The VPA's State of the State – 3rd Quarter 2016

A VPA report on Victoria's Key Demographic & Economic Metrics

Prepared by the Victorian Planning Authority

September 2016

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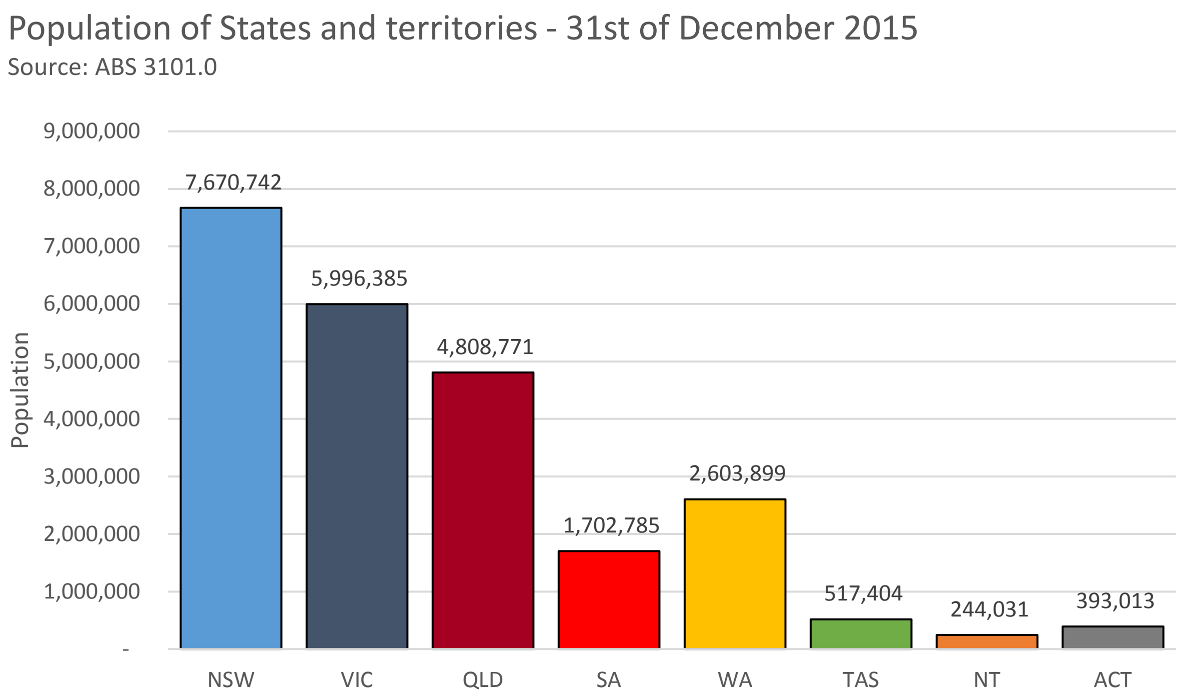
EXECUTIVE SUMMARY – KEY DEMOGRAPHIC AND ECONOMIC METRICS UPDATE

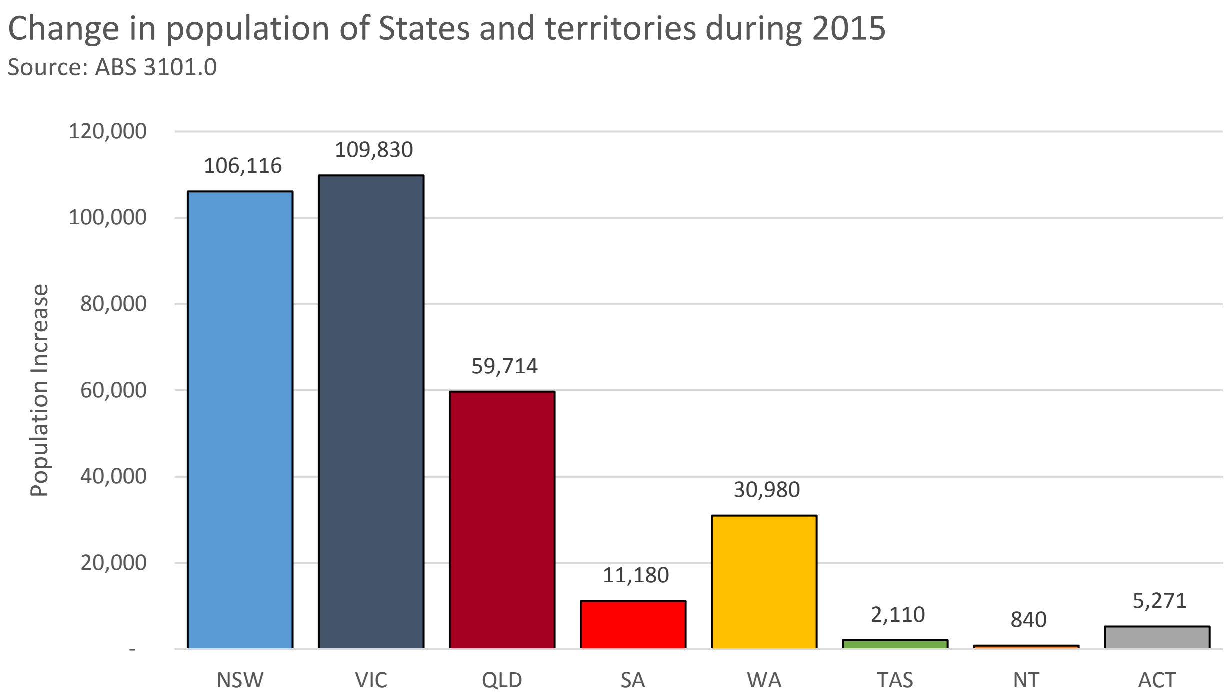
- As at end of 2015, Victoria had a population of 5,996,285 and was growing at a rate of over 100,000 people per year. This is the strongest population growth of any Australian state or territory. It is likely Victoria crossed the 6 million person mark in early January.
- At present, approximately 75% of the State's population live in metropolitan Melbourne and 25% in Regional Victoria.
- Victoria has had the highest interstate migration in living memory with more than 13,000 people moving from interstate in the past year.
- Within Melbourne, the outer growth area Local government areas and the City of Melbourne are the fastest growing areas.
- In 2014, Victoria recorded 74,222 births. Since 2012, Victoria has been experiencing a baby boom with 15,000 more births per year than were recorded in the early 2000s.
- Almost 38,000 people died in Victoria in 2014.
- There were almost $31 billion worth of building approvals approved in 2015/16 across Victoria. This compares to $28.7 billion for the full 2014/15 year. The large majority (72%) is for residential construction.
- The number of new dwellings approved in 2015/16 was 67,003 across Victoria. This was made up of 35,864 detached houses (53%), 10,571 semi-detached dwellings (16%) and 20,568 units or apartments (31%).
- Additionally, there were approvals for $2.71 billion worth of commercial buildings, $1.5 billion of industrial building and $4.45 billion worth of other non-residential buildings.
- The median sales price of a detached home in eight local government areas in Melbourne exceed a million dollars in 2016 so far. The data is, however, incomplete and may not fully reflect recent market changes.
- Prices were more affordable for semi-detached dwellings and units. Also, in many rural areas prices remain more affordable than metropolitan areas.
- Median rents for the whole metropolitan of Melbourne ranged from $320 for a one-bedroom flat to $440 for a four-bedroom house. There was large variation at the local government level based on the proximity to the city of the rental property.
- Housing lots in Melbourne's greenfields have been selling in record numbers, with more than 22,000 sales in the past four quarters; averaging 60 sales per day. The Melbourne greenfields market is clearly the strongest in Australia.
- As a consequence of the strong sales, the supply of lots on the market has decreased with only slightly more than a month's supply on the market.
- With the exception of Adelaide, lots in Melbourne's greenfields remain much cheaper than all other markets in Australia. The median price of a lot was $221,730 in the June 2016 quarter.
- The latest ABS labour force data (June 2016) puts Victoria's unemployment rate at 5.7%, having decreased from 6% in June 2015. The unemployment is not evenly spread, with some areas having much higher rates than the state average.
- There were 3,029,600 people employed in Victoria in February 2016. The largest industry was health care and social services, and this is growing markedly.

1. State Populations

At the end of December 2015, the population of Victoria stood at 5,996,285 people. Victoria clearly remains the second largest state and will remain in that position for the foreseeable future. Within Victoria, the population split is currently approximately 75% in metropolitan Melbourne and 25% in regional Victoria.



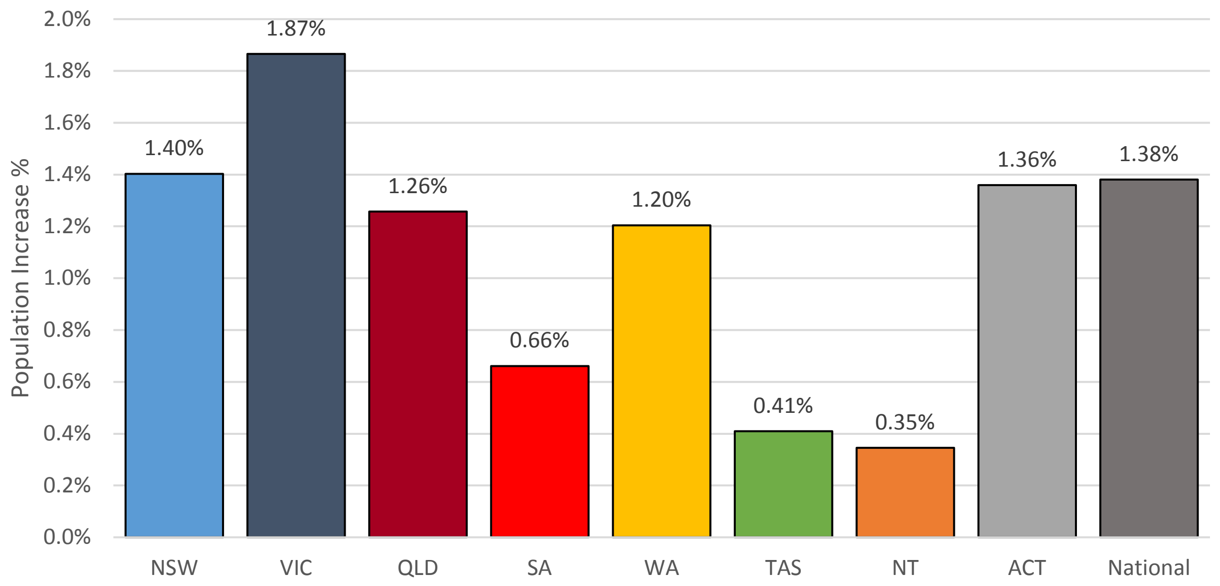
Over the 12 months to 30 June 2015, Victoria's population grew by 109,830 people, the highest increase of all the states.



In terms of percentage change, Victoria is also the fastest growing of all states and territories, growing at 1.87% for the year.

Change in population of States and territories (%) during 2015

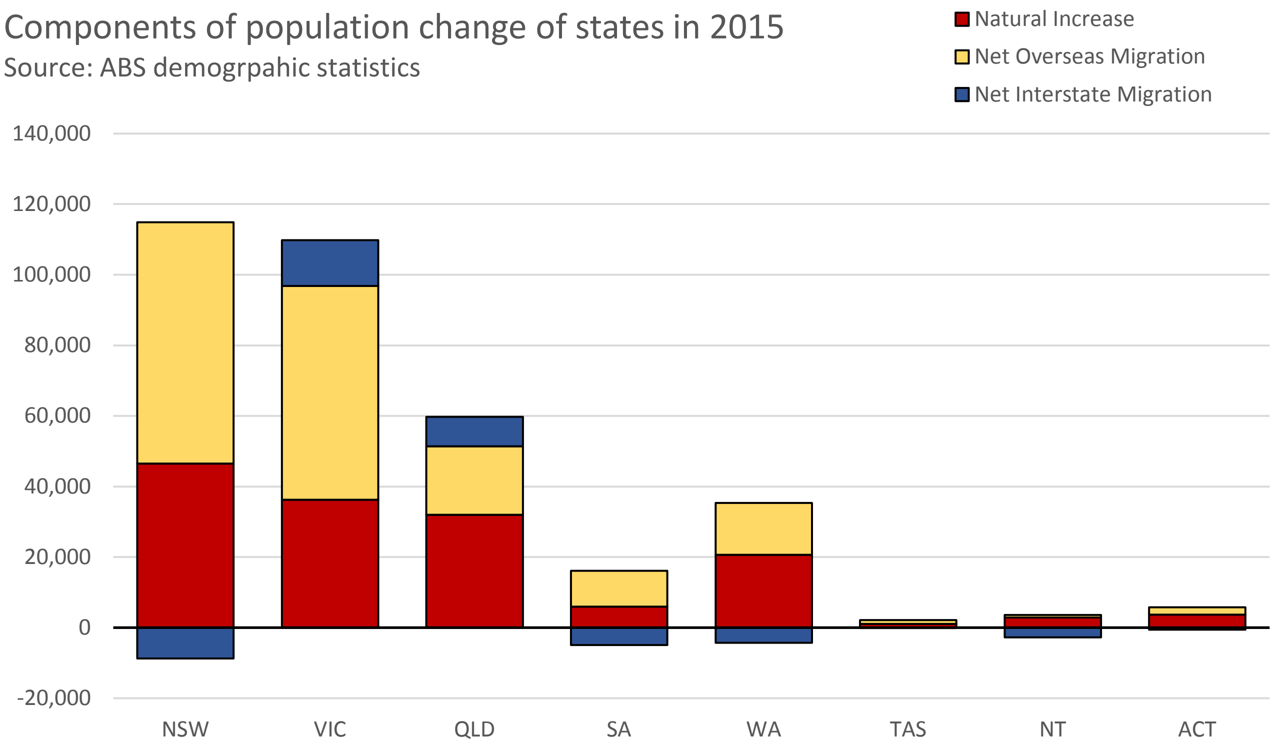
Source: ABS 3101.0



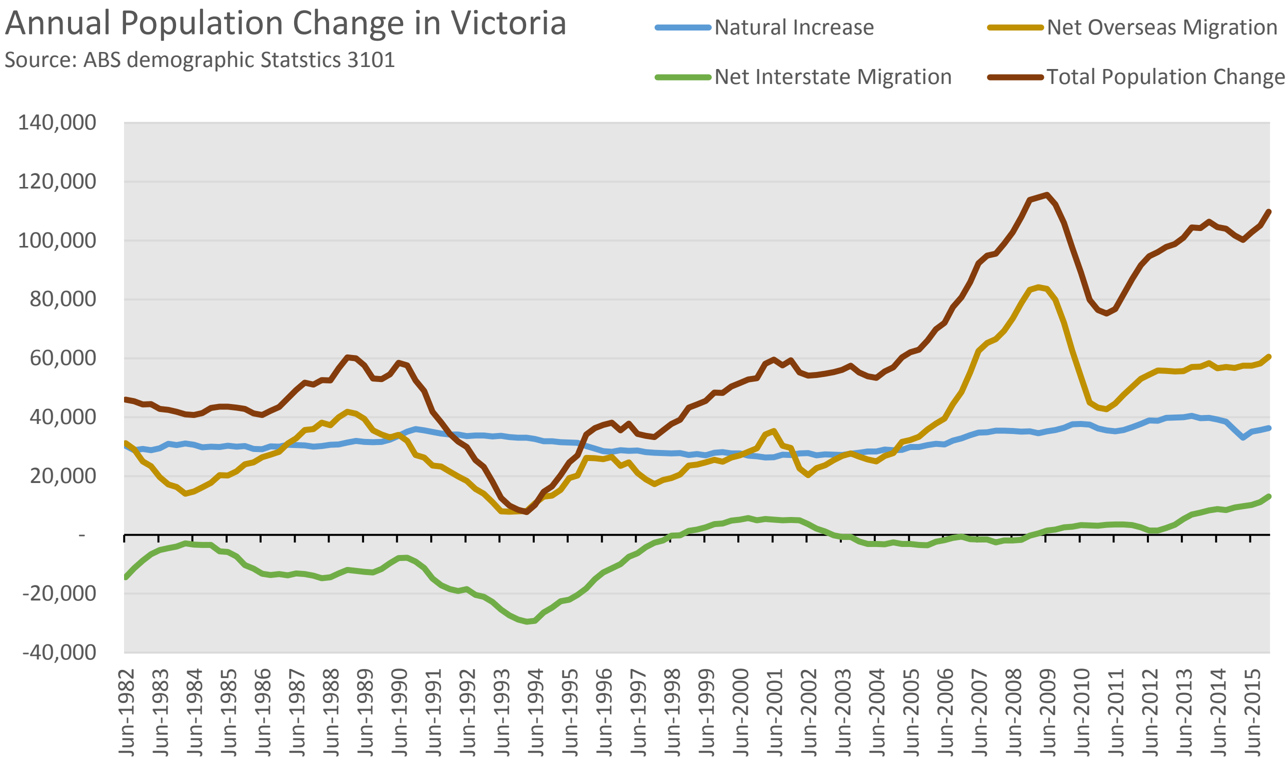
In terms of components of Victoria's population growth, the natural increase was 36,249 people. There was a net inflow of 60,532 overseas migrants and a net inflow of 13,049 people migrating from interstate. Victoria and Queensland were the only two states or territories to see a positive net interstate migration.

Components of population change of states in 2015

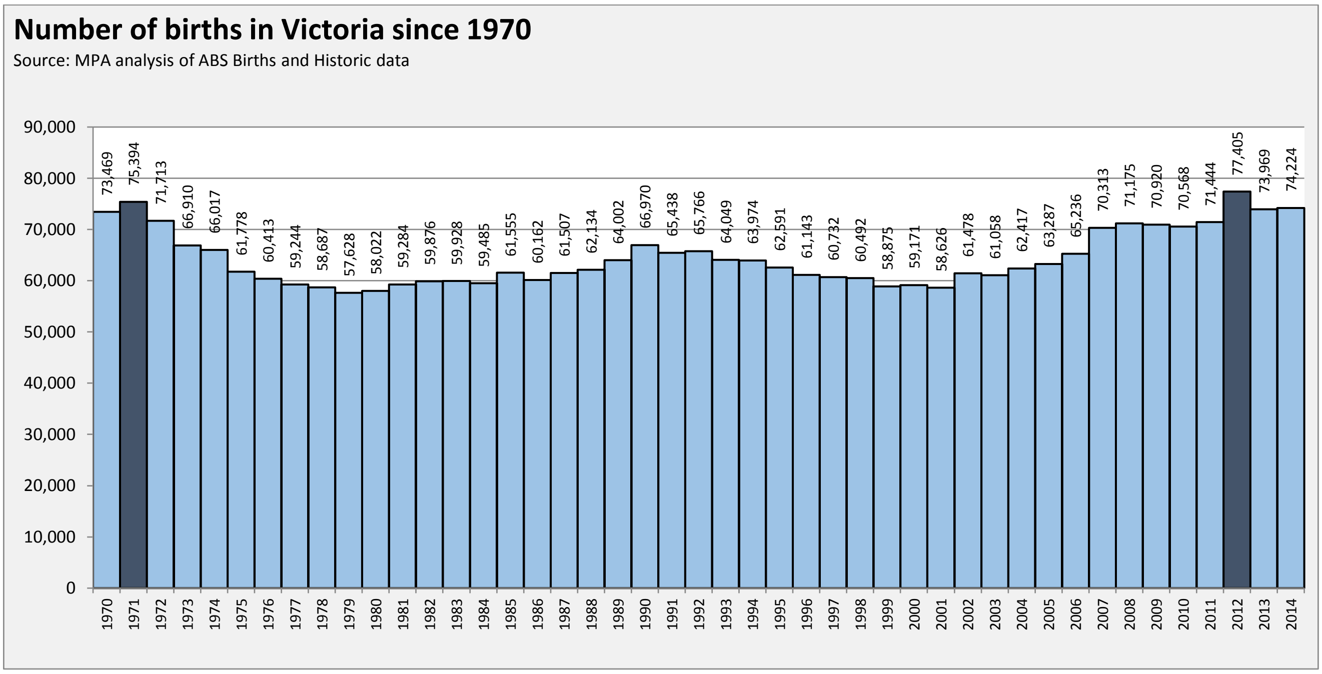
Source: ABS demogrpahic statistics



Historically, Victoria has at times lost population to other states but this trend seems to have reversed, with net interstate migration at levels not seen since the Gold-rush era. Net overseas migration has been fairly stable for the past few years, after the high peak that occurred around 2009 and 2010, followed by a significant fall in 2011.



In recent years Victoria has seen an increase in the number of births. In 2012, the 40-year-old record for births was broken, with 77,405 births. 2013 and 2014 both recorded strong numbers of births.



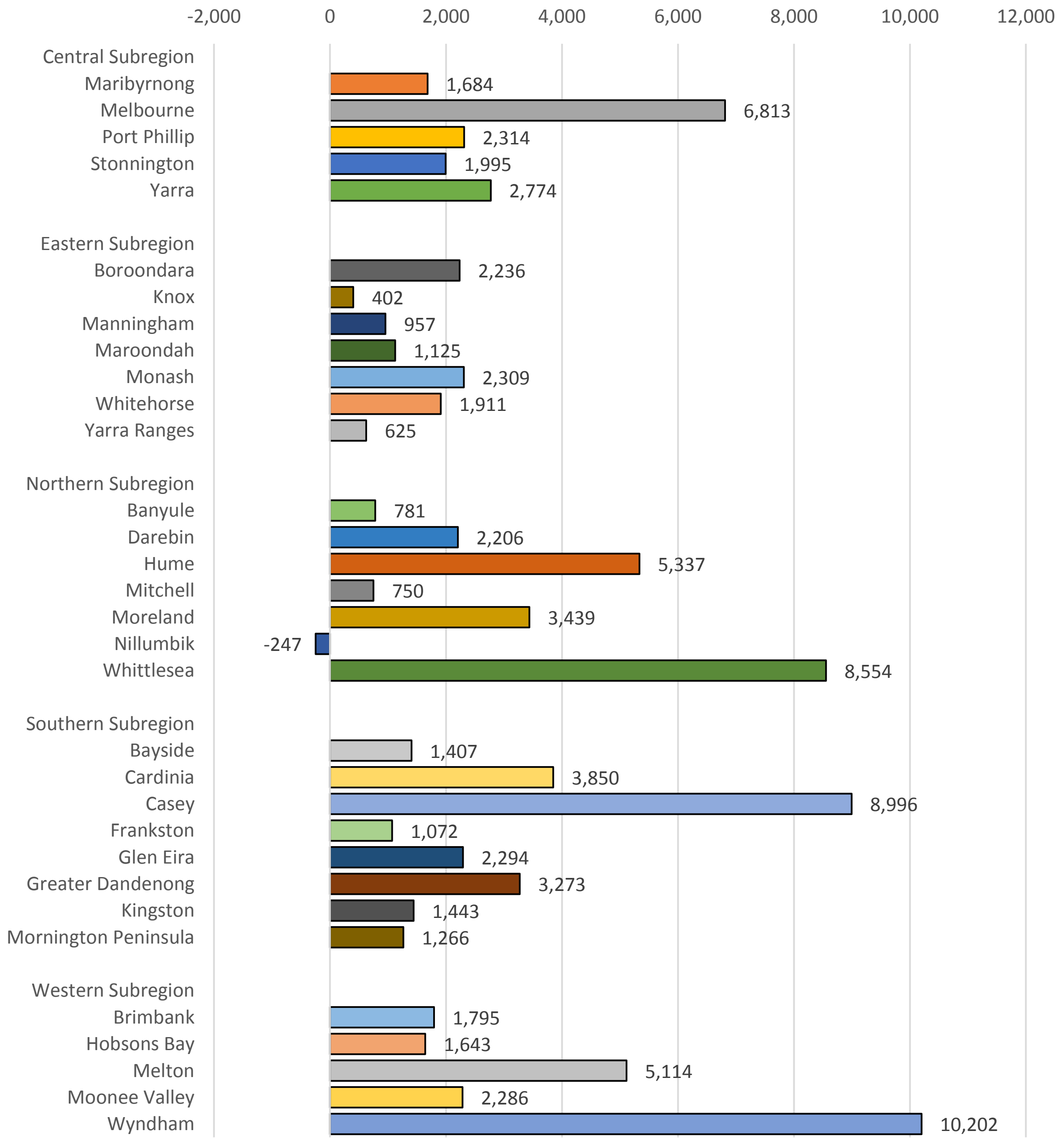
2. Population Growth and Projections by Local Government Area

All metropolitan local government areas except for Nillumbik experienced population growth in the year to 30 June 2015. In the year Victoria grew by 99,371, with 90,606 in Melbourne (91%) and 8,765 in regional Victoria (9%). The largest growth was found in Wyndham, with an additional 10,202 people. The other outer growth areas saw large increases, as did the cities of Melbourne and Moreland.

In regional Victoria, strong growth was seen in Greater Geelong, Ballarat and Bendigo. Other areas to experience large growth were peri-urban Local Government Areas (LGAs), such as Baw Baw and Macedon Ranges, and coastal LGAs, like Bass Coast.

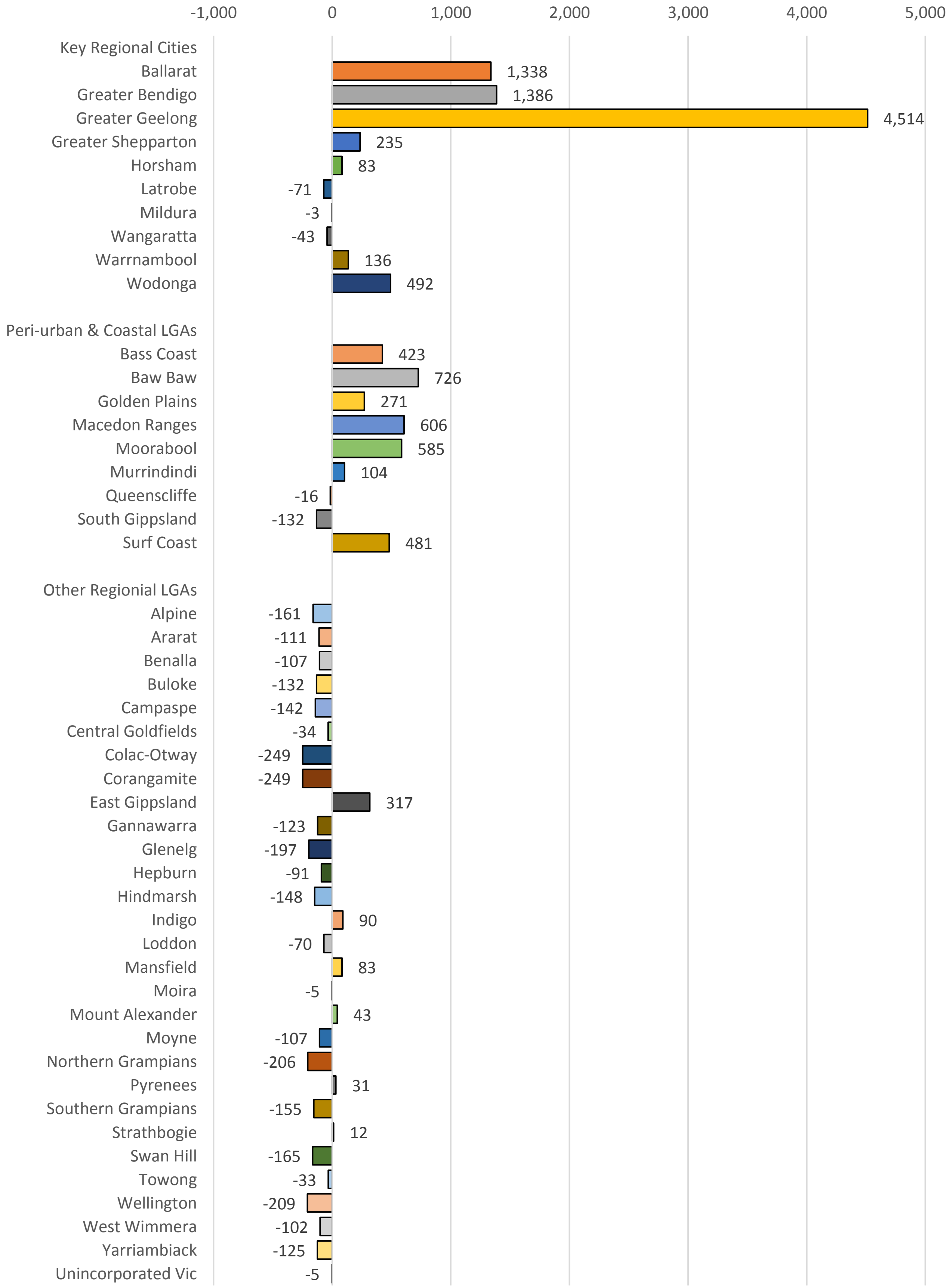
Many of the more remote LGAs sustained a significant decrease in population.

Population Growth 2014/15 - Metropolitan Melbourne
Source: ABS 3128

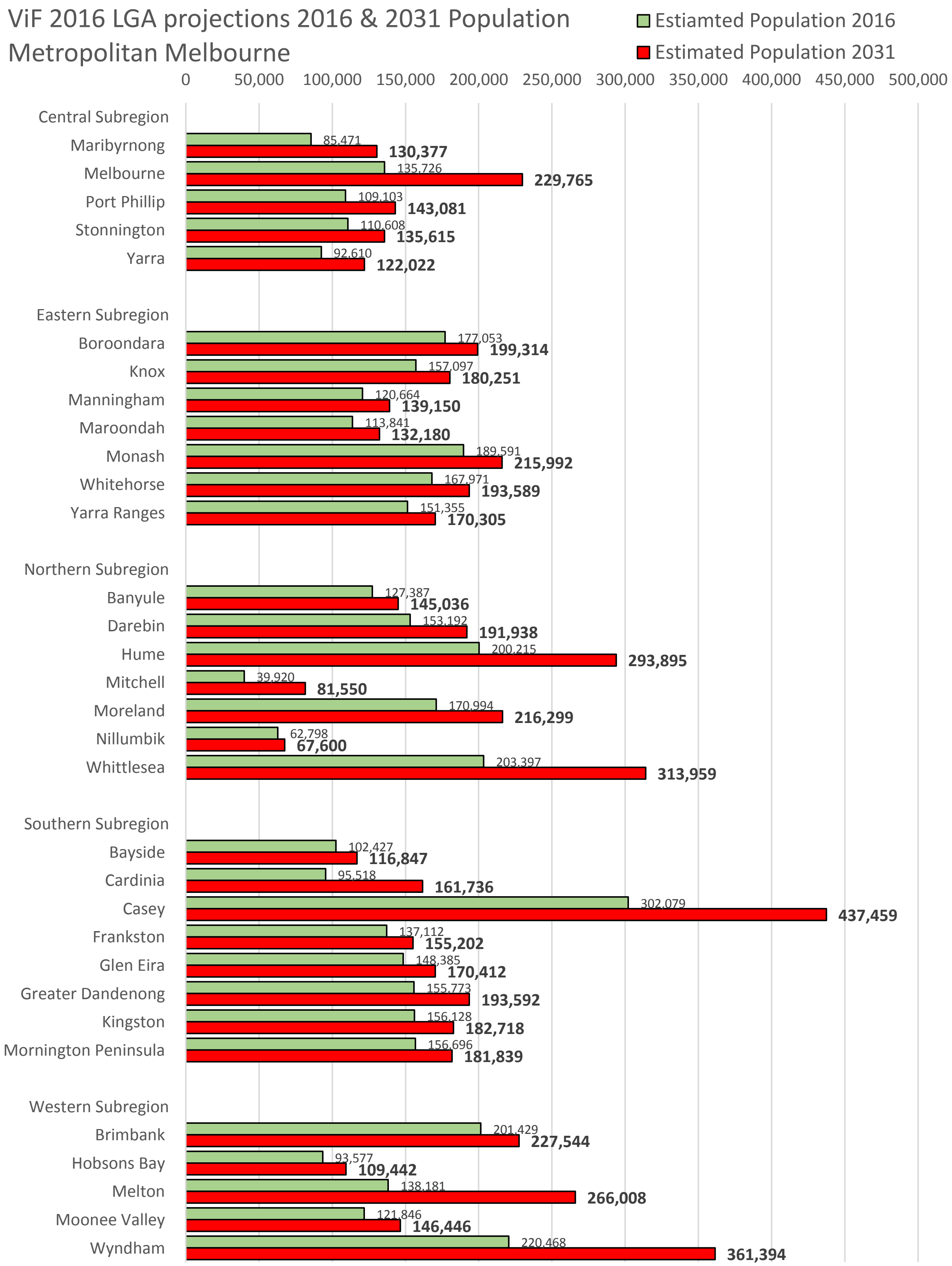


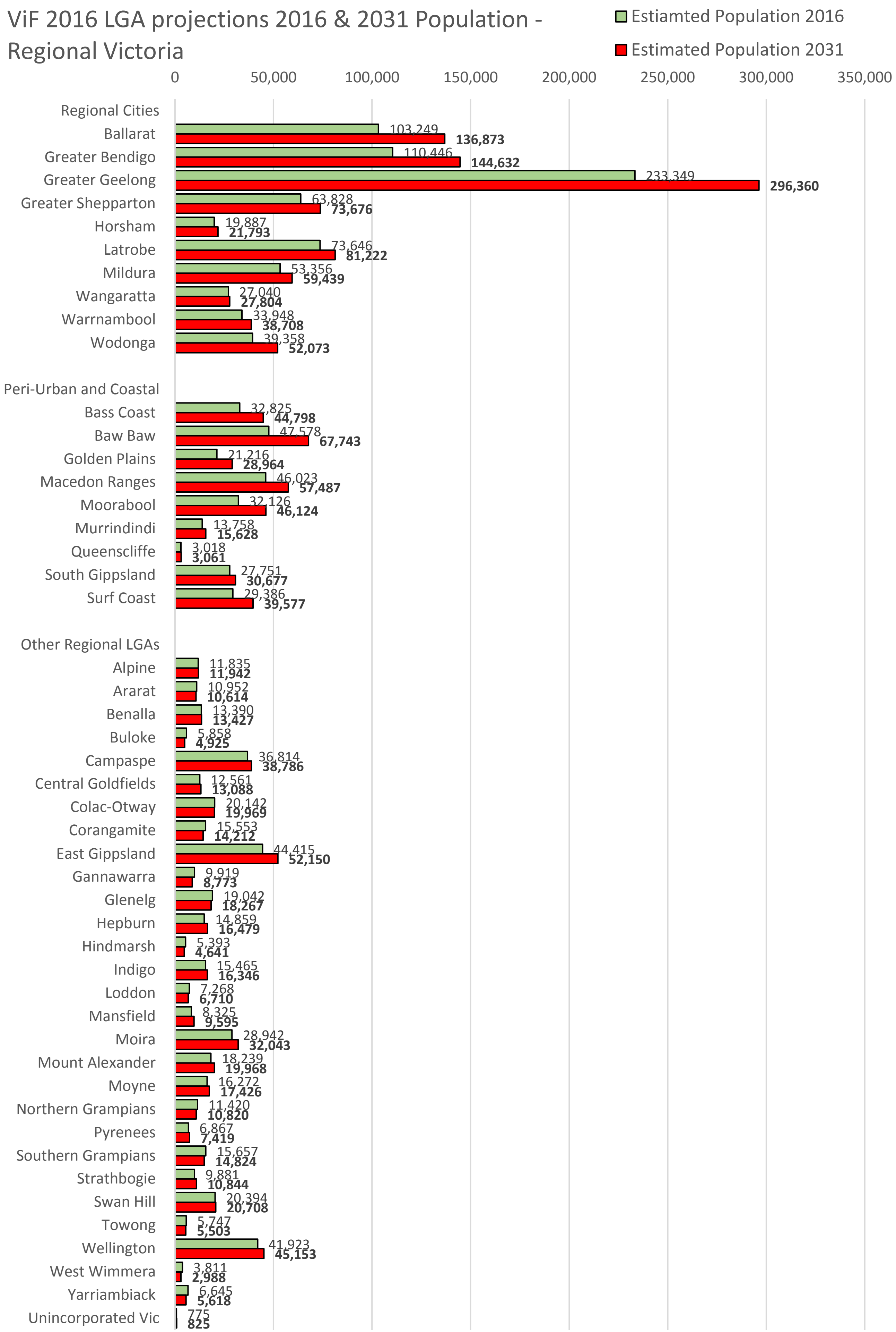
Population Growth 2014/15 - Regional Victoria

Source: ABS 3128



The projected populations for each of Melbourne's and Regional Victoria's LGAs up until 2031 are outlined below. As at 2031, Victoria is projected to have 7.7 million people, with 5.9 million in metropolitan Melbourne (77%) and 1.8 million in regional Victoria (23%). This is a growth of 1.7 million people in metropolitan Melbourne (84% of the total state growth) and 270,000 in regional Victoria (16% of State growth), of which over 250,000 (or 94%) are in the 10 key regional centres and peri urban and coastal areas.




