

Blue Mountains Demographic and Economic Profile

Issue 2: 2018



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The Blue Mountains Local Government Area (LGA) covers 143,000 hectares of land in the Greater Western Sydney Region. Approximately 70% of the area is incorporated into the World Heritage Blue Mountains National Park, with approximately 11% of the total land area in private ownership.

A place of great natural beauty and rich in cultural resources, the Blue Mountains attracts around 3 million visitors per year (Tourism Research Australia LGA Profile 2016), making it one of the top tourist destinations in Australia.

This document provides a snapshot of demographic and economic data for the Blue Mountains City Council area based on the 2016 Census and other official sources.

In addition to the information provided here, BMEE produces economic profiles of key industry groupings in the Blue Mountains including Tourism, Creative Industries and Health & Wellbeing. Data from Tourism and Creative Industries includes industry sub-categories from various Australian Bureau of Statistics industry groupings.

These three sectors along with Education, are four of the biggest contributors to 'value added' in the region, the key element in the calculation of Gross Regional Product.

Blue Mountains LGA



A place of great natural beauty and rich in cultural resources.

2.0 Population

KEY FACTS

Estimated resident population of 78,705 persons (ABS ERP 2016)

Unemployment rate September quarter 2017 was 3.5%

High SEIFA ranking of 105 out of 130 LGAs (Census 2016)

57% of Blue Mountains LGA resident workers travel outside of the area to work (Census 2016)

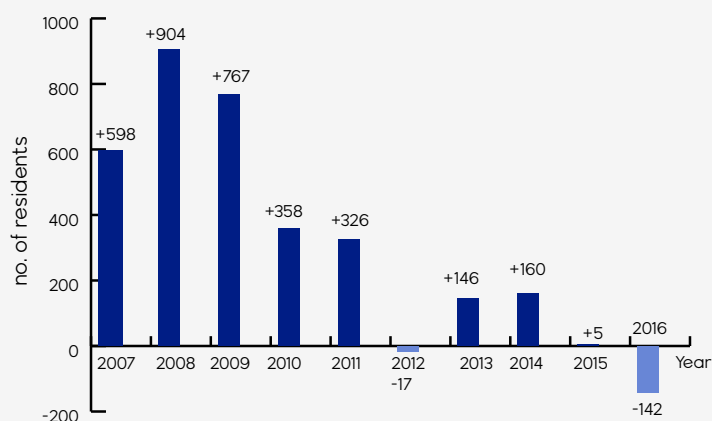
27.5% of residents achieved a bachelor degree and above (Census 2016)

Median age is 44 years (Census 2016)

Average number of people per household is 2.5 (Census 2016)

In 2016 there were an estimated 78,705 people residing in the Blue Mountains, representing an increase of 152 people, or 0.2% from the population level in 2011.

Change in number of Blue Mountains residents between 2006-2016



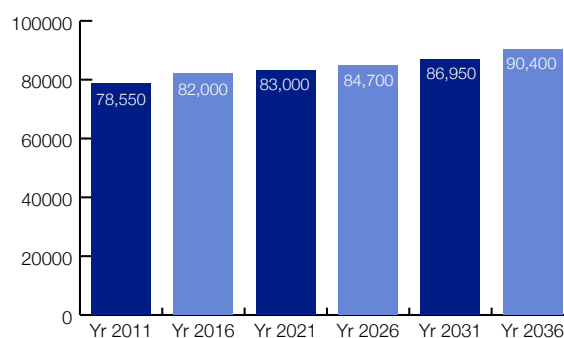
Source: Australian Bureau of Statistics, Regional Population Growth, Australia (3218.0), July 2017

2.1 Population Projections

In 2016 revised population projections were issued by Department of Planning and Environment. This data estimated that from 2011 to the year 2036 the population of the Blue Mountains is expected to increase by 11,850 persons from 2011 estimates to a level of approximately 90,400 persons by 2036.

Source: NSW Department of Planning and Environment 2016 - New South Wales State and Local Government Area Population and Household Projections, and Implied Dwelling Requirements

Populations Projections 2011 - 2036



2.2 Age Distribution

The median age of people in the Blue Mountains LGA was 44 years based on ABS Census 2016 data which is marginally higher than the NSW median age of 38 years. Children aged 0 - 14 years made up 18.3% of the population and people aged 70 years and over made up 12.4% of the population which was higher than the Greater Sydney average of 9.5%.

Age Distribution 2016

FIVE YEAR AGE GROUPS (YEARS)	BLUE MOUNTAINS %	GREATER SYDNEY %
0 to 4	5.5	6.4
5 to 9	6.4	6.4
10 to 14	6.4	5.8
15 to 19	6.2	6.0
20 to 24	4.7	7.1
25 to 29	4.1	7.9
30 to 34	4.9	8.1
35 to 39	5.7	7.4
40 to 44	6.9	7.1
45 to 49	7.2	6.7
50 to 54	7.1	6.3
55 to 59	7.7	5.8
60 to 64	7.6	5.0
65 to 69	7.0	4.4
70 to 74	5.0	3.3
75 to 79	3.1	2.4
80 to 84	2.2	1.8
85 and over	2.1	2.0

Source: Australian Bureau of Statistics, Census 2016

The median age of people in the Blue Mountains LGA is 44 years based on ABS Census 2016 data

**Blue Mountains
snapshot**

44 years

median age

18.3%

Age 0-14 years

12.4

Age 70 and over

3.0 Housing Characteristics

3.1 Dwelling Type

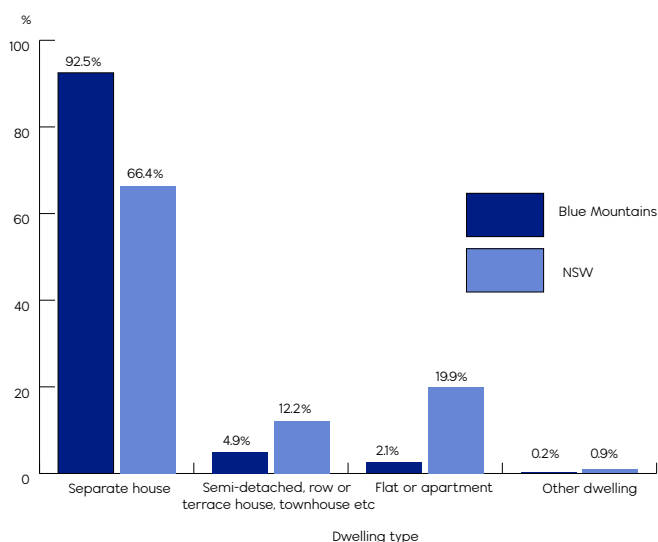
In 2016, there were an estimated 32,827 private dwellings in the Blue Mountains LGA. This represented an increase of 917 dwellings (from 31,910) since 2011. Separate houses accounted for 92.5% of all dwellings within the Blue Mountains LGA which is significantly higher than the figure for NSW at 66.4%. Only 2.1% of occupied private dwellings were a flat or apartment compared to 19.9% in NSW.

