










Overview – Wollongong LGA

<div>2.7%</div> <div>Unemployment Rate</div>	<div></div> <div>\$13.2B</div> <div>Gross Regional Product</div>	<div>accounts for 60%</div> <div>of Illawarra's GRP</div>
<div>216,431</div> <div>Estimated Resident Population</div>	<div>7.3%</div> <div>Jobs Growth 2017/18 to 2021/22</div>	<div></div> <div>99,045</div> <div>Jobs</div>
<div></div> <div>\$965,000</div> <div>Median House Price*</div>	<div></div> <div>13</div> <div>Cranes Q3 2023</div>	<div>30%</div> <div>of total workers in Wollongong LGA work in the CBD</div>
<div></div> <div>\$710,000</div> <div>Median Unit Price*</div>	<div>15,000+</div> <div>Businesses</div>	<div></div> <div>97.6%</div> <div>classified as small businesses</div>
<div></div> <div>7%</div> <div>Youth Unemployment Rate</div>	<div>24,331</div> <div>People work in Greater Sydney</div>	<div>11,461</div> <div>Professionals & Managers commute to Greater Sydney</div>

Wollongong City Council

Wollongong Economic Insights Report

January 2024



Key Drivers of Jobs Growth:

- 1. Health Care and Social Assistance
- 2. Construction
- 3. Public administration and safety
- 4. Education and Training
- 5. Professional, Scientific and Technical Services

Above data is the latest available at publication date.

*Source: Economy.id/REA group.

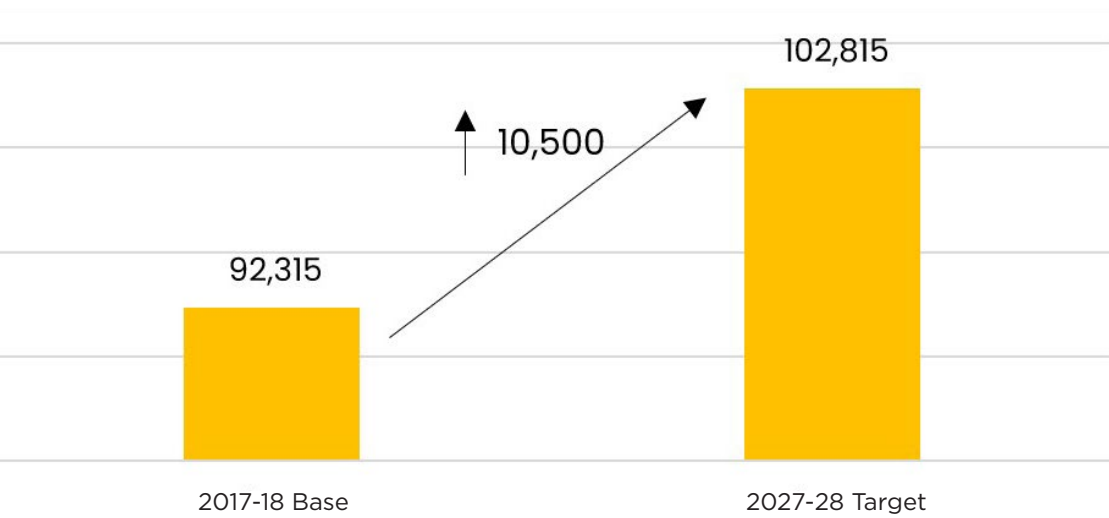
Wollongong City Council Economic Development Strategy 2019-2029

In 2019, Wollongong City Council endorsed the Economic Development Strategy 2019-29, which outlines the key priorities, goals and actions of Council with respect to its role in supporting economic activity in Wollongong. There are 56 action items across seven Council policy levers, with one central Focus: Jobs Growth.

Three Goals

1. Jobs target – generate 10,500 net new jobs in the next decade to reduce the jobs deficit. This will be more than double the 5,000 net new jobs created in the decade to 2018. The jobs target includes 5,800 ‘business as usual’ forecast to occur without intervention and an additional 4,700 jobs that the city needs to pro-actively attract.

Figure 1 – Number of jobs in Wollongong LGA



Source: National Institute of Economic and Industry Research (NIEIR) ©2023.

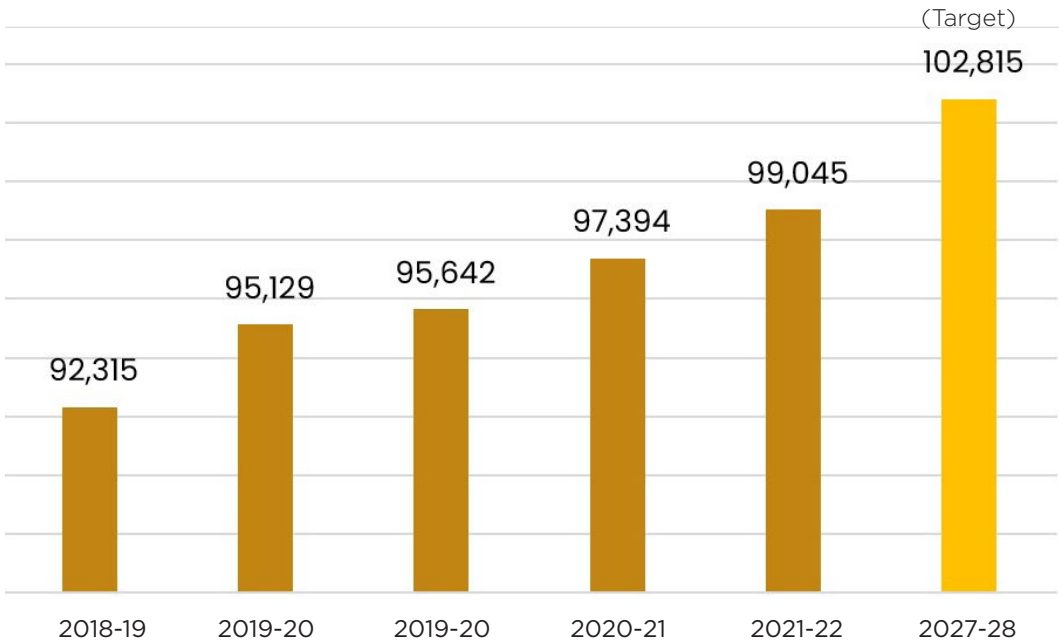
2. Lifting median incomes – focus on generating new jobs in industries that are higher-paying, have a greater share of full-time jobs and are expected to grow in the future.