ViF 2016 LGA projections 2016 & 2031 Population - Regional Victoria
Estiamted Population 2016
Estimated Population 2031
0
50,000
100,000
150,000
200,000
250,000
300,000
350,000
Regional Cities
Ballarat 103,249 136,873
Greater Bendigo 110,446 144,632
Greater Geelong 233,349 296,360
Greater Shepparton 63,828 73,676
Horsham 19,887 21,793
Latrobe 73,646 81,222
Mildura 53,356 59,439
Wangaratta 27,040 27,804
Warrnambool 33,948 38,708
Wodonga 39,358 52,073
Peri-Urban and Coastal
Bass Coast 32,825 44,798
Baw Baw 47,578 67,743
Golden Plains 21,216 28,964
Macedon Ranges 46,023 57,487
Moorabool 32,126 46,124
Murrindindi 13,758 15,628
Queenscliffe 3,018 3,061
South Gippsland 27,751 30,677
Surf Coast 29,386 39,577
Other Regional LGAs
Alpine 11,835 11,942
Ararat 10,952 10,614
Benalla 13,390 13,427
Buloke 5,858 4,925
Campaspe 36,814 38,786
Central Goldfields 12,561 13,088
Colac-Otway 20,142 19,969
Corangamite 15,553 14,212
East Gippsland 44,415 52,150
Gannawarra 9,919 8,773
Glenelg 19,042 18,267
Hepburn 14,859 16,479
Hindmarsh 5,393 4,641
Indigo 15,465 16,346
Loddon 7,268 6,710
Mansfield 8,325 9,595
Moira 28,942 32,043
Mount Alexander 18,239 19,968
Moyne 16,272 17,426
Northern Grampians 11,420 10,820
Pyrenees 6,867 7,419
Southern Grampians 15,657 14,824
Strathbogie 9,881 10,844
Swan Hill 20,394 20,708
Towong 5,747 5,503
Wellington 41,923 45,153
West Wimmera 3,811 2,988
Yarriambiack 6,645 5,618
Unincorporated Vic 775 825

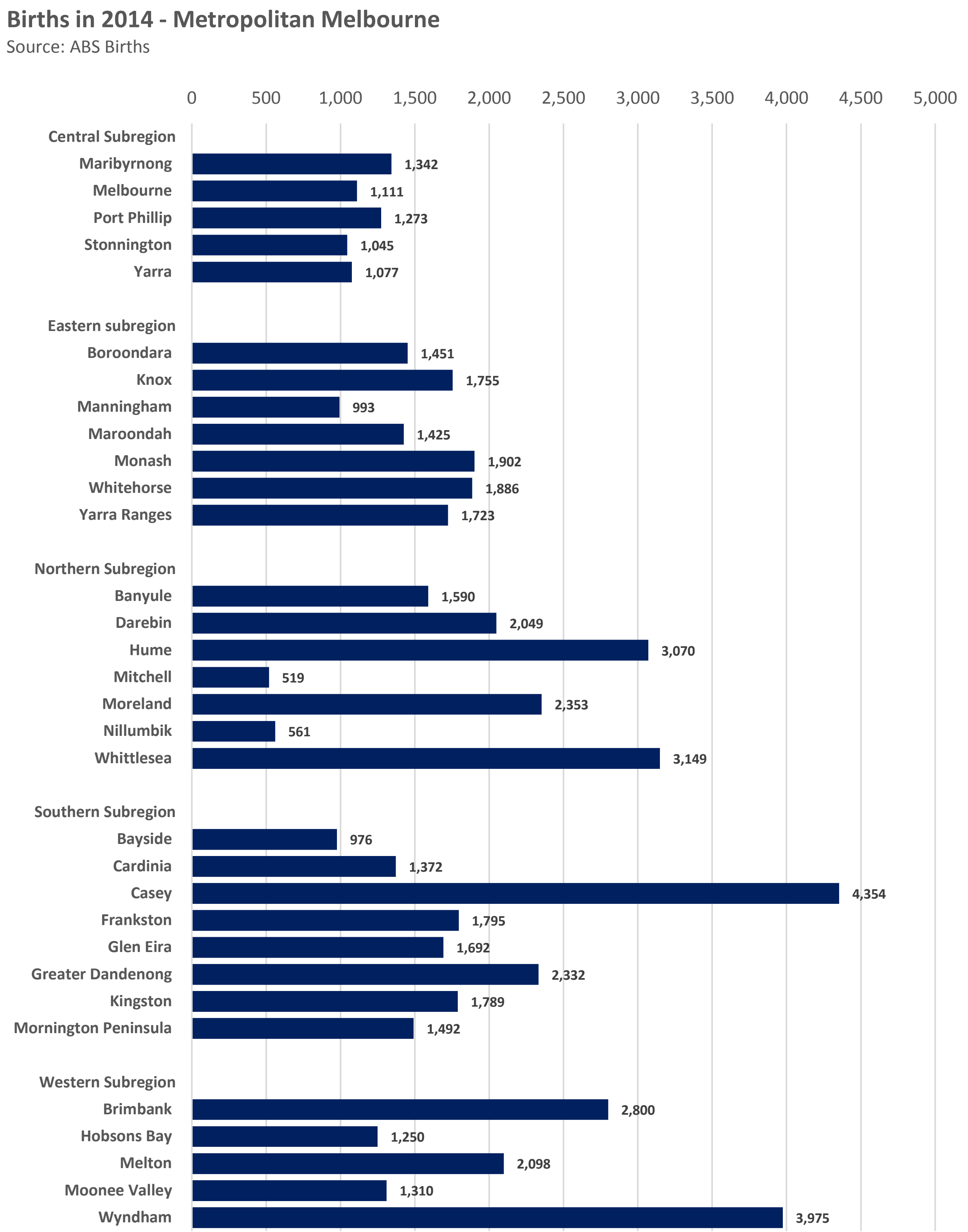
3. Births by Local Government Area

Victoria had a total of 74,500 births in 2014, 57,500 of which were in metropolitan Melbourne (78%) and 16,550 in regional Victoria (22%).

By Local Government Area (LGA), the City of Casey had the most births, with 4,254 babies born, followed by other Greenfield LGAs, like Wyndham (3,975), Whittlesea (3,149) and Hume (3,070).

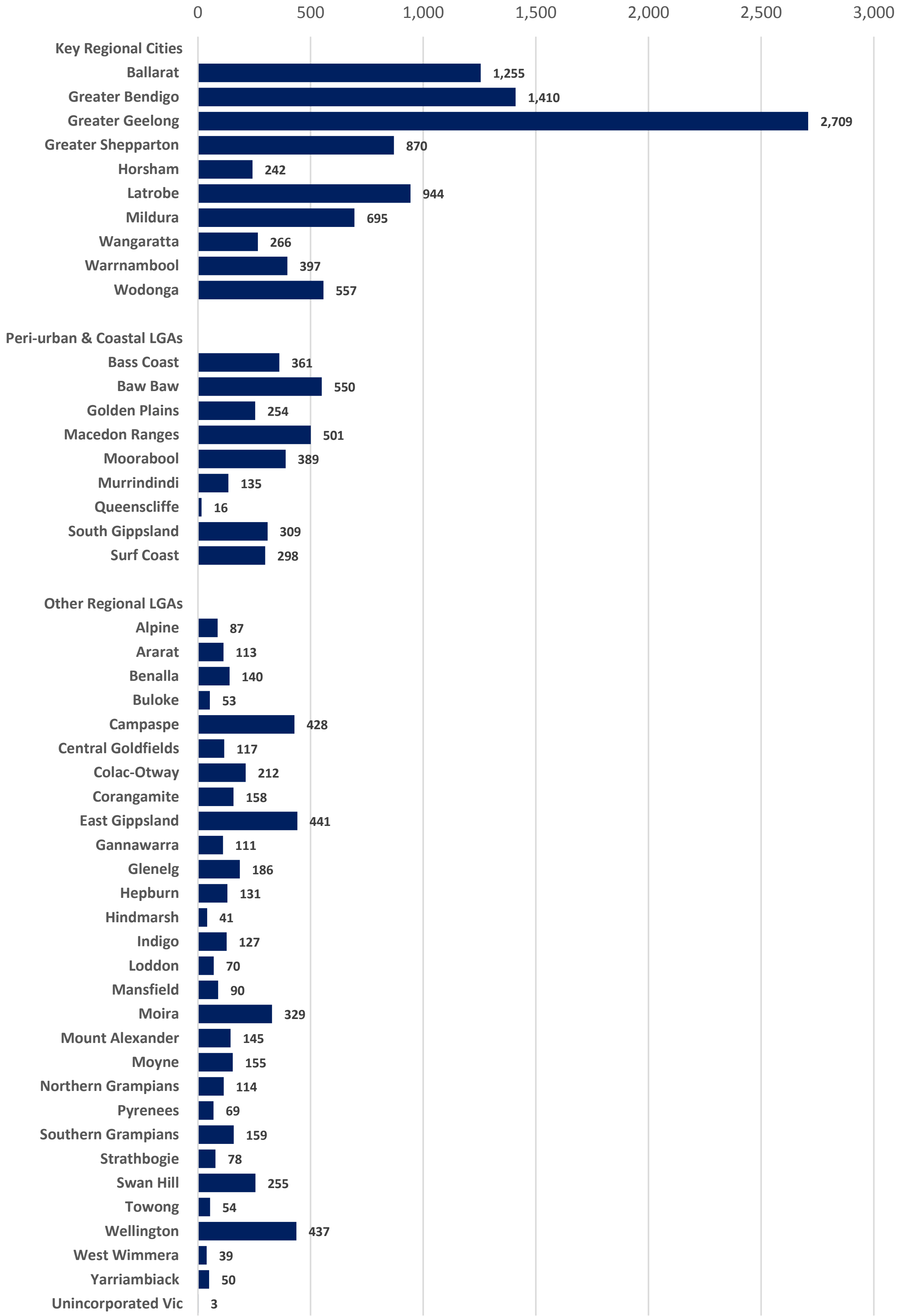
In regional Victoria, Greater Geelong had 2,709 births and Bendigo and Ballarat both had more than 1,000 newborns. Other interesting results were recorded in Baw Baw and Macedon Ranges, with more than 500 babies each.

Appendix 2 of this report contains maps of the 2014 Births.



Births in 2014 - Regional Victoria

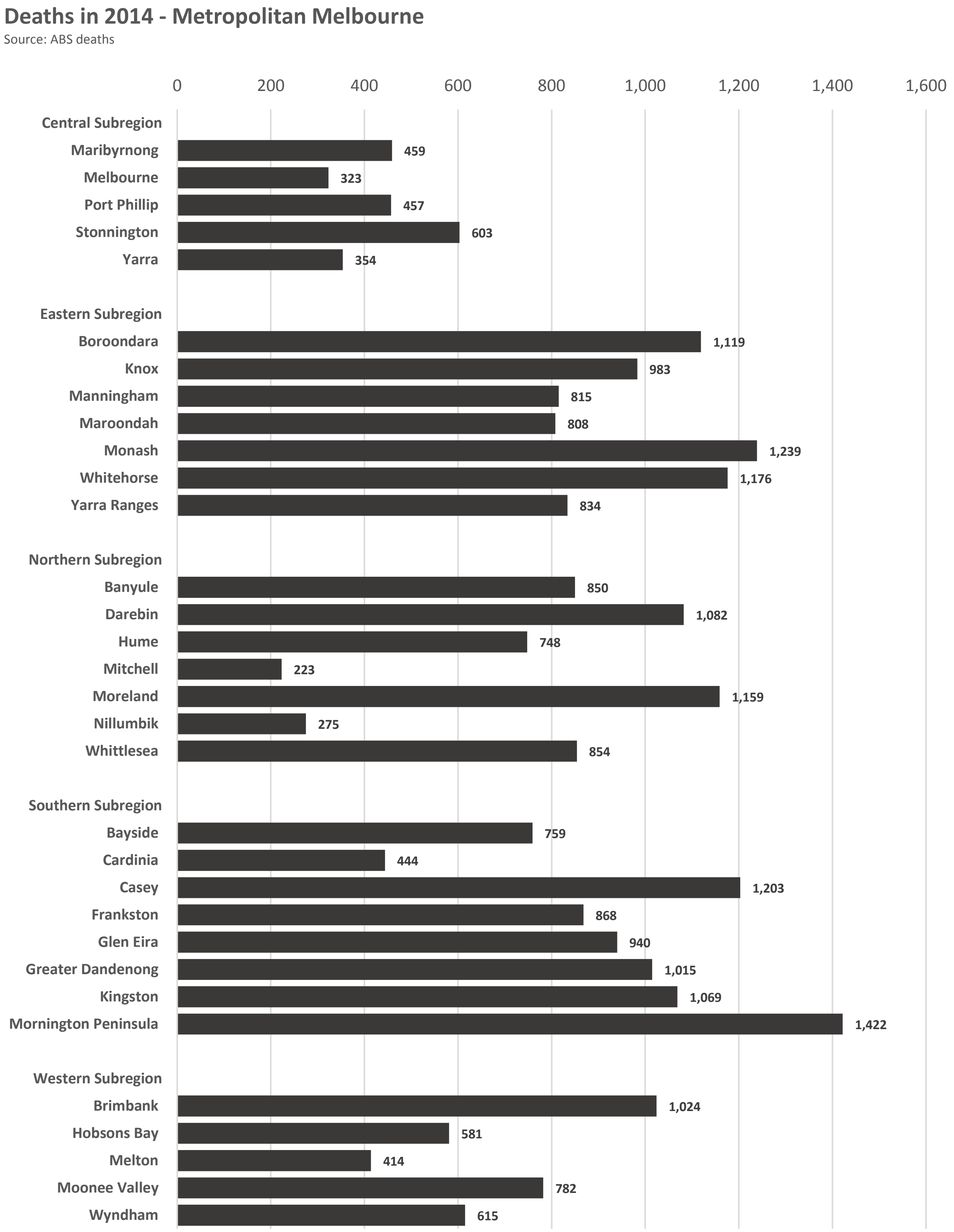
Source: ABS Births



4. Deaths

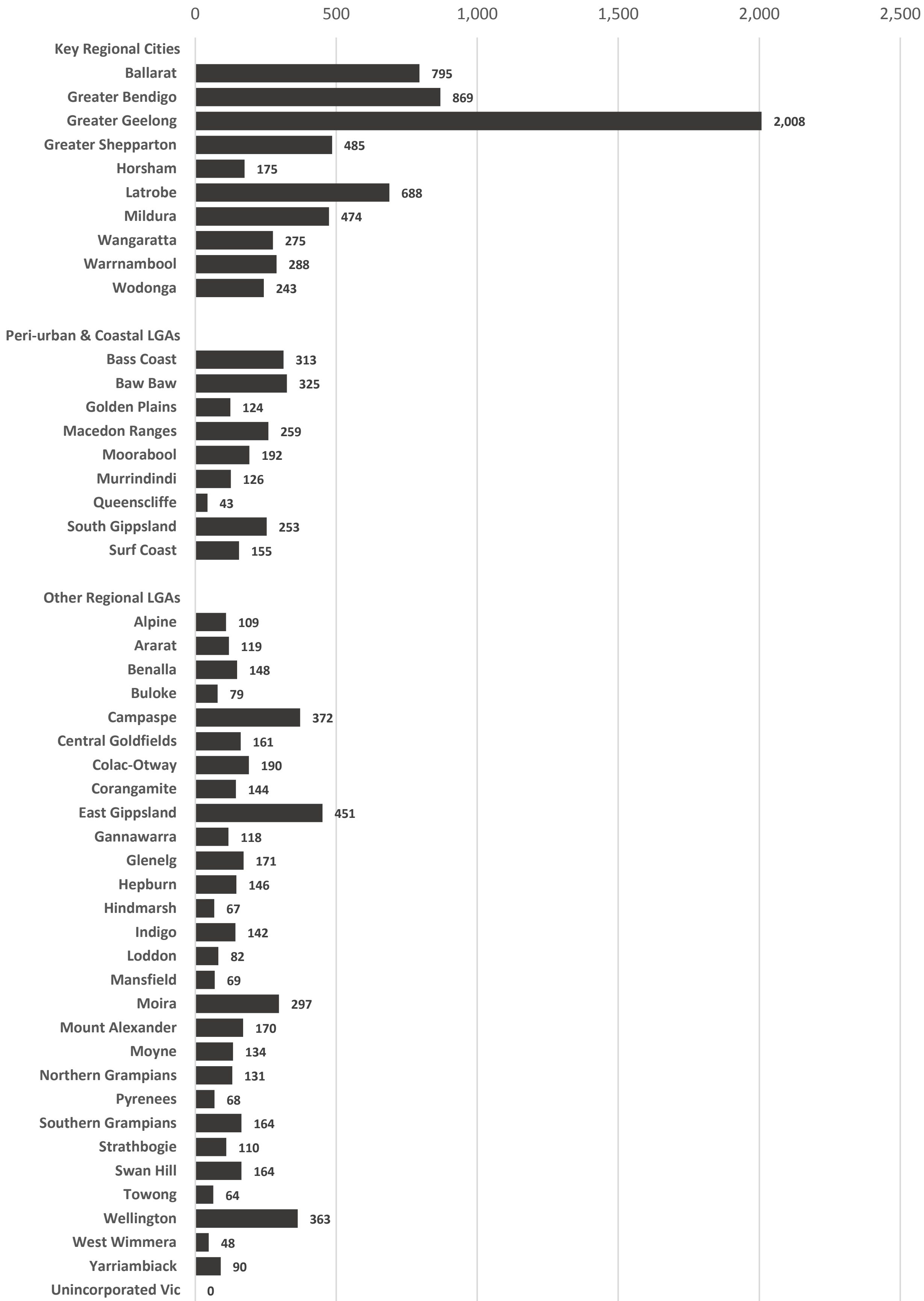
In 2014, 37,958 people died in Victoria, a large increase compared to 2013, when only 35,916 people died. Of those who died, 25,497 were from metropolitan Melbourne (67%) and 12,461 were from regional Victoria (33%).

LGAs with younger populations tended to have fewer deaths than older, more established areas.



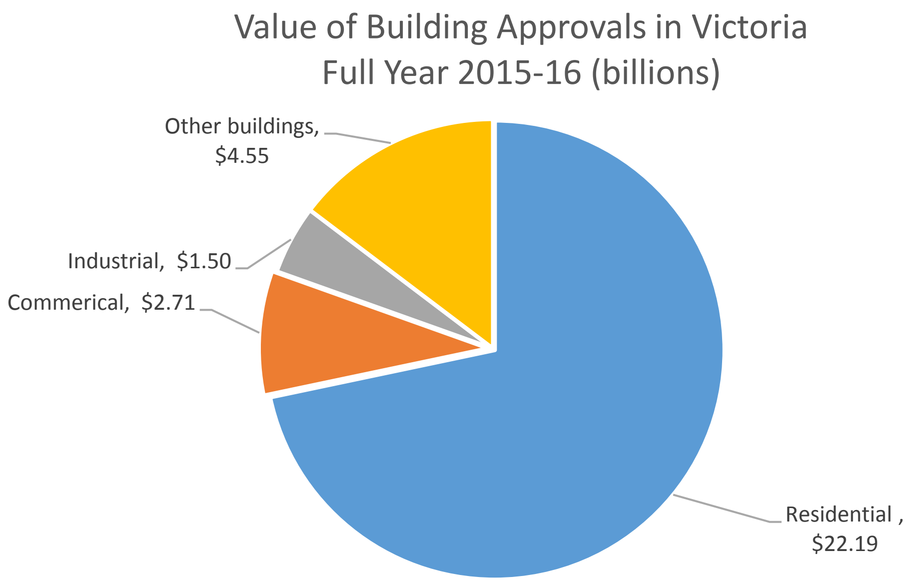
Deaths in 2014 - Regional Victoria

Source: ABS deaths



5. Building Approvals

For the 2015/16 financial year, there was total of $30.95 billion worth of building approvals in Victoria. Of this, 72% was for residential buildings of all types.

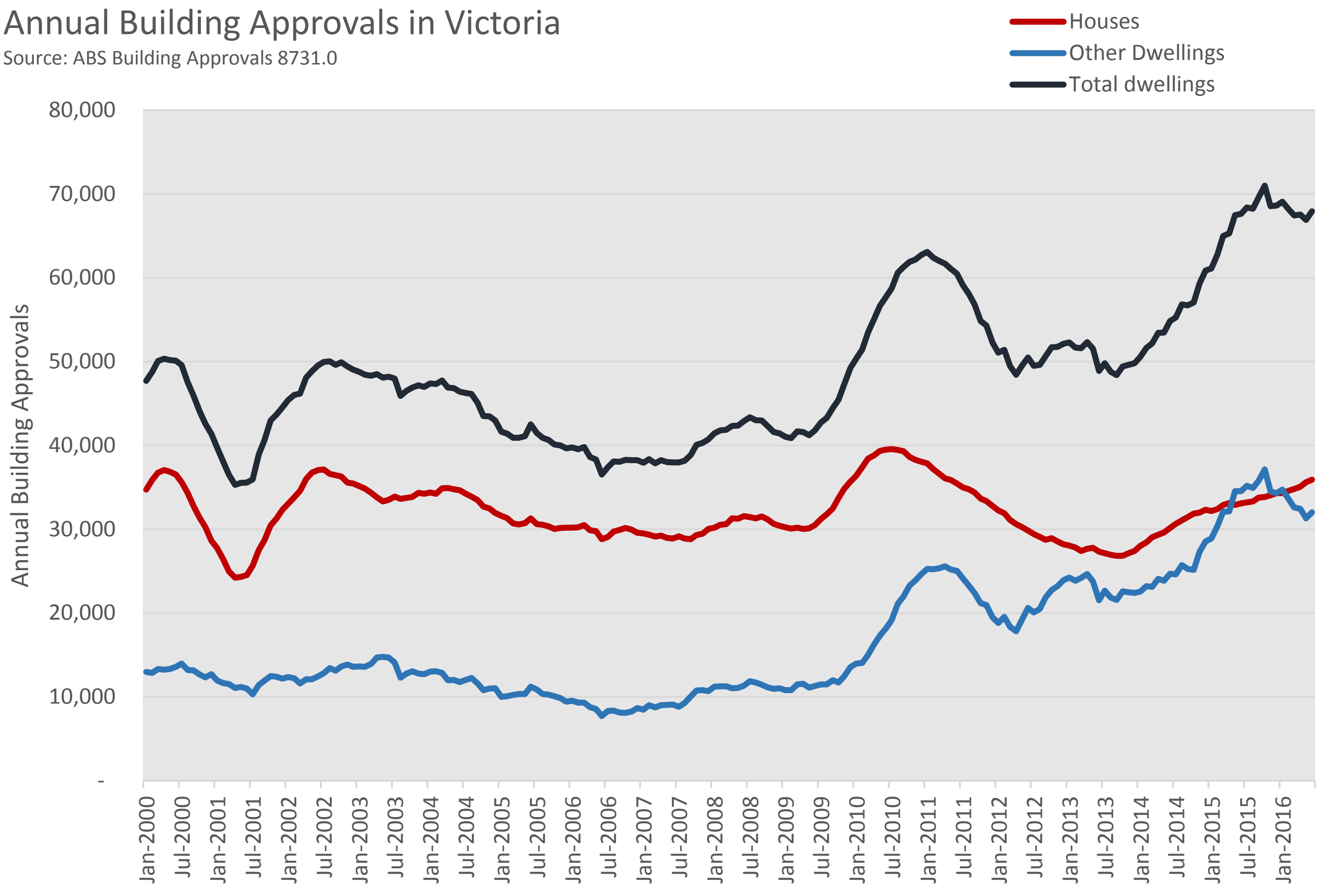


The various categories of building approval numbers and values for both metropolitan Melbourne and regional LGAs are presented in the following charts, including for:

a) Residential Dwellings Numbers
b) Overall Value of all Building Approval Types
c) Commercial Buildings
d) Industrial Buildings
e) Other Non-residential Buildings

a) Residential Dwelling Approvals

The latest building approvals (June 2016) show that in the past 12 months 35,910 detached houses and 32,028 other residential dwellings have been approved across the state. Historical detached houses have been the dominant type of residential construction in Victoria. However, in the past year, the number of other residential dwellings approved has been almost the same as detached houses. It is yet to be determined if this is a permanent trend or a short-term approbation.

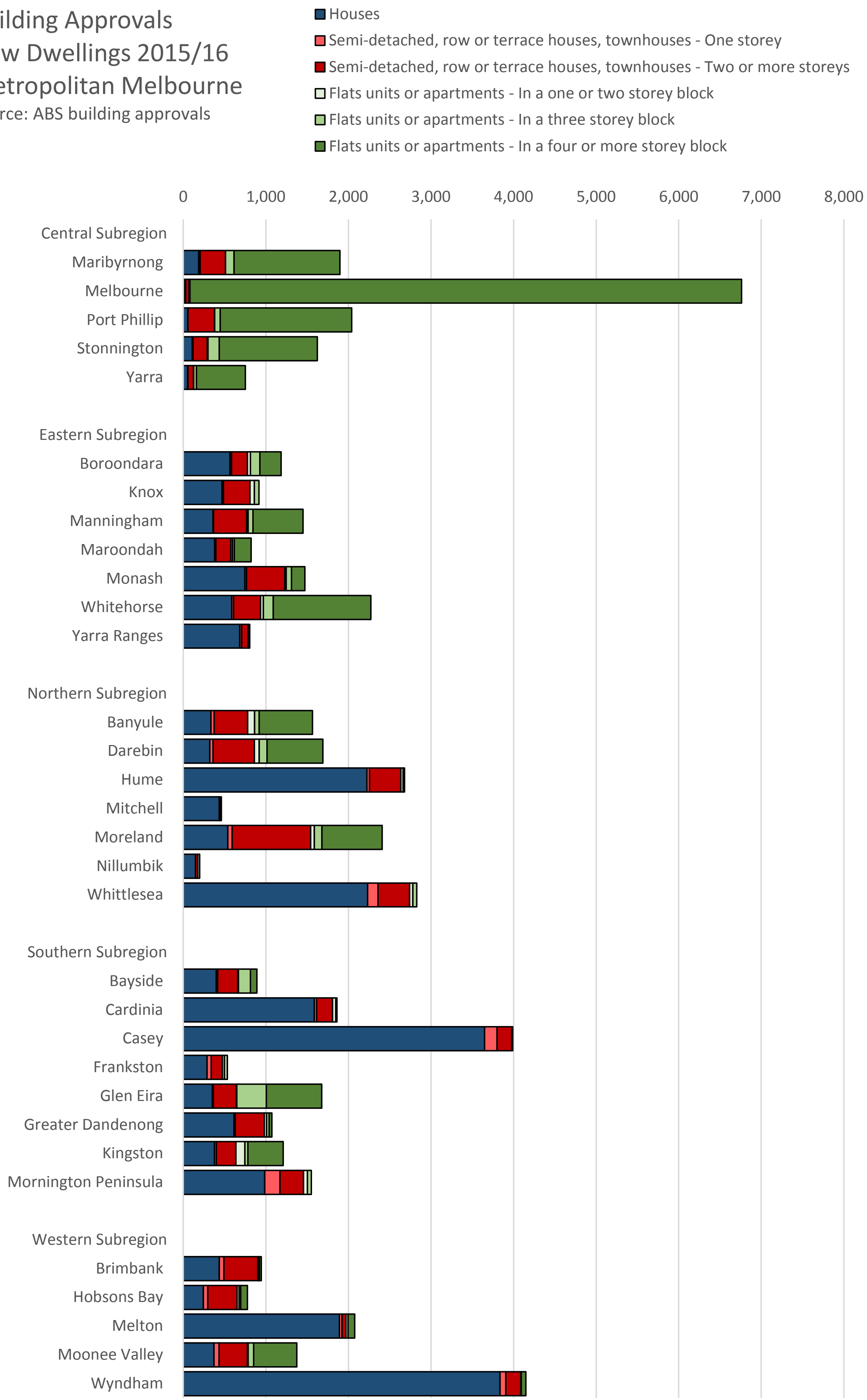


Within the 'other dwellings' category, there were 10,571 semi-detached dwellings and 20,568 apartments and flats, of which 86% of those apartments were in buildings four storeys or more. The majority of these high-rise apartments were approved in the Melbourne central subregion, although a few local government areas in the Eastern and Northern subregions have had significant numbers. There were no high-rise apartments approved in regional Victoria.

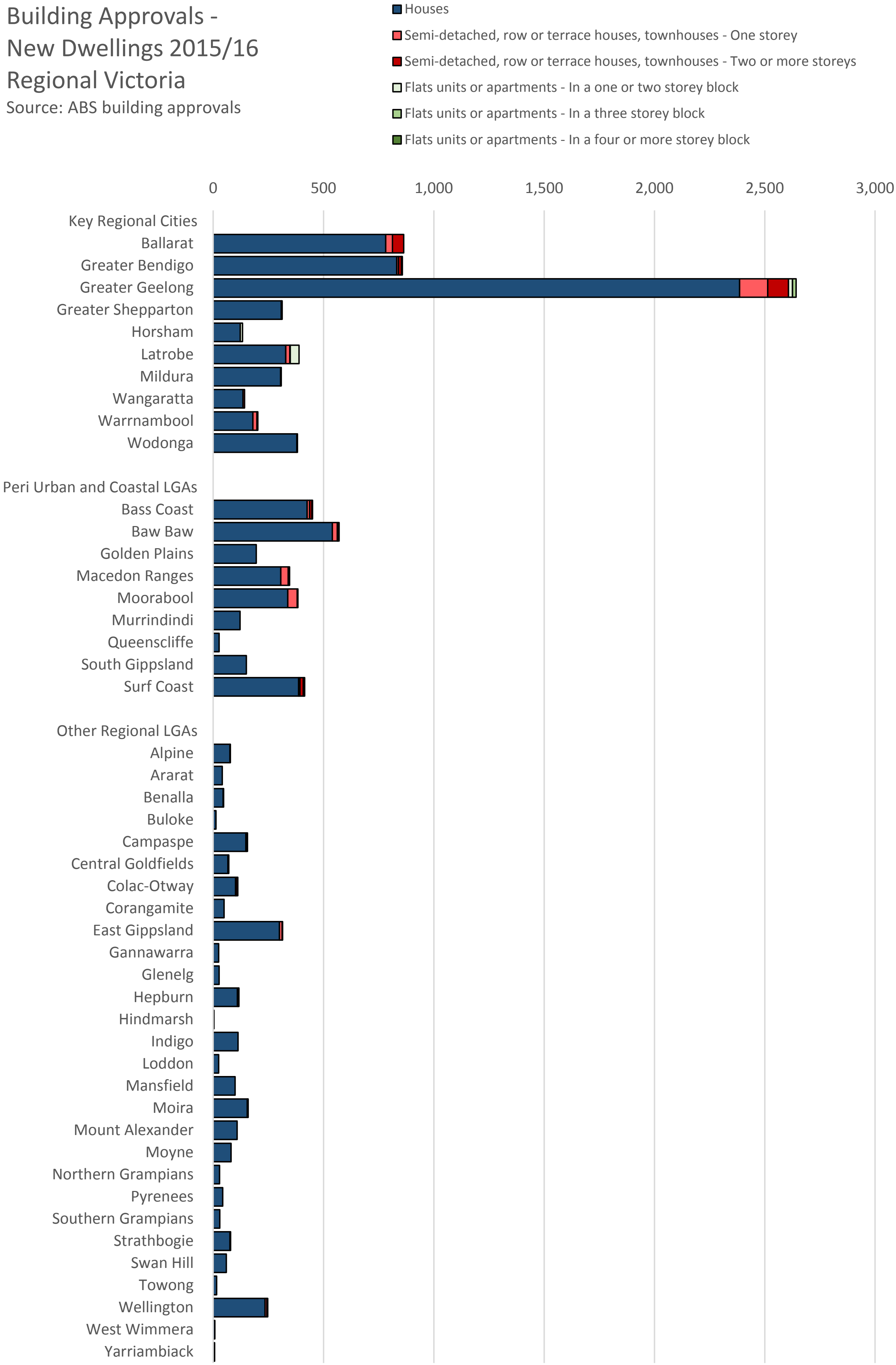
Moreland had more than 1,000 semi-detached dwellings approved in 2015/16.

