



INFRASTRUCTURE INTEGRATION AND ECONOMIC DEVELOPMENT
IN THE HUNTER REGION

The NSW State plan – the future of Newcastle
and the Hunter in achieving the State's economic
objectives

SPEAKER

Phil Potterton

Executive Director, Bureau of Infrastructure, Transport
and Regional Economics

Department of Infrastructure, Transport, Regional
Development and Local Government

SPONSORED BY



Australian Government
Department of Infrastructure, Transport,
Regional Development and Local Government
Bureau of Infrastructure, Transport and Regional Economics

The Hunter Region economic profile and transport growth outlook

Phil Potterton

CEDA Regional Forum

Infrastructure Integration and Economic Development in the Hunter Region

17 September 2008

The Hunter region economic profile and transport growth outlook

1. Hunter Region economic profile

- population
- unemployment
- industry structure
- income growth
- wealth
- comparative perspective

2. Transport infrastructure links – growth outlook

- Coal and rail freight
- North-south rail freight
- Pacific and New England highways



Australian Government
Department of Infrastructure, Transport,
Regional Development and Local Government
Bureau of Infrastructure, Transport and Regional Economics

Population – coastal and Maitland growing elsewhere declining



Average annual growth 1996-2006

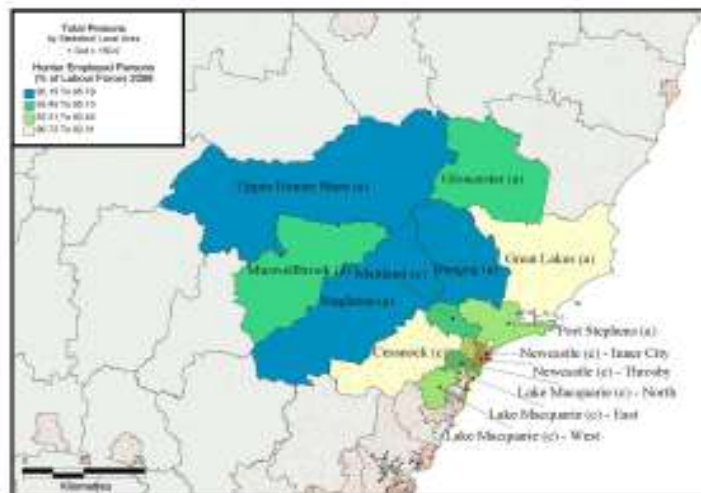
Hunter 0.8 %
NSW 0.9%
Maitland and Port Stephens the highest 2.1 and 1.7%

Aging Hunter
40-55 years 1.5%
55-64 years 3.8%



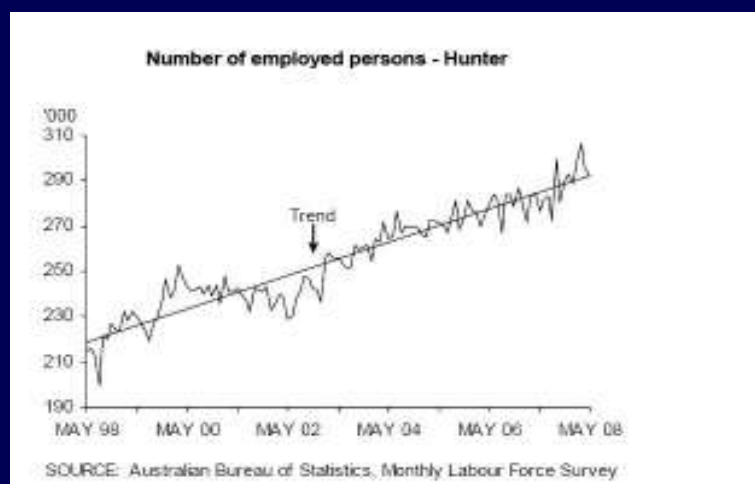
Australian Government
Department of Infrastructure, Transport,
Regional Development and Local Government
Bureau of Infrastructure, Transport and Regional Economics

Employment – highest employment rates inland



Australian Government
Department of Infrastructure, Transport,
Regional Development and Local Government
Bureau of Infrastructure, Transport and Regional Economics

Employment – long term annual growth of 2.7%



HVRF, 2008, Hunter Region Economic Indicators, June Quarter 2008

Australian Government
Department of Infrastructure, Transport,
Regional Development and Local Government
Bureau of Infrastructure, Transport and Regional Economics