Change in private dwelling counts 2011-2016

Dwelling count	2016	2011
Occupied private dwellings	28,631	28,032
Unoccupied private dwellings	4,196	3,878
Total	32,827	31,910

Source: Australian Bureau of Statistics, Census 2016 and 2011

Dwelling type as a percentage of total occupied private dwellings, 2016



3.2 Average Weekly Rents

Figures issued by the NSW Department of Family and Community Services in September 2017 indicate that the average median weekly rent for a three bedroom house was \$450.00 in the Blue Mountains LGA. This compares to \$470.00 per week in the Sydney Greater Metropolitan region and \$425.00 in Penrith. Rents for flats were similar to those in Penrith during the same period.

Median weekly rents by dwelling type - Sept 2017

	Blue Mountains Median weekly rent \$	Sydney Greater Metro Median weekly rent \$	Penrith Median weekly rent \$
Two bedroom House	380	430	350
Three bedroom House	450	470	425
One bedroom Unit/Flat	285	500	300
Two bedrooms Unit/Flat	358	550	350

Source: NSW Department of Family and Community Services, September Quarter 2017, Report 121

Blue Mountains all dwellings median rent (\$ per Week)

Median weekly rents for all dwellings in the Blue Mountains LGA increased steadily between December 2014 and March 2017 from \$385/week to \$430/week.

Source: NSW Department of Family and Community Services, Greater Metropolitan Region - Time Series Of Median Weekly Rents, March 2017

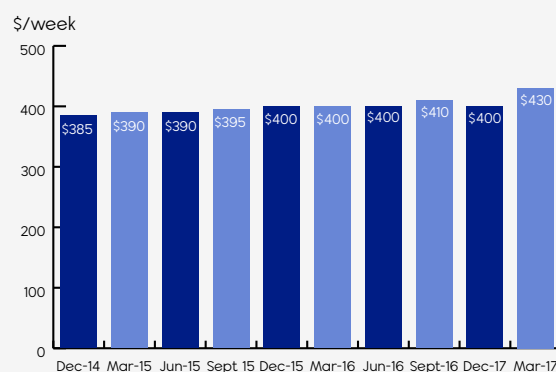


Image: Project by 2000ft Design © Ann Niddrie

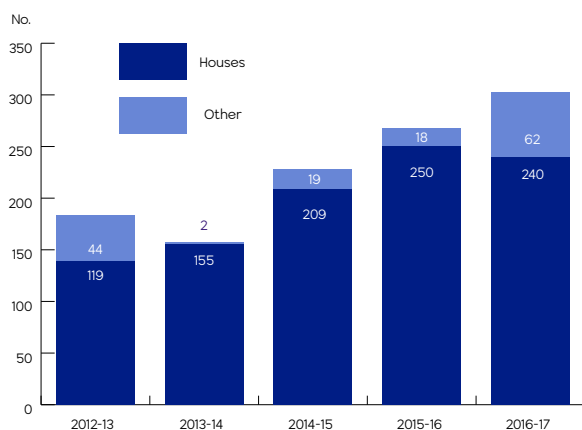


3.3 Building Approvals

↑
17%

There were 302 residential buildings approved to be built in the Blue Mountains LGA in the financial year 2016-17, 240 of which were categorised as houses. This represents an average annual increase of 17% between 2012 and 2017.

Blue Mountains building approvals 2012-2017



Source: ABS 8731.0 - Building Approvals, Australia, December 2017

3.4 Housing Tenure

Of occupied private dwellings in the Blue Mountains LGA in 2016, 39.2% were owned outright compared to 32.2% in NSW; 39.5% were owned with a mortgage and 18.4% were rented compared to 31.8% in NSW.

TENURE	BM LGA	%	NSW	%	AUS	%
OCCUPIED PRIVATE DWELLINGS						
Owned outright	11,218	39.2	839,665	32.2	2,565,695	31
Owned with a mortgage	11,295	39.5	840,004	32.3	2,855,222	34.5
Rented	5,267	18.4	826,922	31.8	2,561,302	30.9
Other tenure type	251	0.9	23,968	0.9	78,994	1.0
Tenure type not stated	595	2.1	73,763	2.8	224,869	2.7

Source: Australian Bureau of Statistics, Census 2016

4.0 Employment

4.1 Labour Force

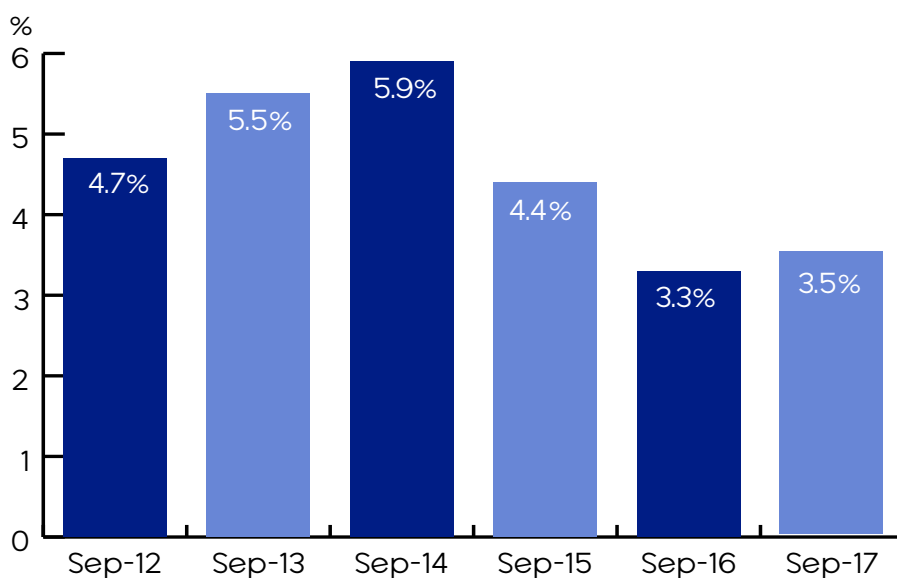
As at September 2017, the quarterly unemployment rate estimate issued by the Department of Education, Employment and Workplace Relations for the Blue Mountains LGA was 3.5% with 39,863 listed as being in the Labour Force. This makes the unemployment rate in the Blue Mountains lower than the average for Sydney (4.2%), New South Wales (4.9%) and Australia (5.7%) during the same period.

43%

of working residents work within the Blue Mountains LGA



Blue Mountains unemployment rates September 2012 - 2017



There were 37,644 people who reported being in the labour force in the week before Census night in Blue Mountains LGA. Of these 55.8% were employed full-time, 34.9% were employed part-time and 4.7% were unemployed. (2016 Census)

Source: DEEWR Smoothed Unemployment rates, 2017

4.2 Location of Workers

Based on ABS Census data, 20,360 or 57% of Blue Mountains LGA resident workers travel outside of the area to work. 43% (15,290 persons) of working residents worked within the Blue Mountains LGA itself followed by Penrith 18% (6,582 persons) and Sydney 6% (2,314 persons).

Top 10 Blue Mountains Resident Workforce Place of Work

RANK	PLACE OF WORK	WORKFORCE
1	Blue Mountains (C)	15,290
2	Penrith (C)	6,582
3	Sydney (C)	2,314
4	Blacktown (C)	2,068
5	Parramatta (C)	1,915
6	No Fixed Address (NSW)	1,706
7	Hawkesbury (C)	719
8	Cumberland (A)	554
9	Lithgow (C)	526
10	Fairfield (C)	460

Source: Australian Bureau of Statistics, Census 2016.