Building Approvals
New Dwellings 2015/16
Metropolitan Melbourne

Source: ABS building approvals



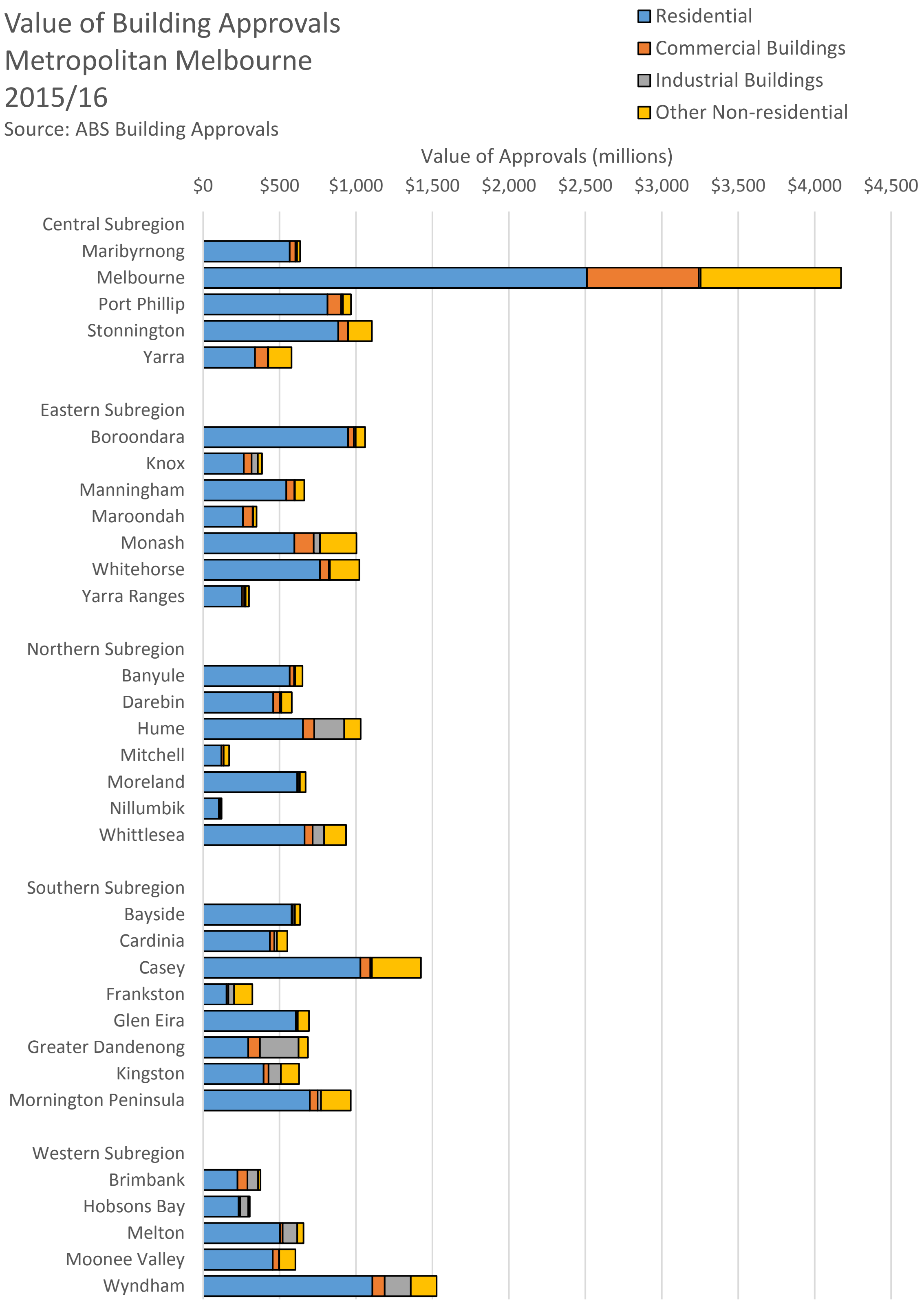
Building Approvals -
New Dwellings 2015/16
Regional Victoria
Source: ABS building approvals



b) Value of Approvals

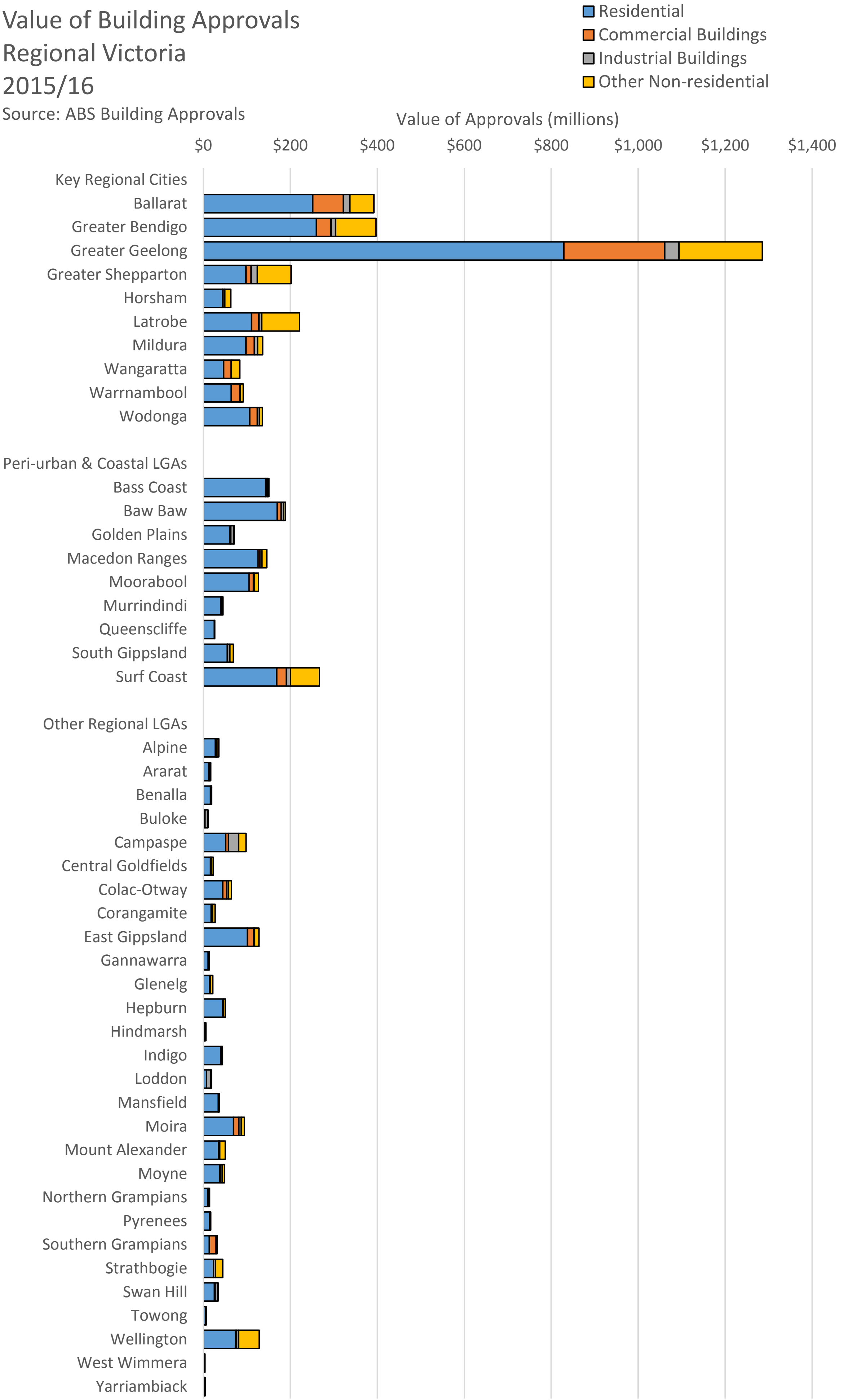
The City of Melbourne had the largest value of building approvals in the quarter, followed by Wyndham, Casey, Stonnington, Boroondara and Whitehorse.

In regional Victoria, the highest value of approvals were in Greater Geelong, Ballarat, Greater Bendigo and the Surf Coast.



Value of Building Approvals Regional Victoria 2015/16

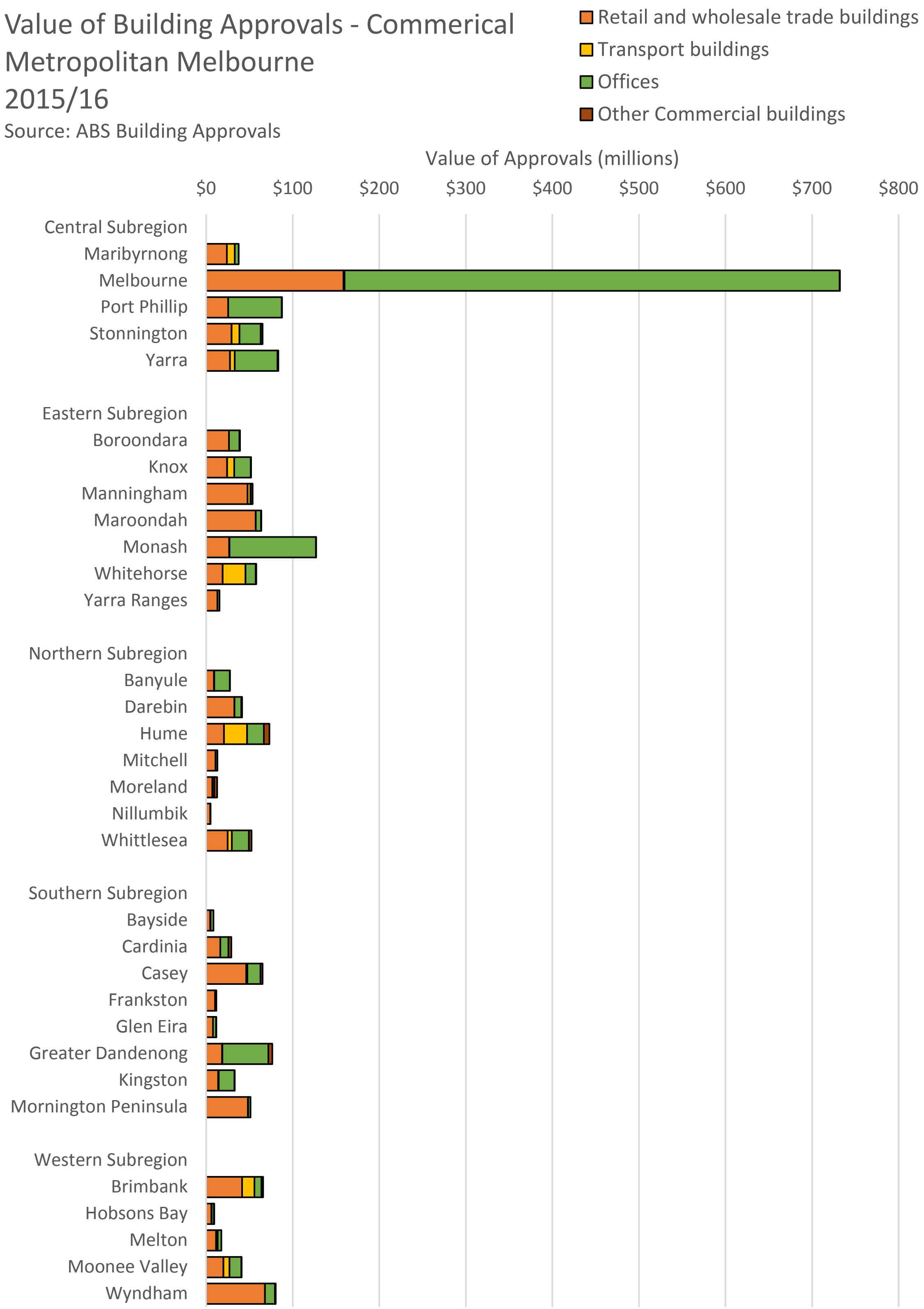
Source: ABS Building Approvals

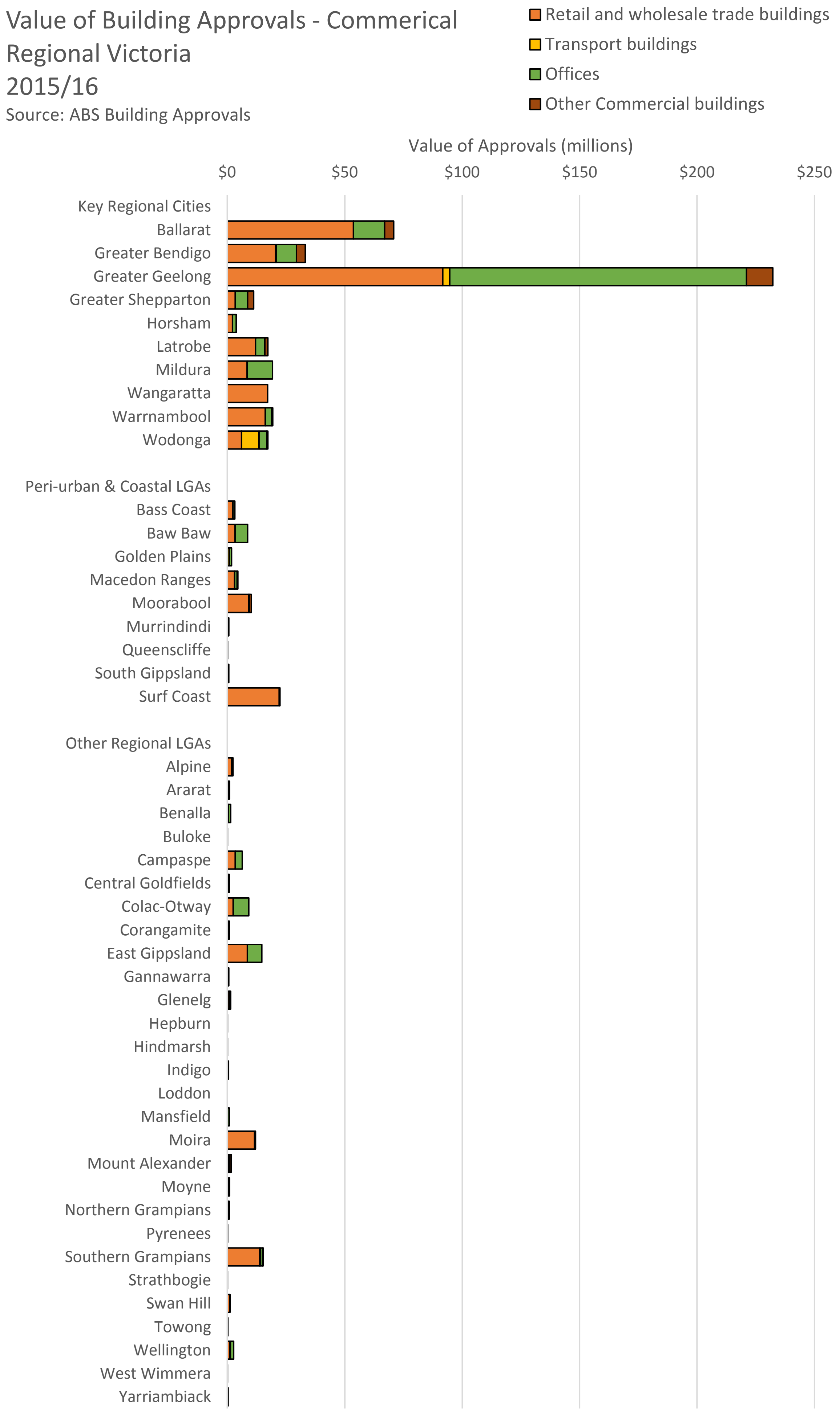


i. Commercial Buildings

The City of Melbourne had the greatest value of commercial buildings approved, with the majority being offices. Monash and Greater Dandenong also had significant value of offices being approved. Most metropolitan Local Government Areas (LGAs) had some retail space approved.

Greater Geelong had the second highest value of commercial approvals in the state, with a mixture of offices and retail.

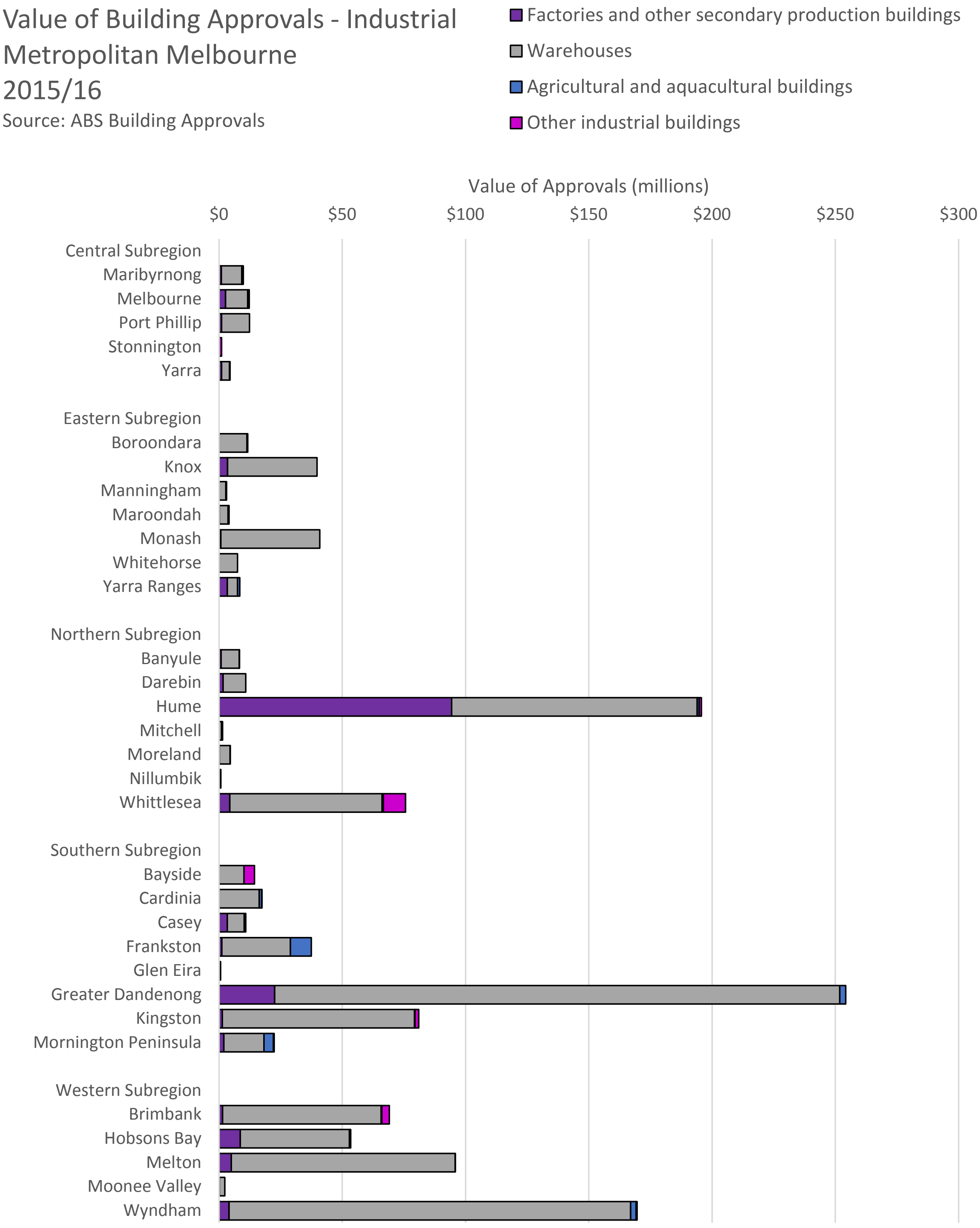


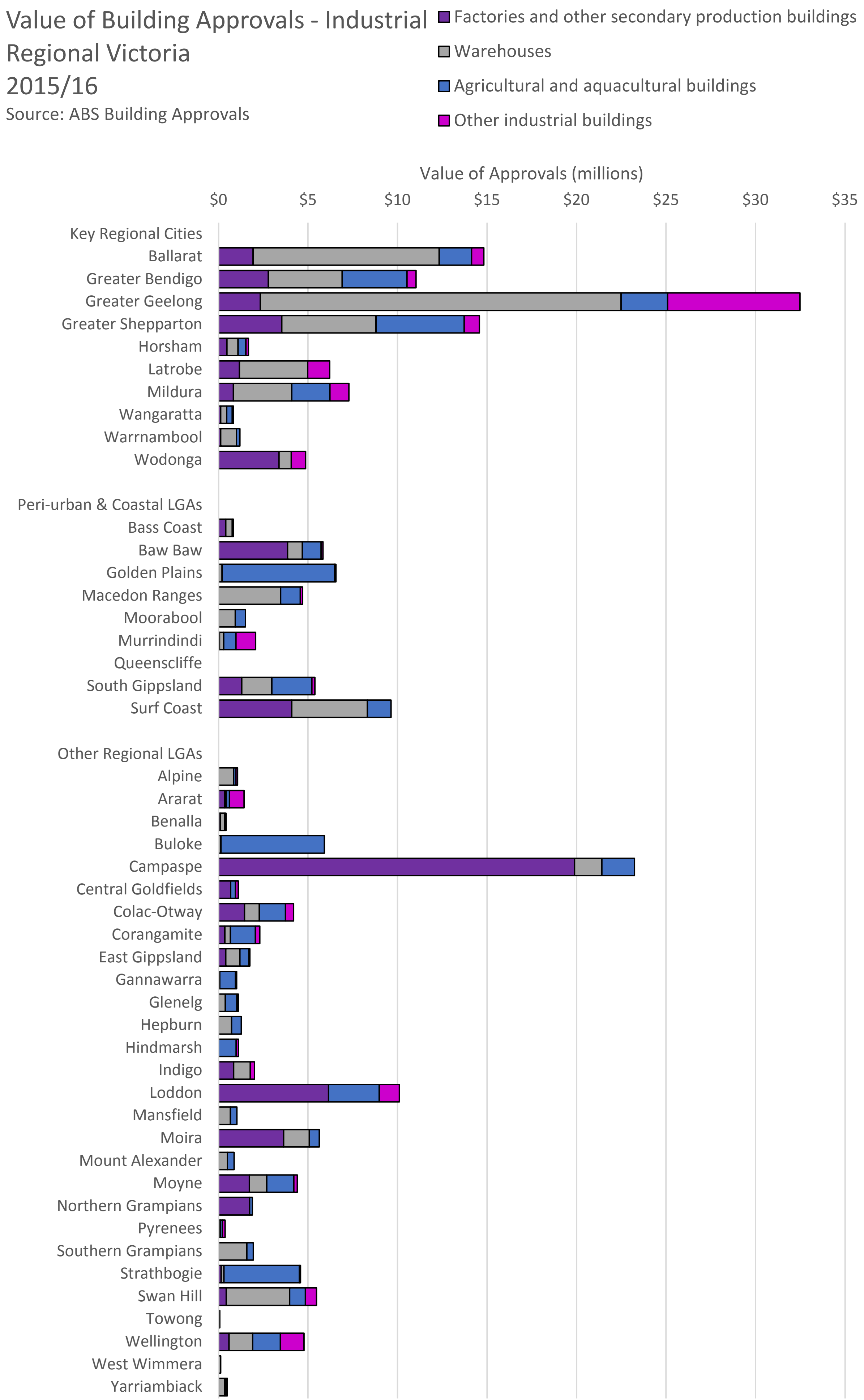

Value of Building Approvals - Commerical
Regional Victoria
2015/16
Source: ABS Building Approvals
Retail and wholesale trade buildings
Transport buildings
Offices
Other Commercial buildings
Value of Approvals (millions)
$0
$50
$100
$150
$200
$250
Key Regional Cities
Ballarat
Greater Bendigo
Greater Geelong
Greater Shepparton
Horsham
Latrobe
Mildura
Wangaratta
Warrnambool
Wodonga
Peri-urban & Coastal LGAs
Bass Coast
Baw Baw
Golden Plains
Macedon Ranges
Moorabool
Murrindindi
Queenscliffe
South Gippsland
Surf Coast
Other Regional LGAs
Alpine
Ararat
Benalla
Buloke
Campaspe
Central Goldfields
Colac-Otway
Corangamite
East Gippsland
Gannawarra
Glenelg
Hepburn
Hindmarsh
Indigo
Loddon
Mansfield
Moira
Mount Alexander
Moyne
Northern Grampians
Pyrenees
Southern Grampians
Strathbogie
Swan Hill
Towong
Wellington
West Wimmera
Yarriambiack

ii. Industrial buildings

Over 77% of industrial buildings approved in 2015/16 were warehouses and most were located in the metropolitan area. The only Local Government Areas in Melbourne with approval of any major factories or other production buildings were Hume and Greater Dandenong.

In regional Victoria, there was $43 million worth of industrial buildings approved. Campaspe had some significant investment in the factories and production buildings category.





Value of Building Approvals - Industrial
Regional Victoria
2015/16
Source: ABS Building Approvals
Factories and other secondary production buildings
Warehouses
Agricultural and aquacultural buildings
Other industrial buildings
Value of Approvals (millions)
$0
$5
$10
$15
$20
$25
$30
$35
Key Regional Cities
Ballarat
Greater Bendigo
Greater Geelong
Greater Shepparton
Horsham
Latrobe
Mildura
Wangaratta
Warrnambool
Wodonga
Peri-urban & Coastal LGAs
Bass Coast
Baw Baw
Golden Plains
Macedon Ranges
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Murrindindi
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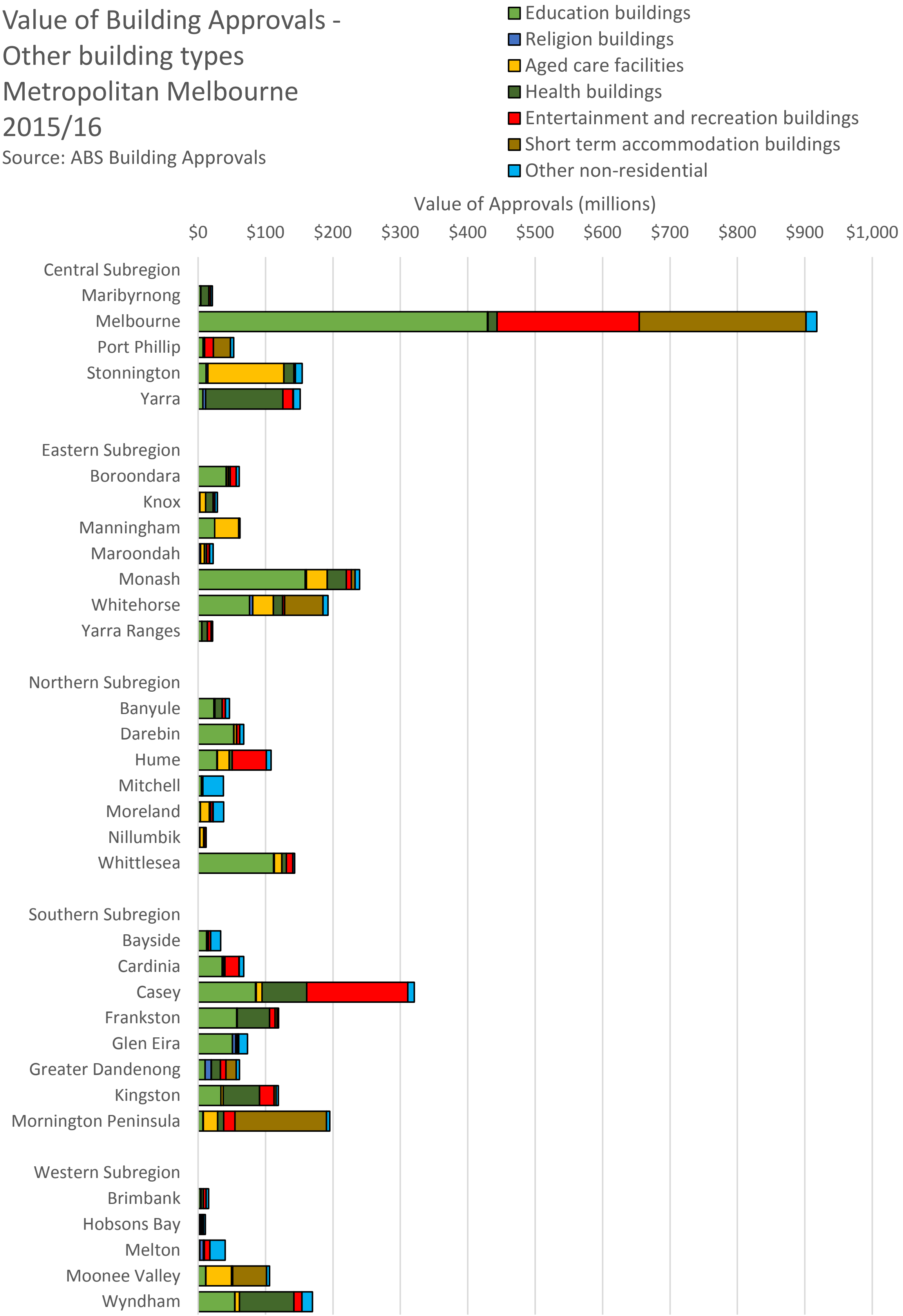
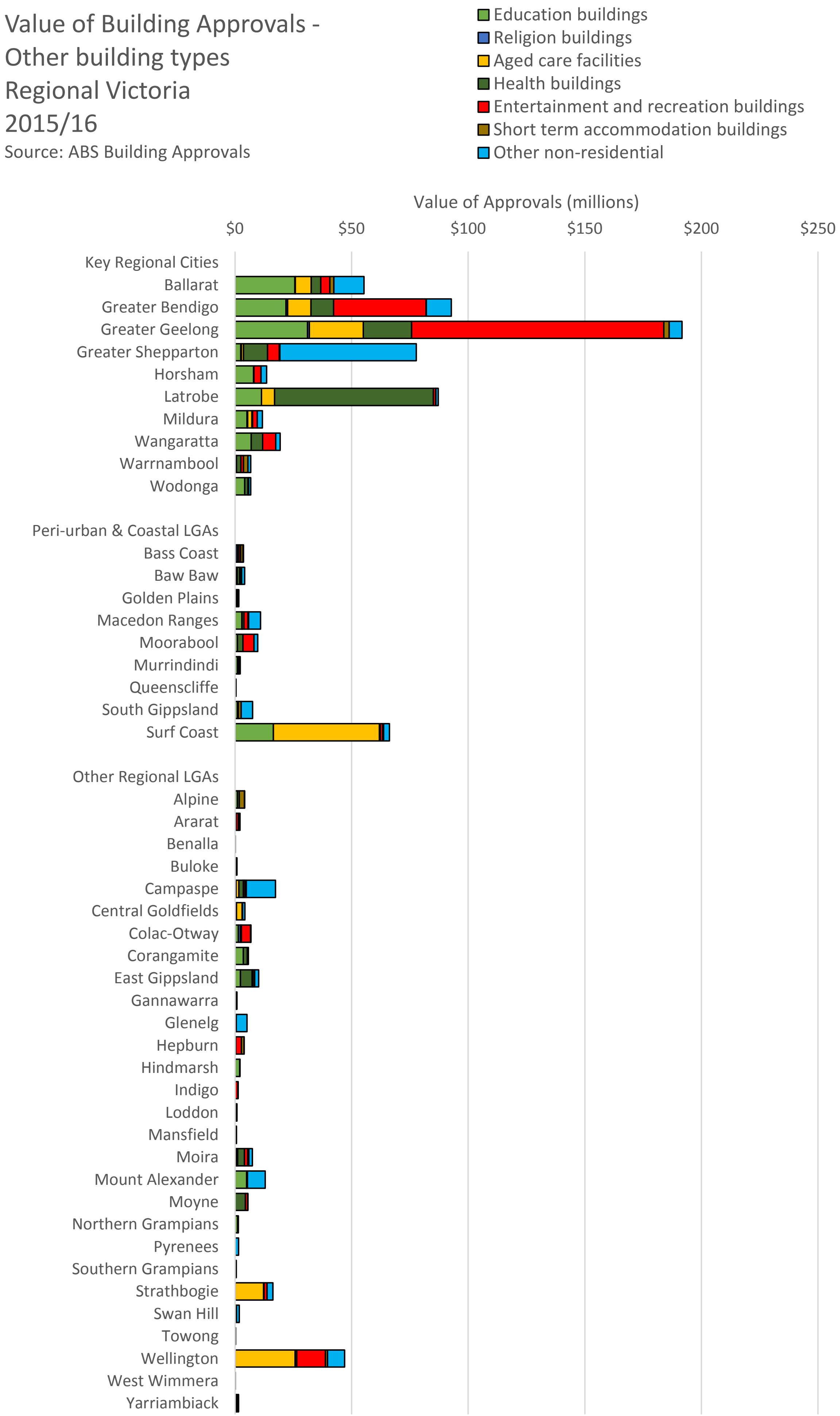
Corangamite
East Gippsland
Gannawarra
Glenelg
Hepburn
Hindmarsh
Indigo
Loddon
Mansfield
Moira
Mount Alexander
Moyne
Northern Grampians
Pyrenees
Southern Grampians
Strathbogie
Swan Hill
Towong
Wellington
West Wimmera
Yarriambiack

iii. Other Non-Residential Buildings

Points of interests in the other non-residential building approvals were the short-term accommodation approved in Whitehorse and Mornington Peninsula, educational buildings in many councils, entertainment buildings in Wellington and Casey, and health buildings approved in Kingston, La Trobe and Wyndham.