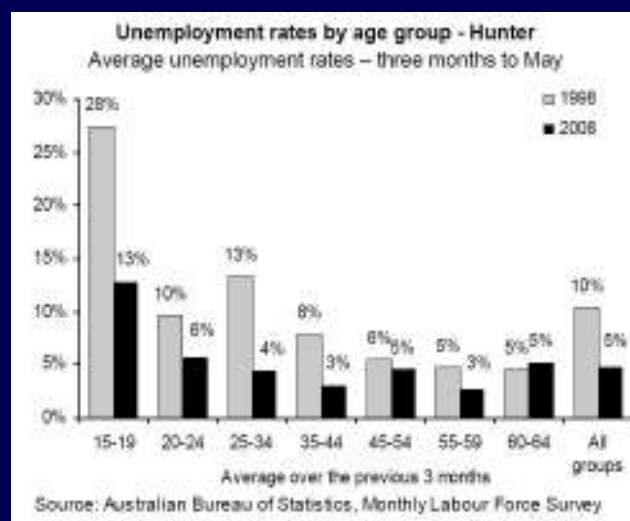
Unemployment 2000-2005 – highest in Newcastle, Great Lakes, Cessnock



Australian Government
Department of Infrastructure, Transport,
Regional Development and Local Government
Bureau of Infrastructure, Transport and Regional Economics

DEWR various years, Small area Labour Market, Regional Unemployment

Unemployment by age group 1998-2008 – declining, distributed more evenly, on the NSW average (4.9%)



Australian Government
Department of Infrastructure, Transport,
Regional Development and Local Government
Bureau of Infrastructure, Transport and Regional Economics

HVRF 2008, Hunter Region Economic Indicators

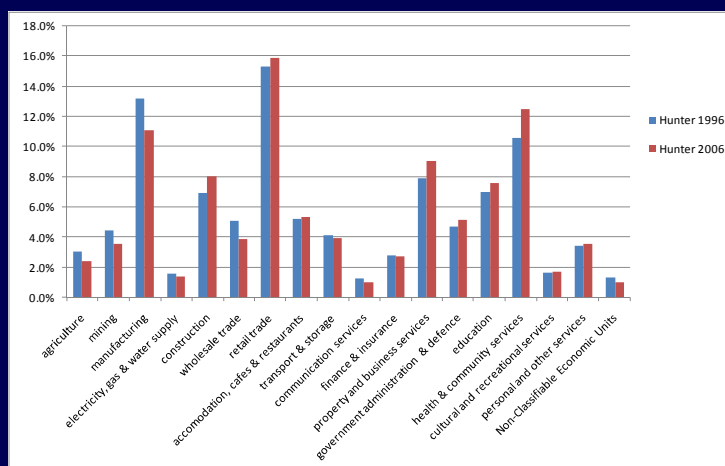
Industry structure 1996—2006 - not major change



BITRE 2008, Industry Structure (from ABS Census 2006 and 1996, unpublished data)

Australian Government
Department of Infrastructure, Transport,
Regional Development and Local Government
Bureau of Infrastructure, Transport and Regional Economics

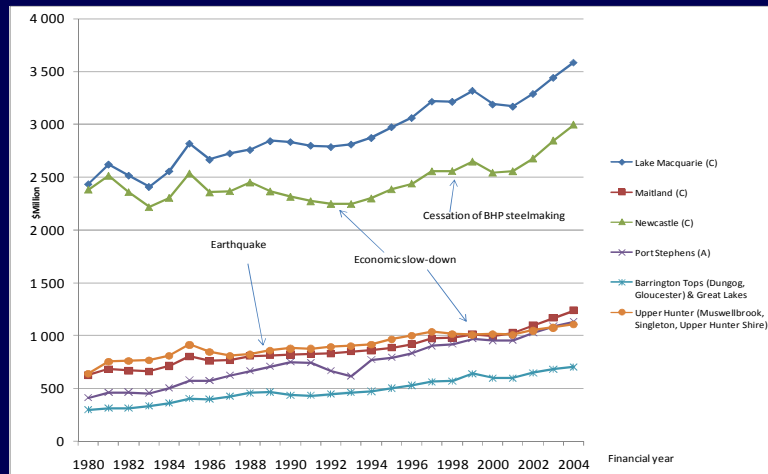
But note service sector employment share has increased



