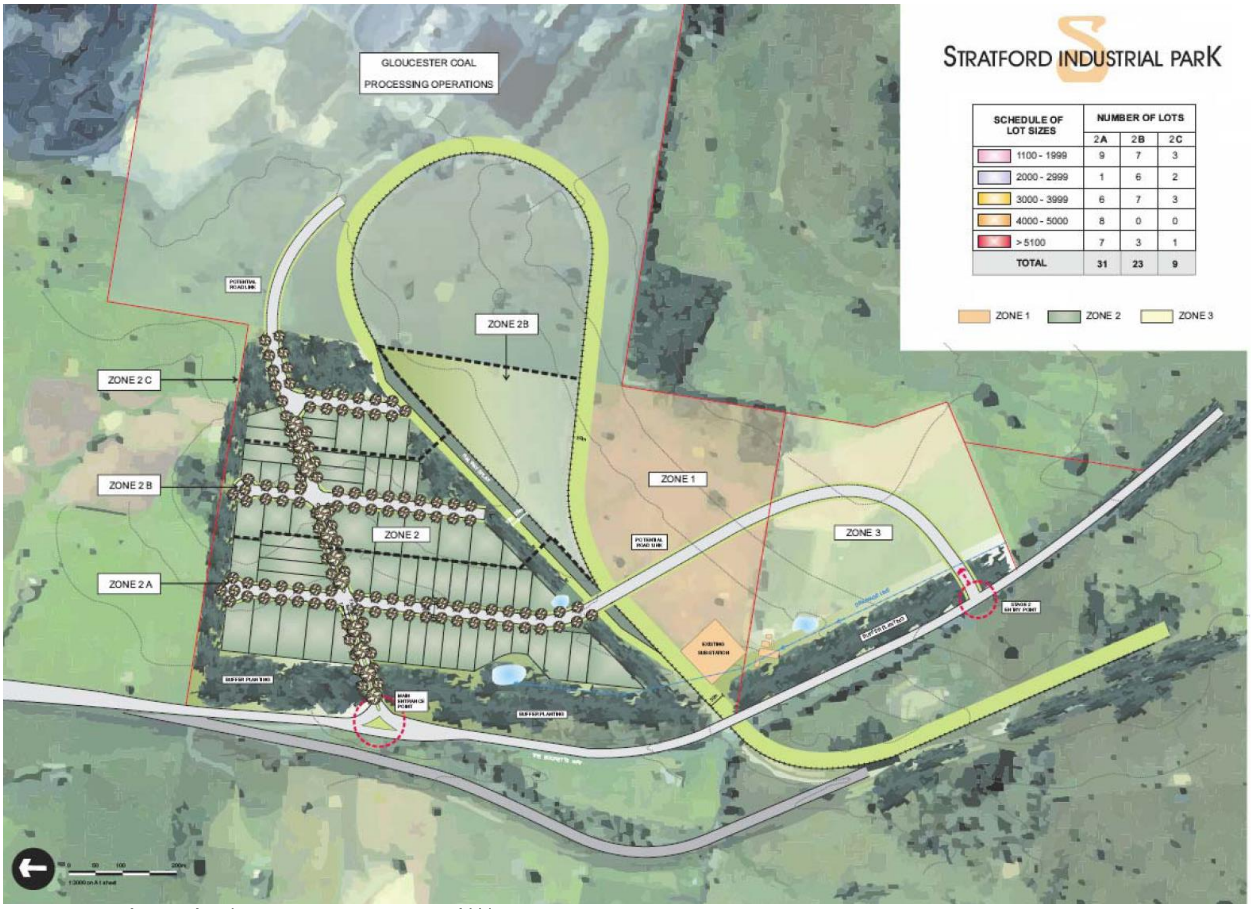
The proposal by Gloucester Coal is for heavy industry sites located in what is described as an *energy park.*[33] The site is located on Bucketts Way , and is 1 km from Stratford and 15 kms from Gloucester. The park would comprise 235 acres.

As well as having access to energy and treated water, the park has access to the Sydney – Brisbane rail line.

The AGL gas compression plant will be the key tenant. Indentified activities include: industries using coal based materials in chemical production; energy intensive industries such as aluminium extrusion; brick manufacture; bulk chemical manufacture; heavy and light engineering ; timber milling and processing; rail maintenance and repair; and intermodal freight and logistics.

Appropriate buffers are planned for the site. The following is an indicative master plan for the site.