Value of Building Approvals -
Other building types
Regional Victoria
2015/16
Source: ABS Building Approvals
Education buildings
Religion buildings
Aged care facilities
Health buildings
Entertainment and recreation buildings
Short term accommodation buildings
Other non-residential
Value of Approvals (millions)
$0
$50
$100
$150
$200
$250
Key Regional Cities
Ballarat
Greater Bendigo
Greater Geelong
Greater Shepparton
Horsham
Latrobe
Mildura
Wangaratta
Warrnambool
Wodonga
Peri-urban & Coastal LGAs
Bass Coast
Baw Baw
Golden Plains
Macedon Ranges
Moorabool
Murrindindi
Queenscliffe
South Gippsland
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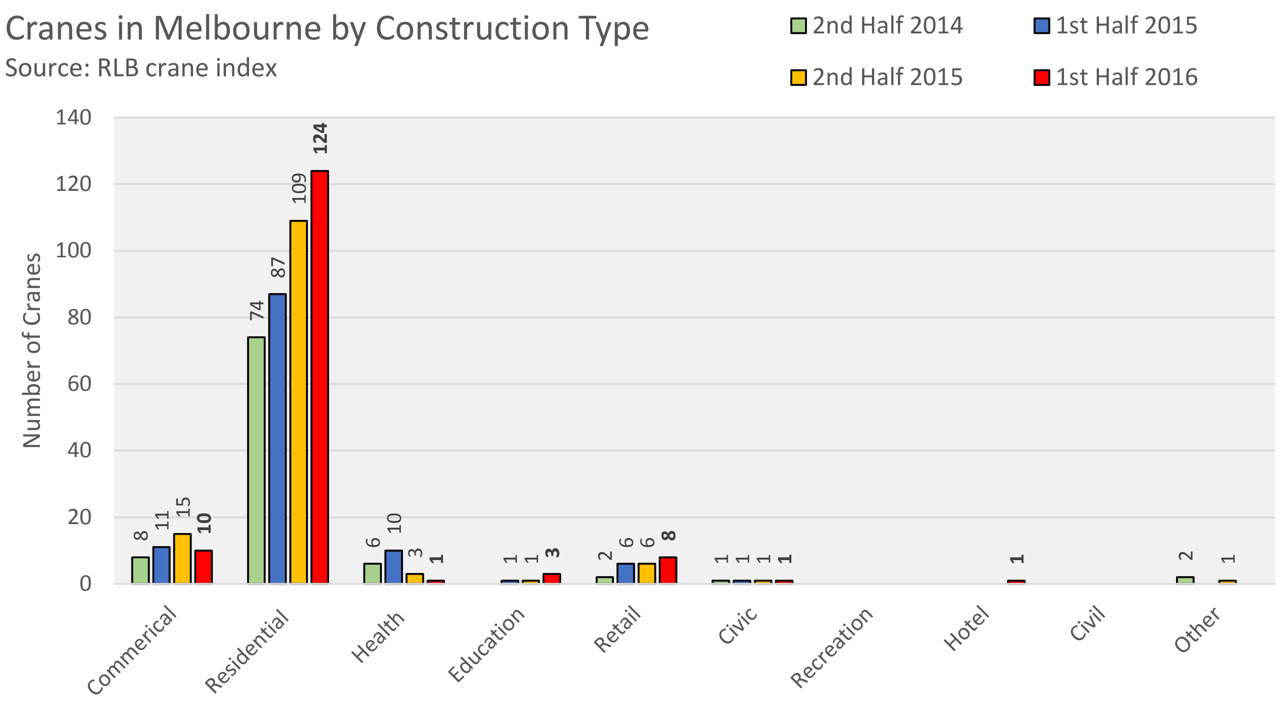
Central Goldfields
Colac-Otway
Corangamite
East Gippsland
Gannawarra
Glenelg
Hepburn
Hindmarsh
Indigo
Loddon
Mansfield
Moira
Mount Alexander
Moyne
Northern Grampians
Pyrenees
Southern Grampians
Strathbogie
Swan Hill
Towong
Wellington
West Wimmera
Yarriambiack

6. Crane Counts

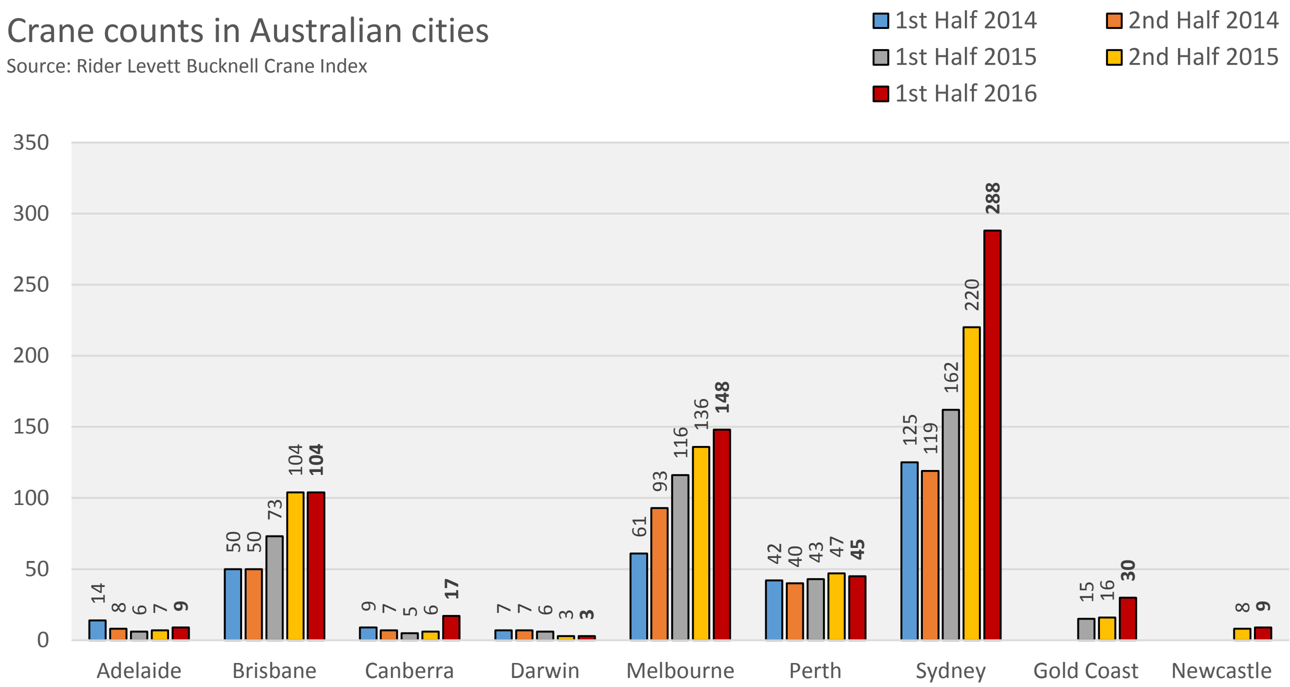
Rider Levett Bucknall publishes a biannual Crane Index. The Crane Index tracks the number of cranes in the key mainland cities in Australia. This is a useful proxy for major construction work.

Across Melbourne, there were 148 cranes on sites at the start of the 2nd Quarter 2016. There had been 82 new cranes erected and 70 dismantled in the past six months. The vast majority of these were on residential projects.



Over a third of the cranes in Melbourne were located in the CBD, Docklands and Southbank but 30% were found in the eastern suburbs.

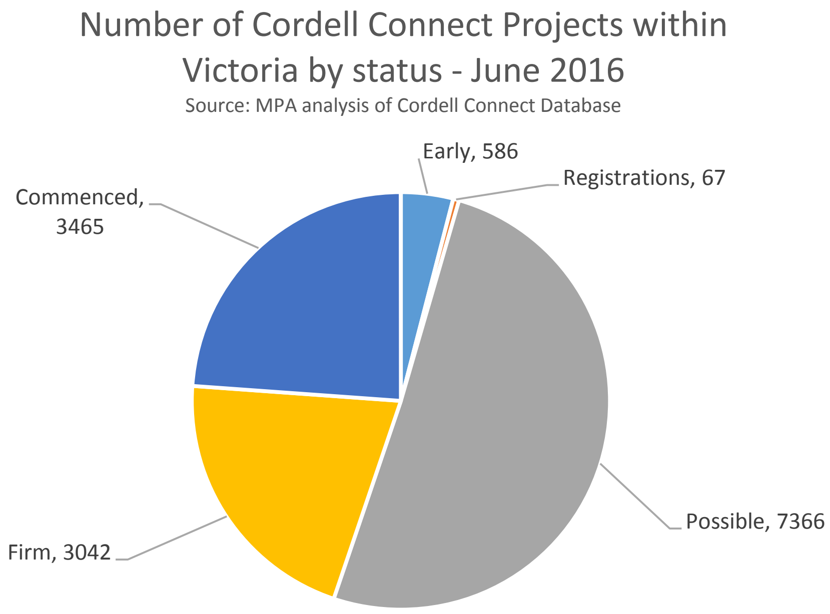
Melbourne had the second highest number of cranes in Australia. Sydney had the greatest number of cranes, possibly as a result of Sydney's lack of greenfield growth, forcing multi-level residential development.



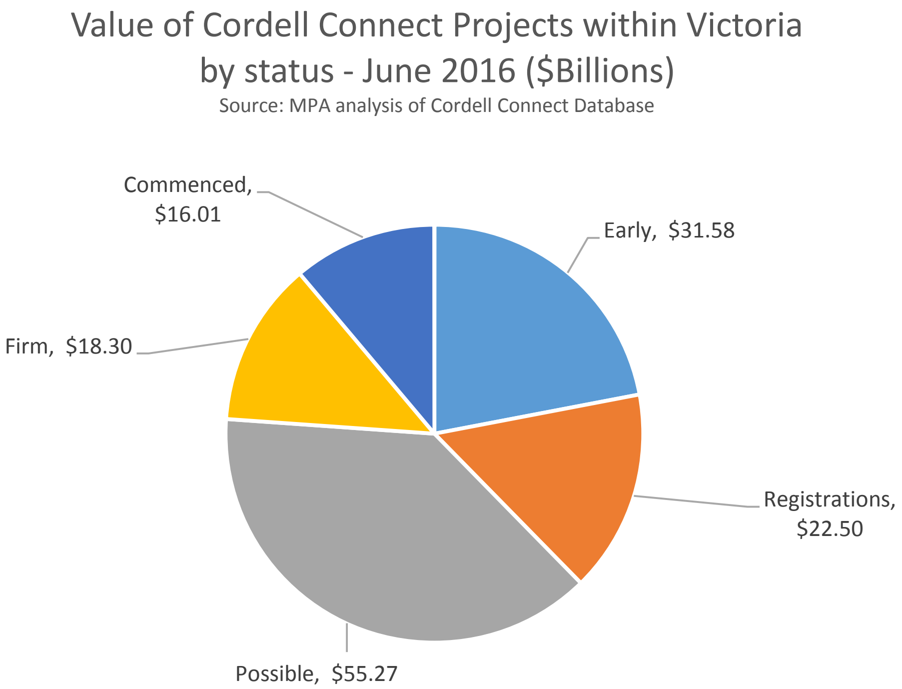
7. Construction Pipeline

Cordell Connect collects information for their database on most construction projects across Australia, with the exception of single dwelling construction. This information is used across the construction industry.

In Victoria, the Cordell database currently has around 15,000 active projects. The majority of these projects are in the early or possible stages, with only about 20% currently underway.



In terms of value, even fewer of the works are currently underway or firm, with over $100 billion worth of projects only being in the early or possible stages.



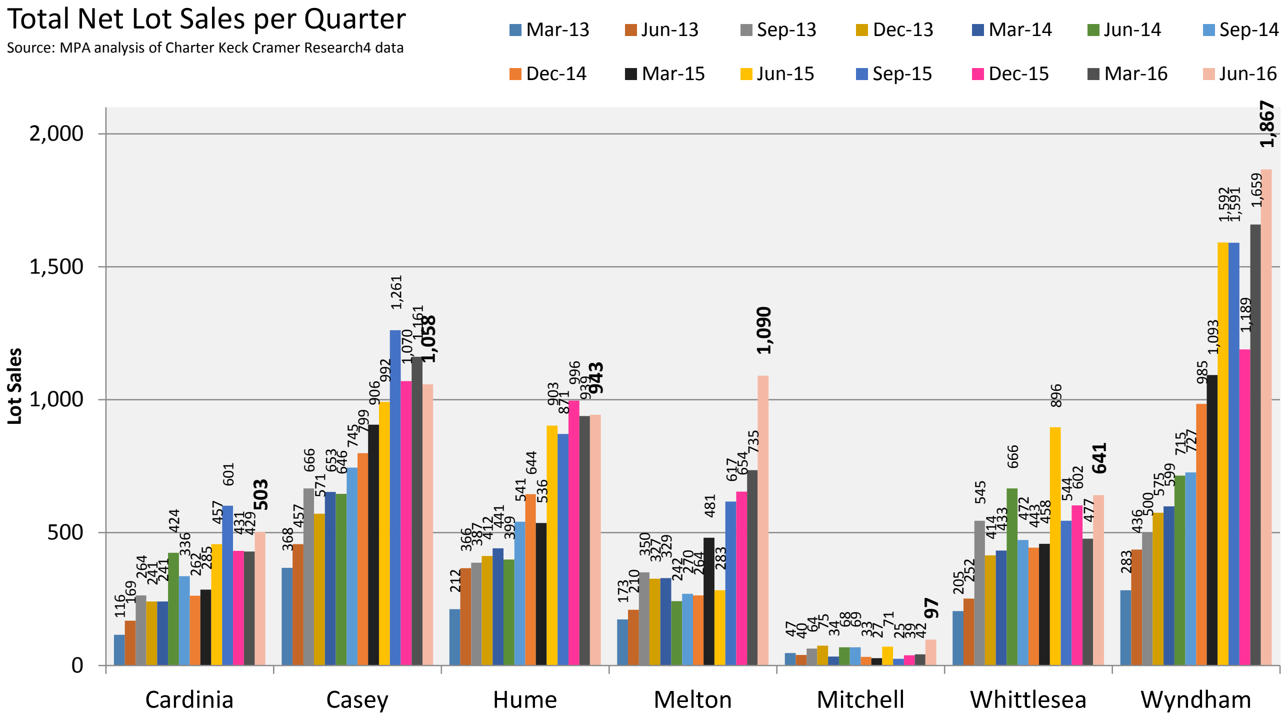
Many of projects at the registration phase are large government projects, like Metro Tunnel.

Tables of number and value of Projects by LGA can be found in the appendices.

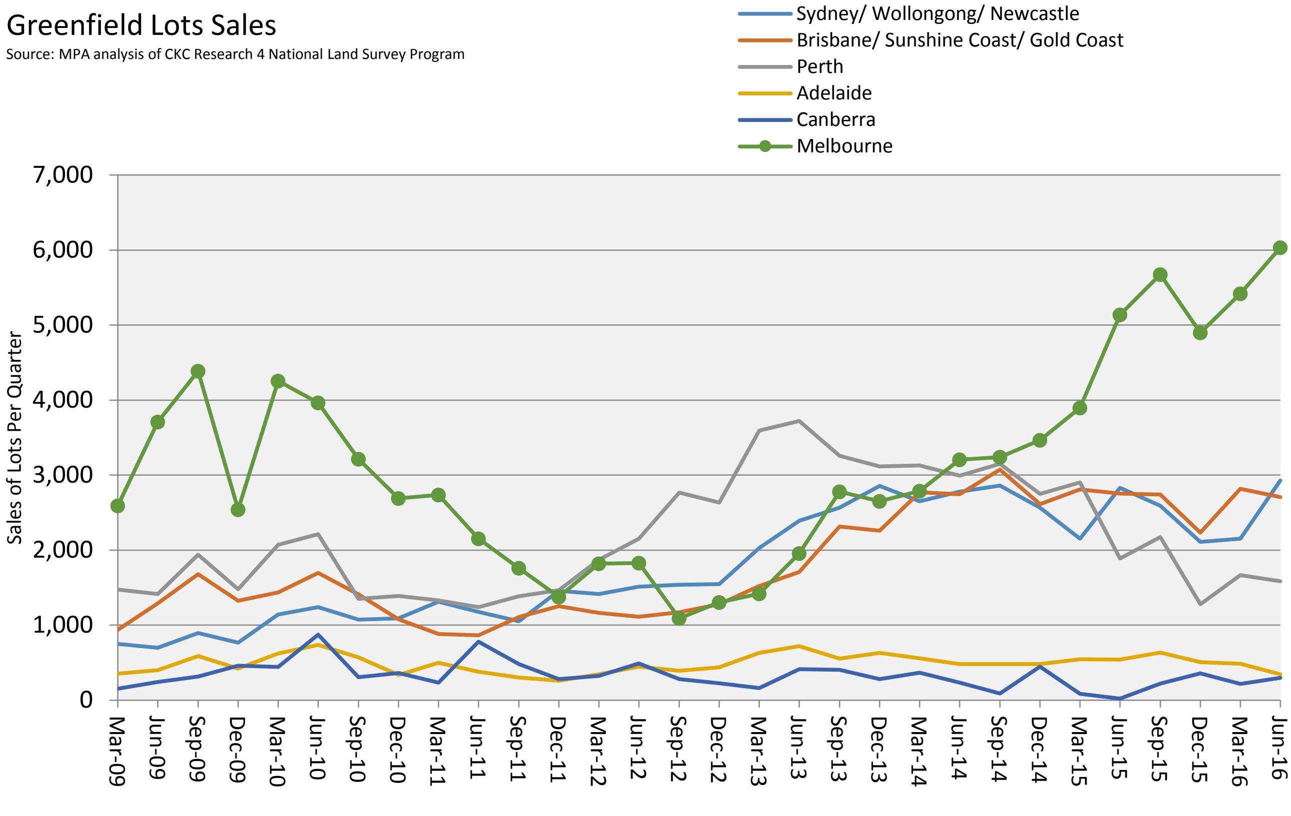
8. Greenfields Developments in Melbourne's Outer Growth Areas

a) Sales Rates

In the recent quarters, the Greenfields of Melbourne have been selling at a record pace, with 22,000 lots selling in the past four quarters to June 2016. Wyndham has been the busiest, selling over 6,300 lots in the past year. Sales in Melton have also been increasing rapidly. Only Whittlesea and Mitchell have not seen a sustained increase in sales.

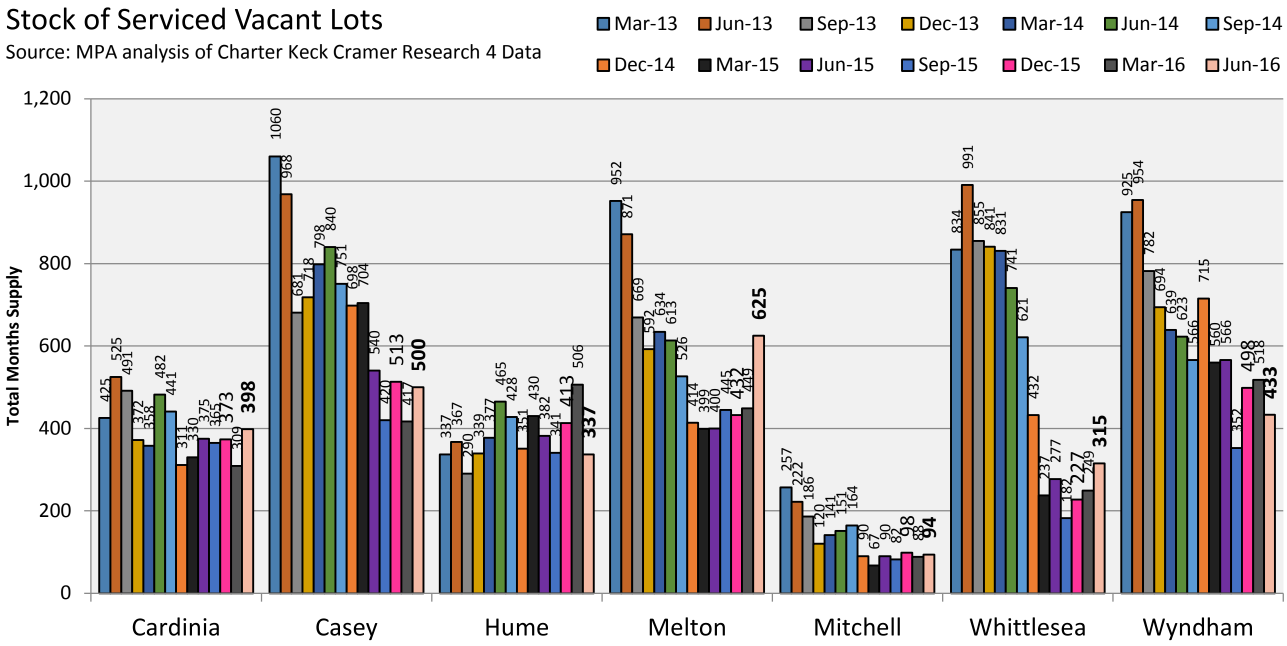


The Melbourne Greenfield market is clearly the strongest in Australia in terms of demand and sales numbers.

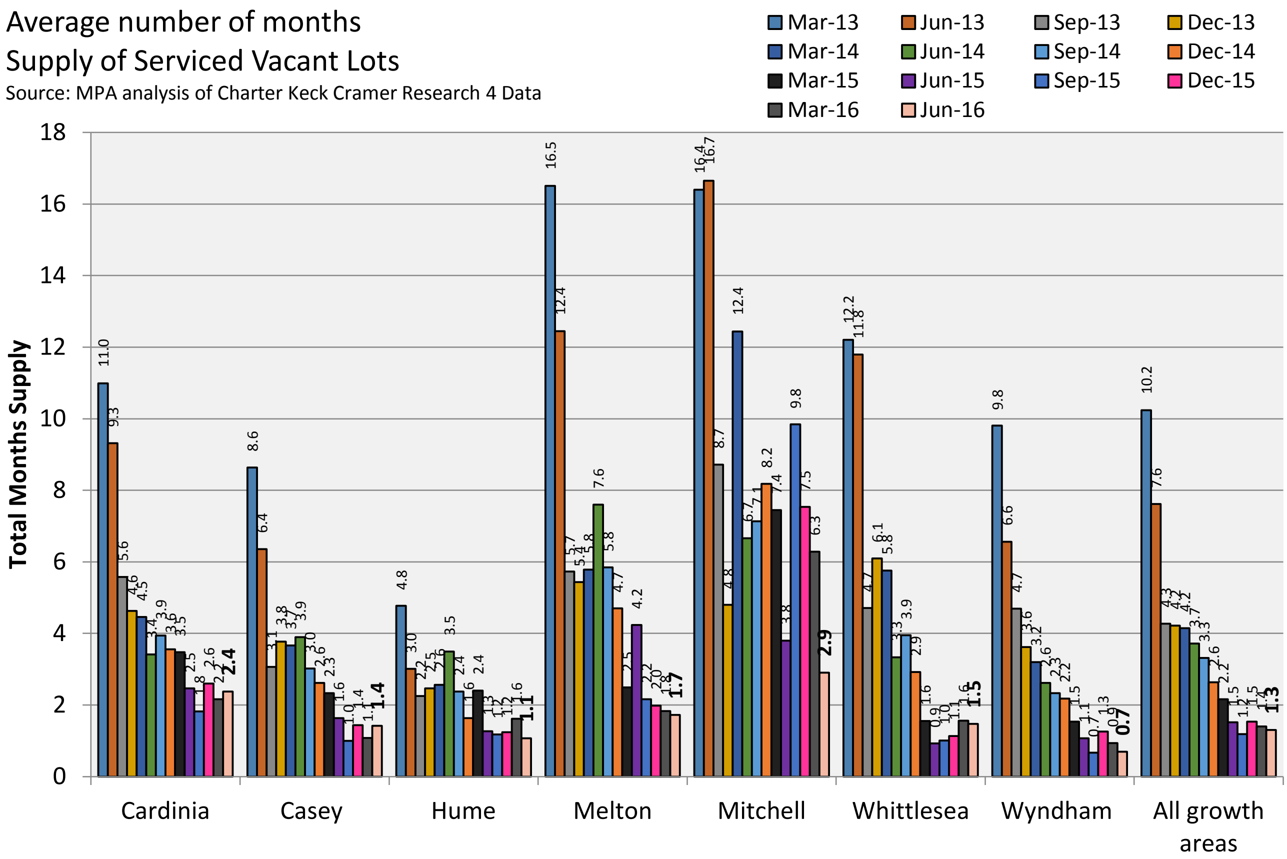


b) Supply and Stock

As a consequence of the strong sales rates, stocks in the growth areas have generally declined over the past year. Areas that two years ago had several months of stock have seen the numbers fall rapidly. However, in the past two quarters developers have released enough lots to meet demand, which helped increase supply levels slightly.



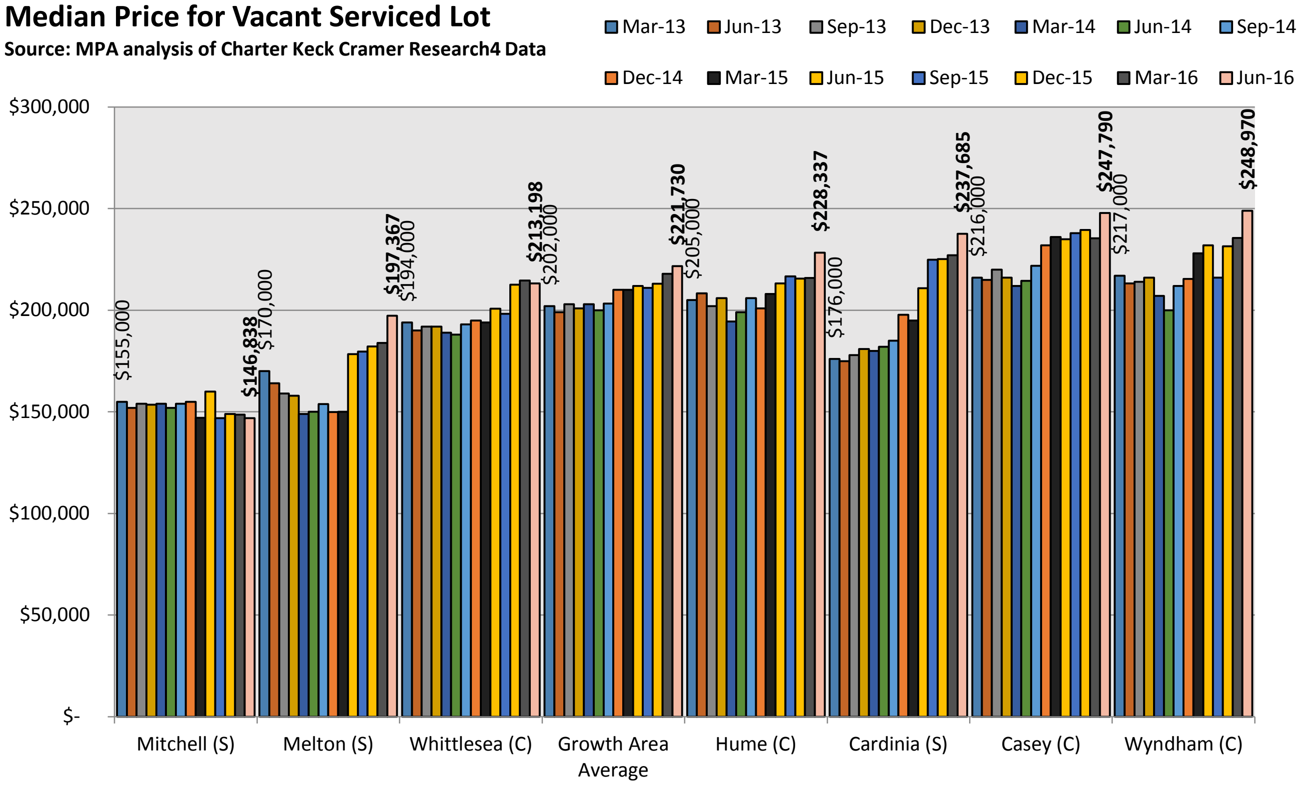
Currently, there is only 1.3 months of supply on the market as result of the strong demand. The lowest amount of supply is in Wyndham, where only 0.7 months' supply is available (A lot is averaging 3 weeks on the market). No Greenfield council has more than three months' supply of lots.



c) Price of Greenfield Lots

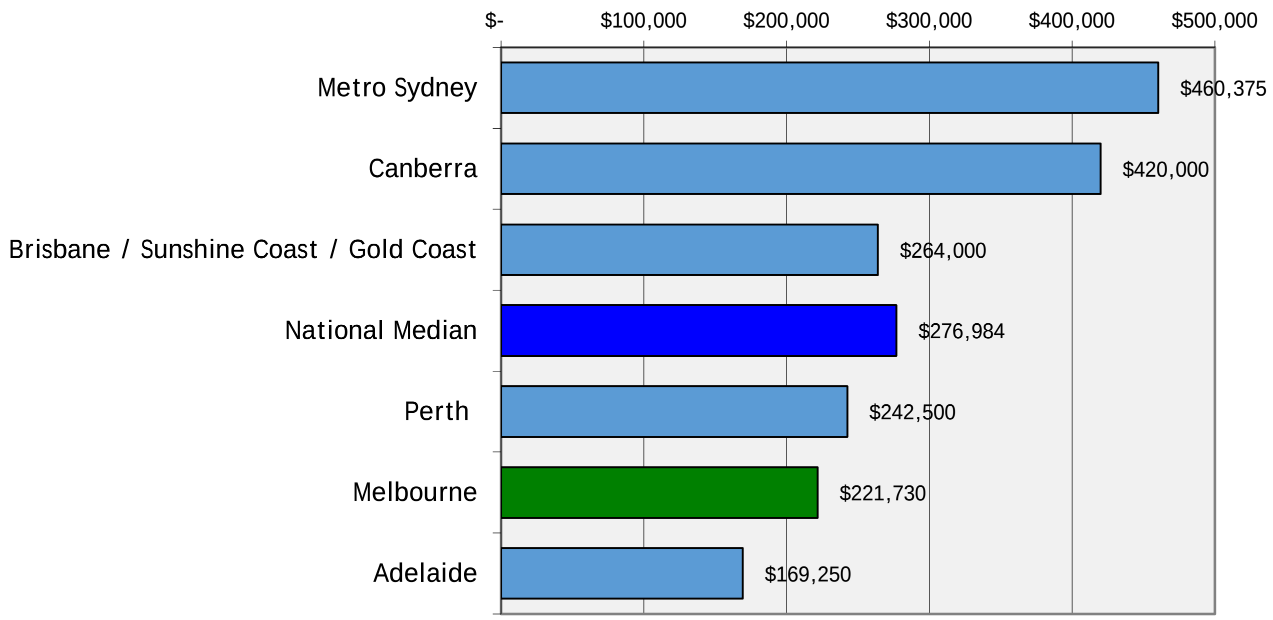
The median price for a Greenfield lot was $221,7300 in Melbourne. It has remained in the $200,000 to $225,000 range for the past four years. The most expensive lots are in Wyndham, where the median price is $248,970. The cheapest are found in Mitchell, where a median lot can be found for $146,836.

Median Price for Vacant Serviced Lot
Source: MPA analysis of Charter Keck Cramer Research4 Data



Compared to most other capitals, Melbourne's Greenfield lots are the second cheapest in Australia and significantly assist with housing affordability. Comparative prices in Sydney are over double Melbourne's affordable prices, largely the result of the strong supply and competitive market in Melbourne.

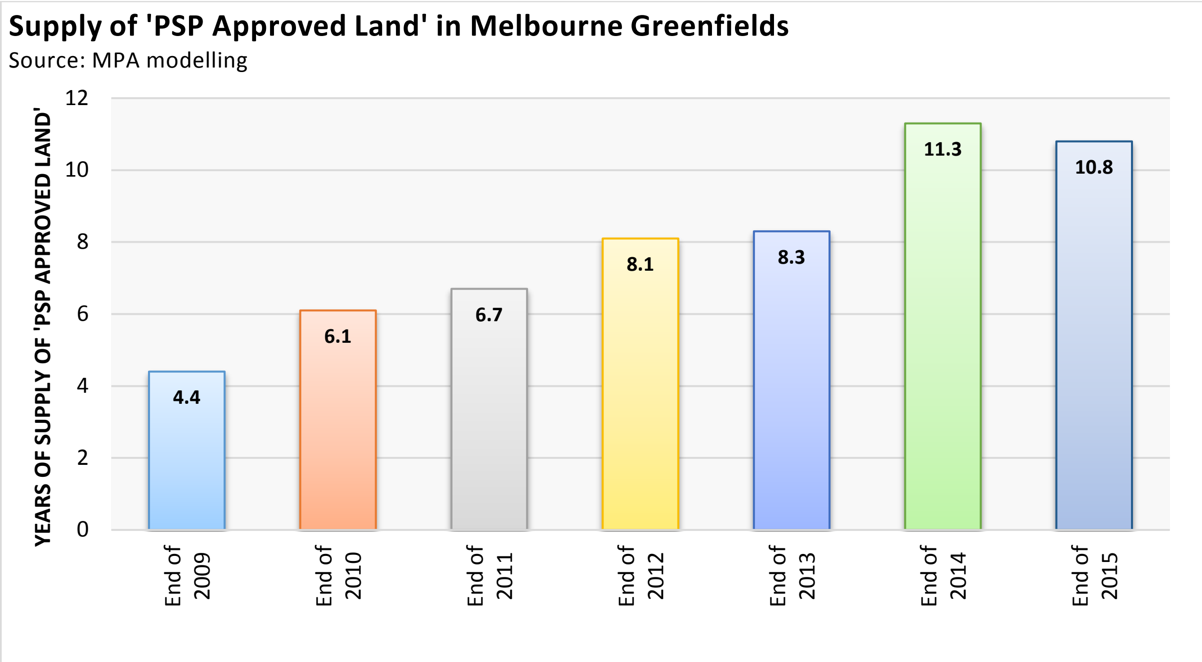
Australian Cities -
Median Lot Price for Vacant Serviced Lots in Greenfield Areas
2nd Quarter 2016
Source: MPA analysis of CKC Research 4 National Land Survey Program



d) Supply of PSP land

The Victorian Planning Authority (VPA) has conducted modelling to gauge the approximate amount of land in the Melbourne Greenfields that is available to be subdivided and developed. In most cases, this is land in Precinct Structure Plan (PSP) areas that has been approved, although some of the land pre-dates the implementation of the PSP program.

At the end of 2009, the Greenfields had approximately 4.4 years' worth of land that was undergoing or could undergo development. Since then, with the completion of PSPs, the number of years' supply has grown to above 10 years of supply.

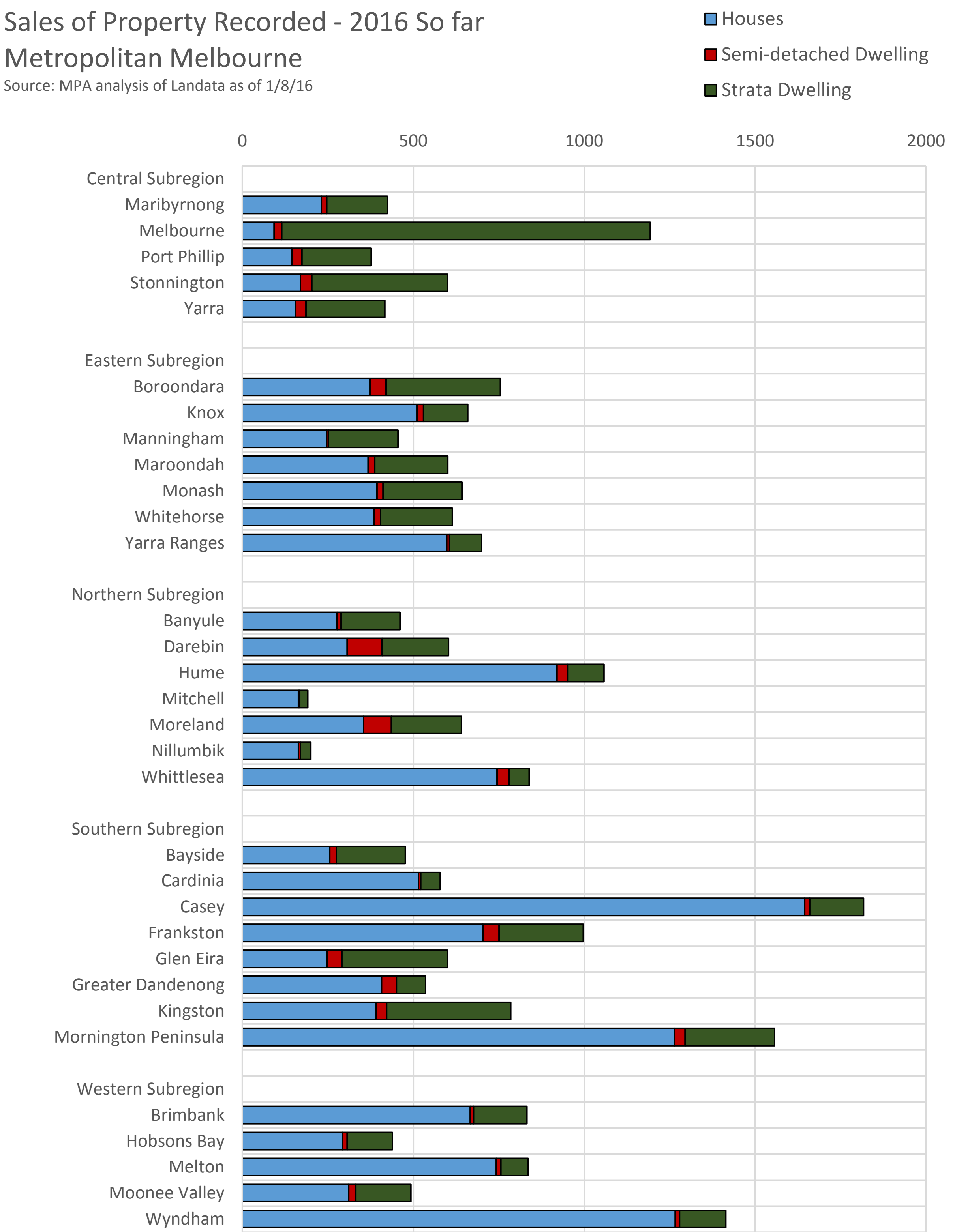


The supply level varies greatly between corridors, with Wyndham having 19 years of supply and Whittlesea having just over two years' supply. Supply of PSP land will increase in 2016 as there are a number large PSPs in the final stages of approval, in areas such as Whittlesea, where supply levels are low.