BITRE 2008, Industry Structure (from ABS Census 2006 and 1996, unpublished data)

Australian Government
Department of Infrastructure, Transport,
Regional Development and Local Government
Bureau of Infrastructure, Transport and Regional Economics

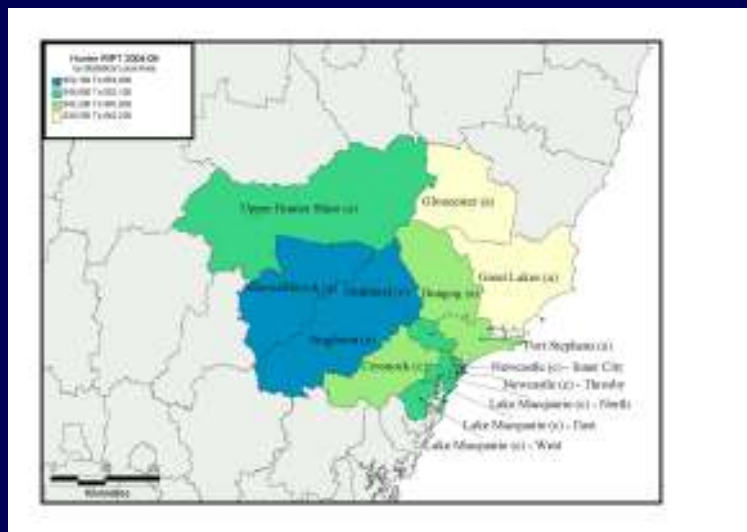
Lake Macquarie and Newcastle have the largest aggregate incomes, mostly reflecting population



Australian Government
Department of Infrastructure, Transport,
Regional Development and Local Government
Bureau of Infrastructure, Transport and Regional Economics

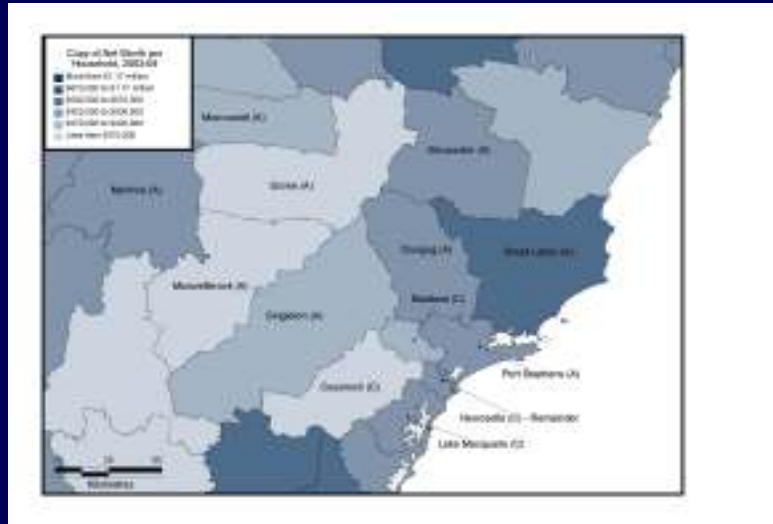
BITRE 2007 ARTI Database

Real income per tax payer is highest in Singleton and Muswellbrook



Australian Government
Department of Infrastructure, Transport,
Regional Development and Local Government
Bureau of Infrastructure, Transport and Regional Economics

Net worth (household assets less liabilities) is highest in Great Lakes – age is a factor



Australian Government
Department of Infrastructure, Transport,
Regional Development and Local Government
Bureau of Infrastructure, Transport and Regional Economics

The Hunter Region - comparative performance

	Hunter	NSW	Australia
	per cent		
Population growth 1996-2006	0.8	0.9	1.0
Aggregate Real Taxable Income average growth 1995-2005	2.6	3.2	3.3
Real Income per Taxpayer average growth 1995-2005	1.1	1.9	1.8
Unemployment May 2008	4.9	4.8	4.3

Sources: ABS Censuses and BITRE Taxable Income Database 2007

Australian Government
Department of Infrastructure, Transport,
Regional Development and Local Government
Bureau of Infrastructure, Transport and Regional Economics