3. Targeted sectors align with talent pool – align the target industries with Wollongong’s existing talent pool, in particular commuters and graduates of the University of Wollongong, to create more local job opportunities for residents.

How are we tracking?

During 2021-22, the average level of employment within Wollongong LGA reached 99,045 jobs, achieving 64% of the 10-year jobs target, in the last four years.

Figure 2 – Actual jobs numbers vs target



Source: National Institute of Economic and Industry Research (NIEIR) ©2023.

Overall findings - Wollongong vs NSW jobs growth

In the last 12 months, local jobs continued to grow strongly, increasing by 1,651 jobs (+1.7% compared with an increase of +0.76% across NSW).

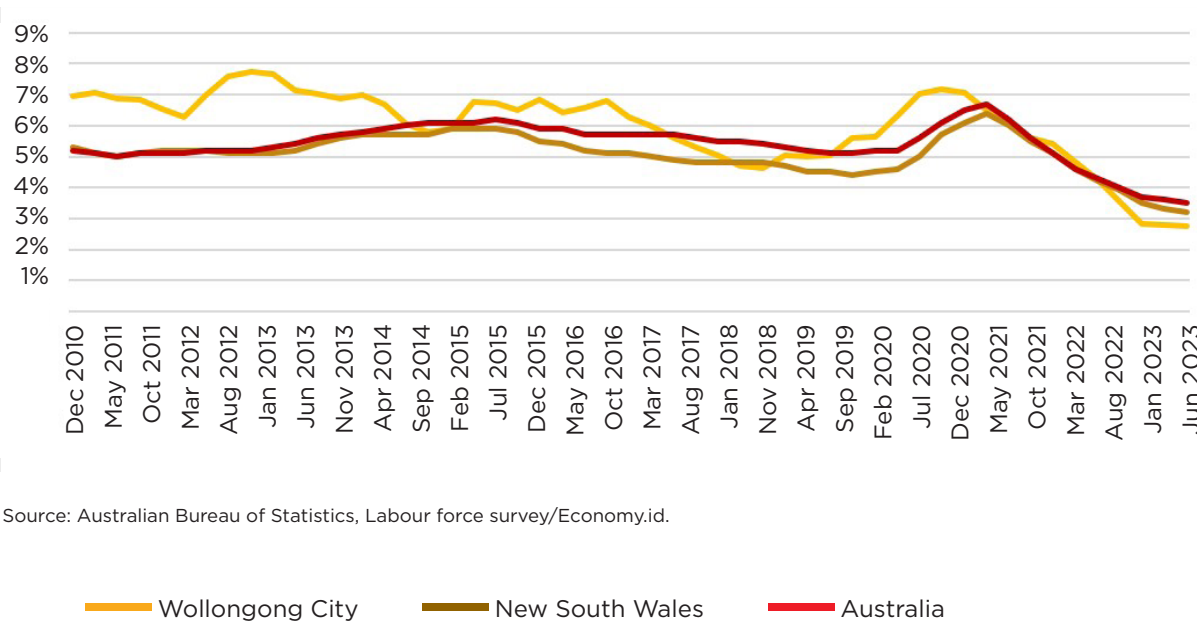
Between 2017-18 to 2021-22 there was an increase of 6,730 jobs. This was a 7.4% increase over four years since the baseline year of 2017-18 in the Economic Development Strategy, and well above the number of net new jobs created in the previous decade.

As a comparison, jobs across NSW grew by +3.7% over the last four years.

Unemployment

In the June 2023 quarter, the unemployment rate for Wollongong was 2.7%. This was lower than the state and national rates of 3.2% and 3.5% respectively (historically since the early 1980's, Wollongong's unemployment rate has sat well above the national average).

Figure 3 - June 2023 Quarterly Unemployment Rate



Youth Unemployment

The Illawarra and South Coast Region's youth unemployment data has fallen over recent years, to 5.4% in February 2023. It has since seen a slight increase to 7% in September 2023.