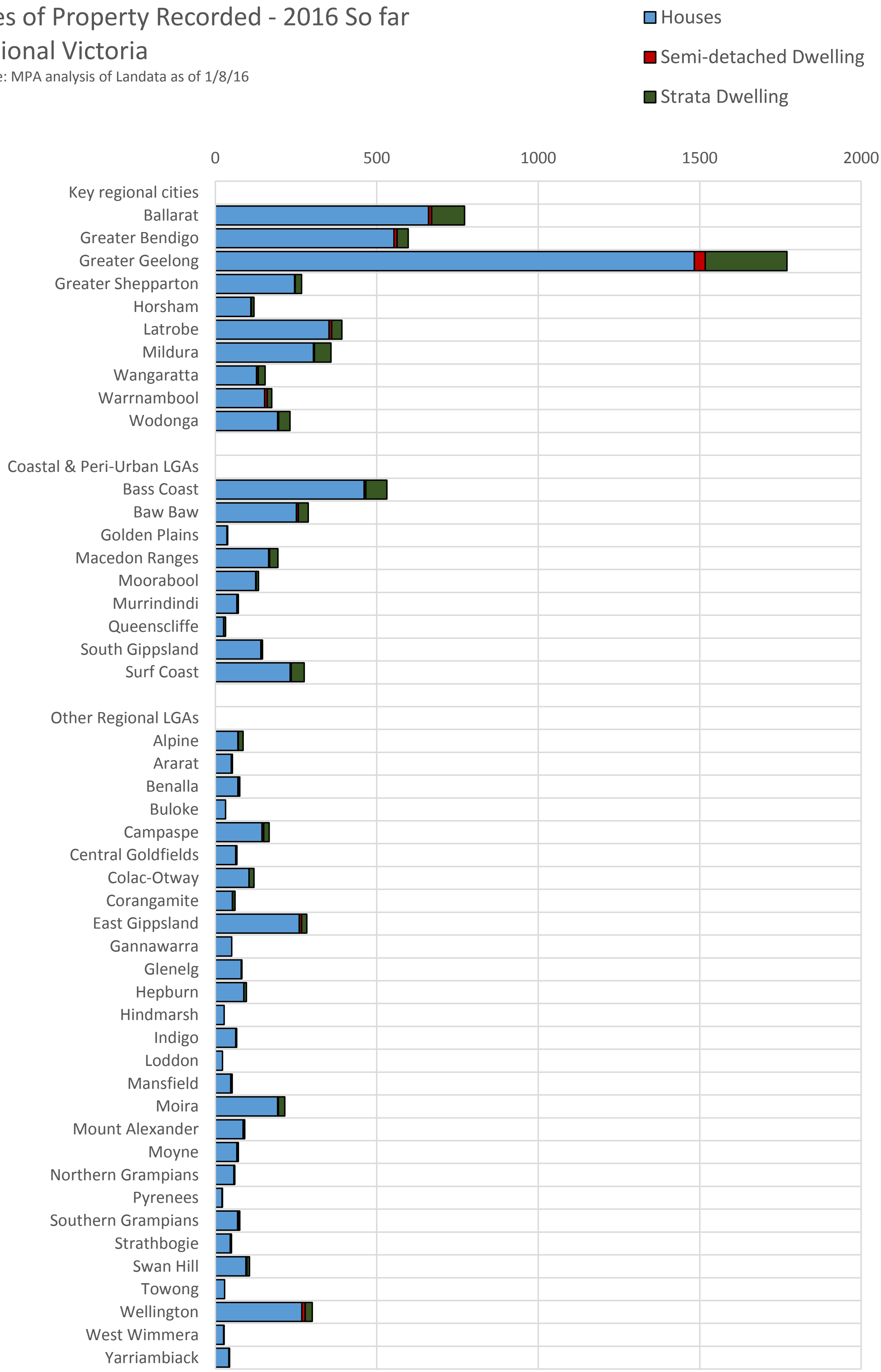
9. Property Sales

In 2015, there were over 117,000 residential property sales across Victoria. Over three quarters of these sales were in Melbourne. As of December 2015, there was an estimated 2.457 million dwellings in Victoria, so the volume of sales represents an annual turnover of around 4.8%.

For 2016, the data is currently incomplete. All calculations contained in this report are based off of the Landata database, as of 1 August 2016, but is only truly accurate for the period to about May 2016. In all but four inner city LGAs, detached house sales were a majority of residential property sales.



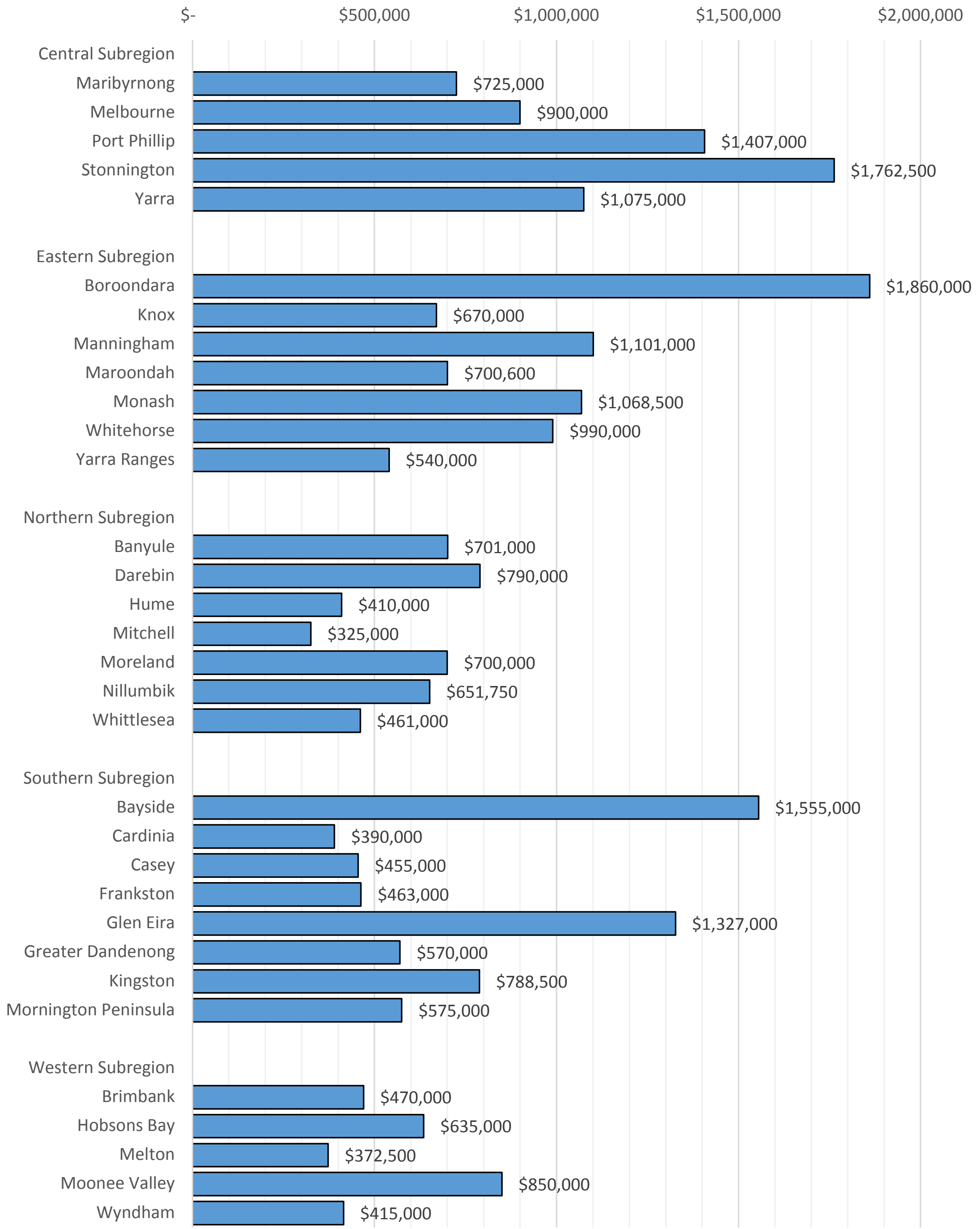
Sales of Property Recorded - 2016 So far
Regional Victoria
Source: MPA analysis of Landata as of 1/8/16



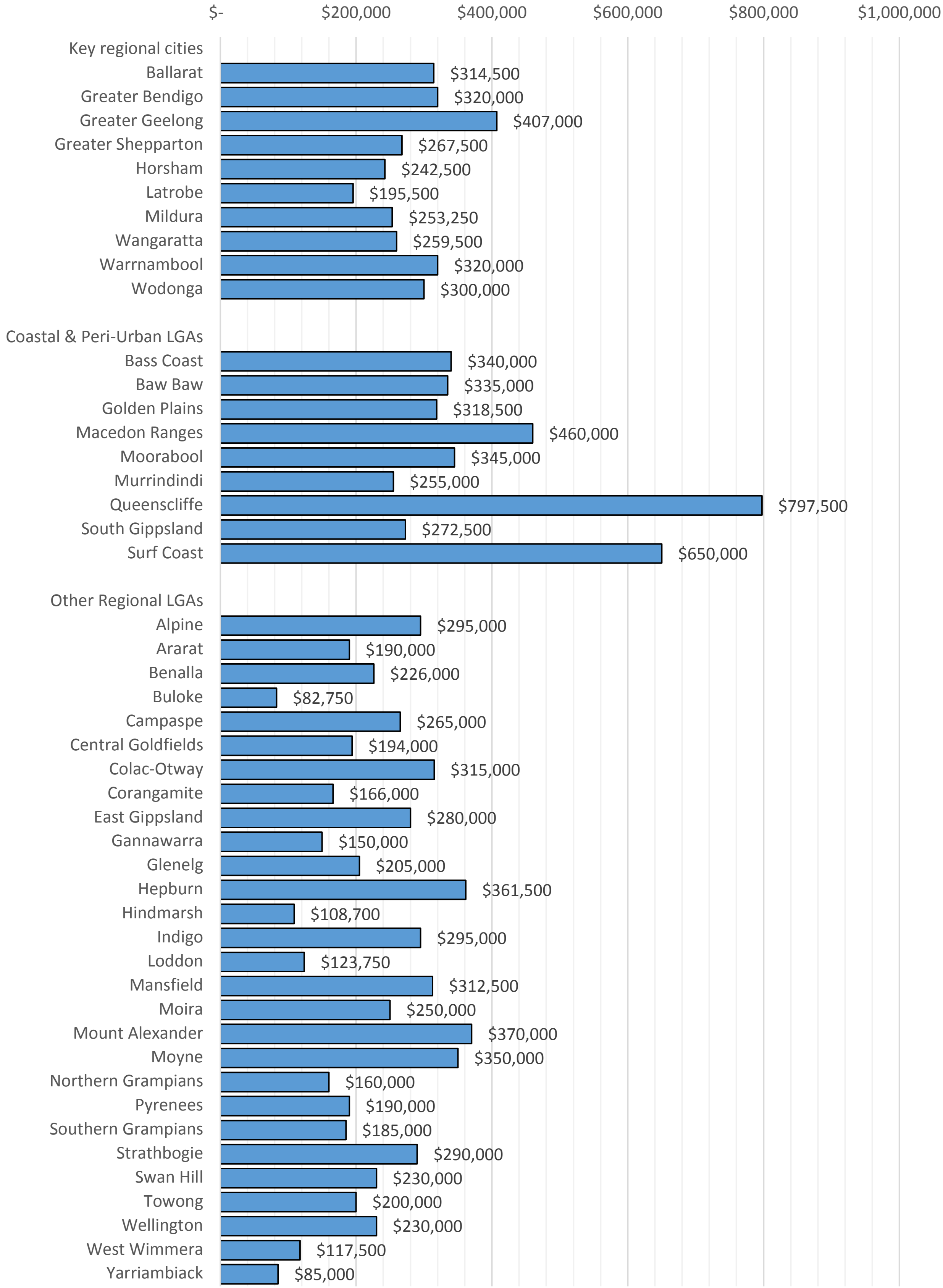
Within 2016 so far, the median price of a detached house exceeded a million dollars in eight LGAs across Melbourne. The only LGAs where median prices were lower than $500,000 were the outer growth LGAs and Brimbank.

In regional Victoria, the coastal areas of Queenscliffe and Surf Coast had median prices above half a million dollars. The cheapest houses in the state were in the Wimmera areas; the lowest was Buloke where the median price was $82,750.

Median Price - Detached Houses
Metropolitan Melbourne - 2016 so far
Source: MPA analysis of Landata data from 1/8/2016

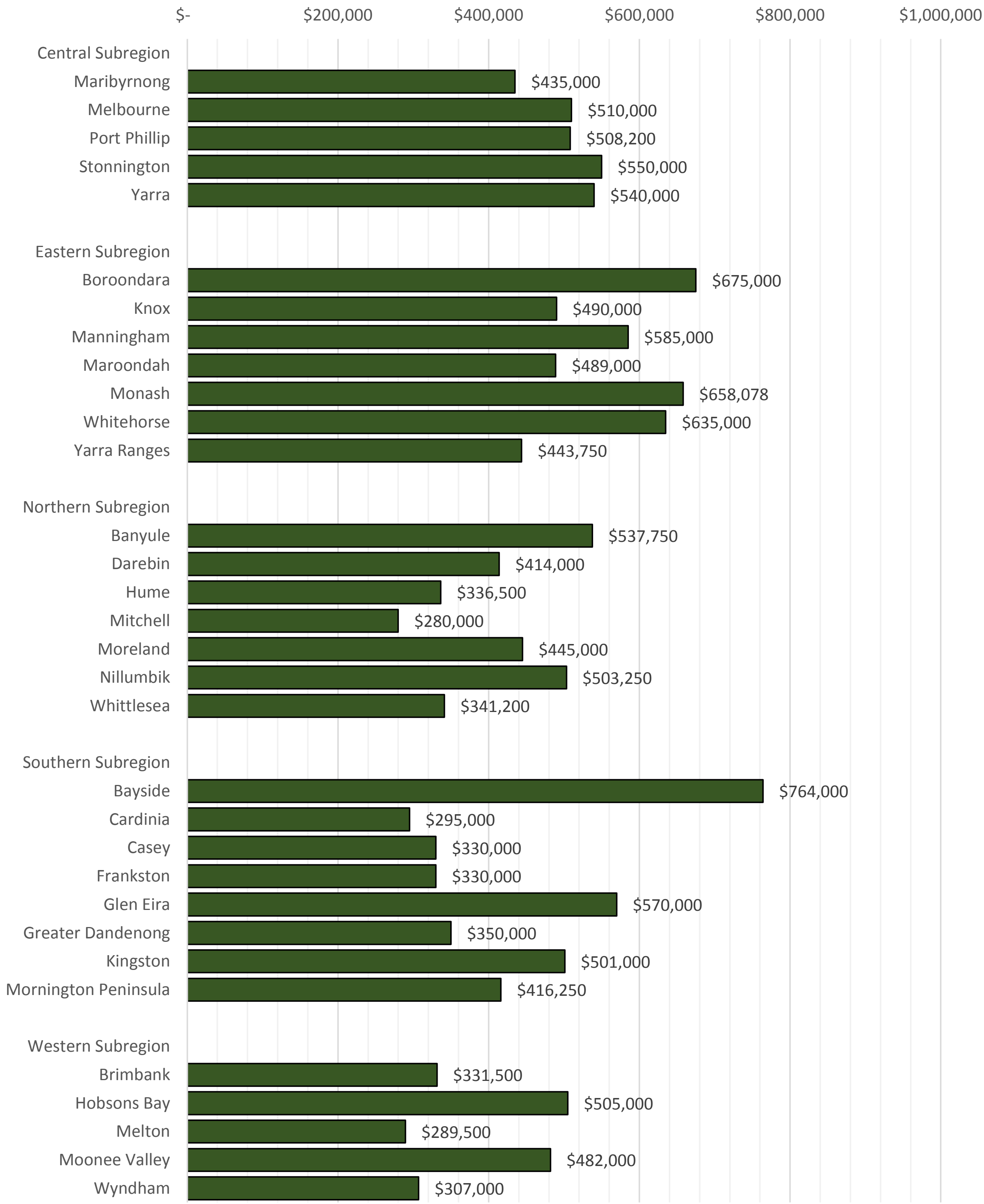


Median Price - Detached Houses
Regional Victoria - 2016 so far
Source: MPA analysis of Landata data from 1/8/2016

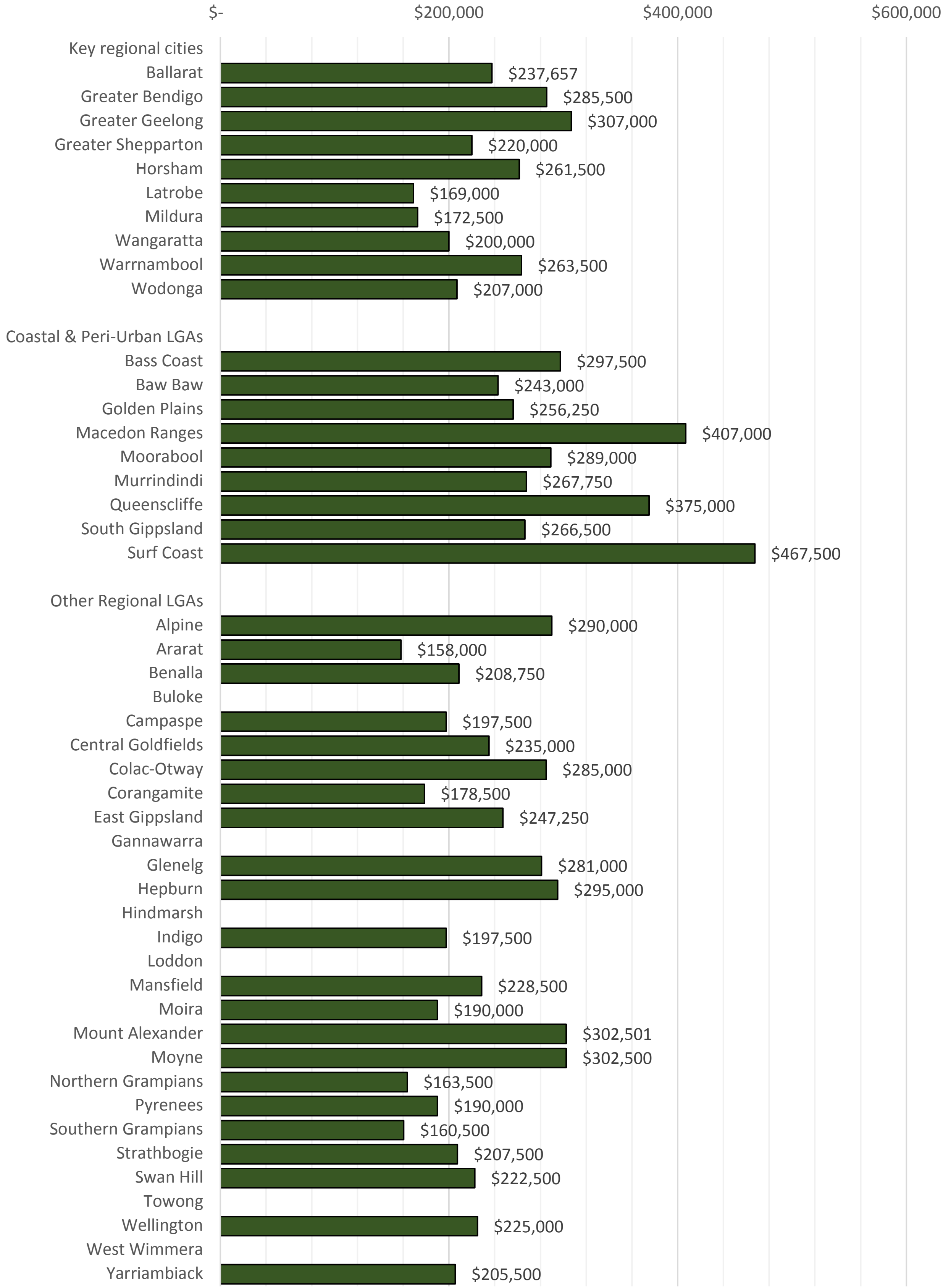


The median price for units in 2016 so far were generally much lower than house prices in most LGAs of Melbourne. However, in regional areas there was less price difference between the two; in some cases the median prices for a flat was higher than a detached dwelling. Some regional LGAs had no sales of strata title properties in the first six months.

Median Price - Strata Title Properties
Metropolitan Melbourne - 2016 so far
Source: MPA analysis of Landata data from 1/8/2016

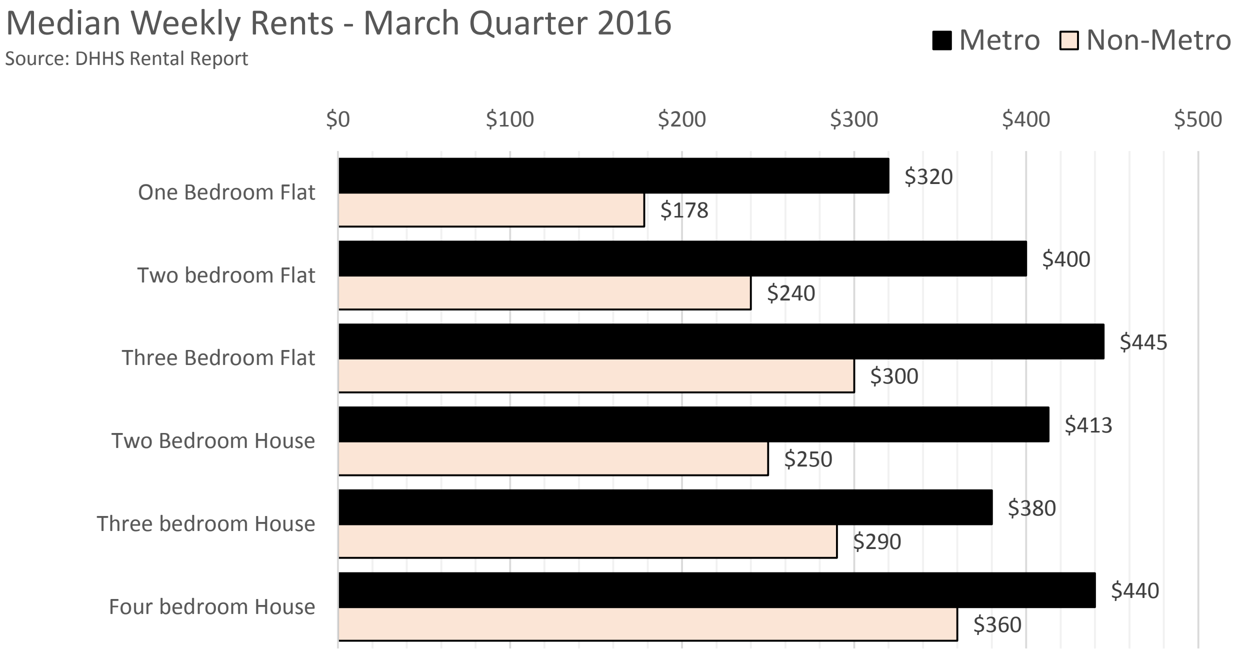


Median Price - Strata Title Properties
Regional Victoria - 2016 so far
Source: MPA analysis of Landata data from 1/8/2016

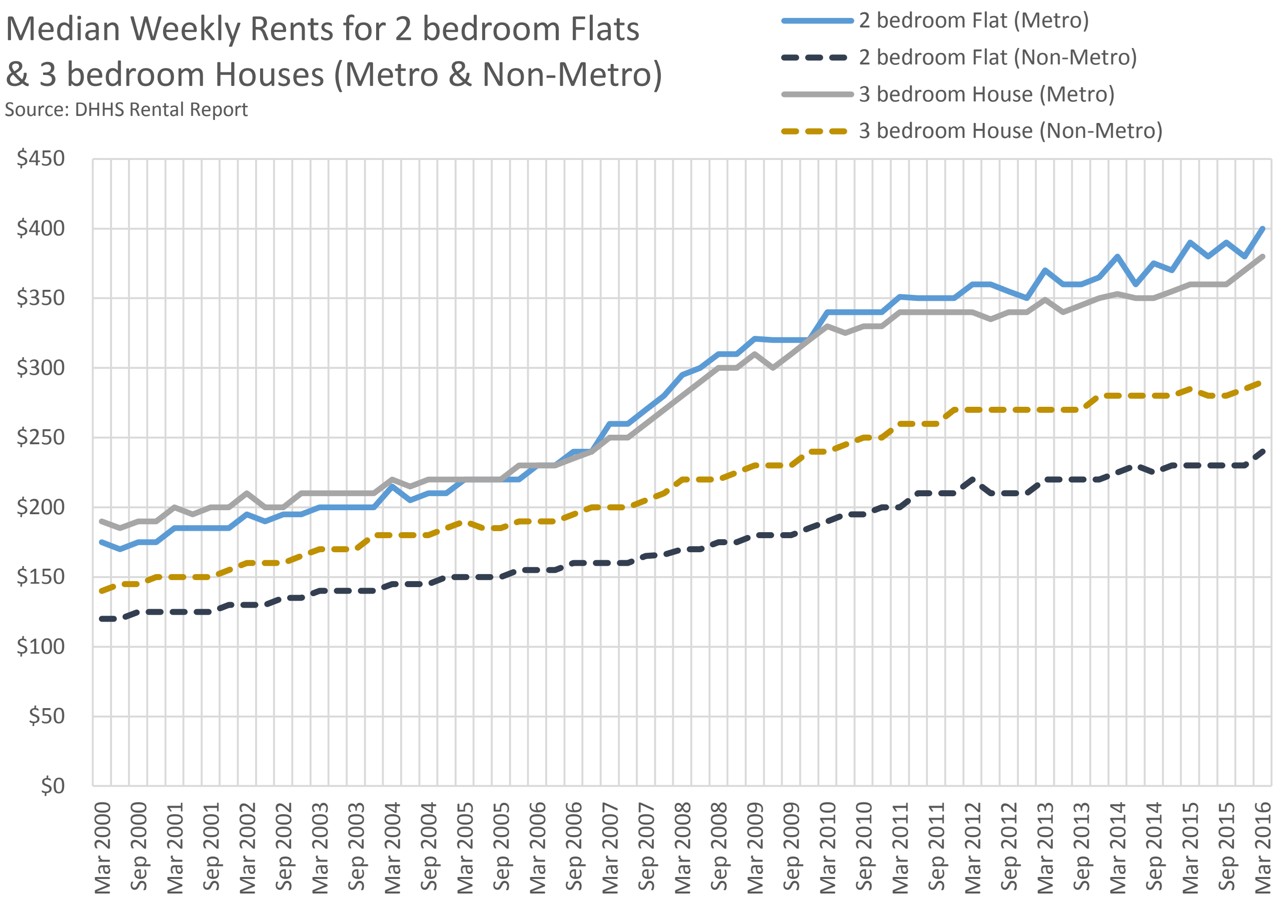


10. Rents

The Department of Housing and Human Services prepares a Quarterly Rental Report for Victoria. This provides information on the median rents. For example, the median rent for a two-bedroom flat in Melbourne was $400 a week compared to $240 in non-metropolitan areas.

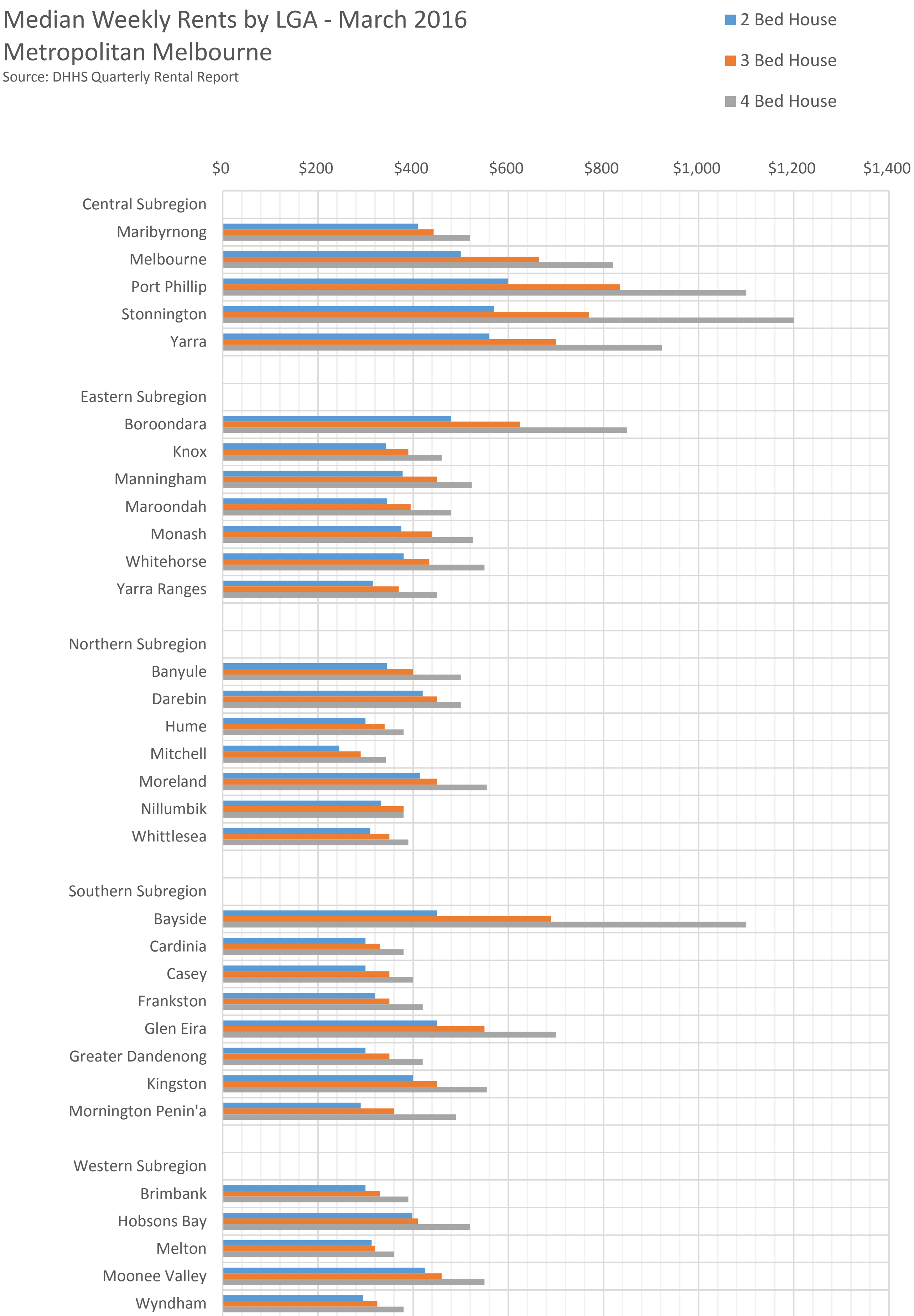


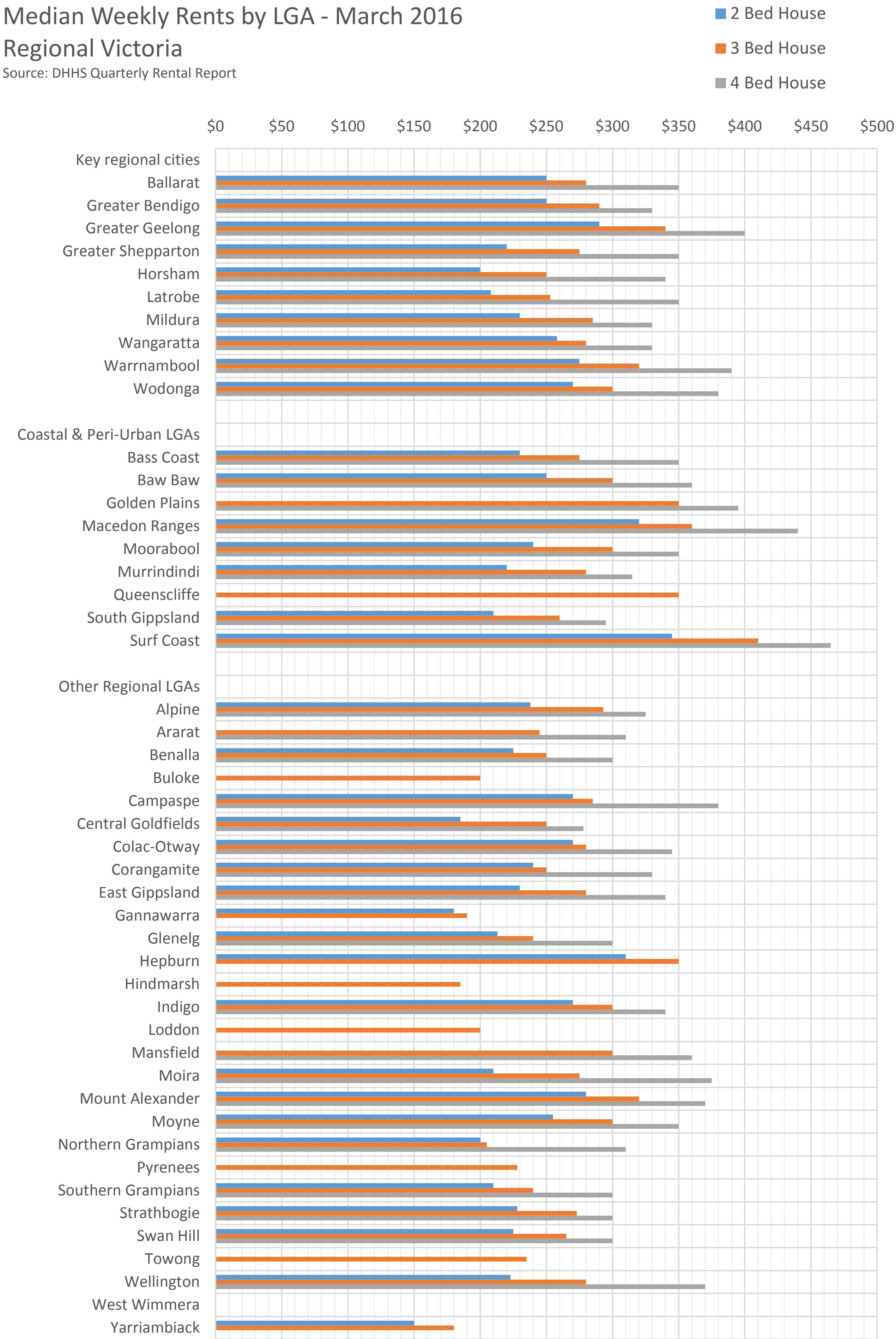
The median rents have risen in the past 12 months in both Metro and Non-Metro in all categories. However, increases in rents have been fairly modest for several years and have yet to repeat the rapid rise that occurred from 2005 to 2010.

