Population Growth
Cessnock City experienced the highest population growth between censuses in the Hunter Region and one of the Highest in NSW (10% from 2006 to 2011)

Affordable
Median Rents and Median Mortgages in Cessnock LGA are significantly lower than those in New South Wales.

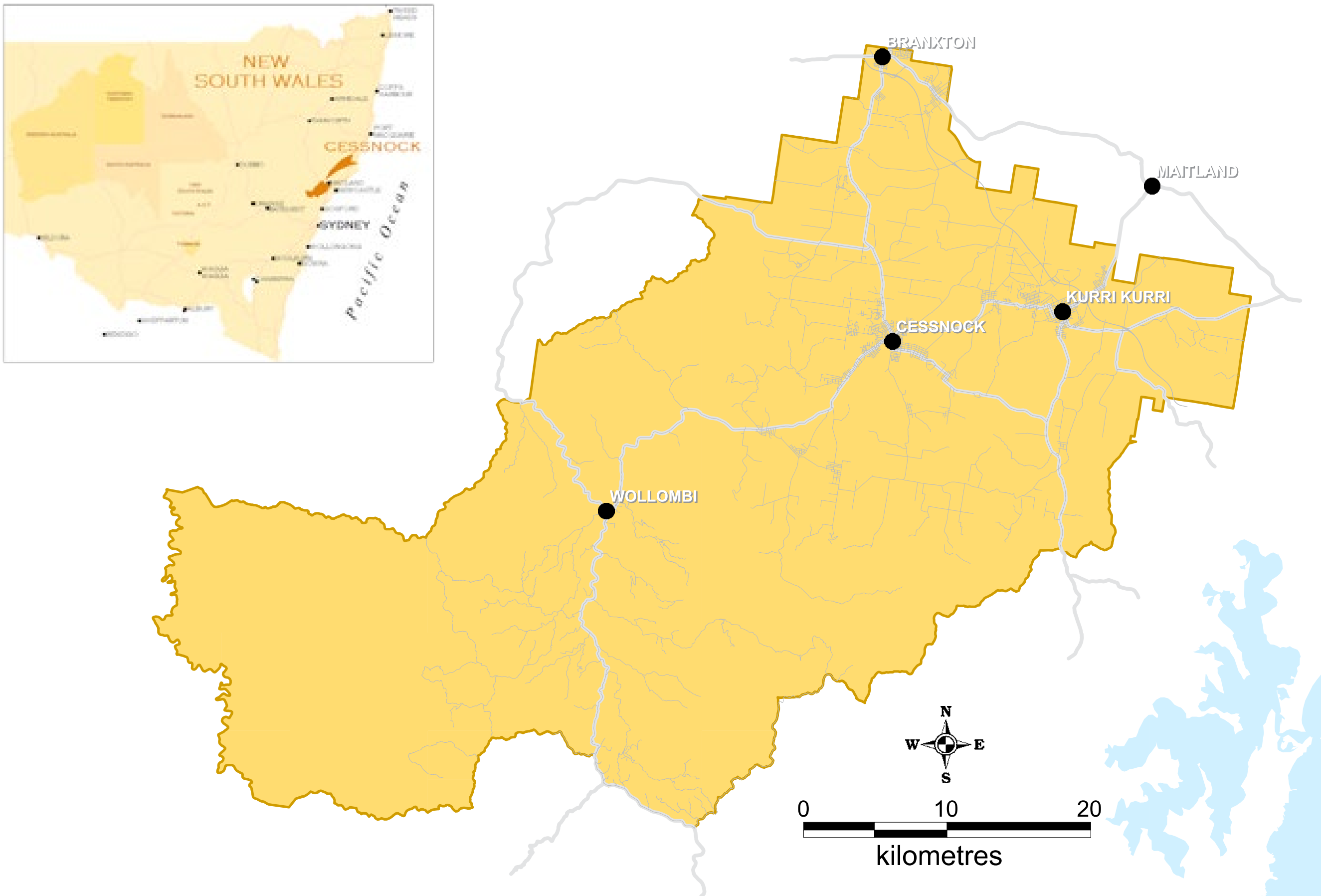
Access
Within 2 hours of Sydney, Cessnock LGA is 50km west of Newcastle. The LGA is within 35 minutes of the Port of Newcastle and 50 minutes of Newcastle Airport.

Rural and Natural
Cessnock is a rural LGA with just over 50% of the area of the LGA being zoned rural. It is bounded by the Watagan, Sugarloaf and Broken Back Ranges.