Figure 4 - Youth Unemployment - Illawarra and South Coast

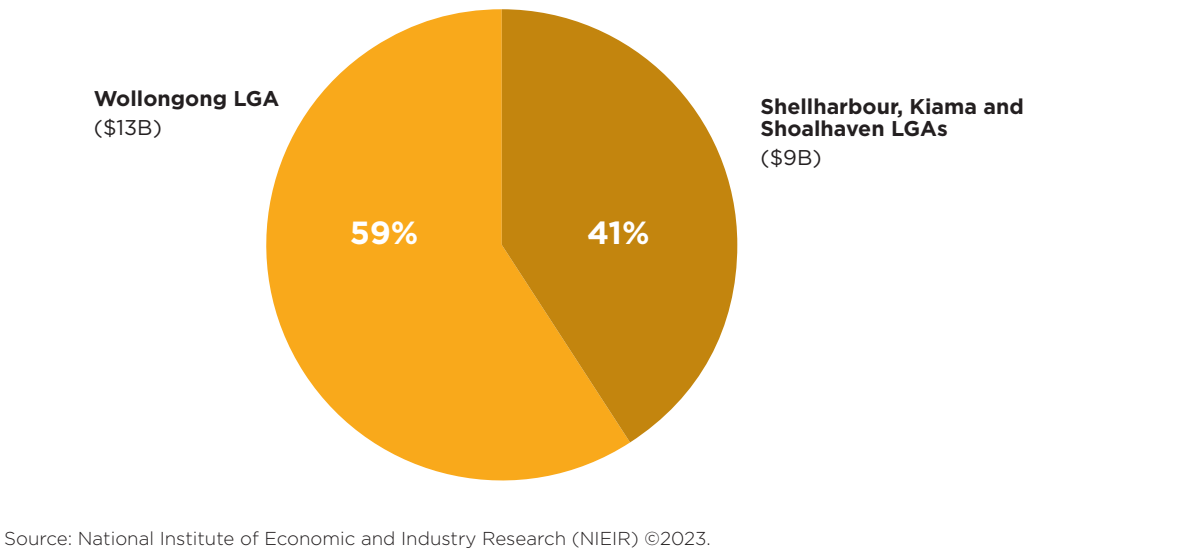


Gross Regional Product (GRP)

GRP is a measure of a region's output - the value of goods and services produced within a region.

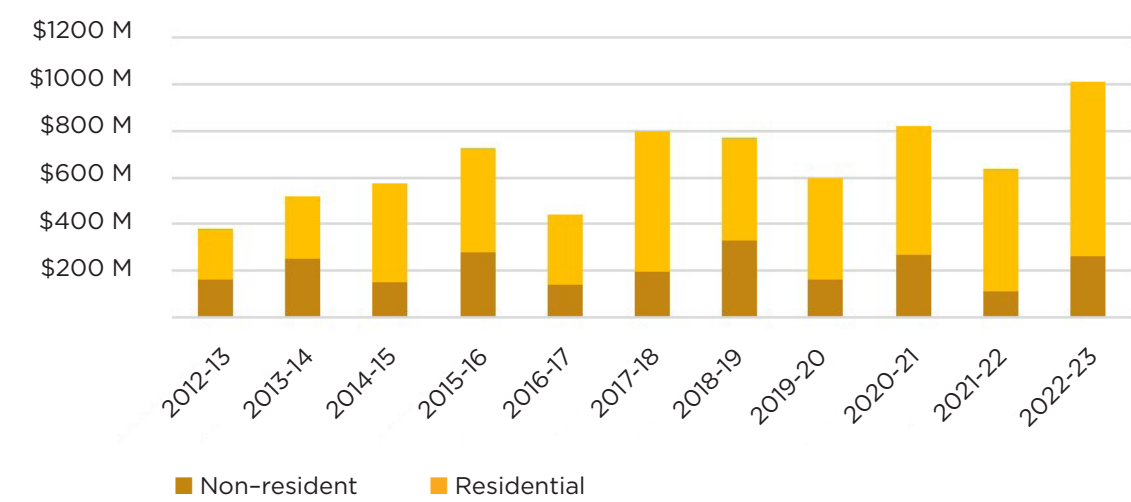
Wollongong LGA's Gross Regional Product was \$13.2B as of 30 June 2022, equating to approx 60% of the Illawarra Shoalhaven's \$22B total. Wollongong's GRP has grown by 15% in the last decade.

Figure 5 - Illawarra-Shoalhaven GRP



Building Approvals

Figure 6 - Wollongong LGA Building Approvals



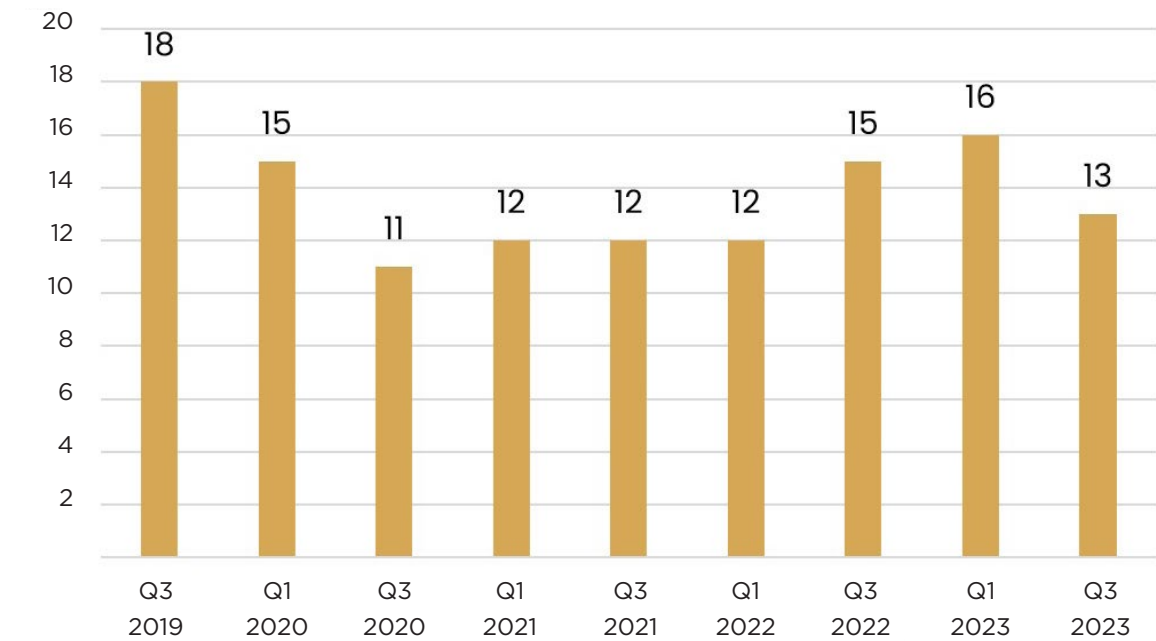
Source: Australian Bureau of Statistics, Building Approvals/Economy.id.