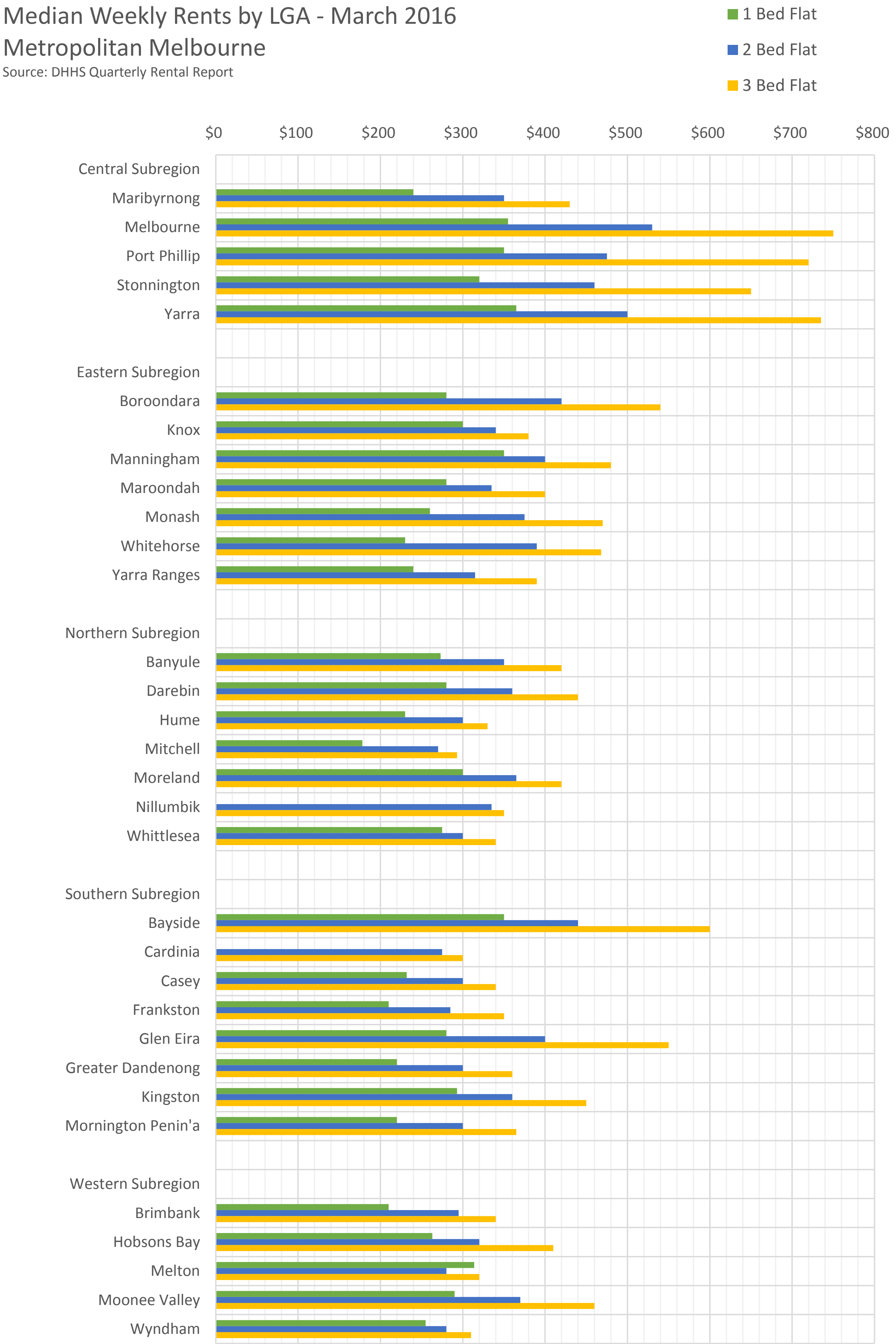


There is clearly a general trend in Melbourne that the Inner City Local government Areas (LGAs) have higher median rents compared to LGAs that are further out. This is true of both units and houses. The difference between rents for houses and units is also greater the closer to the centre. In some of the fringe LGAs there is little difference in rent for a two-bedroom house and two-bedroom flat.

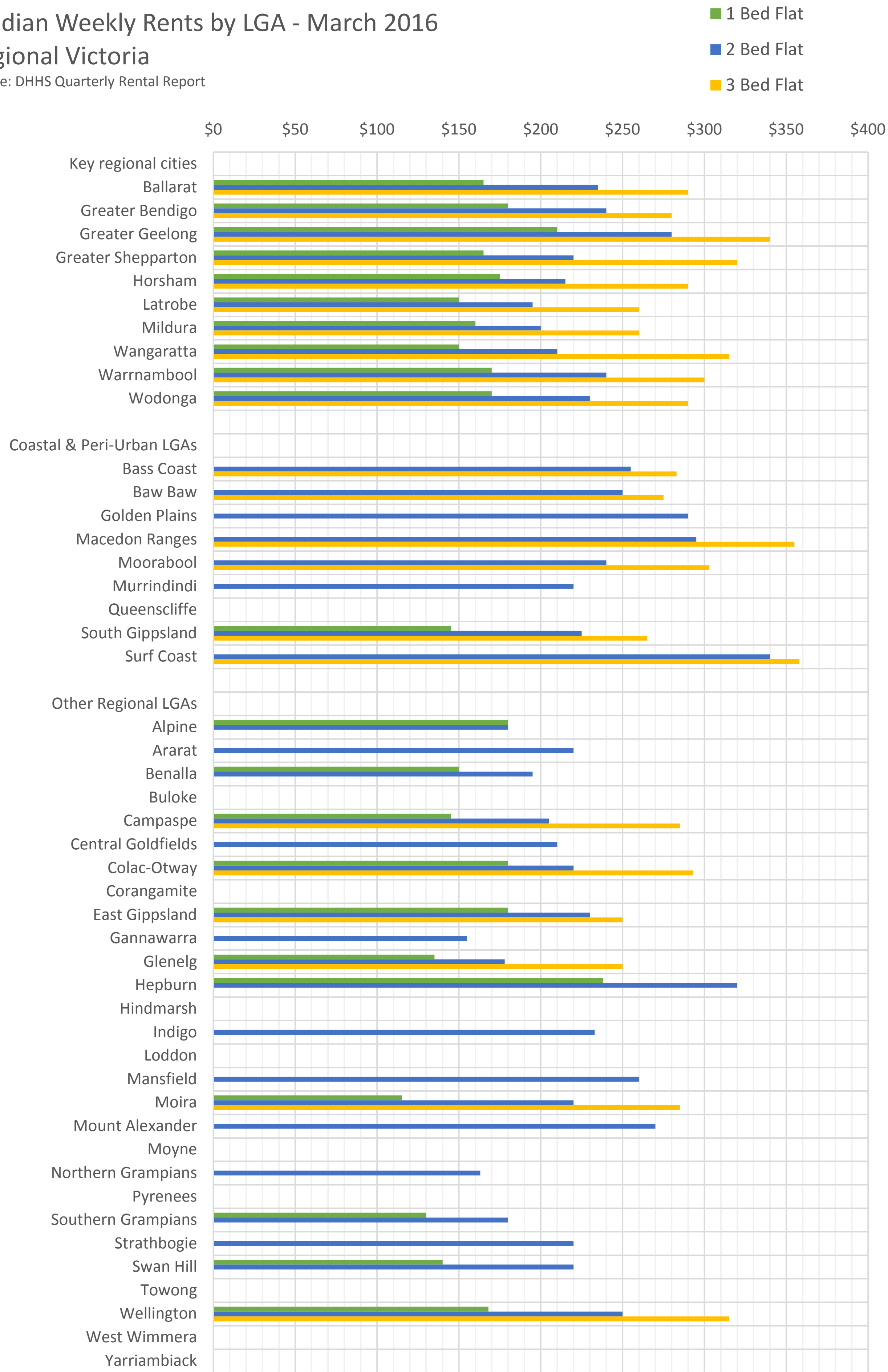
In regional areas, there are generally fewer flats rented and therefore there is little difference between houses and units in most cases. In many LGAs there were no rentals of any flats of each type.


Median Weekly Rents by LGA - March 2016
Metropolitan Melbourne
Source: DHHS Quarterly Rental Report
2 Bed House
3 Bed House
4 Bed House
$0
$200
$400
$600
$800
$1,000
$1,200
$1,400
Central Subregion
Maribyrnong
Melbourne
Port Phillip
Stonnington
Yarra
Eastern Subregion
Boroondara
Knox
Manningham
Maroondah
Monash
Whitehorse
Yarra Ranges
Northern Subregion
Banyule
Darebin
Hume
Mitchell
Moreland
Nillumbik
Whittlesea
Southern Subregion
Bayside
Cardinia
Casey
Frankston
Glen Eira
Greater Dandenong
Kingston
Mornington Penin'a
Western Subregion
Brimbank
Hobsons Bay
Melton
Moonee Valley
Wyndham


Median Weekly Rents by LGA - March 2016
Regional Victoria
Source: DHHS Quarterly Rental Report
2 Bed House
3 Bed House
4 Bed House
$0
$50
$100
$150
$200
$250
$300
$350
$400
$450
$500
Key regional cities
Ballarat
Greater Bendigo
Greater Geelong
Greater Shepparton
Horsham
Latrobe
Mildura
Wangaratta
Warrnambool
Wodonga
Coastal & Peri-Urban LGAs
Bass Coast
Baw Baw
Golden Plains
Macedon Ranges
Moorabool
Murrindindi
Queenscliffe
South Gippsland
Surf Coast
Other Regional LGAs
Alpine
Ararat
Benalla
Buloke
Campaspe
Central Goldfields
Colac-Otway
Corangamite
East Gippsland
Gannawarra
Glenelg
Hepburn
Hindmarsh
Indigo
Loddon
Mansfield
Moira
Mount Alexander
Moyne
Northern Grampians
Pyrenees
Southern Grampians
Strathbogie
Swan Hill
Towong
Wellington
West Wimmera
Yarriambiack


Median Weekly Rents by LGA - March 2016
Metropolitan Melbourne
Source: DHHS Quarterly Rental Report
1 Bed Flat
2 Bed Flat
3 Bed Flat
$0
$100
$200
$300
$400
$500
$600
$700
$800
Central Subregion
Maribyrnong
Melbourne
Port Phillip
Stonnington
Yarra
Eastern Subregion
Boroondara
Knox
Manningham
Maroondah
Monash
Whitehorse
Yarra Ranges
Northern Subregion
Banyule
Darebin
Hume
Mitchell
Moreland
Nillumbik
Whittlesea
Southern Subregion
Bayside
Cardinia
Casey
Frankston
Glen Eira
Greater Dandenong
Kingston
Mornington Penin'a
Western Subregion
Brimbank
Hobsons Bay
Melton
Moonee Valley
Wyndham

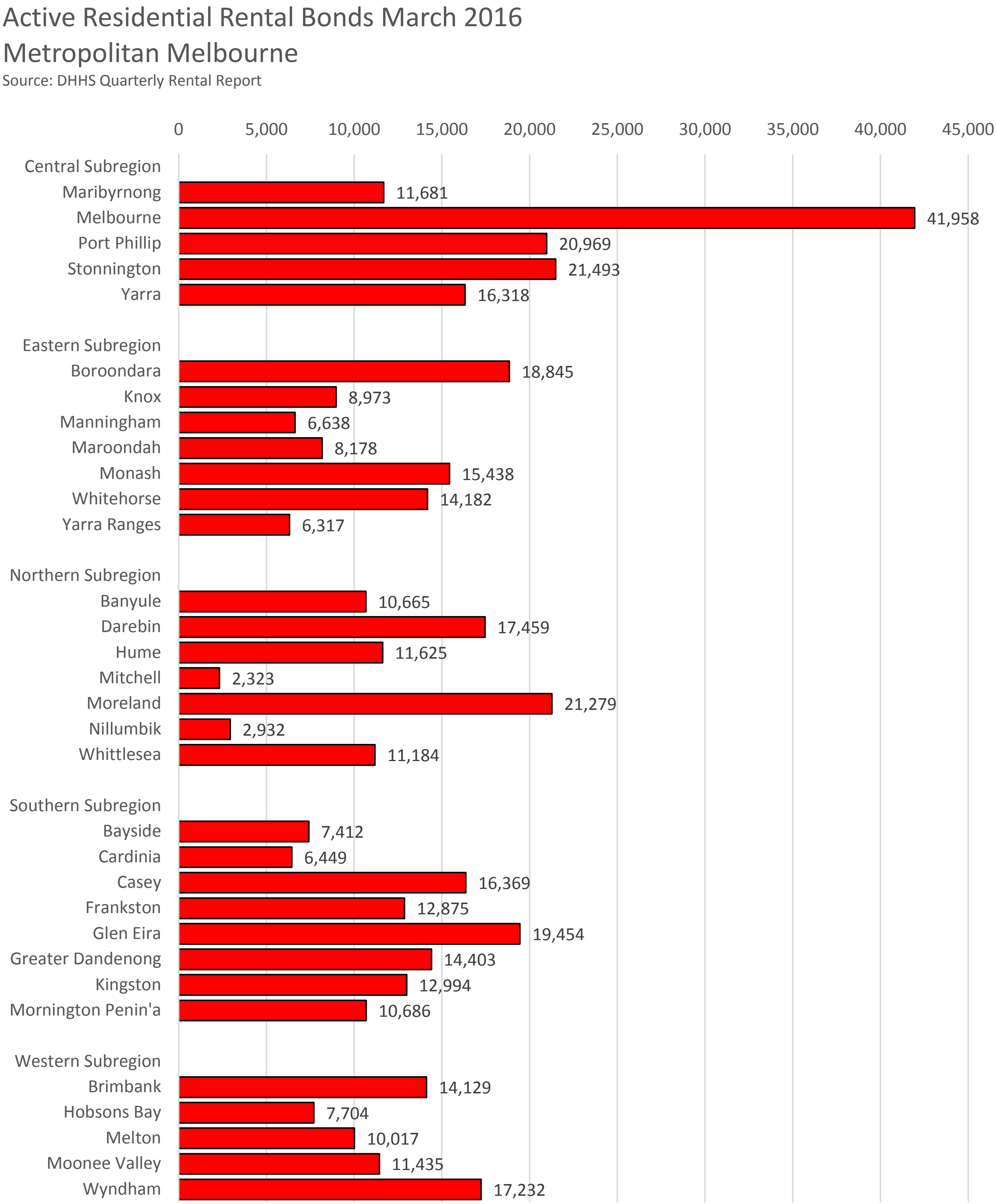
Median Weekly Rents by LGA - March 2016
Regional Victoria
Source: DHHS Quarterly Rental Report



11. Residential Rental Bonds

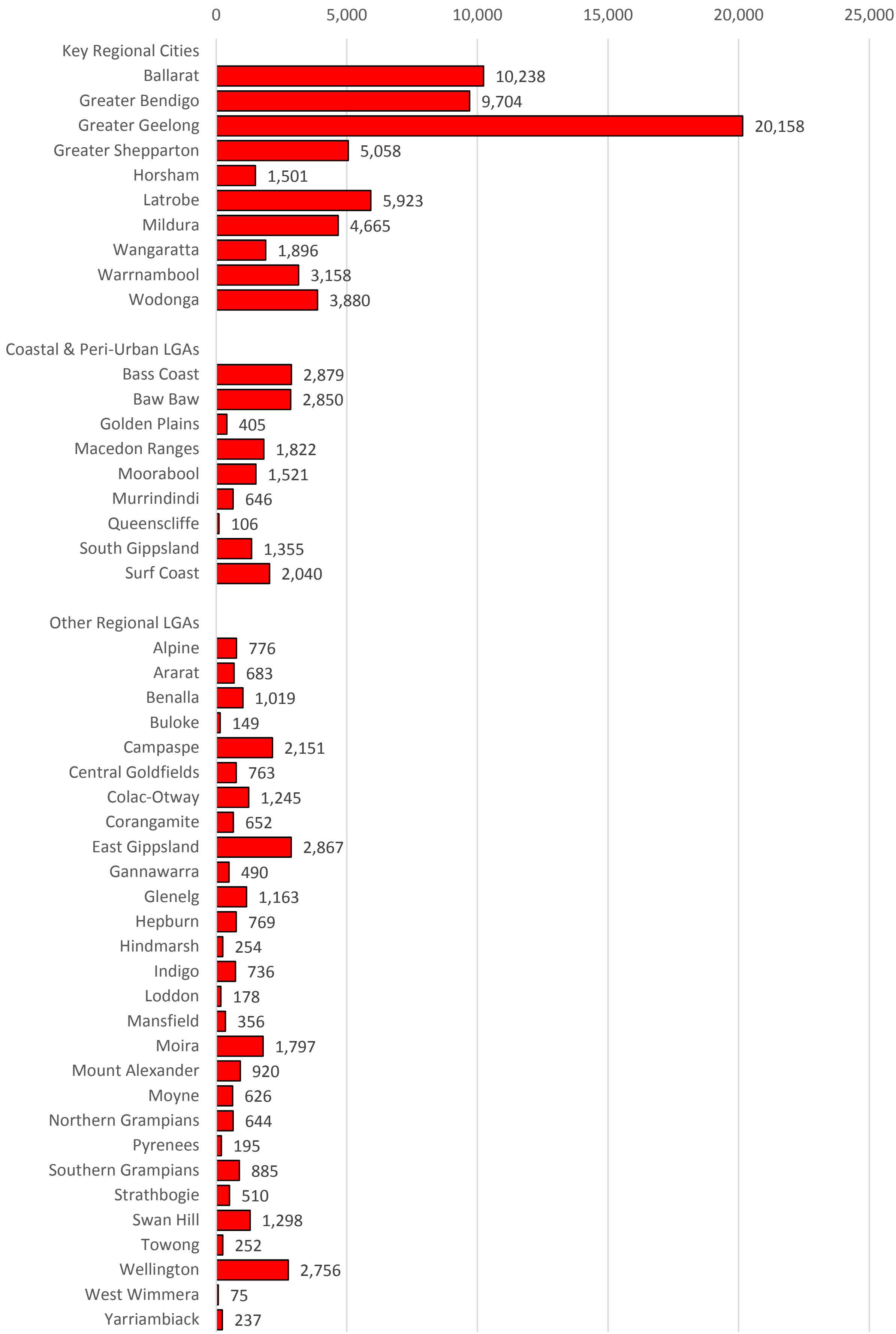
At the end of March 2016, there were 533,867 active residential rental bonds in Victoria. As there is generally one bond per residential rental property, this a good indicator of the number of rental properties in Victoria. The number of bonds has increased 3.2% in the past year and 31% in the past five years.

At the local government level, the City of Melbourne had the most active bonds in the state and West Wimmeria had the least.



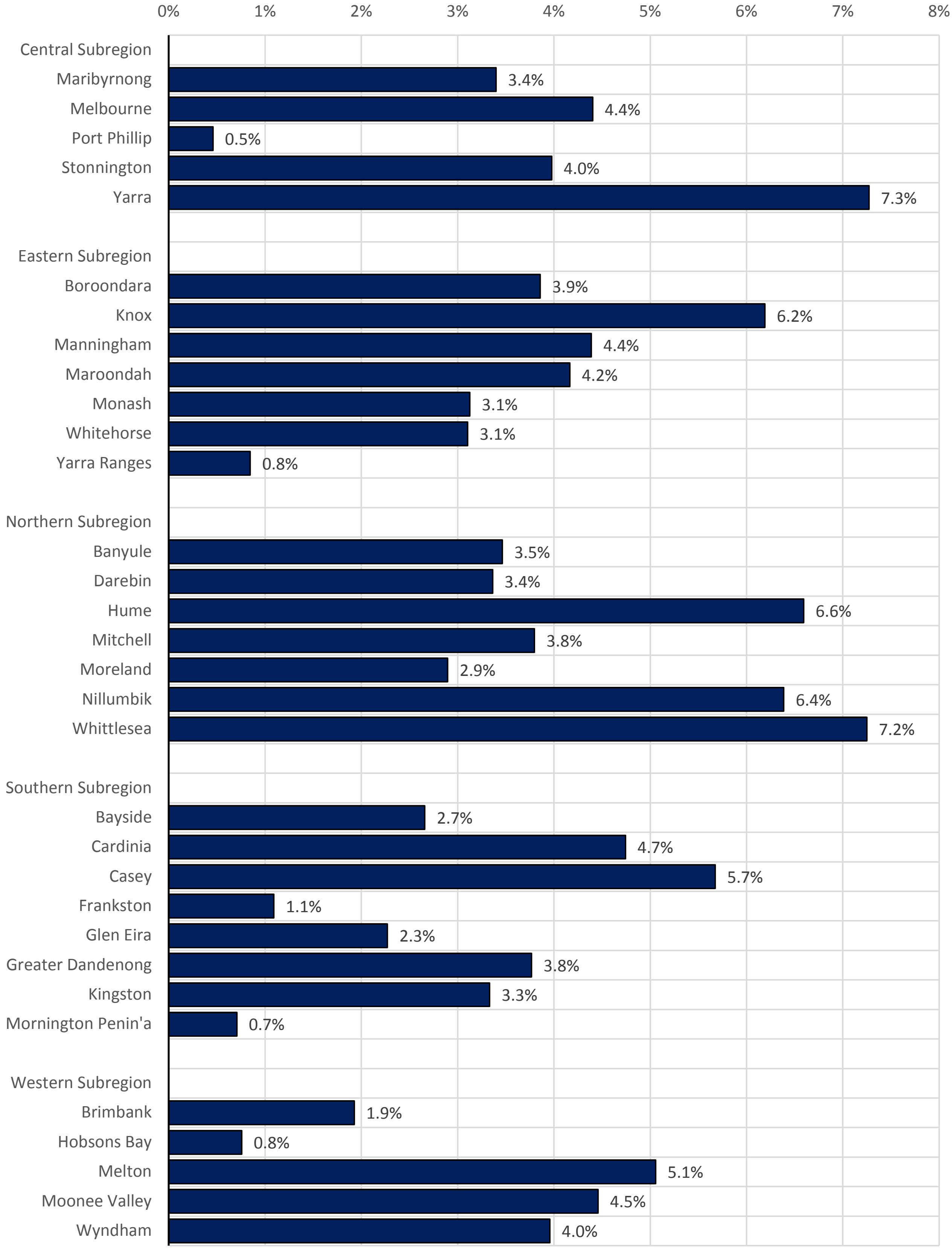
Active Residential Rental Bonds March 2016
Regional Victoria

Source: DHHS Quarterly Rental Report

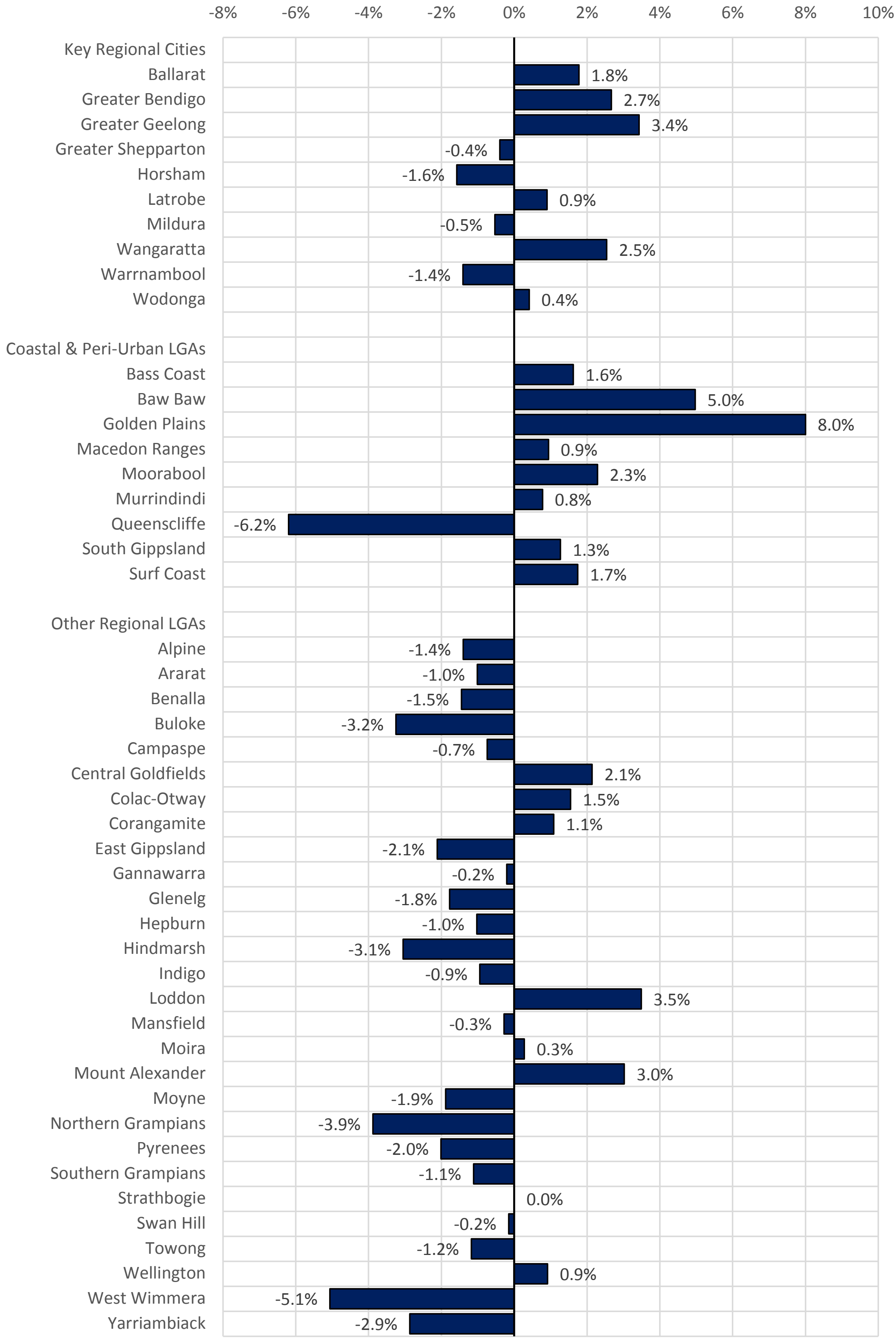


Growth in Active Residential Rental Bonds (%) - Last 12 months Metropolitan Melbourne

Source: DHHS Quarterly Rental Report



Growth in Active Residential Rental Bonds (%) - Last 12 months
Regional Victoria
Source: DHHS Quarterly Rental Report



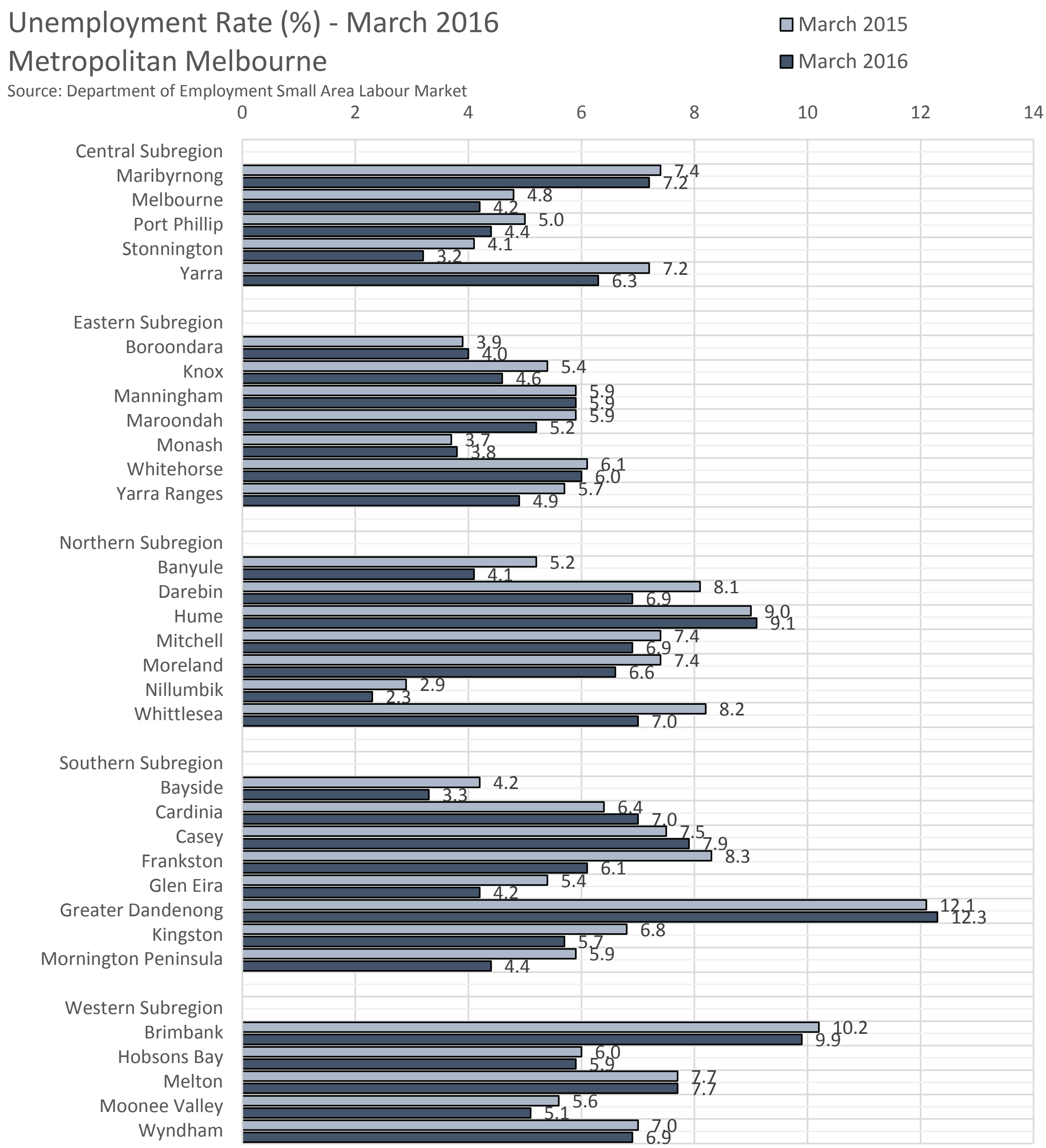
12. Unemployment

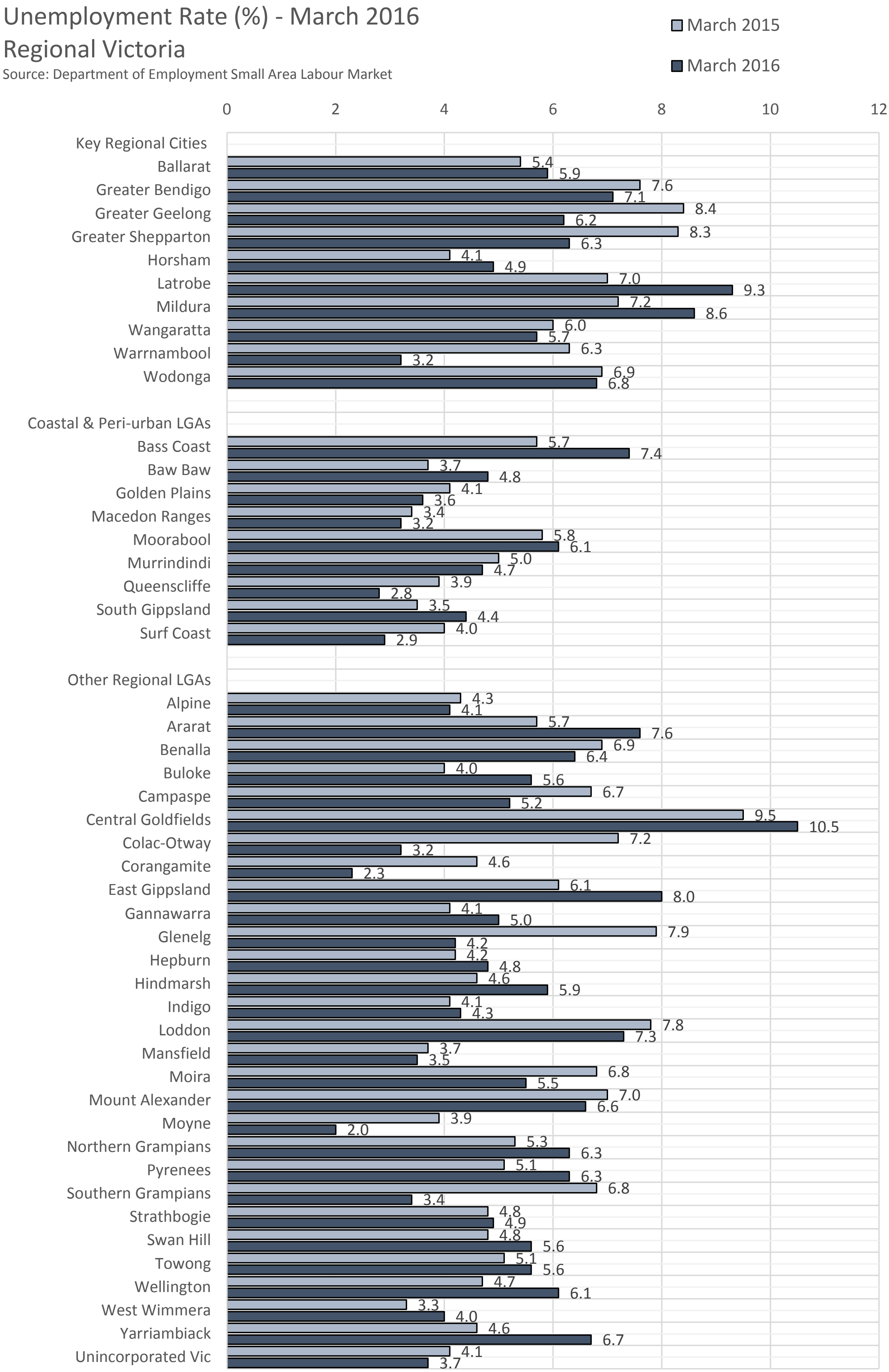
The latest ABS labour force data (June 2016) puts Victoria's unemployment rate at 5.7%, having decreased from 6% in June 2015.