Advance CESSNOCK CITY

EDITION 1 , July 2015

ECONOMIC SNAPSHOT



Cessnock City sits within the heart of the Hunter Region and is an integral part of the Region.

Within two hours of Sydney, Cessnock LGA is in close proximity to Newcastle and centrally located in the Hunter Valley. It is within 35 minutes of Newcastle Port and 50 minutes of Newcastle Airport.

- Good access to Hunter Expressway, New England Highway and other arterial roads.
- Infrastructure and utility services are being upgraded to cater for development.
- Diversity of economic activities with a sound base - mining, manufacturing, construction, wine, tourism.
- A relatively low cost business environment.
- A range of general retail and business services.
- Extensive community services and facilities.
- Quality scenic and rural environments bounded by National Parks and State Forests.

> “Cessnock City sits within the heart of the Hunter Region and is an integral part of the Region.”

Cessnock City

OVERVIEW

The scenic attributes of Cessnock City are highly valued by residents and visitors.

Cessnock Local Government Area (LGA) sits within the heart of the Hunter Region and is an integral part of the Region. It is located approximately 150 kilometres north of Sydney, 50 kilometres west of Newcastle and 27 kilometres south west of Maitland. Cessnock LGA is highly accessible by road from Sydney, Newcastle and the New England area and, with the opening of the Hunter Expressway at the end of 2013, will become more accessible.

The LGA is within 35 minutes of the Port of Newcastle and 50 minutes of Newcastle Airport. The LGA has rail connections to both the Port of Newcastle and to Sydney.
Cessnock LGA has a long history of coal mining, manufacturing, construction, agriculture (eg. grazing, poultry), viticulture and related tourism activities, all of which are still its primary employment sectors.

Cessnock town centre is the administrative retail and service centre for the LGA with Kurri Kurri town centre being an important secondary retail node and the industrial heart of the LGA. Local villages service the basic needs of more rural and outlying areas. The LGA is well serviced in terms of education and training, children, cultural and community, health, aged care, recreation and sports.

Cessnock is a rural LGA with just over 50% of the area of the LGA being zoned rural. It is bounded by the Watagan, Sugarloaf and Broken Back Ranges to the east, south and west with National Parks and State Forests covering approximately 40% of the LGA.

Within the Region, Cessnock LGA forms a 'transition' zone between the heavily urbanised areas of Lake Macquarie, Newcastle and, increasingly Maitland LGAs, and the rural and mining areas of Singleton, Muswellbrook and the Upper Hunter.

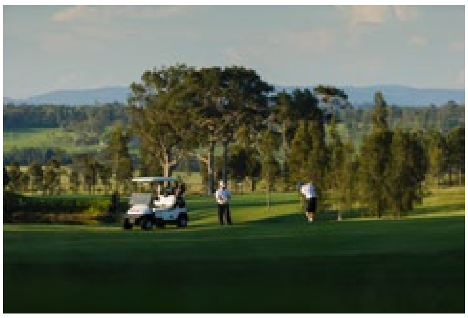
Cessnock LGA is the focal point for the Region's wine industry and is a significant tourism destination and entertainment node.

The LGA is also a major poultry and egg
producer and has emerging equine and specialist food production sectors.

Cessnock LGA is developing as an area for research and development; and for specialist trade services training for hospitality, heavy plant and equipment, automotive and mechanical engineering and horticulture.

It is one of the few LGAs in the Region that has a concentration of small rural holdings and can offer rural lifestyle opportunities.

The predominately rural environment and the Watagan Ranges, Yengo and Werakata National Parks and the large tracts of State Forest are major assets that provide a strong point of difference to the other LGAs in the Lower Hunter Sub region.



“Gross Regional Product (GRP) is an indicator of the size and structure of the local economy and the relative financial contribution made by each of the sectors. As at June 2014, Cessnock LGA's GRP was $2.559 billion dollars. The Gross Value-added Product produced by Cessnock LGA was $2.329 billion dollars, with the mining and manufacturing sectors contributing near equally at 19.3% and 18.2% respectively. Other significant sectors are real estate services, construction, and accommodation and food services.”