Emerging Groups

The number of residents employed increased by 266 between 2011 and 2016. The largest changes in the jobs held by the resident population between 2011 and 2016 were for those employed in: Construction (+378 persons), Accommodation and food services (+314 persons), Manufacturing (-523 persons), Wholesale trade (-348 persons)

4.3 Employment by Industry

According to Census 2016 data there were 35,875 resident workers. The three industry sectors which employed the majority of Blue Mountains residents :

**Education
& Training:**
5,305 people

14.8%

**Health Care
& Social
Assistance:**
5,238 people

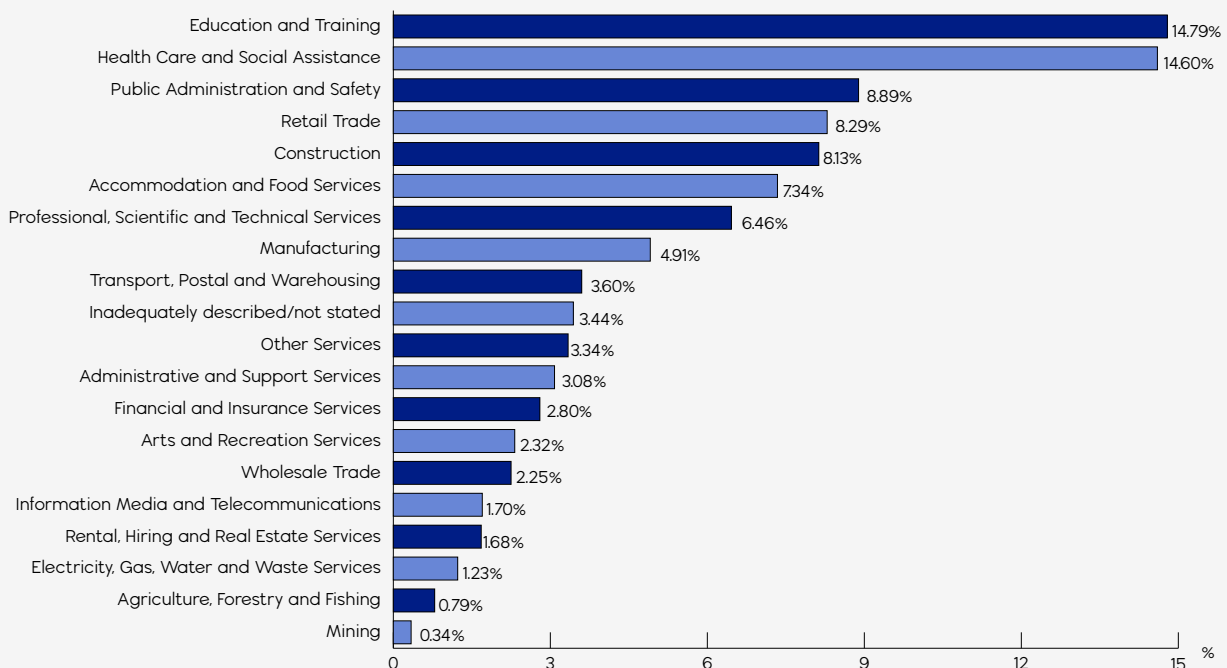
14.6%

**Public Admin
& Safety:**
3,191 people

8.9%

In total these three sectors employed 13,734 people or 38% of the resident working population. In comparison, Greater Sydney employed 8.0% in Education and Training; 11.6 % in Health Care and Social Assistance; and 5.5% in Public Administration and Safety.

Resident Workforce by Industry Sector of Employment, 2016



Source: Australian Bureau of Statistics, Census 2016.

4.4 Working from home

Census 2016 data indicates that 2,440 Blue Mountains residents worked from home. This represents an increase of 9.4% from Census 2011 figures or an average annual growth rate of 1.9%. People working from home represented 6.8% of the total resident workforce in the Blue Mountains LGA in 2016. A number of these would be operating home-based businesses.

BLUE MOUNTAINS LGA	2016			2011			CHANGE
	No.	%	Greater Sydney	No.	%	Greater Sydney	2016-2011
Worked at home	2,440	6.8	4.4	2,230	6.3	4.0	+210
Total workforce	35,860	100.0	100.0	35,608	100.0	100.0	+252

Source: Australian Bureau of Statistics, Census 2011 and 2016

4.5 Top employing sectors of Blue Mountains residents

Of those Blue Mountains residents working within the Blue Mountains, the top 5 employing sectors were:

RANK	EMPLOYING INDUSTRY (2016)	NUMBER EMPLOYED INSIDE THE BM LGA	TOTAL EMPLOYED IN SECTOR	% OF TOTAL EMPLOYED IN SECTOR INSIDE THE BM LGA
1	Health Care and Social Assistance	2,501	5,238	48
2	Accommodation and Food Services	2,112	2,634	80
3	Education and Training	1,866	5,305	35
4	Retail Trade	1,711	2,974	58
5	Professional, Scientific and Technical Services	1,079	2,317	47

Source: Australian Bureau of Statistics, Census 2016

Of those Blue Mountains residents working outside the Blue Mountains LGA, the top 5 employing sectors were:

RANK	EMPLOYING INDUSTRY (2016)	NUMBER EMPLOYED OUTSIDE THE BM LGA	TOTAL EMPLOYED IN SECTOR	% OF TOTAL EMPLOYED IN SECTOR OUTSIDE THE BM LGA
1	Education and Training	3,398	5,305	64
2	Health Care and Social Assistance	2,687	5,238	51
3	Public Administration and Safety	2,231	3,191	70
4	Construction	1,903	2,918	65
5	Manufacturing	1,370	1,761	78

Source: Australian Bureau of Statistics, Census 2016

4.6 Regions employing most resident workers by industry sector

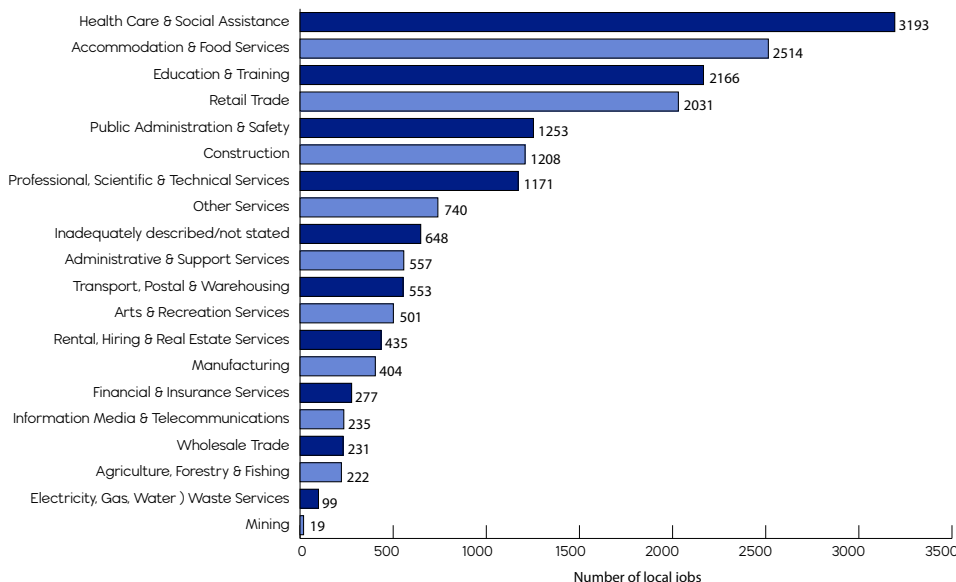
The Penrith LGA provides most jobs for Blue Mountains residents outside of the Blue Mountains LGA, followed by Sydney. Penrith's proximity to the Blue Mountains region helps facilitate access to jobs. The ability to commute by rail and road directly to Sydney's CBD also provides employment opportunities.