Figure 6 shows the total assessed value of building approvals for construction in the Wollongong LGA over the last decade. The value of building approvals in Wollongong was \$1B in 2022-23, with a split of 74% residential approvals and 26% non-residential approvals.

Residential approvals have continued to grow over the last decade, however, non-residential approvals has displayed volatility with no discernible pattern. For example, between 2020-21 to 2021-22, non-residential building approvals decreased by 58%, but increased by 133% between 2021-22 and 2022-23.

Crane Index

Figure 7 - RLB Crane Index - Wollongong Area



Source: Q3 2023 RLB Crane Index

Rider Levett Bucknall (RLB) releases a report on the number of cranes across cities in Australia every six months. Counting cranes on a city skyline is a simple way to understand the health of the construction industry. Figure 6 shows the number of cranes in Wollongong since Wollongong joined in Quarter 3 2019.

In Q3 2023, there were 13 cranes across the combined Wollongong and Shellharbour LGAs, more than Darwin (3 cranes), and Hobart (1 crane).

Main Employment Precincts

Figure 8 – Key employment precincts

Key Precinct	Numbers of Workers	Percentage Total Employment (%)
Wollongong CBD	24,396	28.2
Unanderra Industrial Area	7,257	8.4
Port Kembla Industrial Area	7,058	8.2
University of Wollongong Main Campus	3,035	3.5
Warrawong Retail Precinct and Bulky Industrial	2,855	3.3
Dapto Town Centre	2,691	3.1
Fairy Meadow (including Innovation Campus)	2,175	2.5

Source: Australian Bureau of Statistics, Census of Population and Housing 2021/Economy.id.

Figure 8 shows the key employment precincts across the Wollongong LGA as at the 2021 Census. Wollongong CBD is by far the largest employment precinct in the LGA and the area that has experienced the largest jobs gains. This reinforces the importance of the Wollongong CBD and Wollongong as a regional jobs hub, not only for Wollongong residents, but also for residents of the broader Illawarra region.

Of note, Unanderra Industrial Area grew the most at nearly 20% in the five years between Census periods.

Wollongong CBD – the regional capital, and largest employment precinct

According to the 2021 Census, there were 24,396 people employed within Wollongong CBD. This accounts for 28% of the total jobs in the Wollongong LGA.

The below table reflects the transitioning of the Wollongong CBD from a traditional retail centre to a true Central Business District.

Figure 9 – Key employment industries

Industry:	Number of workers:	Percentage of total (%):
Health Care and Social Assistance	6,971	28.6
Professional and Financial Services	4,054	16.6
Public Administration/ Government	3,591	14.7
Hospitality services including accommodation	1,766	7.2
Retail Trade	1,697	7

Source: Australian Bureau of Statistics, Census of Population and Housing 2021/Economy.id.



Latest Spendmapp Data for the Wollongong LGA

Spendmapp is a bank transaction analytics application used by Wollongong City Council to track real expenditure activity across the LGA. It does this by aggregating all EFTPOS and credit card transactions.

Nominal Spending – nominal spending data is the actual spending levels recorded by Spendmapp.

Real Spending – the real spending data is the spending levels after being adjusted for inflation. The data is indexed at the inflation levels in December 2019. The real value is more important when measuring the extent to which spending increases over a time period are driven by price increases (inflation) or by general spending growth.