Economic Activity

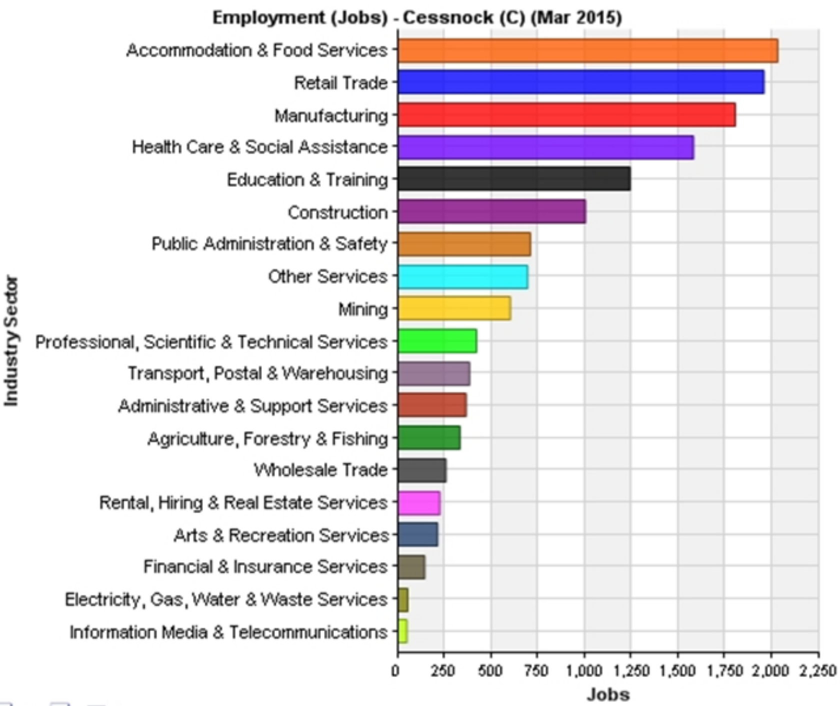
GROSS REGIONAL PRODUCT SUMMARY

- The Hunter Valley is one of the highest profile wine areas in Australia with Pokolbin being the focal point for the regional wine industry. Wine markets are opening up in developing countries with the Hunter Region well positioned to move into these markets.
- The region's natural and cultural assets can be used and promoted to develop a strong second tier of visitation, to sit below food and wine tourism.
- Cessnock LGA has a firm foundation in manufacturing. Opportunities exist for those firms embracing innovation, new technologies and business processes.
- Agricultural expertise in the region can be leveraged into more concentrated production of vegetables, flowers, & specialty food items; developing products to value add and sell into local, regional and global markets.
- Residents shop locally for groceries and lower order services, but travel outside of the LGA for most other goods.
- Whilst mining remains an integral element of Cessnock LGA's economy, from an employment perspective its impact is diminishing with only 600 residents working in the sector. The majority of these workers travel to one of the 30 coal mines within 60 minutes of the LGA.
- Development of residential estates and business parks, as well as health and education infrastructure is likely to result in sustained demand for construction.
- Health Care and Social Services are a strong growth sector. Already a major employer within Cessnock LGA, demand in the sector is expected to increase in-line with the needs of an aging population.
- Education is a growth sector – Cessnock LGA has a concentration of training and employment providers with a focus on vocational training.

Industry Sector	Gross value of product	
	$m	%GRP
Mining	$448.9	19.3%
Manufacturing	$423.1	18.2%
Retail, Hiring & Real Estate Services	$319.7	13.7%
Construction	$184.1	7.9%
Accommodation & Food Services	$138.1	5.9%
Retail trade	$129.1	5.5%
Health Care & Social Assistance	$127.3	5.5%
Education & Training	$113.0	4.9%
Public Administration & Safety	$76.1	3.3%
Financial & Insurance Services	$64.9	2.8%
Professional, Scientific & Technical Services	$53.0	2.3%
Other Services	$47.7	2.0%
Wholesale Trade	$46.4	2.0%
Transport, Postal & Warehousing	$44.1	1.9%
Agriculture, Forestry & Fishing	$40.3	1.7%
Administrative & Support Services	$35.9	1.5%
Art & Recreation Services	$13.5	0.6%
Electricity, Gas, Water & Waste Services	$12.5	0.5%
Information Media & Telecommunications	$11.5	0.5%
	2,329.2	