Local government areas providing the most jobs by industry sector for Blue Mountains resident workers (not including the Blue Mountains LGA)

INDUSTRY OF EMPLOYMENT	RESIDENT EMPLOYMENT LOCATION OUTSIDE THE BM LGA
Agriculture, Forestry and Fishing	Penrith
Mining	Lithgow
Manufacturing	Penrith
Electricity, Gas, Water and Waste Services	Blacktown
Construction	No fixed address (NSW) - followed by Penrith
Wholesale Trade	Blacktown
Retail Trade	Penrith
Accommodation and Food Services	Penrith
Transport, Postal and Warehousing	Penrith
Information Media and Telecommunications	Sydney
Financial and Insurance Services	Sydney
Rental, Hiring and Real Estate Services	Penrith
Professional, Scientific and Technical Services	Sydney
Administrative and Support Services	No fixed address (NSW) - followed by Penrith
Public Administration and Safety	Penrith
Education and Training	Penrith
Health Care and Social Assistance	Penrith
Arts and Recreation Services	Sydney
Other Services	Penrith

Source: Australian Bureau of Statistics, Census 2016

Employment within the Blue Mountains LGA, 2016



Source: Australian Bureau of Statistics, Census 2016.

The employment data represents the number of people employed by businesses/organisations in each of the industry sectors in the Blue Mountains LGA. This 'place of work' data represents the total number of jobs without conversion to full-time equivalent employment. In total there are approximately 18,457 jobs in the Blue Mountains LGA based on Census 2016 data. Health Care and Social Assistance provide the most employment with 3,193 local jobs or 17% of the total number of jobs within the Blue Mountains LGA. This is followed by Accommodation and Food Services (2,514 jobs or 14%) and Education and Training (2,166 jobs or 12%).

5.0 Income

5.0 Weekly Income

According to ABS Census 2016 data, in the Blue Mountains LGA, 19% of households had a weekly household income of less than \$650 compared to 19.7% in NSW. In addition to this, 16.3% of households had a weekly income of more than \$3,000 compared to 18.7% of households in NSW.

Overall, 32.7% of the population (aged 15 years and over) earned more than \$1,000 per week (total personal income) while 26.9% earned less than \$400 per week.

5.1 Wages and Salaries

Wages and Salaries refers to the value of entitlements earned by employees from their employers for services rendered. This includes wages and salaries received by employees in cash and in-kind (e.g. provision of food, accommodation or motor vehicles), and employers' social contributions such as superannuation contributions and workers' compensation premiums.

This table shows the wages and salaries paid to employees who work in the Blue Mountains LGA.

INDUSTRY	WAGES/SALARIES (M)
Health Care and Social Assistance	\$235.73
Education and Training	\$168.46
Public Administration and Safety	\$138.08
Professional, Scientific and Technical Services	\$112.08
Retail Trade	\$107.03
Accommodation and Food Services	\$85.85
Construction	\$84.69
Administrative and Support Services	\$57.55
Transport, Postal and Warehousing	\$47.73
Other Services	\$46.93
Financial and Insurance Services	\$46.18
Wholesale Trade	\$40.09
Manufacturing	\$36.53
Rental, Hiring and Real Estate Services	\$30.82
Information Media and Telecommunications	\$24.55
Arts and Recreation Services	\$14.46
Electricity, Gas, Water and Waste Services	\$11.82
Agriculture, Forestry and Fishing	\$5.71
Mining	\$0.45
TOTAL	\$1,294.73

Source: REMPLAN incorporating data sourced from the Australia Bureau of Statistics (ABS), most of which relates to the 2016, 2011, 2006 and 2001 Censuses. Using ABS datasets and an input / output methodology industrial economic data estimates for defined geographic regions are generated.

The total wages and salaries estimate for the Blue Mountains LGA in 2016 is \$1,294.73 million.

Weekly Individual Income

19%

Less than \$650

Compared to 19.7% in NSW

16.3%

More than \$3,000

Compared to 18.7% in NSW

6.0 SEIFA Index

The Socio-Economic Indices for Areas (SEIFA) Index of Advantage/Disadvantage is published by the ABS. The SEIFA index takes into account and summarises high values (advantages) and low values (disadvantages) taken from Census variables such as households with low income (disadvantage) and people with a tertiary education (advantage).

A lower rank indicates that an area is relatively disadvantaged compared to an area with a higher rank. All areas are ordered from the lowest to highest rank (the lowest rank being 1) and placed in deciles ranging from 1 to 10, with 1 representing the most disadvantage. The area with the highest rank of 130 (having the highest level of advantage) would therefore be placed in the 10th decile of advantage/disadvantage.

The Blue Mountains is ranked highly within the 9th decile and in 105th position out of 130 Local Government Areas in NSW in 2016. This ranking is higher than Penrith and Bathurst.



The Blue Mountains LGA is placed within the 9th decile representing significant advantage.

Index of Relative Socio-Economic Advantage and Disadvantage by LGA, 2016

LGA	RANK WITHIN NSW (OUT OF 130 LGAS)	DECILE
Blue Mountains	105	9
Penrith (C)	93	8
Parramatta (C)	112	9
Sydney (C)	116	9
Bathurst Regional (A)	84	7
Lithgow (C)	17	2
Orange (C)	77	6

Source: Australian Bureau of Statistics, Census 2016 SEIFA Index



Image: Death to Stock

7.0 Education

According to Census 2016 data, of people aged 15 years and over in the Blue Mountains LGA, 12.6% reported having completed Year 12 as their highest level of educational attainment, 16.9% had completed a Certificate III or IV and 11.7% had completed an Advanced Diploma or Diploma.

Compared to the rest of NSW and Australia, there was a higher proportion of residents (27.5%) who had achieved a bachelor degree level and above. Only 0.2% of the total residential population aged over 15 years cited 'no educational attainment' which was lower than the figures for both NSW and Australia.