The Hunter region economic profile and transport growth outlook

1. Hunter Region economic profile

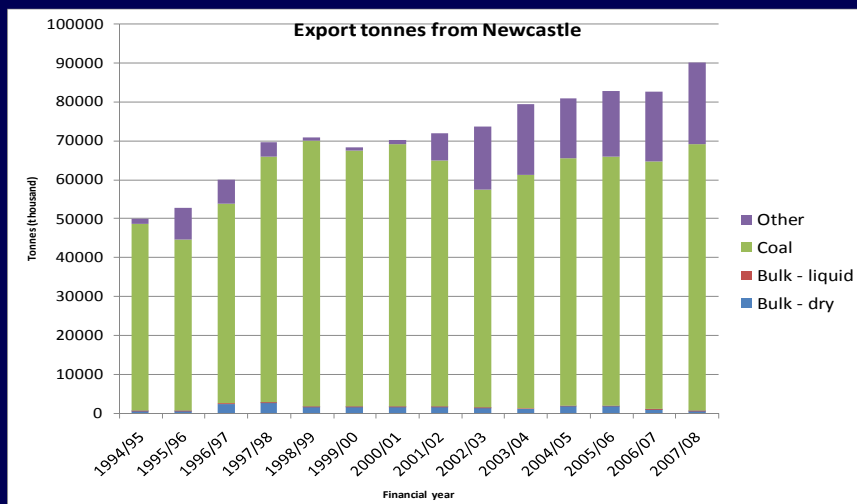
- population
- unemployment
- industry structure
- income growth
- wealth
- comparative perspective

2. Transport infrastructure links – growth outlook

- Coal and rail freight
- North-south rail freight
- Pacific and New England highways

 Australian Government
Department of Infrastructure, Transport,
Regional Development and Local Government
Bureau of Infrastructure, Transport and Regional Economics

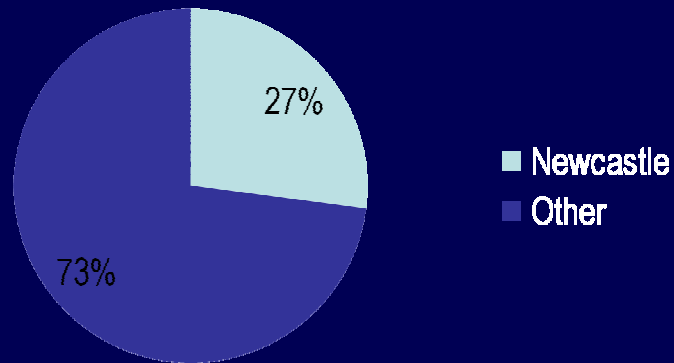
Exports – coal exports fairly flat over 10 years but total exports up 3% a year



Source: ABS International Cargo Statistics, unpublished

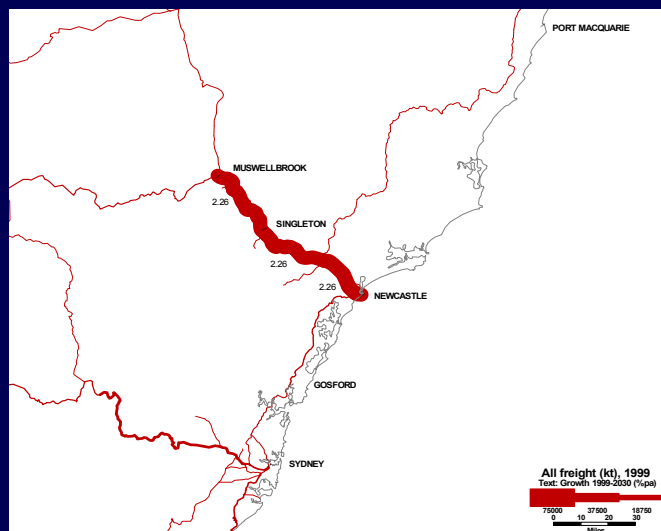
 Australian Government
Department of Infrastructure, Transport,
Regional Development and Local Government
Bureau of Infrastructure, Transport and Regional Economics

Hunter comprises 27% of Australia's 2007-08 coal exports (39% in 1997-98)