EMPLOYMENT & EDUCATION

- Cessnock LGA has a significantly higher proportion of ‘blue collar’ workers than Newcastle, NSW and Australia, and a slightly higher proportion than the Hunter (excluding Newcastle).
- Cessnock LGA has a significantly lower proportion of people in professional and managerial positions than the Hunter, NSW and Australia.
- Education levels in Cessnock LGA have traditionally been lower than the State average, with people tending to leave school in Year 10 or earlier rather than going on to complete Year 12. From 2006 to 2011 there has been an increase in the number of people completing Year 12, with this possibly due to the changes in the legal age for leaving school.
- Since 2006 there has been a 10.6% increase in people with tertiary qualifications in the Cessnock LGA
- Cessnock LGA has a concentration of residents with tertiary qualifications in engineering and related technologies, management and commerce, hospitality and health care.
- In 2011 the three main occupations were technicians and trades (19%), machinery operators / drivers (14.6%) and labourers (13.4%). Combined, these three occupations accounted for 47% of positions held by the employed population of Cessnock City.
- In 2011, 53.5% of individuals in Cessnock LGA earned less than $600 per week (approximates the minimum weekly wage).
- Cessnock LGA has less high income earners than the NSW average with 10.2% of individuals earning more than $1,500 per week, compared to 13.1% of people State-wide.



REMPLAN

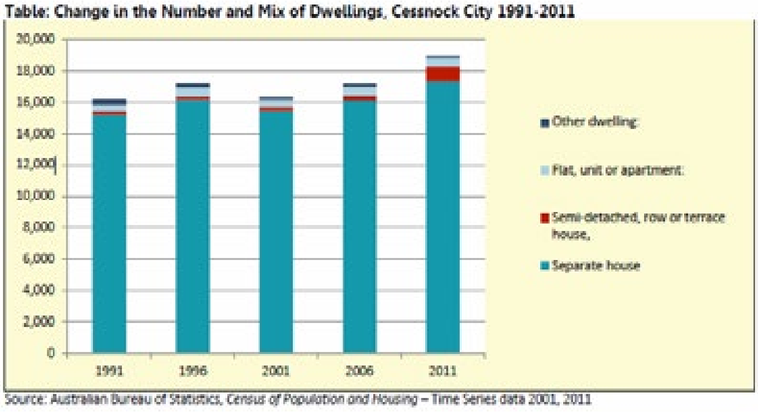
Gross Regional Product Summary

- Opportunities exist for growing vegetables, flowers, & specialty food items; developing products to value add and sell into local, regional and global markets.
- Coal mining remains important to Cessnock LGA with 2,100 residents working in the mining sector. The majority of these workers travel to one of the 30 coal mines within 60 minutes of the LGA.
- Cessnock LGA has a firm foundation in manufacturing. Opportunities exist for those firms embracing innovation, new technologies and business processes.
- Development of new residential estates (eg Huntlee, Anvil Creek), business parks, the new Hunter Valley Hospital and schools is likely to result in sustained demand for construction .
- Residents shop locally for groceries and lower order services, but travel outside of the LGA for most other goods.
- The Hunter Valley is one of the highest profile wine areas in Australia with Pokolbin being the focal point for the regional wine industry. Wine markets are opening up in developing countries with the Hunter Region well positioned to move into these markets.
- Opportunity exists to use natural and cultural assets to develop a strong second tier of visitation, to sit below food and wine tourism.
- Health Care and Social Services are a strong growth sector. A major employer within Cessnock LGA with the sector expected to increase .substantially over the next decade.
- Education is a growth sector – school education is being restructured, Cessnock LGA also has a concentration of training and employment providers with a focus on vocational training.