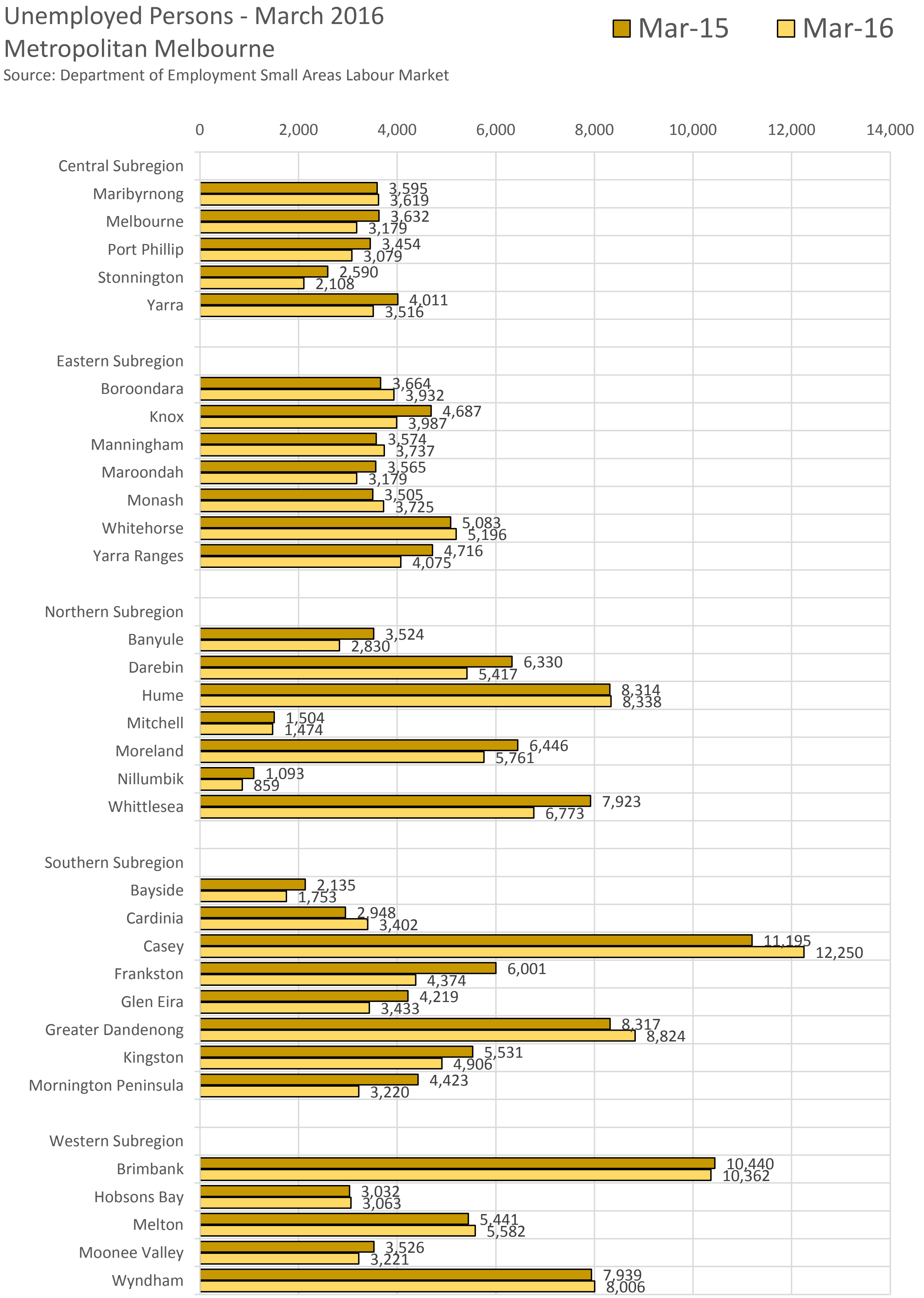
The Department of Employment produces labour market figures for smaller areas. The latest set released was for the March 2016 quarter. Greater Dandenong had the highest unemployment rate for a Local Government Area (LGAs) in the state (12.3%) and Moyne had the lowest (2%). Other areas with high rates were Brimbank and Central Goldfields.

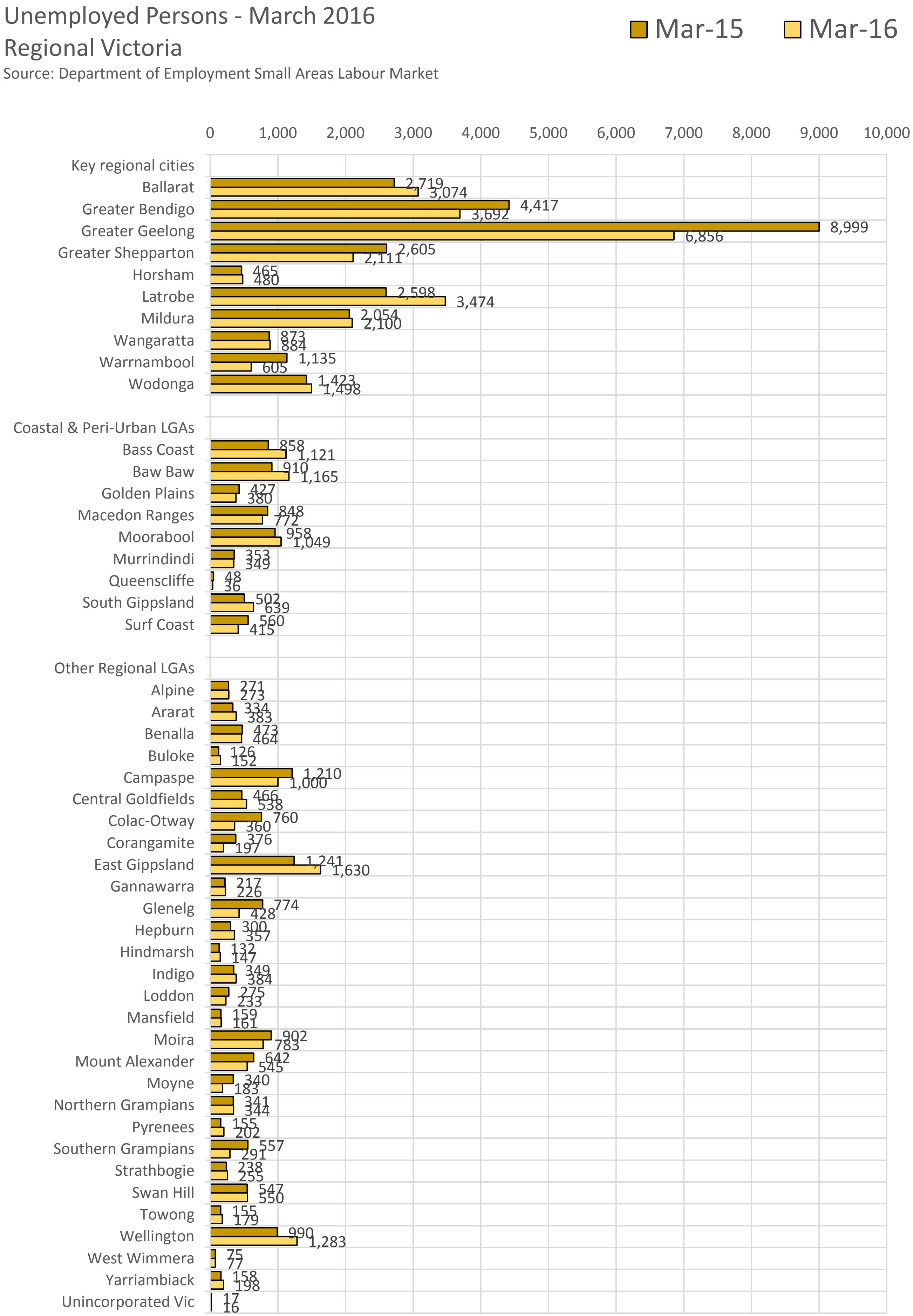
In terms of raw numbers of unemployed persons, Casey and Brimbank both have over 10,000 unemployed people. Some of the regional areas with high unemployment rates have small populations, so the actual number of unemployed people is quite low.

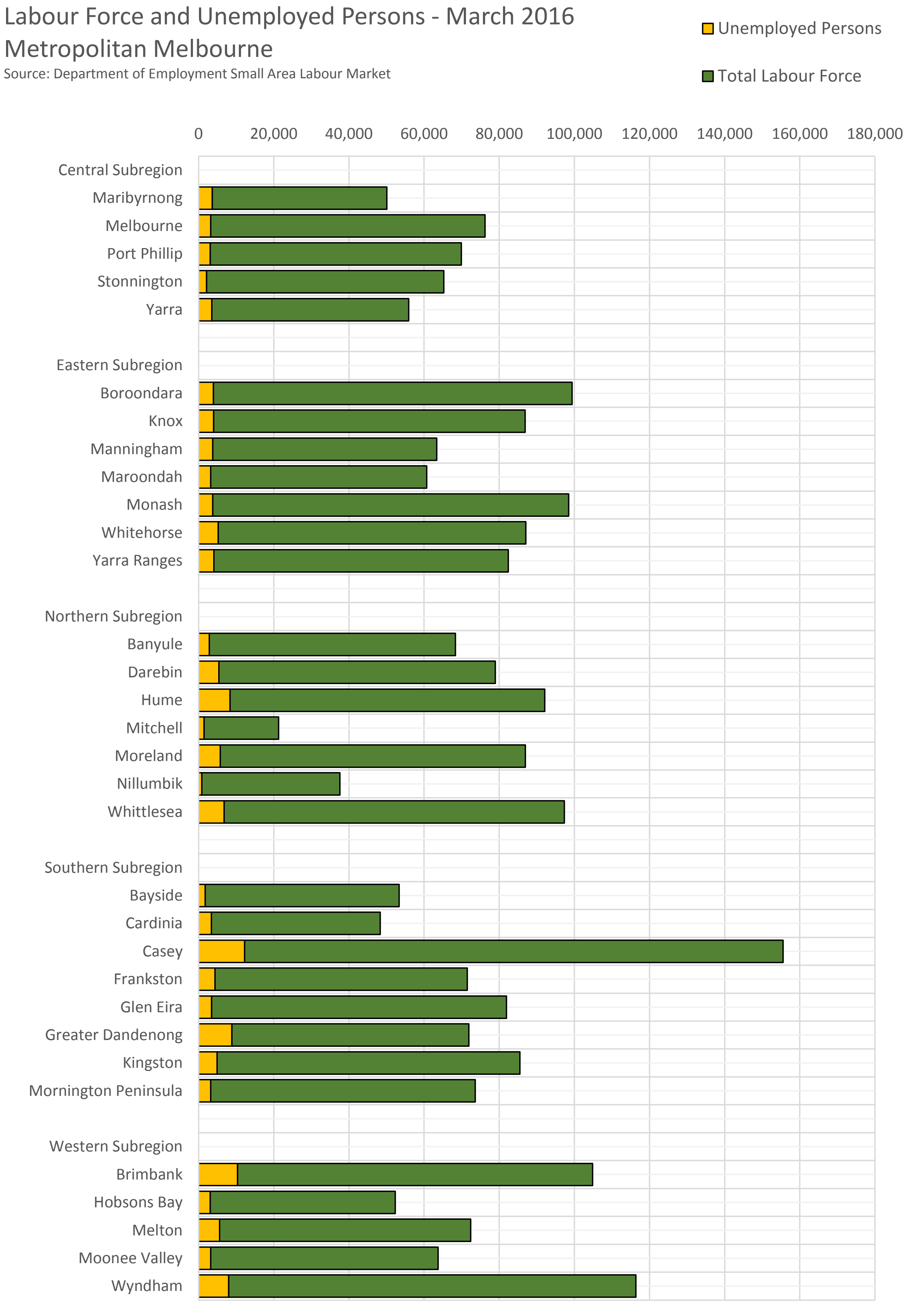
The unemployment rates are not evenly spread within the LGAs. For example, Hume has an unemployment rate of 8.9% but some suburbs, such as Broadmeadows, have unemployment above 20%, whereas Sunbury has a rate less than 5%. See maps in Appendix 3 for more examples.

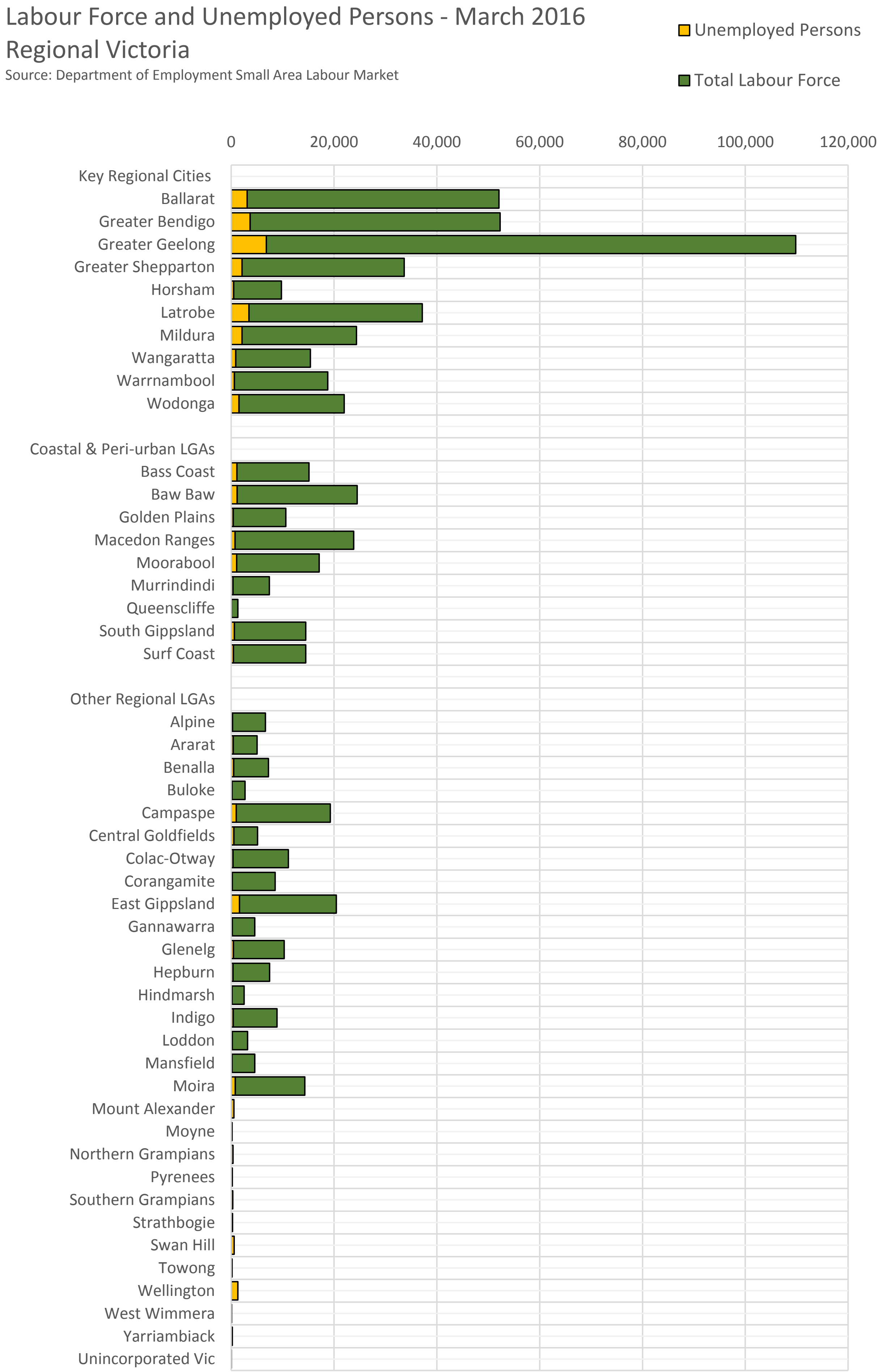



Unemployment Rate (%) - March 2016
Regional Victoria
Source: Department of Employment Small Area Labour Market
March 2015
March 2016
0
2
4
6
8
10
12
Key Regional Cities
Ballarat 5.4 5.9
Greater Bendigo 7.6 7.1
Greater Geelong 8.4 6.2
Greater Shepparton 8.3 6.3
Horsham 4.1 4.9
Latrobe 7.0 9.3
Mildura 7.2 8.6
Wangaratta 6.0 5.7
Warrnambool 6.3 3.2
Wodonga 6.9 6.8
Coastal & Peri-urban LGAs
Bass Coast 5.7 7.4
Baw Baw 3.7 4.8
Golden Plains 4.1 3.6
Macedon Ranges 3.4 3.2
Moorabool 5.8 6.1
Murrindindi 5.0 4.7
Queenscliffe 3.9 2.8
South Gippsland 3.5 4.4
Surf Coast 4.0 2.9
Other Regional LGAs
Alpine 4.3 4.1
Ararat 5.7 7.6
Benalla 6.9 6.4
Buloke 4.0 5.6
Campaspe 6.7 5.2
Central Goldfields 9.5 10.5
Colac-Otway 7.2 3.2
Corangamite 4.6 2.3
East Gippsland 6.1 8.0
Gannawarra 4.1 5.0
Glenelg 7.9 4.2
Hepburn 4.2 4.8
Hindmarsh 4.6 5.9
Indigo 4.1 4.3
Loddon 7.8 7.3
Mansfield 3.7 3.5
Moira 6.8 5.5
Mount Alexander 7.0 6.6
Moyne 3.9 2.0
Northern Grampians 5.3 6.3
Pyrenees 5.1 6.3
Southern Grampians 6.8 3.4
Strathbogie 4.8 4.9
Swan Hill 4.8 5.6
Towong 5.1 5.6
Wellington 4.7 6.1
West Wimmera 3.3 4.0
Yarriambiack 4.6 6.7
Unincorporated Vic 4.1 3.7


Unemployed Persons - March 2016
Metropolitan Melbourne
Source: Department of Employment Small Areas Labour Market
Mar-15
Mar-16
0
2,000
4,000
6,000
8,000
10,000
12,000
14,000
Central Subregion
Maribyrnong 3,595 3,619
Melbourne 3,632 3,179
Port Phillip 3,454 3,079
Stonnington 2,590 2,108
Yarra 4,011 3,516
Eastern Subregion
Boroondara 3,664 3,932
Knox 4,687 3,987
Manningham 3,574 3,737
Maroondah 3,565 3,179
Monash 3,505 3,725
Whitehorse 5,083 5,196
Yarra Ranges 4,716 4,075
Northern Subregion
Banyule 3,524 2,830
Darebin 6,330 5,417
Hume 8,314 8,338
Mitchell 1,504 1,474
Moreland 6,446 5,761
Nillumbik 1,093 859
Whittlesea 7,923 6,773
Southern Subregion
Bayside 2,135 1,753
Cardinia 2,948 3,402
Casey 11,195 12,250
Frankston 6,001 4,374
Glen Eira 4,219 3,433
Greater Dandenong 8,317 8,824
Kingston 5,531 4,906
Mornington Peninsula 4,423 3,220
Western Subregion
Brimbank 10,440 10,362
Hobsons Bay 3,032 3,063
Melton 5,441 5,582
Moonee Valley 3,526 3,221
Wyndham 7,939 8,006


Unemployed Persons - March 2016
Regional Victoria
Source: Department of Employment Small Areas Labour Market
Mar-15
Mar-16
0
1,000
2,000
3,000
4,000
5,000
6,000
7,000
8,000
9,000
10,000
Key regional cities
Ballarat 2,719 3,074
Greater Bendigo 4,417 3,692
Greater Geelong 8,999 6,856
Greater Shepparton 2,605 2,111
Horsham 465 480
Latrobe 2,598 3,474
Mildura 2,054 2,100
Wangaratta 873 884
Warrnambool 1,135 605
Wodonga 1,423 1,498
Coastal & Peri-Urban LGAs
Bass Coast 858 1,121
Baw Baw 910 1,165
Golden Plains 427 380
Macedon Ranges 848 772
Moorabool 958 1,049
Murrindindi 353 349
Queenscliffe 48 36
South Gippsland 502 639
Surf Coast 560 415
Other Regional LGAs
Alpine 271 273
Ararat 334 383
Benalla 473 464
Buloke 126 152
Campaspe 1,210 1,000
Central Goldfields 466 538
Colac-Otway 760 360
Corangamite 376 197
East Gippsland 1,241 1,630
Gannawarra 217 226
Glenelg 774 428
Hepburn 300 357
Hindmarsh 132 147
Indigo 349 384
Loddon 275 233
Mansfield 159 161
Moira 902 783
Mount Alexander 642 545
Moyne 340 183
Northern Grampians 341 344
Pyrenees 155 202
Southern Grampians 557 291
Strathbogie 238 255
Swan Hill 547 550
Towong 155 179
Wellington 990 1,283
West Wimmera 75 77
Yarriambiack 158 198
Unincorporated Vic 17 16

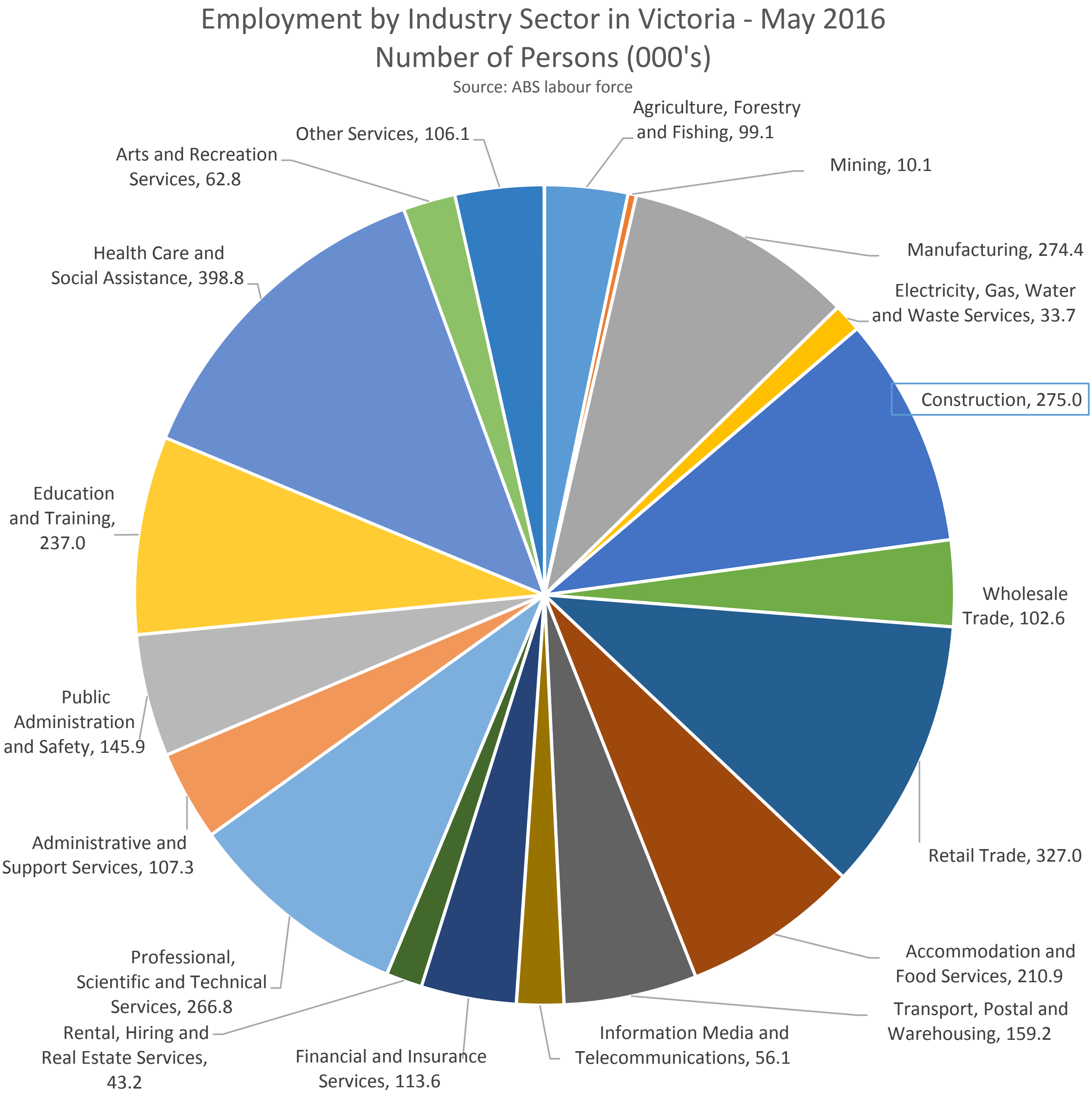

Labour Force and Unemployed Persons - March 2016
Metropolitan Melbourne
Source: Department of Employment Small Area Labour Market
Unemployed Persons
Total Labour Force
0
20,000
40,000
60,000
80,000
100,000
120,000
140,000
160,000
180,000
Central Subregion
Maribyrnong
Melbourne
Port Phillip
Stonnington
Yarra
Eastern Subregion
Boroondara
Knox
Manningham
Maroondah
Monash
Whitehorse
Yarra Ranges
Northern Subregion
Banyule
Darebin
Hume
Mitchell
Moreland
Nillumbik
Whittlesea
Southern Subregion
Bayside
Cardinia
Casey
Frankston
Glen Eira
Greater Dandenong
Kingston
Mornington Peninsula
Western Subregion
Brimbank
Hobsons Bay
Melton
Moonee Valley
Wyndham


Labour Force and Unemployed Persons - March 2016
Regional Victoria
Source: Department of Employment Small Area Labour Market
Unemployed Persons
Total Labour Force
0
20,000
40,000
60,000
80,000
100,000
120,000
Key Regional Cities
Ballarat
Greater Bendigo
Greater Geelong
Greater Shepparton
Horsham
Latrobe
Mildura
Wangaratta
Warrnambool
Wodonga
Coastal & Peri-urban LGAs
Bass Coast
Baw Baw
Golden Plains
Macedon Ranges
Moorabool
Murrindindi
Queenscliffe
South Gippsland
Surf Coast
Other Regional LGAs
Alpine
Ararat
Benalla
Buloke
Campaspe
Central Goldfields
Colac-Otway
Corangamite
East Gippsland
Gannawarra
Glenelg
Hepburn
Hindmarsh
Indigo
Loddon
Mansfield
Moira
Mount Alexander
Moyne
Northern Grampians
Pyrenees
Southern Grampians
Strathbogie
Swan Hill
Towong
Wellington
West Wimmera
Yarriambiack
Unincorporated Vic

13. Employment Mix of Victoria

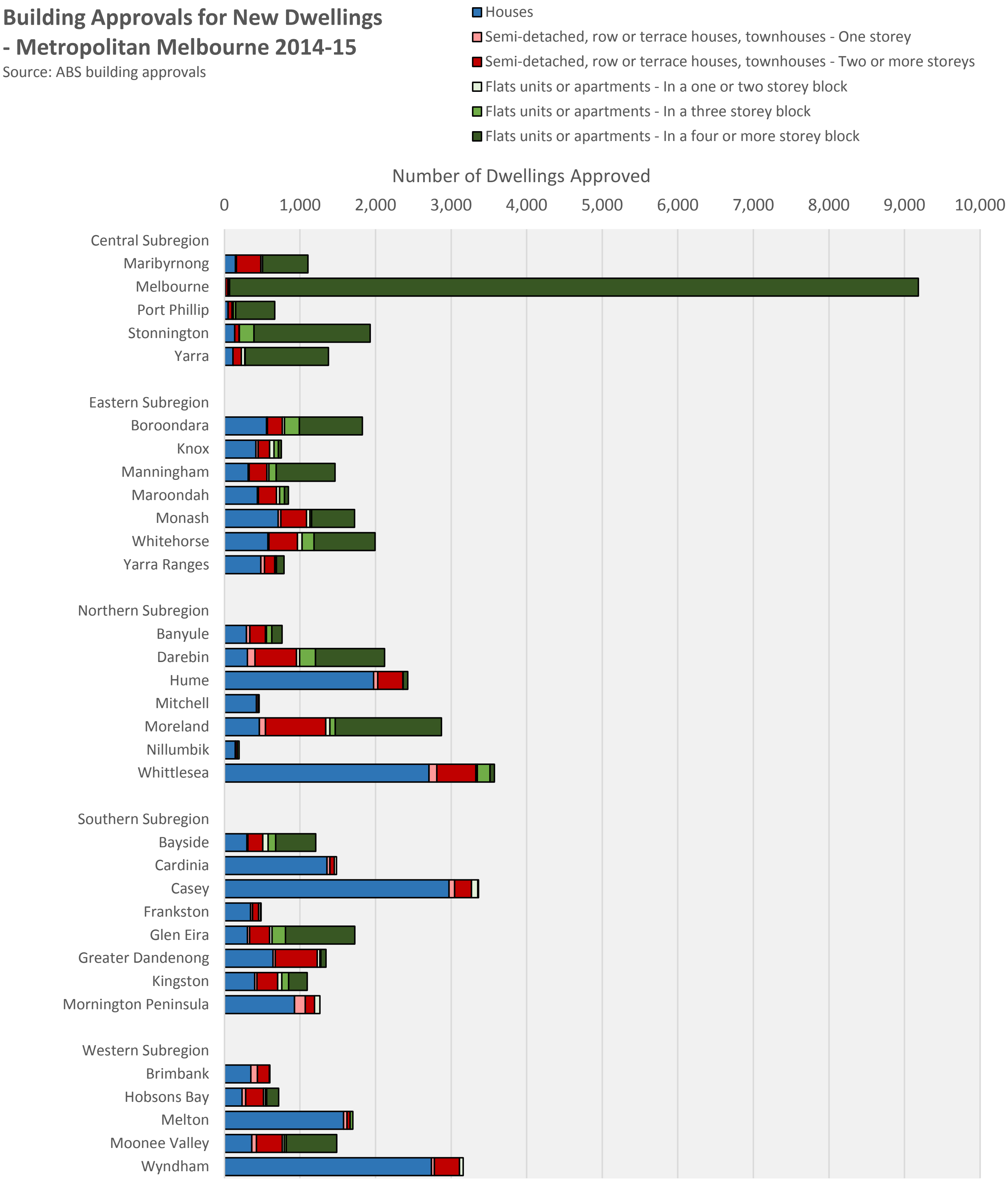
The largest industry sector of the Victorian Labour Force is health care and social assistance, with almost 400,000 workers. Retail is the second largest sector in the state. Despite the difficulties facing this sector, manufacturing remains the fourth largest sector of the economy, with over a quarter of a million workers.

Victoria has very few people directly employed in the mining sector, unlike many other states.