Figure 10 – Total Local Spending LGA

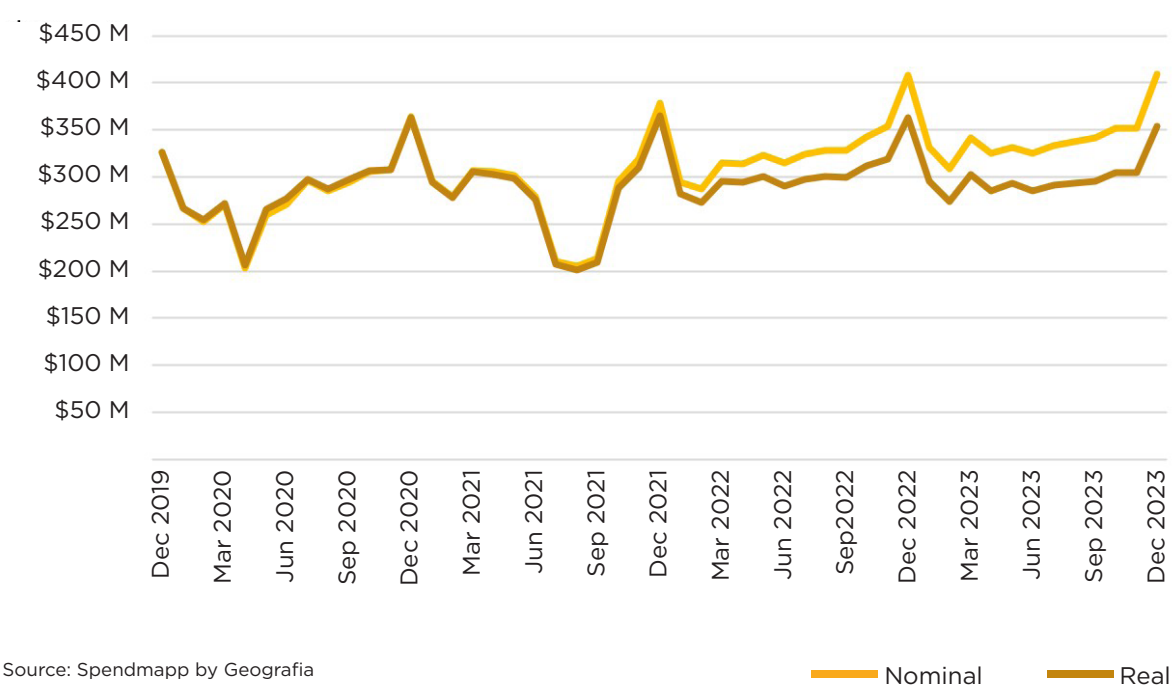


Figure 10 shows the total local spending across the Wollongong LGA over the past four years since December 2019. The figure shows peak spending levels over the key holiday periods and troughs during COVID-19 restriction periods.

December 2023 real data shows the usual spike in spending, although down slightly by 2.5% on December 2022 figures. Despite a total of six cash rate rises from the Reserve Bank of Australia (RBA) over the past year, and other cost on living increases, the overall level of spending across Wollongong over the past 12 months has held up relatively well (total local spending across the LGA over the 12 months of 2023 was 1.4% down compared to the previous year). Wollongong’s historic low unemployment rate, currently 2.7%, has contributed to spending patterns remaining relatively stable.

Figure 11 – Resident Escape Spending LGA

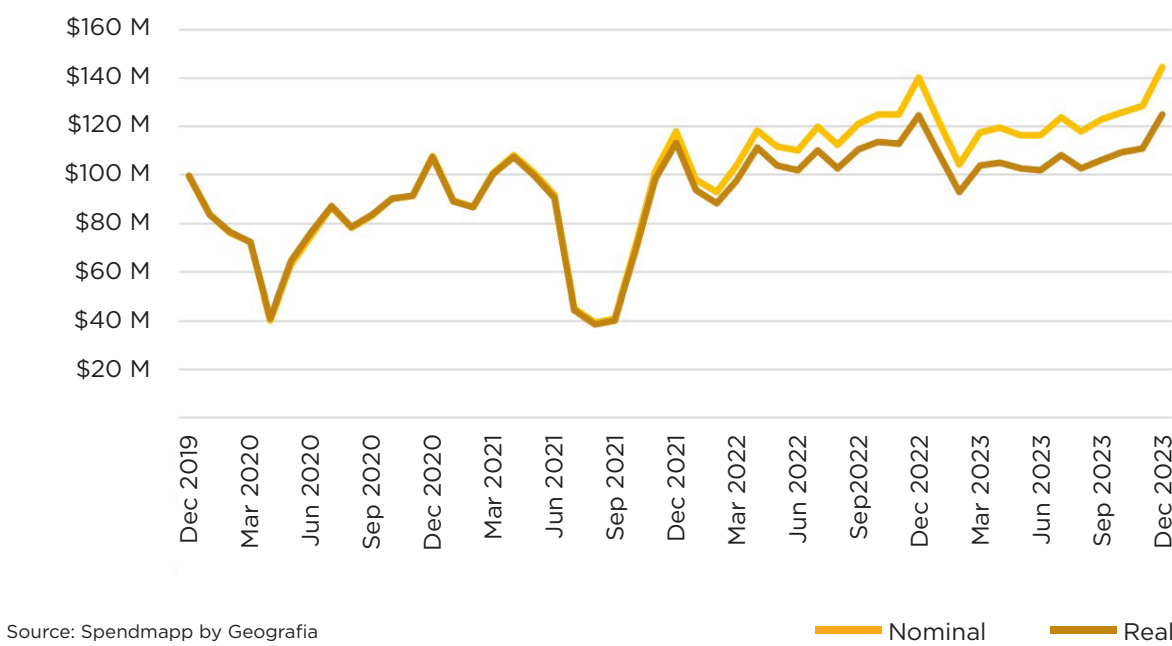
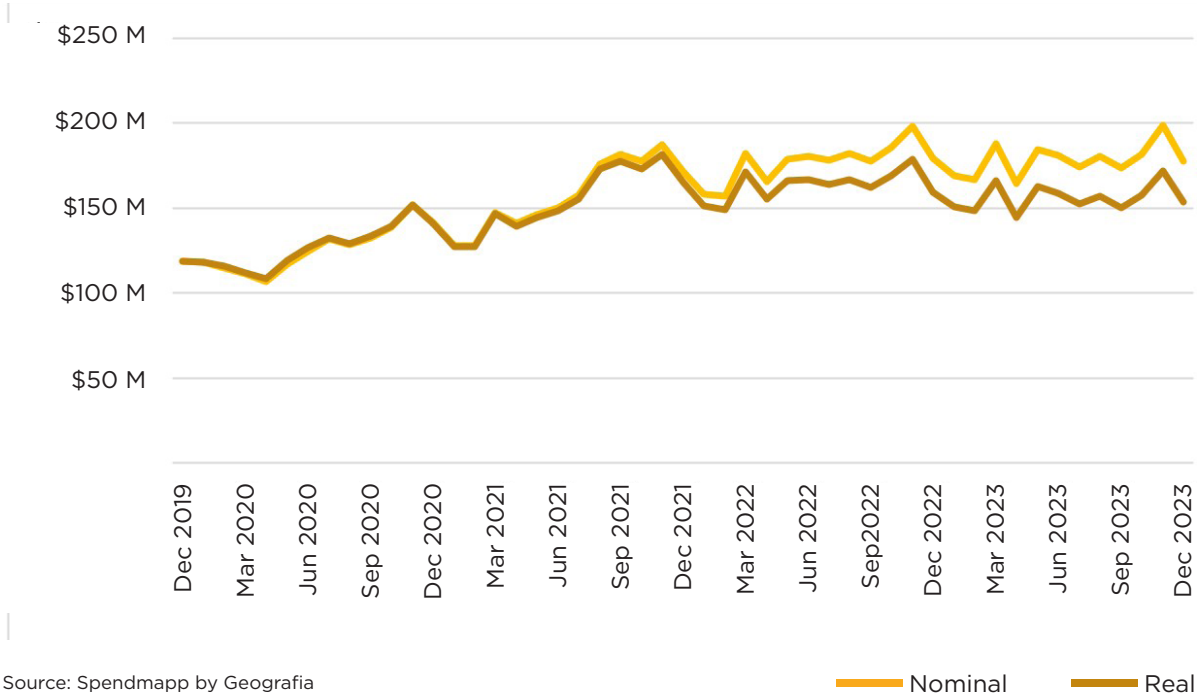


