



LOCAL ECONOMY AT A GLANCE

CITY OF PORT PHILLIP ECONOMIC INDICATORS

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- ≡ The City of Port Phillip has experienced steady growth in population since 1991 at an annual rate of 1.7%, which is higher than Melbourne Statistical Division (SD) and Inner Melbourne region (Stonnington, Yarra, Port Phillip and Melbourne City)
- ≡ More than a quarter of the population is in the age group 25-34
- ≡ With the average annual growth in full-time employment of 1.6%, Port Phillips' growth is higher than Inner Melbourne region (1.1%) and Melbourne (SD) (1.3%)
- ≡ The total labour force in Port Phillip has experienced an annual average growth of 1.3%
- ≡ Port Phillip is a strong economy with a relatively low unemployment rate (4.42%, which is a 1.75 percentage point drop since 2001)
- ≡ The City of Port Phillip as a place of work, offered nearly 67,000 jobs in 2006; considering there are only 47,800 resident workers in Port Phillip, the city features extremely high job self sufficiency
- ≡ Output is approximate \$8.5 billion which represents about 4.6% of the metropolitan economy and an annual average growth of 6.8% between 2001 and 2006
- ≡ The industries contributing the most to the value of output in Port Phillip are Property & Business Services (2.4 b), Finance & Insurance (1.3 b) and Manufacturing (537 m)
- ≡ Advanced business services is a key strength of Port Phillip with almost a third of jobs falling within the category.



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Inter-Regional Exports

Port Phillip has strengthened its level of export activity in the last 5 years. More than 20,000 jobs in the City of Port Phillip can be attributed to external demand (export sectors), which is equivalent to 30.3% of total jobs in the municipality (compared to 29.5% of total jobs in 2001)

Some other notable differences from the 2001 analysis include:

- » The significant increase in contribution of the Finance & Insurance sector to the total export output [the percentage increased from 12.17 in 2001 to 27.77% in 2006]
- » Construction and Wholesale Trade are no longer contributing to export output, both declining by 100% as did Manufacturing

- » Electricity, Gas & Water supply had an increase of more than 500 jobs in the time period 2001-2006, raising its contribution to export related output by more than \$60 Million
- » Communication Services significantly dropped in contribution to exports from 2001, by more than \$150 million, this is due to the sizeable loss in jobs in that sector, and the relatively high factor of employment contribution to output
- » Overall, export factor income has grown by 26% in the City of Port Phillip.

Inter Regional Imports

- » The historically low Location Quotient [LQ] of Education as well as the declining trend is of concern
- » Retail Trade, Health and Community Services and construction had a slight growth in LQ between 2001 and 2006 and should be strengthened further in Port Phillip
- » Food retailing is declining in terms of LQ and absolute number of jobs.



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Innovation

Presence of advanced business services is crucial to the environment that promotes new ideas and development of innovative goods and services.

- » Advanced business services is a key strength of City of Port Phillip with almost a third of jobs falling within the definition compared to City of Melbourne (27%), Inner City region (23%) and Melbourne (SD) (14.58%)
- » Port Phillip has a relatively high representation of Business Services compared to surrounding areas
- » The City of Port Phillip has a significantly higher proportion of knowledge workers within its job stock (41.8% of total jobs) as compared to Melbourne (SD) (32%)
- » Knowledge workers in Business Services represent 39.2% of all knowledge workers which is double compared to Melbourne (SD) (19.6%)
- » Education and Health Services have a much lower proportion of knowledge workers compared to Melbourne (SD) further outlining the need to strengthen these sectors within the City of Port Phillip economy [both these sectors have actually significantly decreased their numbers and share of jobs in the industry for knowledge workers]
- » City of Port Phillip has increased its proportion of total education establishments since 2001; it now represents 5.8% of the metropolitan total as opposed to only 2.9% in 2001
- » Port Phillip has a large number of SME's in Cultural and Recreational Services – the relative proportion has been decreasing since 1998, the Location Quotient [LQ] significantly exceeds those of both City of Melbourne and the Inner City region
- » The Mining industry, interestingly, has the highest representation of SME's in both City of Port Phillip and City of Melbourne and Inner City region
- » City of Port Phillip has a much higher proportion of Social, Arts and Miscellaneous Professionals, who represent more than 25% of the self employed workforce; and Business and Information Professionals is the second highest profession which represent 10% of all self employed compared to only 5% in Melbourne SD.



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Skills

- » There is a significantly higher proportion of persons with Certificate qualification in Port Phillip as compared to the Inner City and Melbourne (SD)
- » The economy in the inner city area is changing where job growth is likely to focus in high skilled processes as opposed to routine work. Between 2001 and 2006, the total number of in-person service workers has declined in Port Phillip by -0.2 percent. This is aligned to the trend seen in the Inner City where the average annual change is negative at -0.2 %
- » The number of highly qualified persons has increased steadily in the last 5 years in the City of Port Phillip, more specifically the number of persons with Bachelor Degrees has had the greatest growth, followed by Postgraduate Degree and Advanced Diploma and Diploma
- » The proportion of total employed people that engages in some form of ongoing training and education in the City of Port Phillip has declined from 10.86 percent in 2001 to 6.96 percent in 2006.

Source » Economic Profile [Indicators of Economic Development](#), City of Port Phillip, September 2008, prepared by SGS Economics & Planning Pty Ltd

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