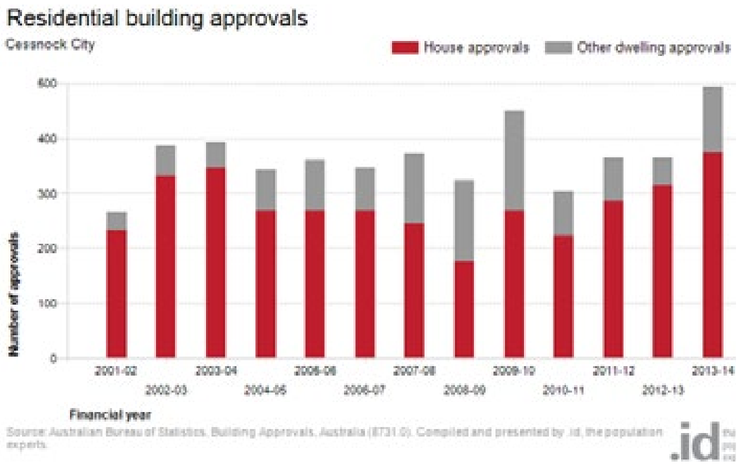
HOUSING SNAPSHOT

- In 2011 there were 18,998 dwellings in Cessnock City, of which 91.3% were detached houses, 4.9% were semi-detached or town houses, 3.1% were flats and apartments and 0.6% were houses or flats attached to a shop. Over the past decade, the number of semi-detached/town houses has increased substantially from 252 in 2001 to 923 in 2011. In 2011, 68.7% of dwellings in Cessnock City were owned outright or being paid off (mortgage). This proportion is higher than the State average of 63.8%. The proportion of people who owned or were paying off a dwelling in 2006 was 71.8%, with the State average in 2006 being 63.4%.
- 21% of properties are being rented, with 3.7% of rental properties being social housing. The proportion of social housing properties in Cessnock City is less than the proportion State-wide (4.9%). The number of social housing properties in the rental pool increased by 96 dwellings between 2006 and 2011.
- In 2011 the median monthly mortgage in Cessnock City was $1,517, which is considerably lower than the State median of $1,993. The median mortgage in Cessnock City is also around $200-$250 per month lower than other LGAs within the Lower Hunter sub-region, and around $480 per month lower than the median mortgage payment in Singleton LGA. 18.3% of households with mortgages in Cessnock City are paying less than $1000 per month (NSW 14.5%), with 59.3% paying between $1000 and $2400 per month (NSW 45.4%) and 16.2% paying over $2400 per month (NSW 34.9%).
- In 2011 the median rent in Cessnock City was $230 per week, $70 per week lower than the median weekly rent in NSW. The median rent in Cessnock is $20 to $45 per week lower than LGAs in the Lower Hunter and Singleton Shire and the same as in Muswellbrook Shire. 85% of public housing residents in Cessnock City pay less than $200 per week, compared to 17.6% in private housing.

Table: Change in the Number and Mix of Dwellings, Cessnock City 1991-2011



Source: Australian Bureau of Statistics, Census of Population and Housing – Time Series data 2001, 2011



DEMOGRAPHIC INDICATORS

THE POPULATION OF CESSNOCK CITY is concentrated in the corridor between Heddon Greta and Bellbird, with 39.3% of the population residing in Cessnock and adjoining villages and 32.6% in Kurri Kurri – Weston and surrounding areas. 11.8% of the population resides in the Branxton – Greta – North Rothbury area while 16.3% of people reside in rural areas.

From 2006 to 2011 the population has increased in all areas except Nulkaba. The strongest growth has occurred in the Branxton-Greta-North Rothbury area (27.4% increase in population), Neath-Abermain-Weston area and surrounds (15.9%) and in the Cessnock-South Cessnock-Aberdare-Kearsley area (12.1%). In 2011, the median age of the population in Cessnock LGA was 37 years. The largest increase has been in people aged 55+ years, up 44.2% (4209 people). In 2011 the largest age groups were 0-4 years with 3,800 people, 10-14 year with 3,613 people and 50-54 years, 3,512 people. In 2011, the number of people aged 65+ years was around 14% of the population, however, by 2036 just over 25% of the population could be aged 65+ years. Should the projections be reached, the median age will be 45 years by 2036.