Figure 11 shows the total escape spending by residents from across the Wollongong LGA over the past four years. Total resident escape spending is money spent by Wollongong residents in a store, outside of Wollongong LGA.

In aggregate terms, at \$100M per month, if all of this expenditure was spent at local retail businesses, modelling indicates it could support an additional 1,200 retail jobs across the Wollongong LGA.



Figure 12 – Total Online Spending LGA



Source: Spendmapp by Geografia

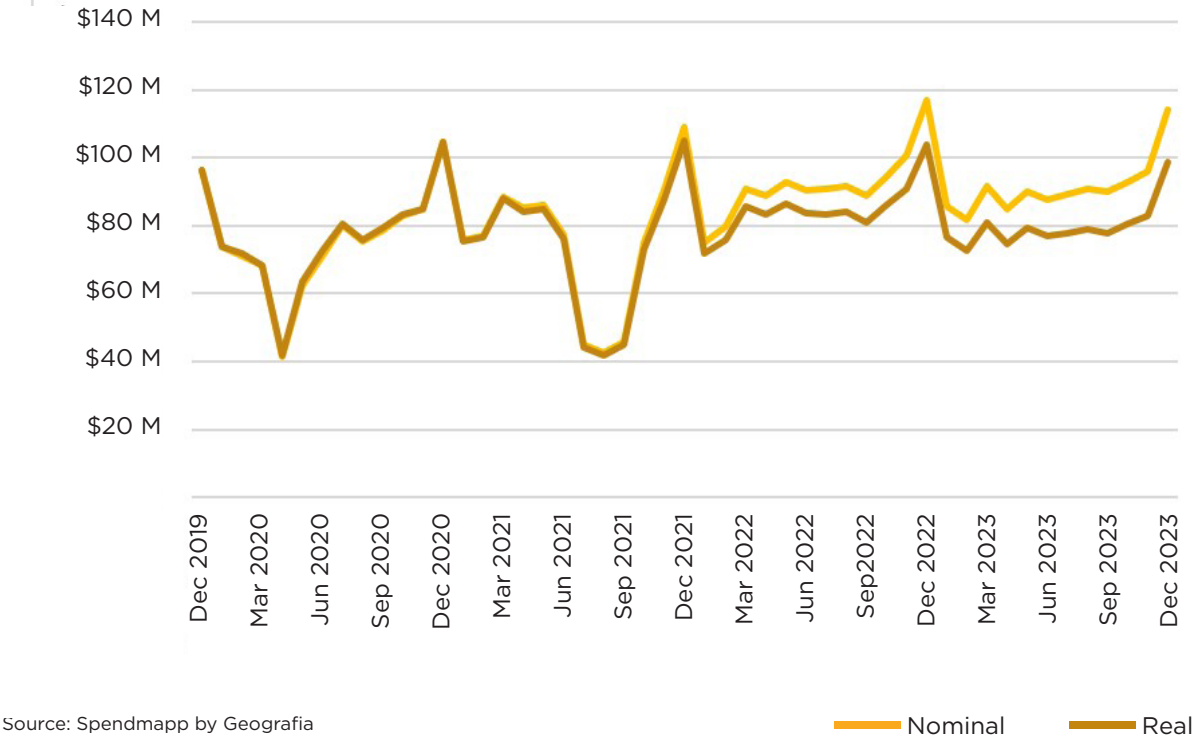
Figure 12 shows total local resident online spending. Online spending includes any transactions of goods and services bought online whether from inside or outside the Wollongong LGA. This includes spending on platforms such as eBay, Afterpay and Uber Eats.