Source: Australian Bureau of Statistics, Census 2016

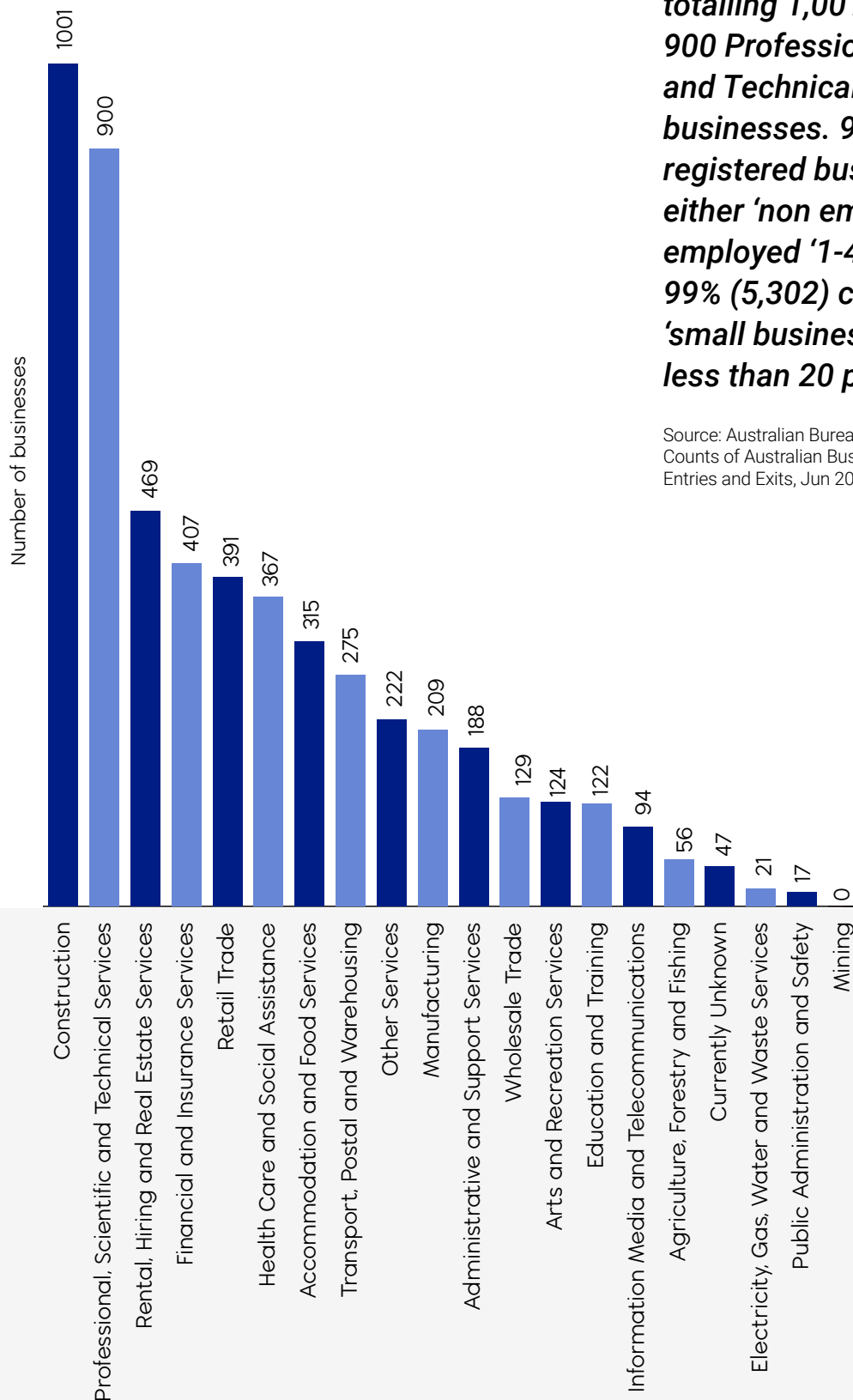
Highest Qualification Achieved by Blue Mountains Residents 2016. People aged 15 years and over.

LEVEL OF HIGHEST EDUCATIONAL ATTAINMENT	BLUE MOUNTAINS	%	NSW	%	AUSTRALIA	%
Bachelor Degree level and above	17,276	27.5	1,424,716	23.4	4,181,406	22
Advanced Diploma and Diploma level	7,368	11.7	543,142	8.9	1,687,893	8.9
Certificate level IV	2,498	4	167,947	2.8	551,767	2.9
Certificate level III	8,134	12.9	730,498	12	2,442,203	12.8
Year 12	7,939	12.6	930,654	15.3	2,994,097	15.7
Year 11	1,994	3.2	203,574	3.3	941,531	4.9
Year 10	6,668	10.6	702,178	11.5	2,054,331	10.8
Certificate level II	38	0.1	4,849	0.1	13,454	0.1
Certificate level I	3	0	625	0	2,176	0
Year 9 or below	3,560	5.7	513,209	8.4	1,529,897	8
No educational attainment	116	0.2	54,870	0.9	145,844	0.8
Not stated	4,942	7.9	627,465	10.3	1,974,794	10.4

8.0 Business numbers and size

Of the 5,354 registered businesses within the Blue Mountains LGA in June 2016, Construction rated the highest in number of entities totalling 1,001 followed by 900 Professional, Scientific and Technical Services businesses. 91% (4,850) of registered businesses were either 'non employing' or employed '1-4 persons' with 99% (5,302) categorised as 'small businesses' – employing less than 20 people.

Source: Australian Bureau of Statistics, Counts of Australian Businesses, including Entries and Exits, Jun 2012 to Jun 2016