32 AGL has DPI approval for this. Water from the coal seam gas project, Community Information Fact Sheet, Number 5 September 2008
33 Stratford Industrial Park Brochure 2009



Source: Stratford Industrial Park Brochure 2009

10.6 Future Directions for the Sector

The major developments in the sector are the potential development of new mines, the AGL Gas Project and the development of the Stratford Industrial Park.

The next stage of the study will involve:

- Discussions with Gloucester Coal and AGL.
- An assessment of current and future employment in the sector and its impacts on the region.
- An assessment of linkages to other activities in the region.
- Recommendations on the strategy for the development of the industrial park.

11 The Next Steps

This report provides foundation information on the Gloucester regional economy, trends and key development issues. It completes Stage 1/ Segment 1.

Stages	Segments
Stage 1: Regional Economy Review and Opportunities Assessment Regional	Segment 1 Local Economy Review - this comprises a regional audit to provide an evidence base on the regional economy and infrastructure. (this report
	Segment 2 Opportunity Assessment and Requirements - this segment will identify and scope business opportunities for the region
Stage 2: Economic Development Framework	Segment 3 Economic Development Framework Report – this segment involves the development of the economic development framework and action plan (including recommendations on structure).

The next steps in the study will involve:

- Completing the sector analysis.
- Developing estimates of future sector growth and its impacts.
- Identifying opportunities for growth in each sector and assessing the potential of each.
- Undertaking workshops in each of the key business sectors to discuss directions and opportunities.
- Formulating the economic development strategy elements and the recommendations on actions required.

Stage 1 – Regional Economy Review and Opportunities Assessment

S1 Local Economy & Industry Review

S1.1: Area Analysis
State of the Area
-Population & labour force
- Industry structure
- Employment structure
- Job locations
- Major drivers
- Major projects
- Linkages with the broader region
-Economic and policy context
- Economic indicators

S1.2: Consultations
- Stakeholder consultations (one to one - 30; telephone - 40)
- Tourism sector workshop
- Economic development workshop

S1.3: Industry Sector Analysis
Key sectors
- Agribusiness – beef, dairy, timber, horticulture, viticulture
- Energy – Coal & Gas
- Health and Aged Care
- Tourism
- Retail / Business services
- Industry/Manufacturing
- Transport
Review
- Economic and environment context
- Structure, trends & outlook
-SWOT assessment

S1.4: Area Outlook
- Population projections – region and local areas
-Development implications
- Modelling of impacts
- Future job requirements
- Key issues

S1.5: Competitive Assessment of Region
- Region advantages
- Region constraints

S2 Opportunities

Area /Industry Analysis (S1)

S2.1: Opportunity Identification
- Identification of opportunities: industry & projects
-Business attraction
-Business development (existing)
- Emerging industries

S2.2: Opportunity Assessment
Market Assessment
-Assessment of opportunities by sector
- Scope and development requirements
-Economic impact assessment/modelling
-Ranking of opportunities

S2.3: Development Requirements
- Infrastructure
-Employment land – including Stratford Heavy Industry Park
- Investment & capital
-Skills & training
- Regional marketing
- Economic development structures
-Section 64 & 94 Contributions

Stage 2 Economic Development Strategy

S3 ED Strategy & Report

S3.1 : ED Strategy Framework
- Vision, Directions
- Objectives
- Opportunities, Actions
- Issues & Directions Paper

S3.2.: ED Strategy Workshops
- Workshops (2)
- Workshops report

S3.3: Implementation
-Policies and programs
-Tracking performance - indicators
- Structures and responsibilities
- Priorities and timing

S3.4: ED Report
Draft Report
-Draft Report
- Implementation plan
Review of Draft Report
-Workshop on Draft Strategy
- Revisions to Draft
Final Report
- Report
- Summary Report

Review & Analysis /Report

Method:
-Consultations Council and State Government agencies
-Review of reports/strategies
- Industry sector reviews (detailed)
- Employment analysis
- Data analysis and projections
- Stakeholder consultations – industry
Outputs:
- Report 1: Regional Economy and Industry Report

Opportunity Assessment & Strategic Vision

Method:
- Opportunity identification and assessments
- Review of employment and skill requirements
- Development requirements – policies, programs, structures

Outputs:
- Report 2: Opportunities and Requirements Report

Report

Method:
-Analysis and report preparation
Outputs:
-Report 3: Issues & Directions Paper
- ED Workshop

- Report 4: Draft Report
-Final Report

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