	Cessnock		Newcastle	Hunter	NSW	Australia
	No	%				
POPULATION	13% of residents of the Hunter Region reside in Cessnock LGA. Cessnock LGA has a higher proportion of Aboriginal and Torres Strait Islander people than the Hunter Valley, NSW or Australia.					
People Total	50,840		148,535	243,246	6,917,658	21,507,717
Aboriginal and Torres Strait						
Islander people	2,456	4.8%	2.2%	3.9%	2.5%	2.5%
People Total	50,840		148,535	243,246	6,917,658	21,507,717
MEDIAN AGE	Median age of the Cessnock LGA is similar to that of the Hunter, NSW and Australia					
Median Age Total Population	37 years		38 years	37 years	38 years	37 years
EDUCATION	Cessnock LGA has a significantly higher proportion of people who have lef school in Year 10 or below than the State and Australian averages, and a significantly lower proportion of people who complete their HSC					
Year 8 or below	3,095	7.7%	5.0%	6.3%	5.6%	5.7%
Year 9 or equivalent	5,371	13.4%		10.8%	7.3%	5.8%
			8.2%			
Year 10 or equivalent	14,838	37.1%	26.5%	36.1%	24.1%	21.3%
Year 11 or equivalent	2,814	7.0%	5.0%	6.7%	5.9%	0.2%
Year 12 or equivalent	9,689	24.2%	46.4%	31.4%	47.6%	48.2%
Did not go to school	223	0.6%	0.8%	0.3%	1.0%	0.8%
Not stated	3,952	9.9%		8.4%	8.6%	9.0%
			8.2%			
TERTIARY QUALIFICATIONS	Cessnock LGA has a significantly lower proportion of people with university degrees and diplomas that the regional, State and National averages. The proportion of people with Vocational Certificates is marginally lower than the Newcastle and Hunter Valley averages but higher than the State and National averages.					
Bachelor of higher degree	2,655	6.6%	18.8%	8.9%	19.9%	17.1%
Graduate Diploma	2,069	5.2%	9.6%	8.2%	8.3%	9.7%
Vocational Certificate	9,942	24.9%	26.0%	26.4%	17.7%	18.1%
No Qualification / Not Stated	20,291	63.4%	51.4%	56.5%	54.2%	55.1%
EDUCATION	Cessnock LGA has a marginally higher proportion of people enrolled in TAFE than the Regional and State average, and a significantly lower proportion of people enrolled in University and other Tertiary Institutions.					
Attending at time of Census						
Technical and further education institute	1,227	8.2%	8.0%	8.1%	7.9%	7.3%
University or tertiary institution	810	5.4%	23.8%	7.1%	14.2%	14.3%
COUNTRY OF BIRTH	Cessnock LGA and the Hunter Valley have a very high proportion of Australian-born people, compared to the State and Australian averages.					
Australian born	44,657	87.8%	82.3%	86.4%	68.6%	69.8%

SOCIO ECONOMIC STATUS

The SEIFA indices are produced on a LGA basis, by the Australian Bureau of Statistics following each Census year. SEIFA broadly defines relative socioeconomic advantage/disadvantage in terms of people's access to material and social resources and their ability to participate in society.

Scores: A low score indicates greater disadvantage while a high score indicates high advantage in comparison to other localities.
Ranks: All LGAs are ordered from the lowest to the highest score for both NSW and Australia. The area with the lowest score is given a rank of 1; the area with the highest score is given the highest rank – 153 for NSW and 565 for Australia.

The Index of Relative Socio-economic Disadvantage (IRSD) is a general socio-economic index that summarises a range of information, such as low income, low educational attainment, unemployment, unskilled jobs, low levels of English proficiency, single parent families, rents, etc.
Index of Relative Socio-Economic Advantage and Disadvantage - The Index of Relative Socio-economic Advantage and Disadvantage (IRSAD) summarises information about the economic and social conditions of people and households within an area, including both relative advantage and disadvantage measures. Variables used include income, home and car ownership, educational levels, skilled employment, type of work, rent payments, etc.
Index of Economic Resources - The Index of Economic Resources (IER) focuses on the financial aspects of relative socio-economic advantage and disadvantage, by summarising variables (such as home ownership and household income) related to income and wealth.
Index of Education and Occupation - The Index of Education and Occupation (IEO) is designed to reflect the educational and occupational level of communities. The education variables in this Index show either the level of qualification achieved or whether further education is being undertaken.

Proportion of Aboriginal and Torres Strait Islander people:

4.8% Cessnock LGA
VS
2.5% NSW

Proportion of Population who had a bachelors degree or higher at 2011 Census:

6.6% Cessnock LGA
VS
19.9% NSW

Proportion of Population who had a vocational certificate at 2011 Census:

24.9% Cessnock LGA
VS
17.7% NSW

Cessnock LGA Index of Relative Socio-Economic Disadvantage:

CESSNOCK 2011 ABS SCORE: 936

RANK /153 NSW: 33

RANK /565 AUSTRALIA: 126

Cessnock LGA Index of Relative Socio-Economic Advantage and Disadvantage:

CESSNOCK 2011 ABS SCORE: 922

RANK /153 NSW: 18

RANK /565 AUSTRALIA: 565

Cessnock LGA Index of Economic Resources:

CESSNOCK 2011 ABS SCORE: 972

RANK /153 NSW: 71

RANK /565 AUSTRALIA: 229

Cessnock LGA Index of Education and Occupation:

CESSNOCK 2011 ABS SCORE: 878

RANK /153 NSW: 2

RANK /565 AUSTRALIA: 29