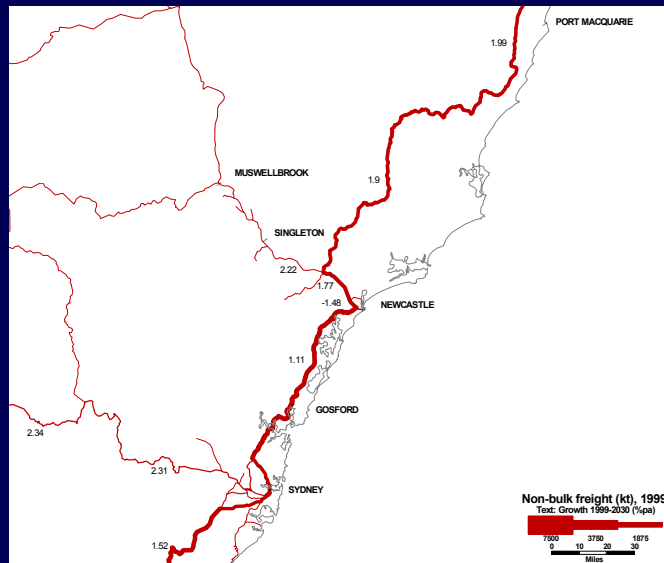
 Australian Government
Department of Infrastructure, Transport,
Regional Development and Local Government
Bureau of Infrastructure, Transport and Regional Economics

Rail - strong traffic growth projected (2.3% a year) to meet future export demand



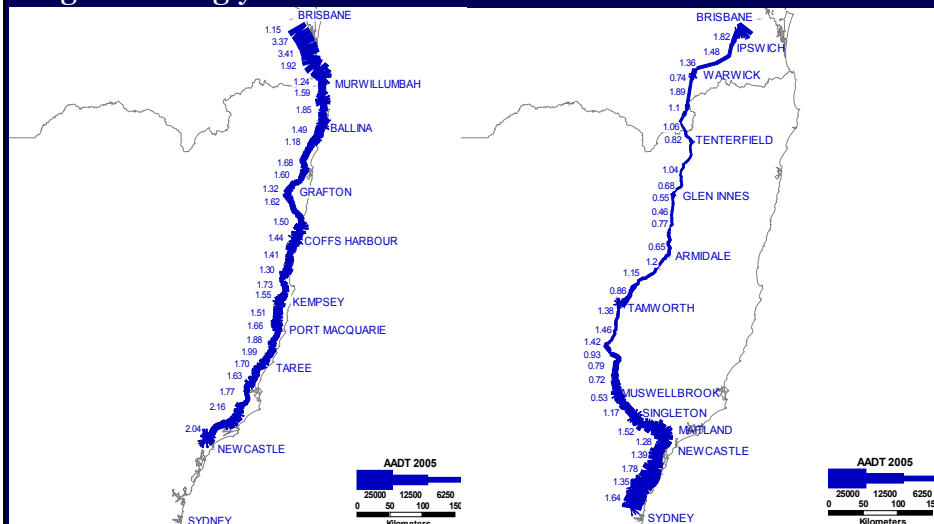
 Australian Government
Department of Infrastructure, Transport,
Regional Development and Local Government
Bureau of Infrastructure, Transport and Regional Economics

Rail - north-south intermodal traffic also growing



Australian Government
Department of Infrastructure, Transport,
Regional Development and Local Government
Bureau of Infrastructure, Transport and Regional Economics

Road links to 2030 – Pacific Highway (2.1% a year) and New England highway (1.5% a year) both to grow strongly



Australian Government
Department of Infrastructure, Transport,
Regional Development and Local Government
Bureau of Infrastructure, Transport and Regional Economics

Source BITRE 2008, AusLink non-urban corridor
traffic projections: 2005-2030.

Summing up

- Regional profile
 - Costal and near-costal population growth (1996-2006)
 - Sub-regional contrasts
 - Economic performance close to NSW average
- Transport links
 - Rail and port implications of coal growth outlook
 - North-south road traffic growth, particularly Pacific Highway

Thank you

BITRE publications are available at
www.bitre.gov.au

References

- BITRE 2007, *Taxable Income Database* (www.bitre.gov.au)
- BITRE 2003, 2008, *Industry Structure Database* (www.bitre.gov.au)
- BITRE 2008, *AusLink non-urban corridor traffic projections: 2005-2030*.
- BITRE 2008, *Focus on regions 5: household wealth* (upcoming).
- Hunter Valley Research Foundation (HVRF), 2008, *Hunter Region Economic Indicators*, June Quarter 2008
- HVRF 2008 *Newcastle and the Hunter Region 2005-2006, 2008-2009* (www.hvrf.com.au/pages/design/links/uploaded)



Australian Government
Department of Infrastructure, Transport,
Regional Development and Local Government
Bureau of Infrastructure, Transport and Regional Economics