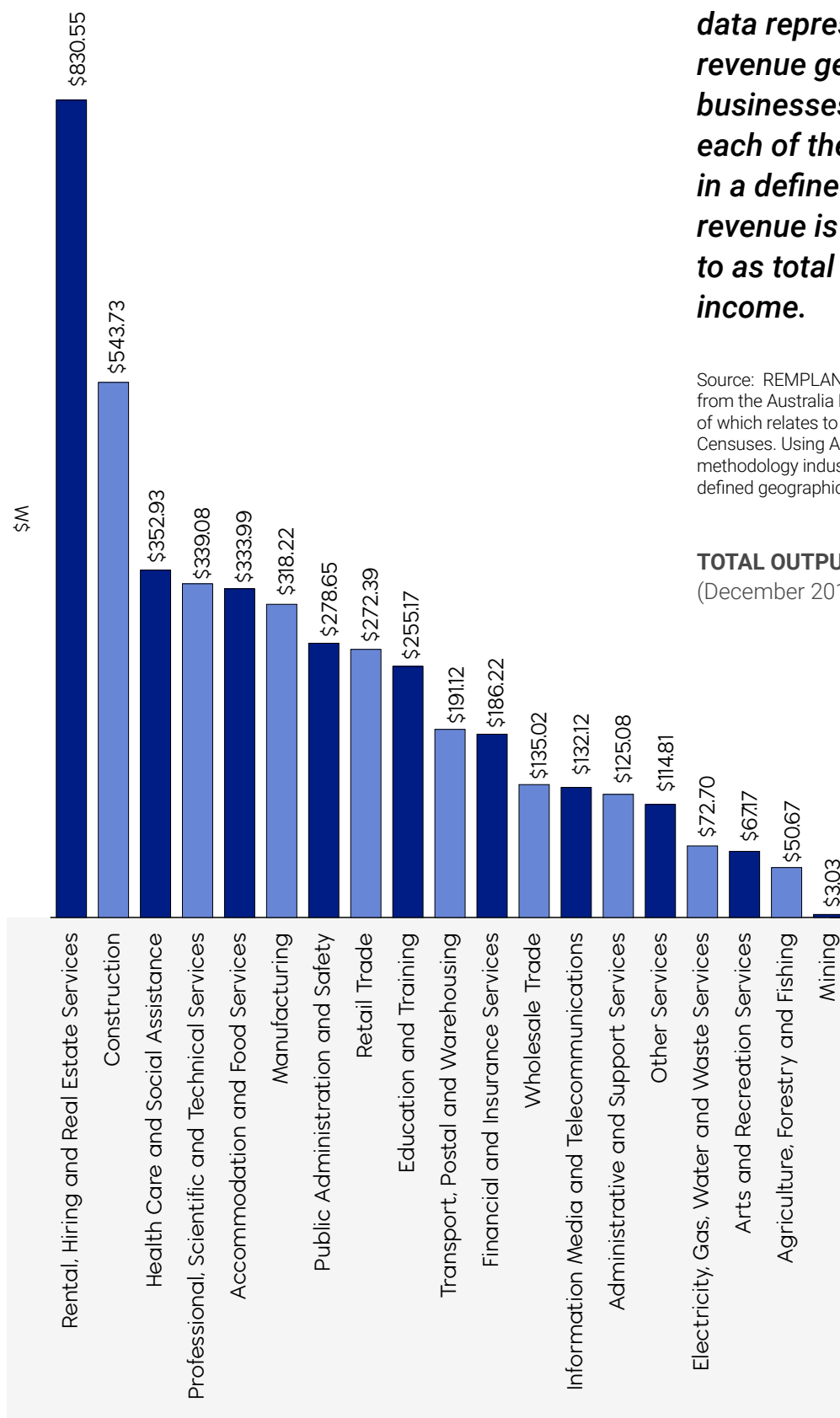


9.0 Industry performance and size

The graph below shows the gross revenue generated by businesses and organisations in the Blue Mountains LGA. Output data represents the gross revenue generated by businesses/organisations in each of the industry sectors in a defined region. Gross revenue is also referred to as total sales or total income.

Source: REMPLAN incorporating data sourced from the Australia Bureau of Statistics (ABS), most of which relates to the 2016, 2011, 2006 and 2001 Censuses. Using ABS datasets and an input / output methodology industrial economic data estimates for defined geographic regions are generated.

TOTAL OUTPUT = \$4,602.66M
(December 2016).

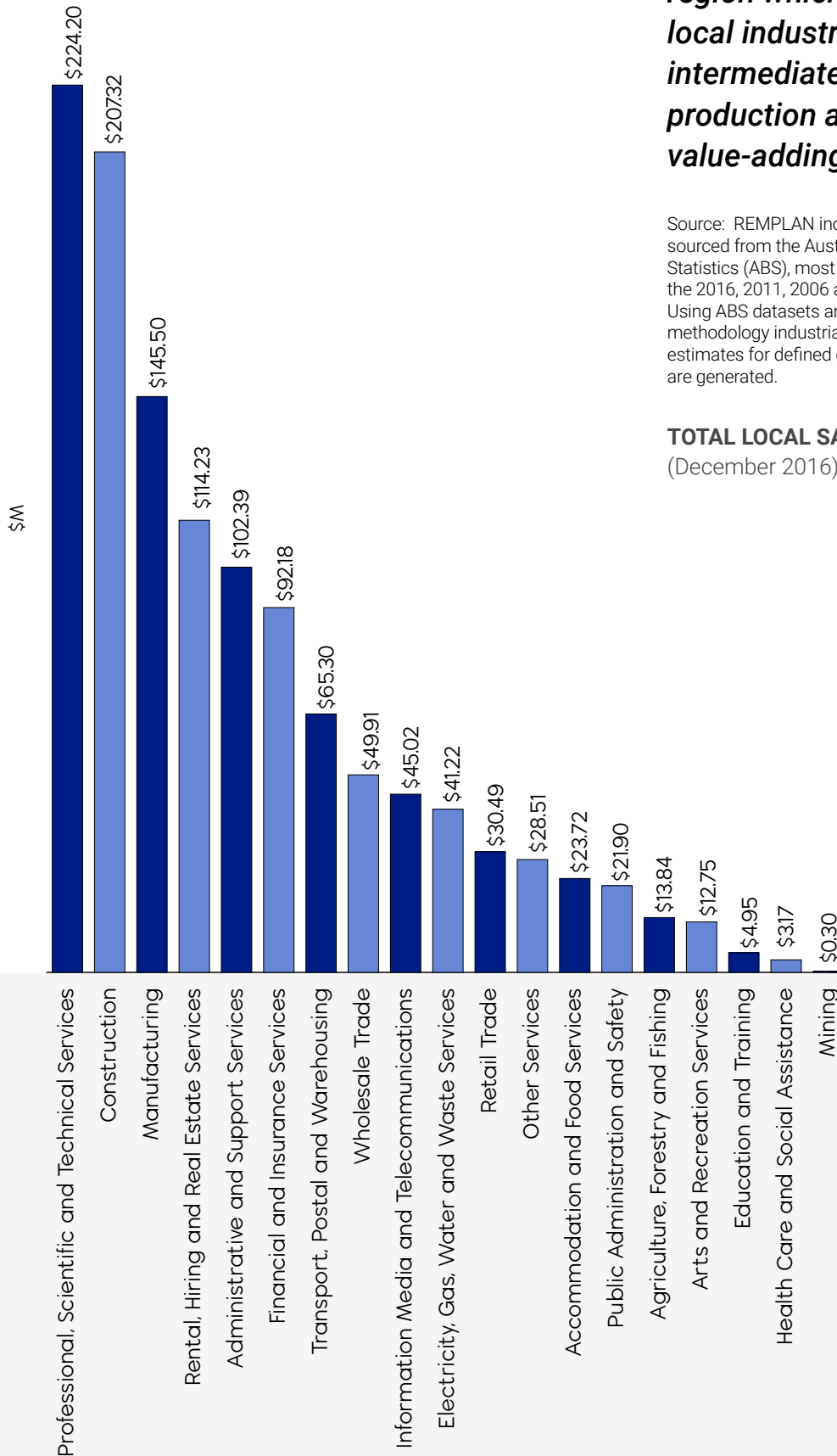


Local sales

Local Sales data represents the value of goods and services produced in the region which are sold to local industry sectors as intermediate inputs into production and for further value-adding.

Source: REMPLAN incorporating data sourced from the Australia Bureau of Statistics (ABS), most of which relates to the 2016, 2011, 2006 and 2001 Censuses. Using ABS datasets and an input / output methodology industrial economic data estimates for defined geographic regions are generated.

TOTAL LOCAL SALES = \$1,226.89M
(December 2016).