Figure 12 highlights that online spending by residents of the Wollongong LGA has increased significantly since December 2019, although it has stabilized over the last two years.

Whilst there was a clear increase in online expenditure from the end of 2019 through to 2021, total resident online spending by Wollongong residents actually decreased in real terms by 4.4% in 2023 compared to the previous 12 months. It is also worth noting that during 2022 and 2023, the month of November was the peak of online spending, highlighting the importance of the Black Friday weekend on the retail calendar.

Latest Spendmapp Data for the Wollongong CBD

Figure 13 – Total Local Spending CBD

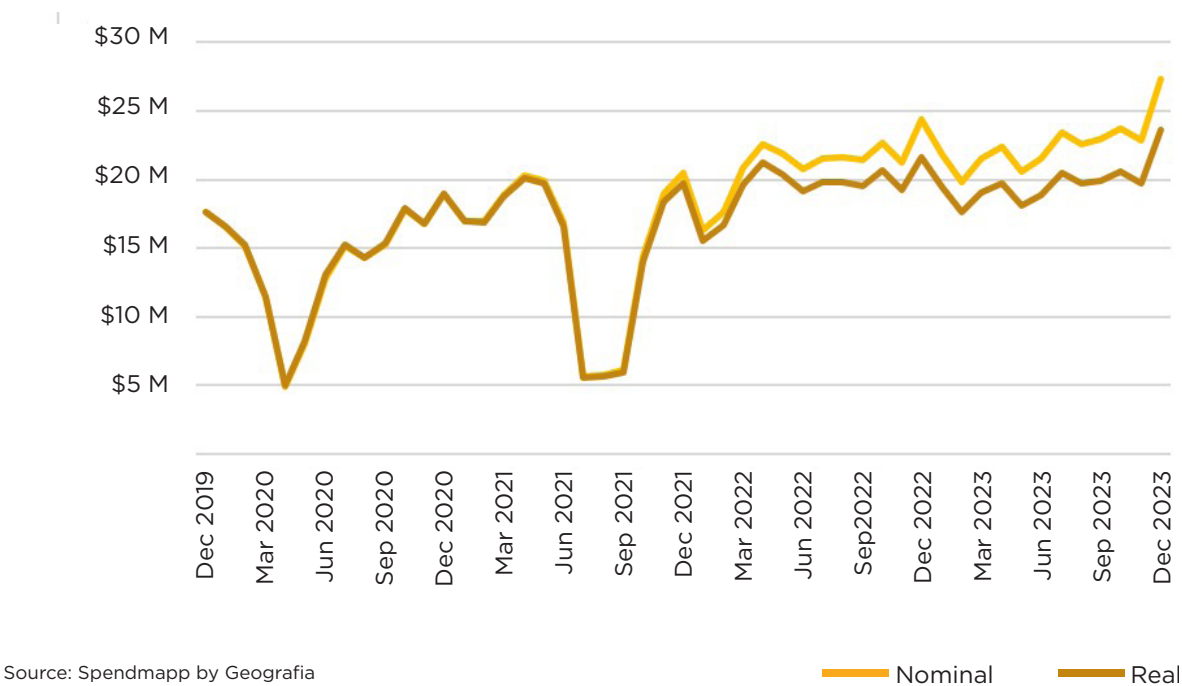


Source: Spendmapp by Geografia

Figure 13 shows the total local spending within the Wollongong CBD over the past four years, which reflects similar trends to the LGA wide data, including peak spending levels over key holiday periods and troughs during COVID-19 restriction periods.

In aggregate terms, overall expenditure for the 12 months of 2023 was down in real terms by 5.7% compared to the previous 12 months.

Figure 14 – Dining and Entertainment Spending CBD



Despite overall spending in the CBD being relatively subdued, spending on dining and entertainment within the Wollongong CBD, particularly in the later half of 2023, remained strong. Dining and entertainment expenditure has consistently been the top spending category within the CBD with the month of December being 8.6% above the same period last year in real terms, despite cost of living and interest rate rises. Over the entire 12 months of 2023, total expenditure on dining and entertainment within the CBD was up 1.6% compared to 2022.



Spending by Category

Figure 15 – Total Local Spending LGA Category Analysis (Nominal)