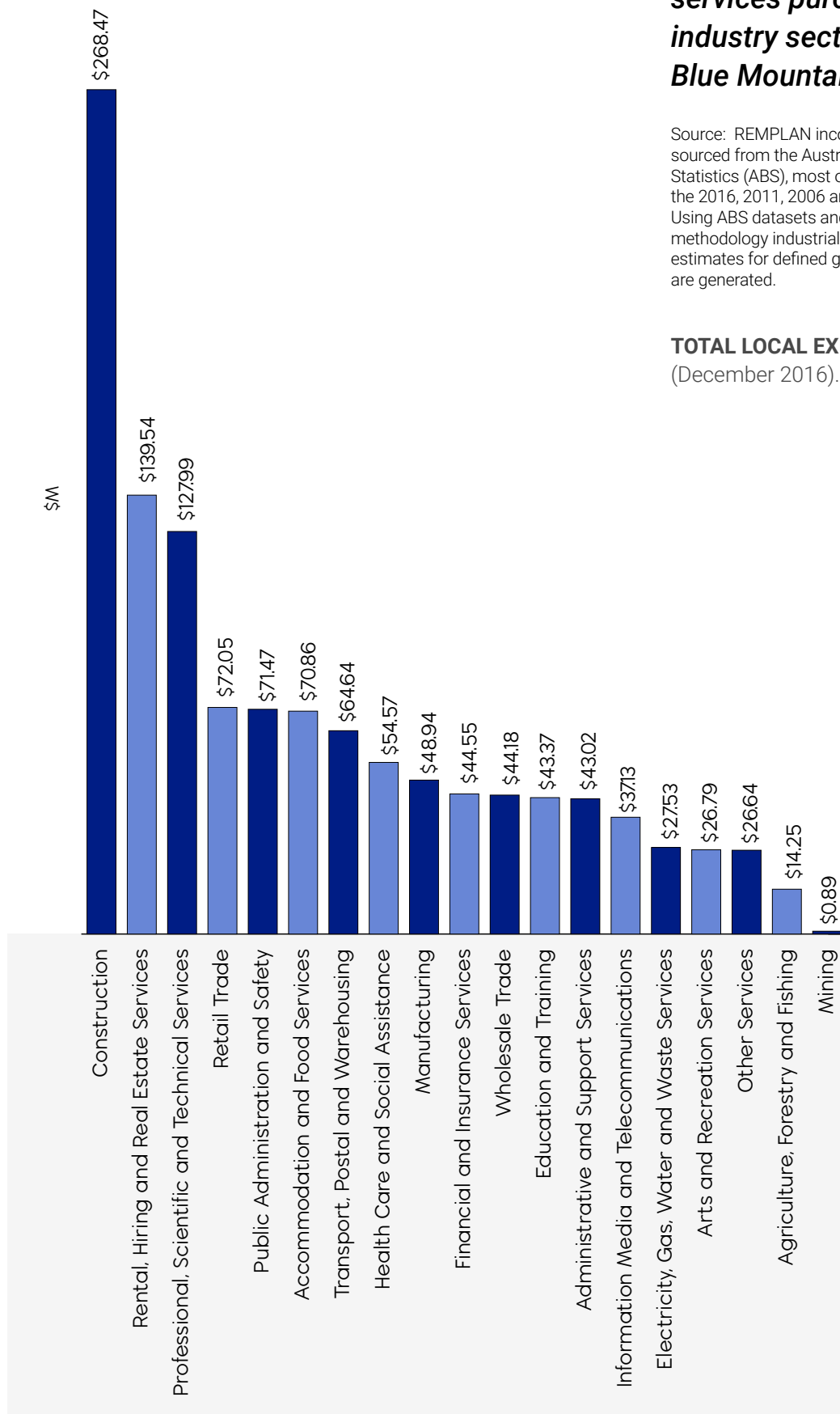


Local expenditure

Local expenditure data represents the value of intermediate goods and services purchased by industry sectors within the Blue Mountains LGA.

Source: REMPLAN incorporating data sourced from the Australia Bureau of Statistics (ABS), most of which relates to the 2016, 2011, 2006 and 2001 Censuses. Using ABS datasets and an input / output methodology industrial economic data estimates for defined geographic regions are generated.

TOTAL LOCAL EXPENDITURE = \$1,226.89M
(December 2016).



Regional exports

Regional exports data represents the value (\$) of goods and services exported outside of the defined region that have been generated by businesses / organisations in each of the industry sectors within the region. Another way of defining exports is as an inflow of money into the region, e.g. motels have an inflow of money from people who live outside the region's boundaries thus they are earning export dollars. No distinction is made between domestic and international exports.

Image: Josophan's Chocolates © Ann Niddrie



Total regional export estimate for the Blue Mountains LGA is \$734.32 million (Dec 2016)

REGIONAL EXPORTS INDUSTRY SECTOR	\$M VALUE OF GOODS/ SERVICES
Accommodation and Food Services	\$132.42
Manufacturing	\$80.44
Transport, Postal and Warehousing	\$65.22
Professional, Scientific and Technical Services	\$65.12
Rental, Hiring and Real Estate Services	\$52.81
Information Media and Telecommunications	\$46.50
Financial and Insurance Services	\$44.06
Health Care and Social Assistance	\$39.64
Wholesale Trade	\$31.17
Retail Trade	\$30.81
Public Administration and Safety	\$26.08
Construction	\$23.34
Agriculture, Forestry and Fishing	\$22.40
Arts and Recreation Services	\$19.29
Education and Training	\$18.56
Other Services	\$11.77
Administrative and Support Services	\$11.09
Electricity, Gas, Water and Waste Services	\$10.93
Mining	\$2.66
Total	\$734.32

Source: REMPLAN, incorporating data sourced from the Australia Bureau of Statistics (ABS), most of which relates to the 2016, 2011, 2006 and 2001 Censuses.

Regional imports

Regional imports data represents the value (\$) of goods and services imported into the defined region by businesses / organisations in each of the industry sectors. Another way of defining imports is as an outflow of money from the region, e.g. a local business outsourcing accountancy services to a firm in another region which results in an outflow of money thus they are importing services. No distinction is made between domestic and international imports, and no indication is given as to the type of imports.

Total regional import estimate for the Blue Mountains LGA is \$913.38 million (Dec 2016).

REGIONAL IMPORTS INDUSTRY SECTOR	\$M VALUE OF GOODS/ SERVICES
Manufacturing	\$207.23
Accommodation and Food Services	\$126.86
Construction	\$114.32
Rental, Hiring and Real Estate Services	\$100.59
Professional, Scientific and Technical Services	\$50.94
Information Media and Telecommunications	\$40.19
Transport, Postal and Warehousing	\$39.28
Retail Trade	\$33.27
Public Administration and Safety	\$32.62
Health Care and Social Assistance	\$27.36
Wholesale Trade	\$25.84
Financial and Insurance Services	\$22.69
Other Services	\$22.13
Education and Training	\$18.15
Administrative and Support Services	\$17.91
Arts and Recreation Services	\$11.51
Electricity, Gas, Water and Waste Services	\$11.25
Agriculture, Forestry and Fishing	\$10.28
Mining	\$0.97
Total	\$913.38

Source: REMPLAN, incorporating data sourced from the Australia Bureau of Statistics (ABS), most of which relates to the 2016, 2011, 2006 and 2001 Censuses.



Image: Michael Hoffman Craftsman ©Ona Janzen
www.onajanzen.com.au

Gross Regional Product summary

GRP is the total value of final goods and services produced in the region over the period of one year. As can be seen from the table, this includes exports but excludes imports.