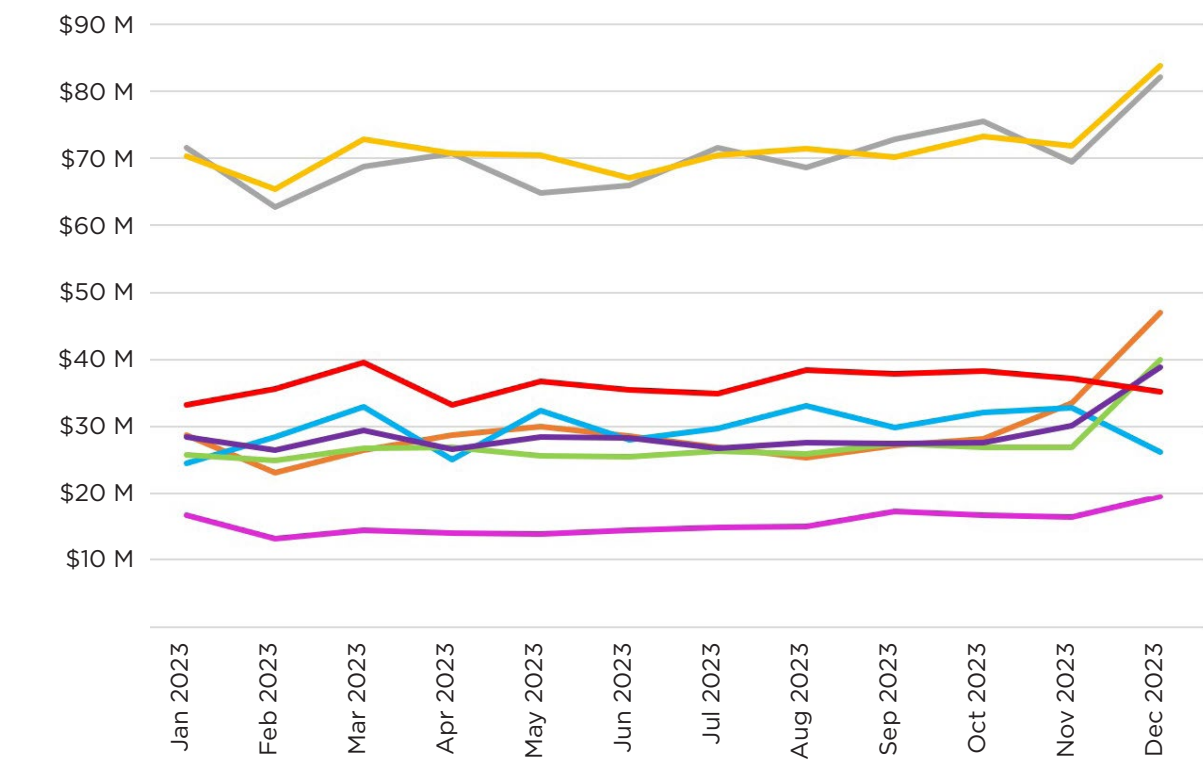
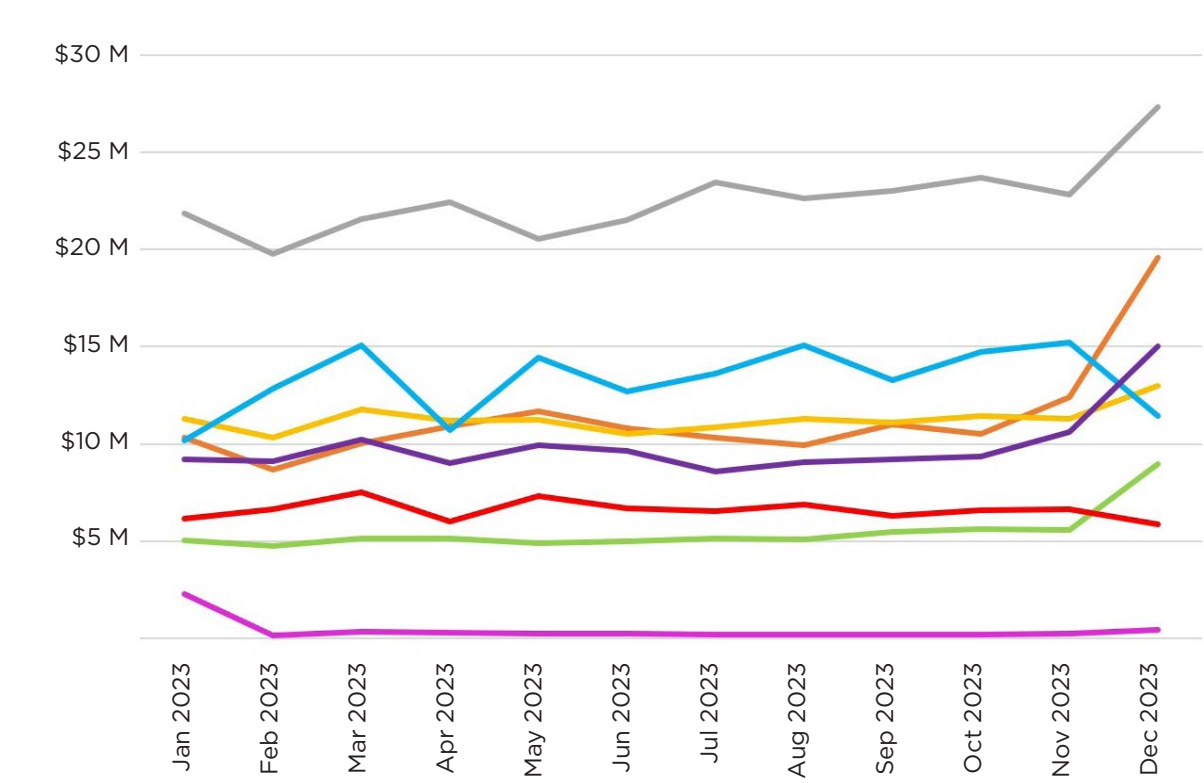


Figure 15 shows the top eight spending categories within the Wollongong LGA over the last 12 months. As at December 2023 the top categories were:

- 1 Grocery Stores and Supermarkets
- 2 Dining and Entertainment
- 3 Department Stores and Clothing
- 4 Specialised Food Retailing
- 5 Specialised and Luxury Goods
- 6 Transport/Fuel
- 7 Professional Services
- 8 Bulky Goods

Figure 16 - Total Local Spending CBD Category Analysis (Nominal)



Source: Spendmapp by Geografia

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- 1 Dining and Entertainment
- 2 Department Stores and Clothing
- 3 Specialised and Luxury Goods
- 4 Grocery Stores and Supermarkets
- 5 Professional Services
- 6 Specialised Food Retailing
- 7 Transport/Fuel
- 8 Bulky Goods