The Gross Regional Product for the Blue Mountains LGA was calculated using the Expenditure method. GRP can be measured by adding up all forms of final expenditure including:

- *Consumption by households*
- *Consumption by governments*
- *Additions or increases to assets (minus disposals)*
- *Exports (minus imports)*

GRP EXPENDITURE METHOD (\$M)	
Household Consumption	\$4,056.76
Government Consumption	\$956.33
Private Gross Fixed Capital Expenditure	\$1,208.21
Public Gross Fixed Capital Expenditure	\$253.24
Gross Regional Expenses	\$6,474.54
Plus Regional Exports	\$740.25
Minus Domestic Imports	-\$4,090.85
Minus Overseas Imports	-\$279.27
Gross Regional Product	\$2,844.67
Population	75,941
Per Capita GRP (\$'000)	\$37.46
Per Worker GRP (\$'000)	\$172.23

Intermediate expenditure not included in this calculation to avoid double counting

Source: REMPLAN, incorporating data sourced from the Australia Bureau of Statistics (ABS), most of which relates to the 2016, 2011, 2006 and 2001 Censuses.

Value added

Value added data represents the marginal economic value that is added by each industry sector in a defined region.

Value added can be calculated by subtracting local expenditure and expenditure on regional imports from the output generated by an industry sector, or alternatively, by adding the wages and salaries paid to local employees, the gross operating surplus and taxes on products and production. Value added by industry sector is the major element in the calculation of Gross Regional Product / Gross State Product / Gross Domestic Product. The total value added estimate for the Blue Mountains LGA is \$2,462.40 million (December 2016).

INDUSTRY SECTOR	\$M VALUE ADDED
Rental, Hiring and Real Estate Services	\$590.42
Health Care and Social Assistance	\$271.00
Education and Training	\$193.66
Public Administration and Safety	\$174.56
Retail Trade	\$167.07
Construction	\$160.94
Professional, Scientific and Technical Services	\$160.15
Accommodation and Food Services	\$136.28
Financial and Insurance Services	\$118.97
Transport, Postal and Warehousing	\$87.19
Other Services	\$66.04
Wholesale Trade	\$65.00
Administrative and Support Services	\$64.15
Manufacturing	\$62.05
Information Media and Telecommunications	\$54.80
Electricity, Gas, Water and Waste Services	\$33.93
Arts and Recreation Services	\$28.87
Agriculture, Forestry and Fishing	\$26.15
Mining	\$1.17
Total	\$2,462.40M

Source: REMPLAN, incorporating data sourced from the Australia Bureau of Statistics (ABS), most of which relates to the 2016, 2011, 2006 and 2001 Censuses.

10.0 Economic diversity

Industry location quotient analysis is a way of quantifying how 'concentrated' an industry is in a region compared to a larger geographic area, such as the state or nation. Industry Location Quotients are calculated by comparing the industry's share of regional employment with its share of national employment.

Industry Location Quotient data essentially highlights industries which are comparatively under-represented (LQ of <1) in the area in terms of jobs and those industries potentially offering competitive advantage with location quotients greater than 1.

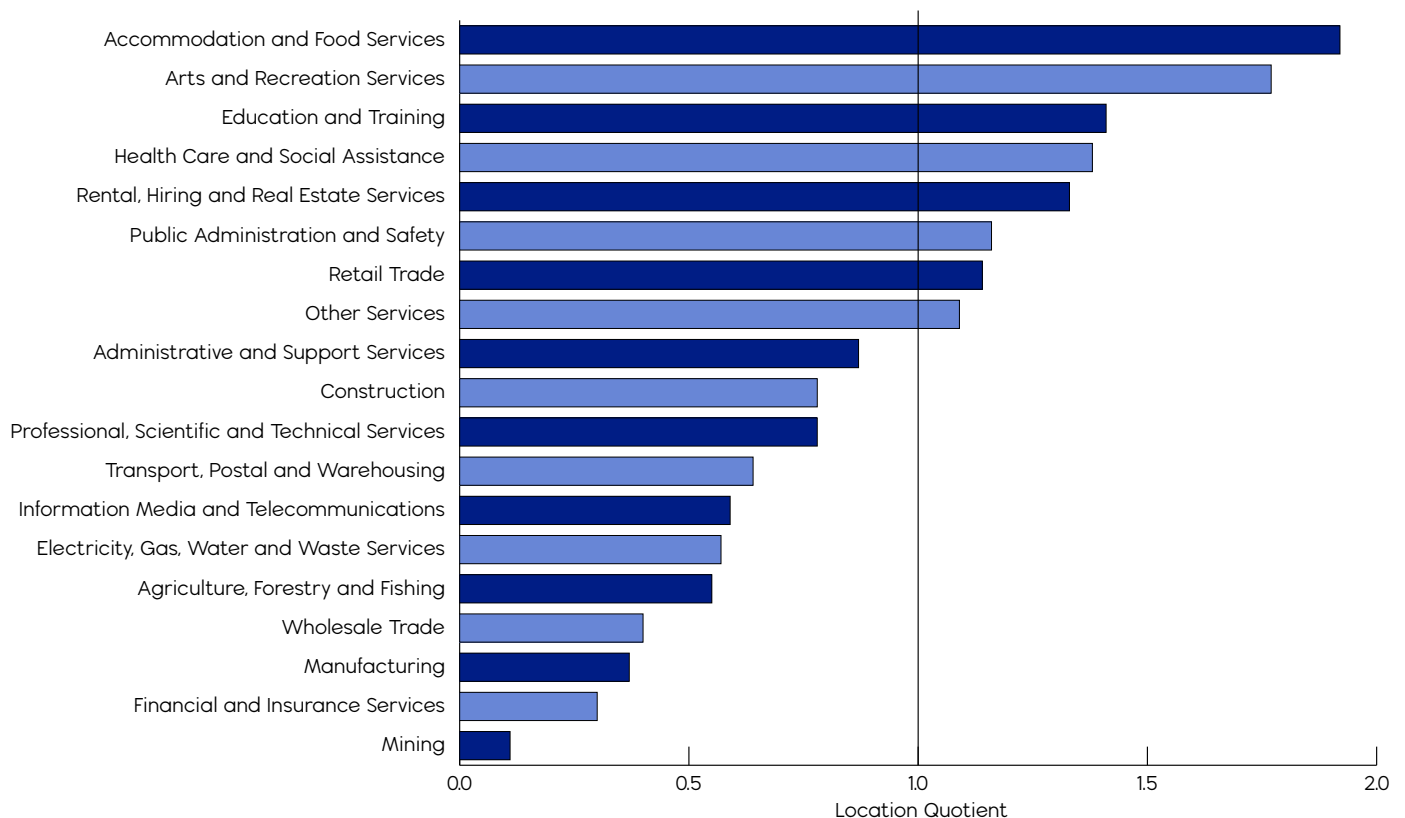
The sectors with a location quotient greater than 1 in the Blue Mountains LGA in 2016 are:

- Accommodation and Food Services
- Arts and Recreation Services
- Education and Training
- Health Care and Social Assistance
- Rental, Hiring and Real Estate Services
- Public Administration and Safety
- Retail Trade
- Other Services

These industries in particular highlight a level of competitive advantage in the Blue Mountains LGA.

A location quotient less than 1 suggests that the community may not be self-sufficient in these industries. A location quotient generally between the values of 0.75 and 1.20 indicates that a community is potentially self-sufficient.

Blue Mountains LGA Industry Location Quotient Data Benchmarked against NSW, 2016



Source: Australian Bureau of Statistics, Census 2016, A.P. Sheere Consulting



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