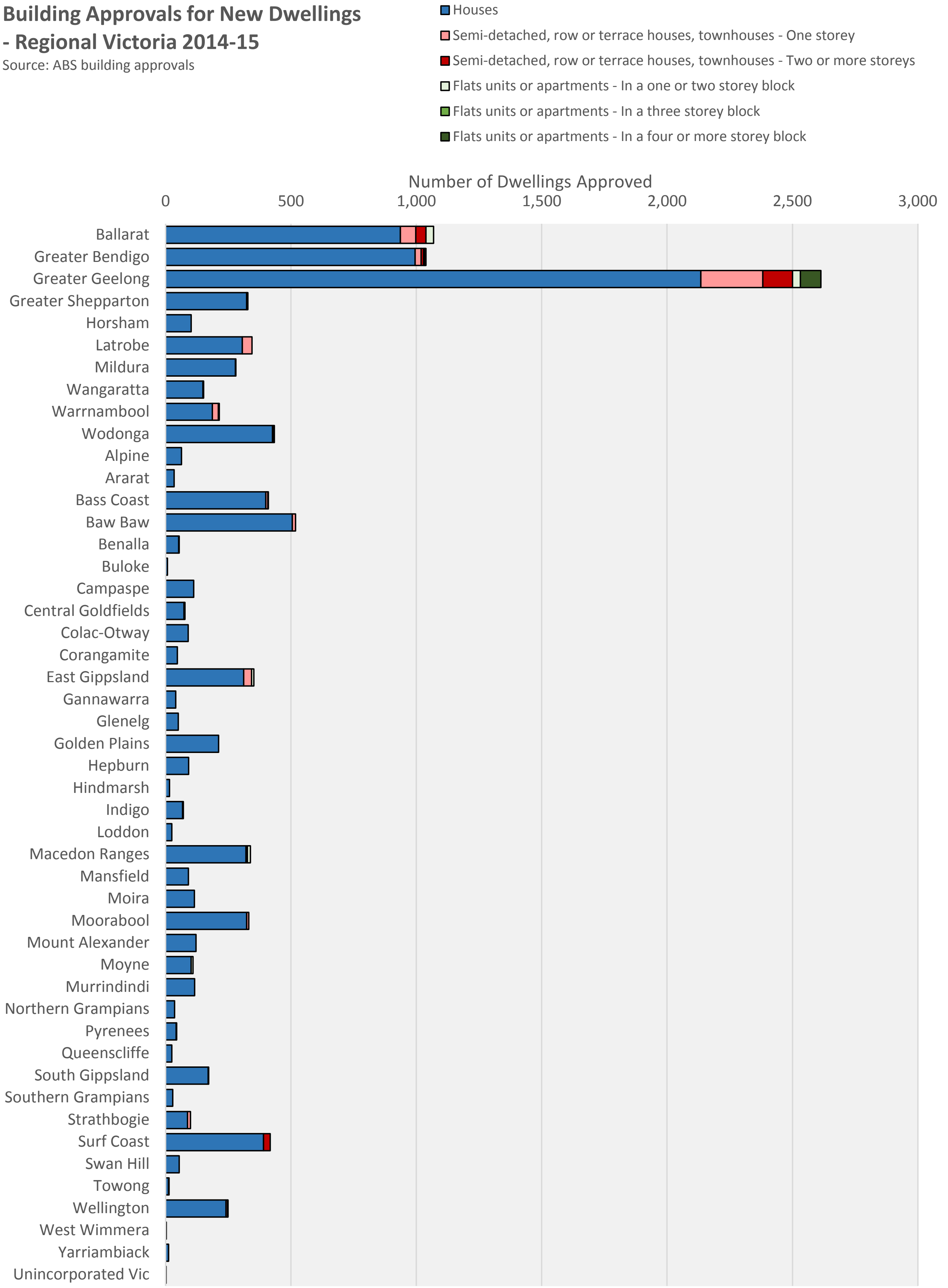
APPENDICES

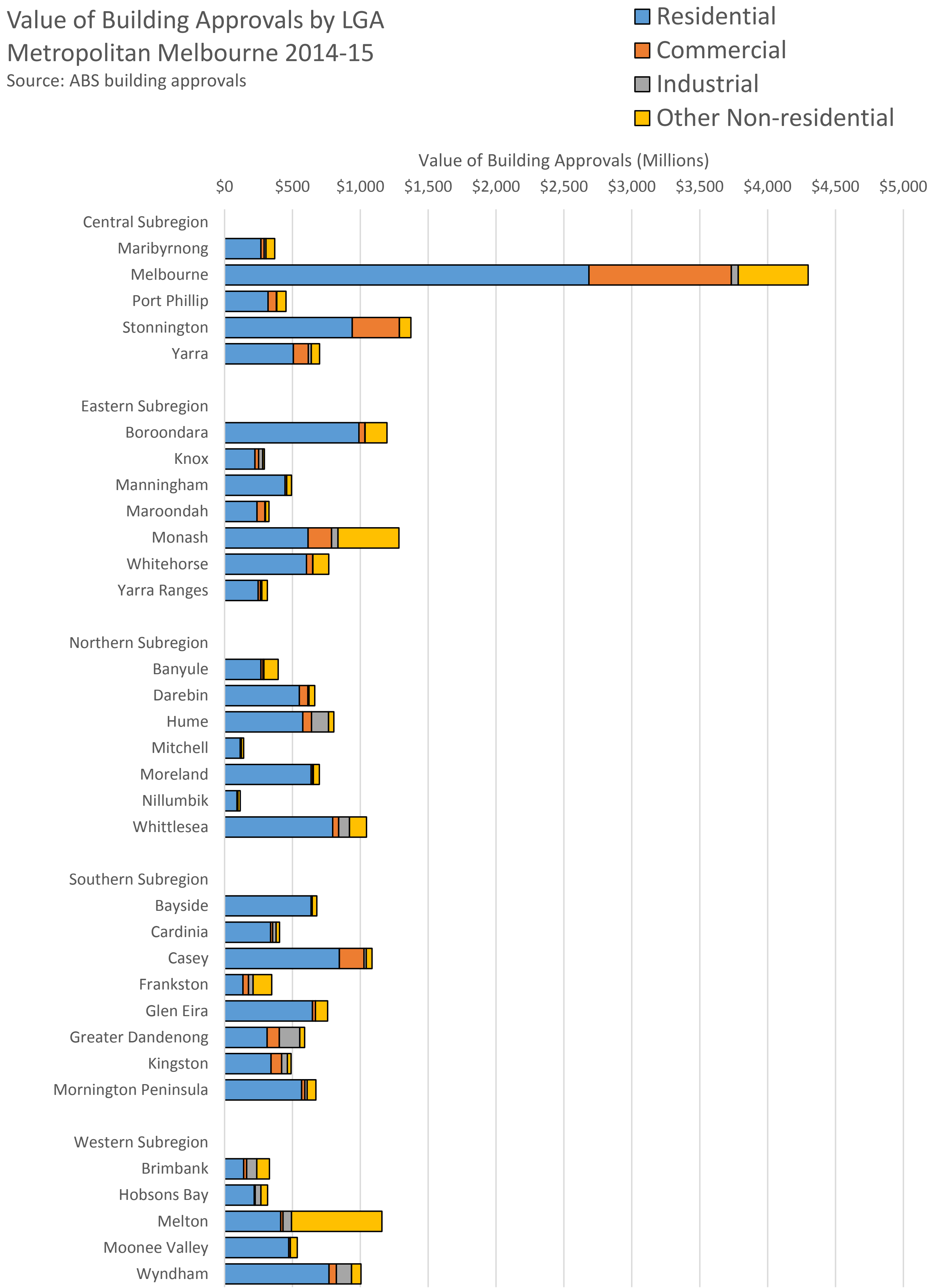
APPENDIX 1 – BUILDING APPROVALS FOR 2014-15



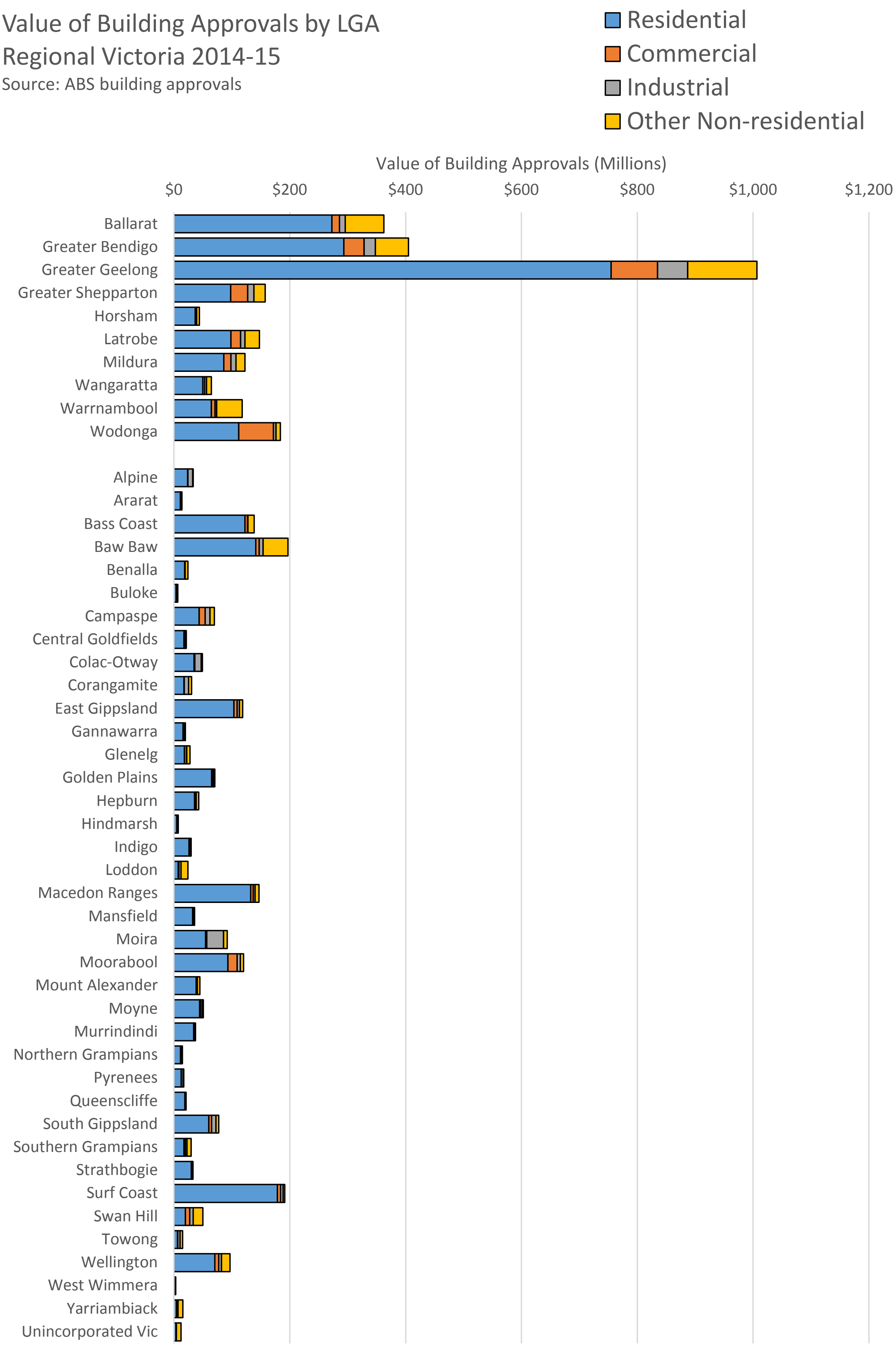
Building Approvals for New Dwellings - Regional Victoria 2014-15

Source: ABS building approvals



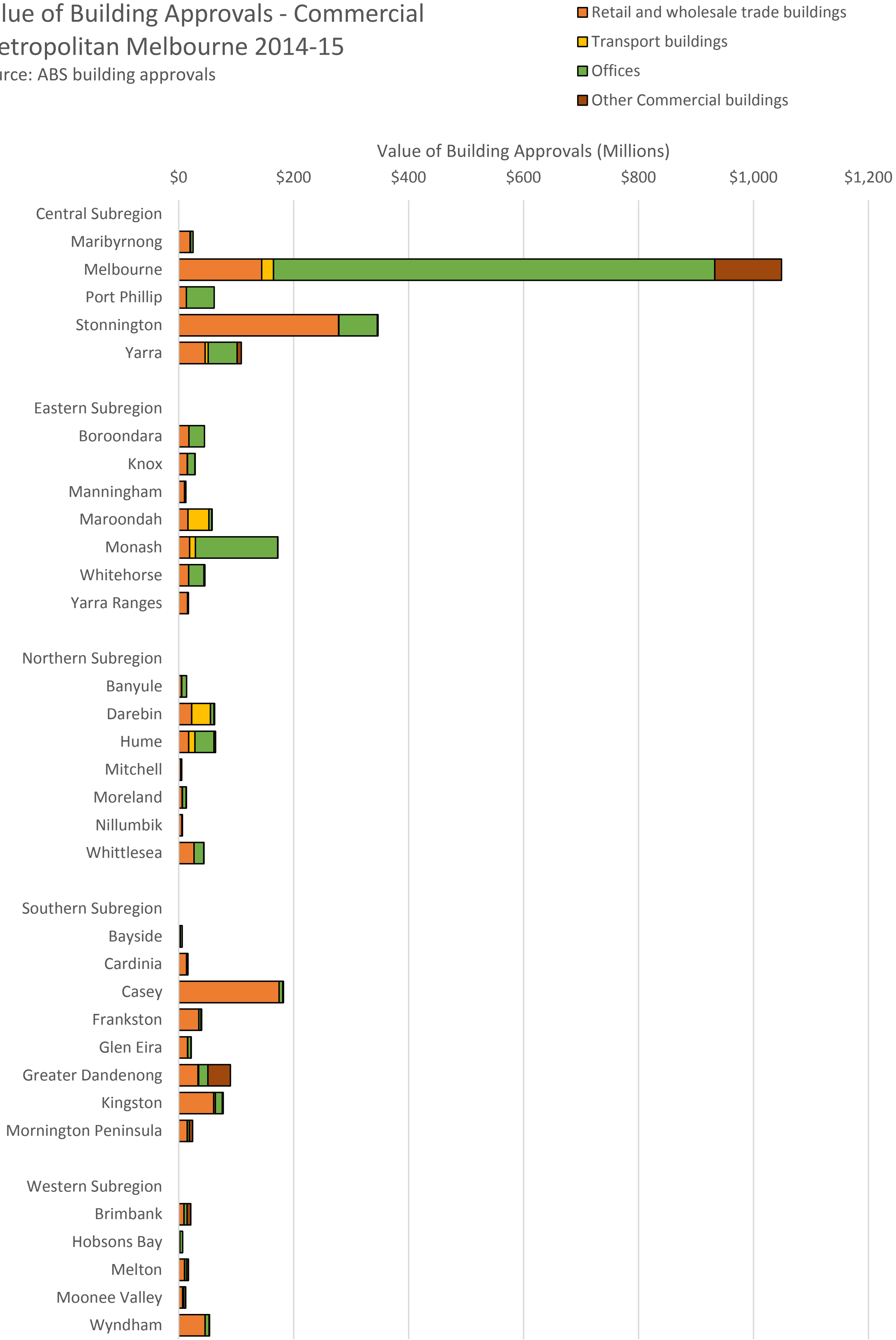

Value of Building Approvals by LGA
Metropolitan Melbourne 2014-15
Source: ABS building approvals
Residential
Commercial
Industrial
Other Non-residential
Value of Building Approvals (Millions)
$0
$500
$1,000
$1,500
$2,000
$2,500
$3,000
$3,500
$4,000
$4,500
$5,000
Central Subregion
Maribyrnong
Melbourne
Port Phillip
Stonnington
Yarra
Eastern Subregion
Boroondara
Knox
Manningham
Maroondah
Monash
Whitehorse
Yarra Ranges
Northern Subregion
Banyule
Darebin
Hume
Mitchell
Moreland
Nillumbik
Whittlesea
Southern Subregion
Bayside
Cardinia
Casey
Frankston
Glen Eira
Greater Dandenong
Kingston
Mornington Peninsula
Western Subregion
Brimbank
Hobsons Bay
Melton
Moonee Valley
Wyndham

Value of Building Approvals by LGA
Regional Victoria 2014-15
Source: ABS building approvals

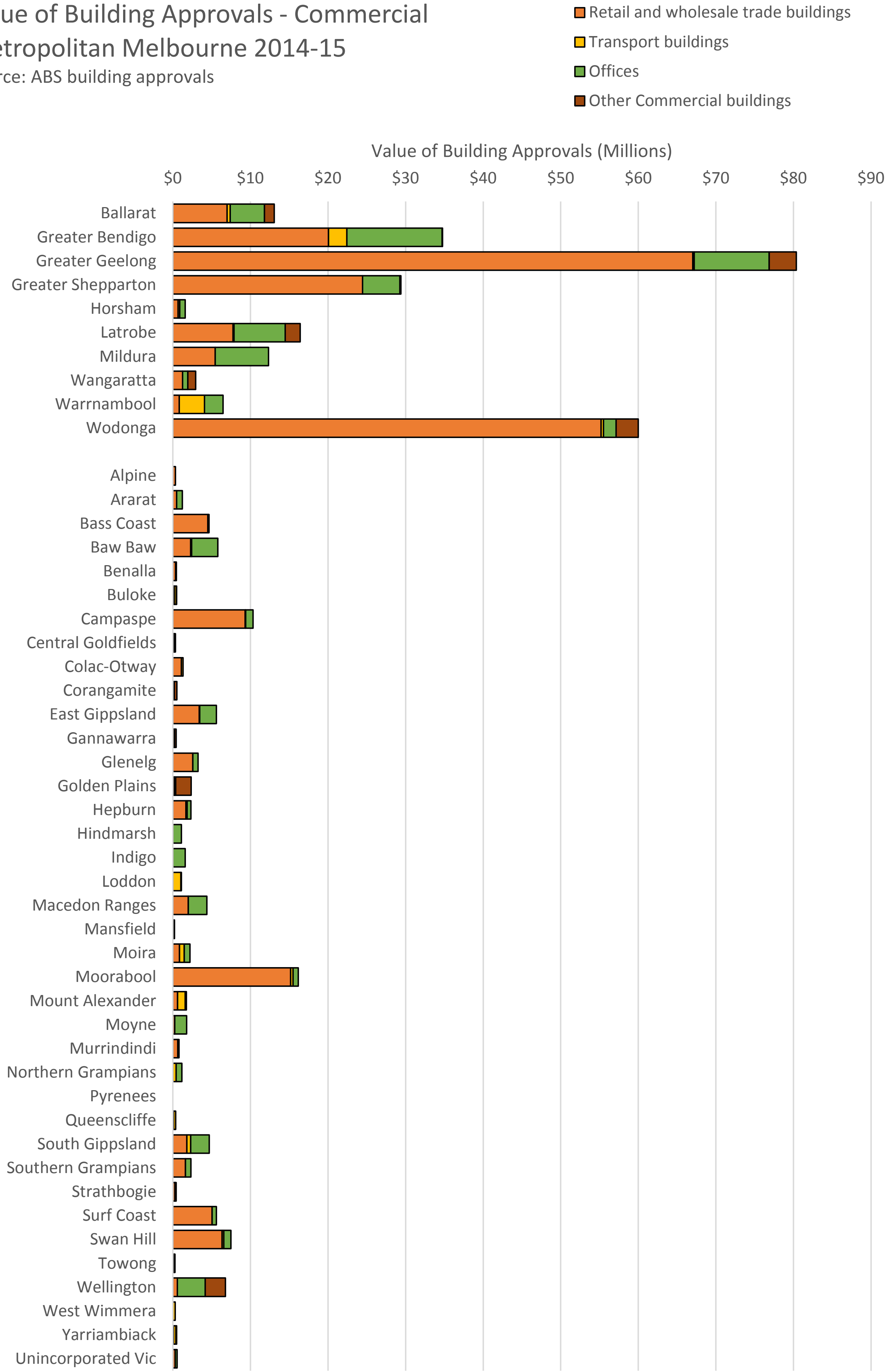


Value of Building Approvals - Commercial Metropolitan Melbourne 2014-15

Source: ABS building approvals

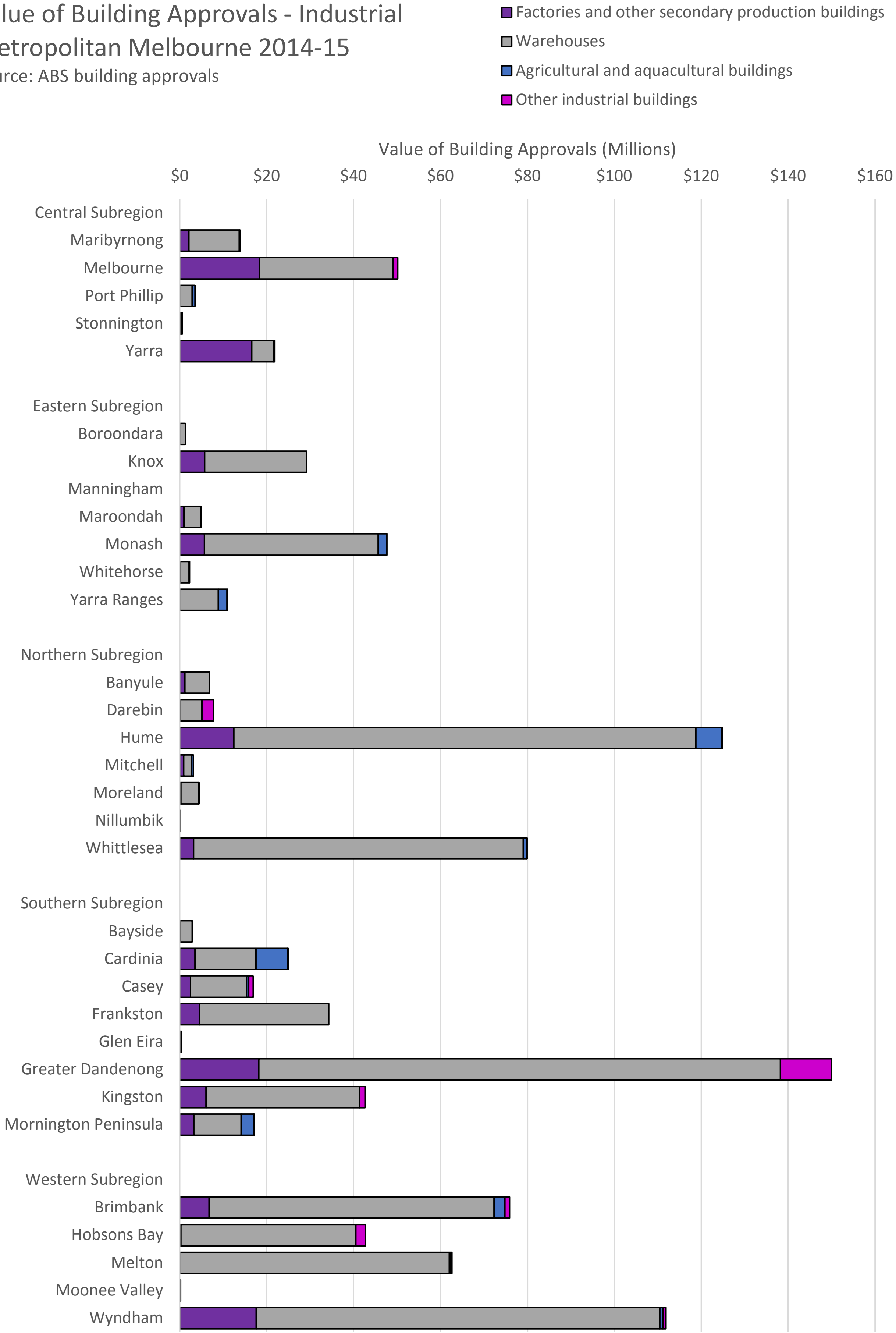


Value of Building Approvals - Commercial
Metropolitan Melbourne 2014-15
Source: ABS building approvals



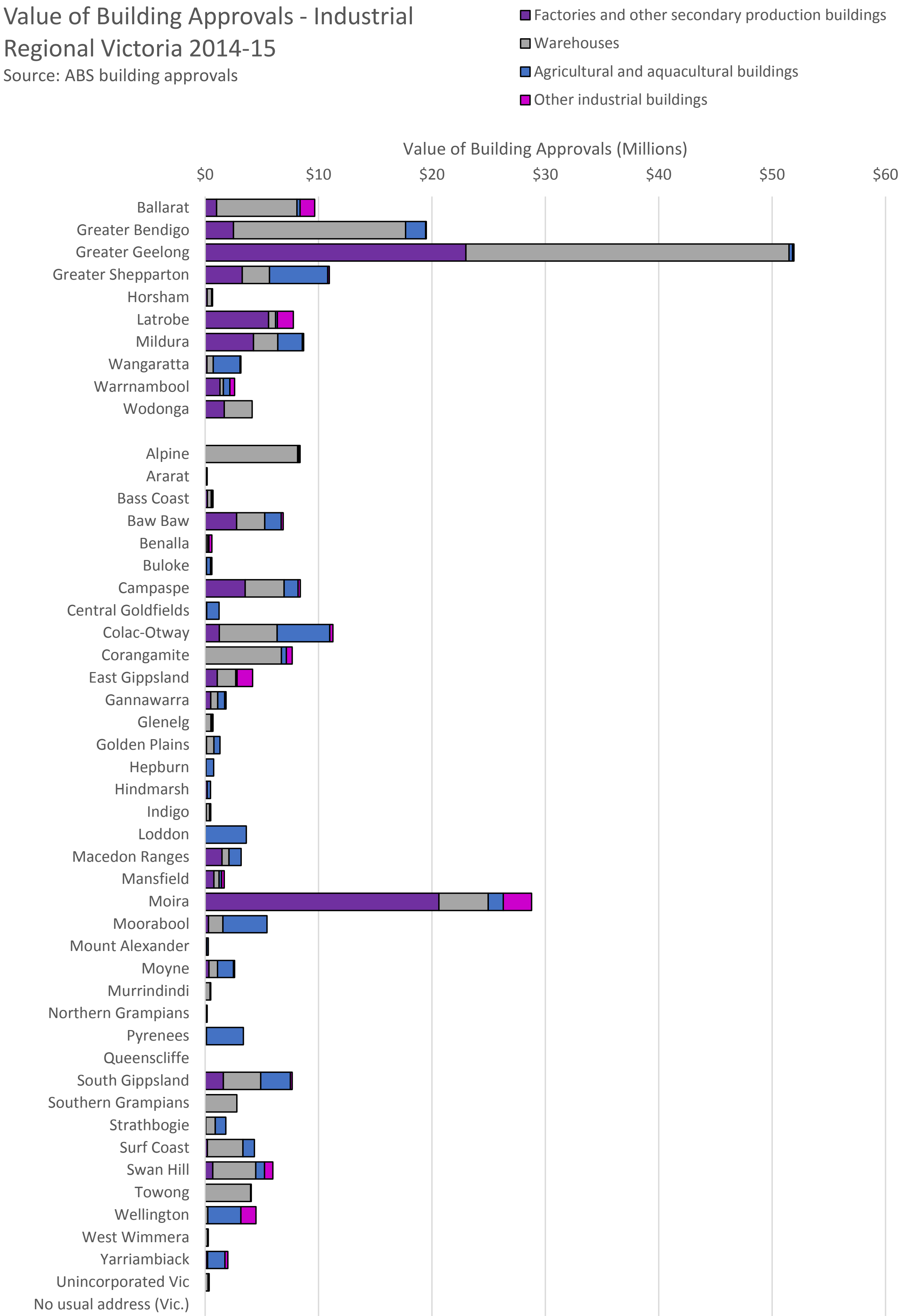
Value of Building Approvals - Industrial Metropolitan Melbourne 2014-15

Source: ABS building approvals



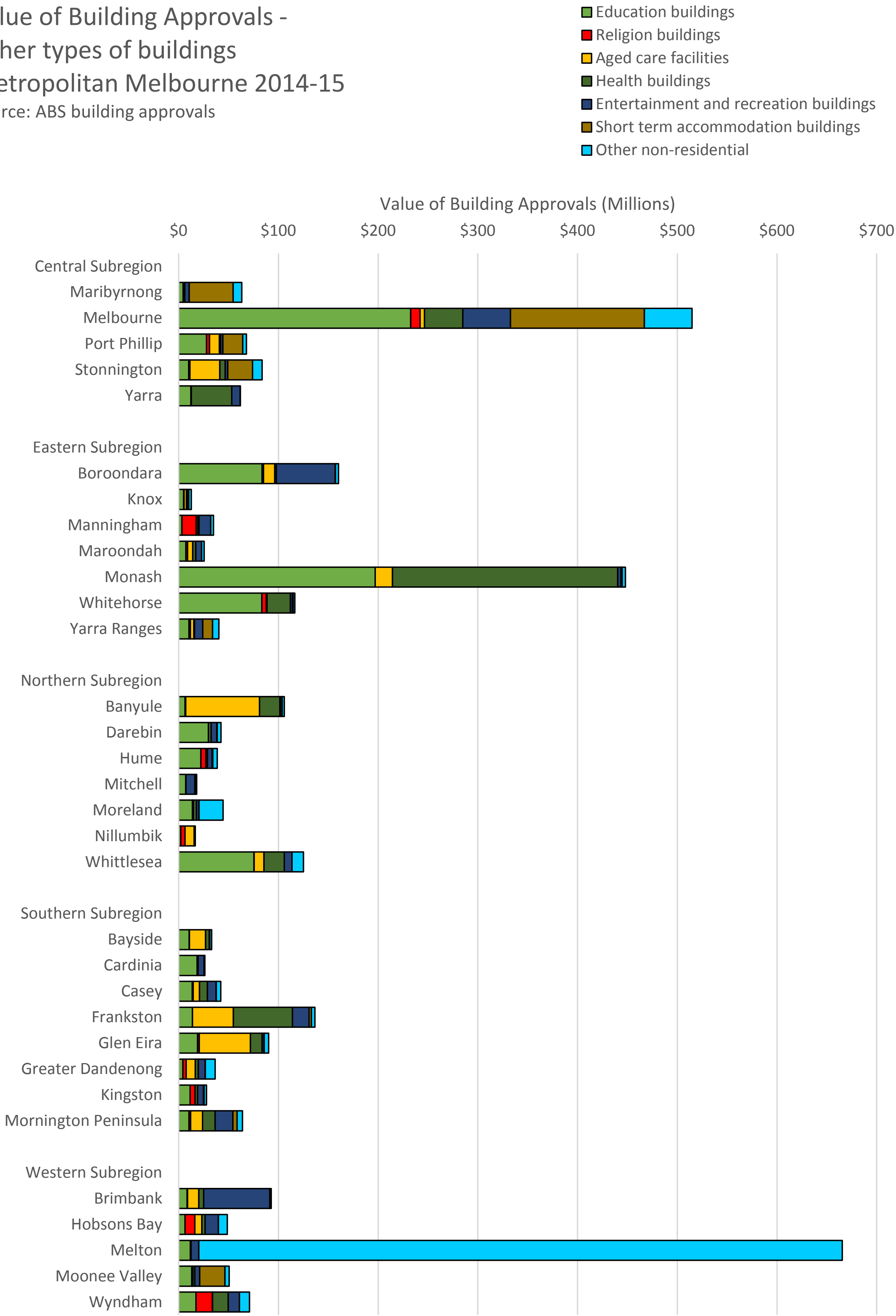
Value of Building Approvals - Industrial Regional Victoria 2014-15

Source: ABS building approvals



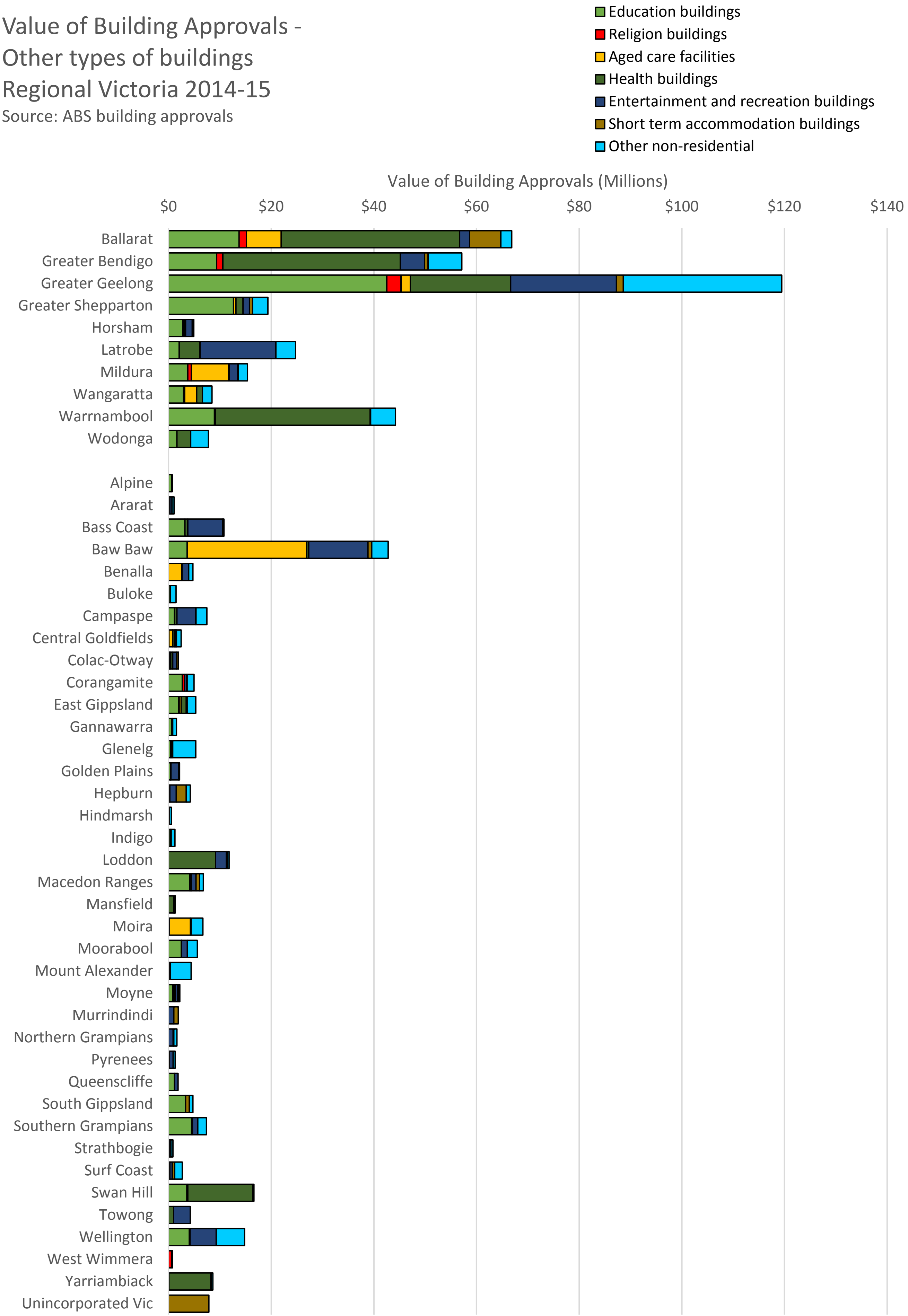
Value of Building Approvals - Other types of buildings Metropolitan Melbourne 2014-15

Source: ABS building approvals

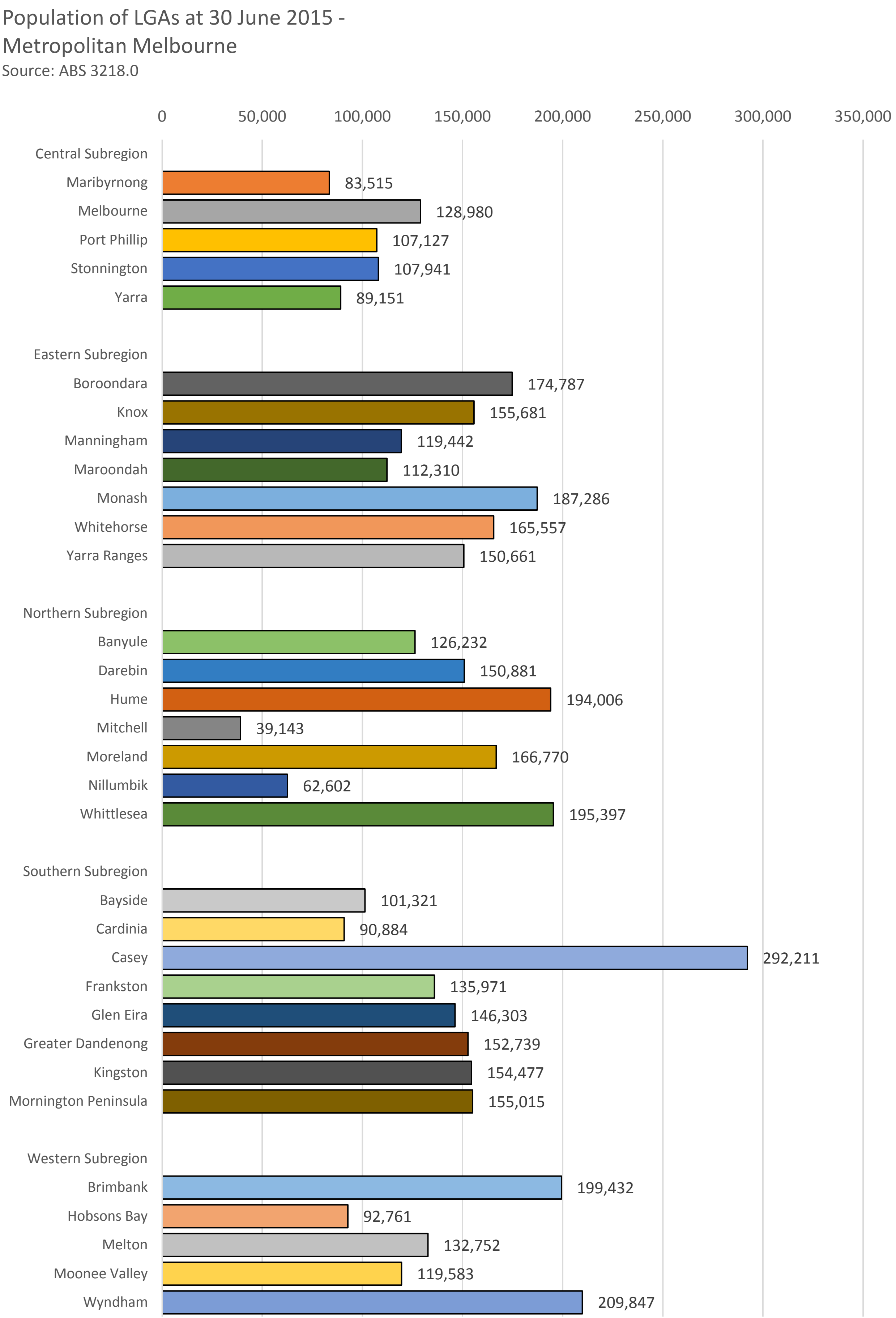


Value of Building Approvals - Other types of buildings Regional Victoria 2014-15

Source: ABS building approvals

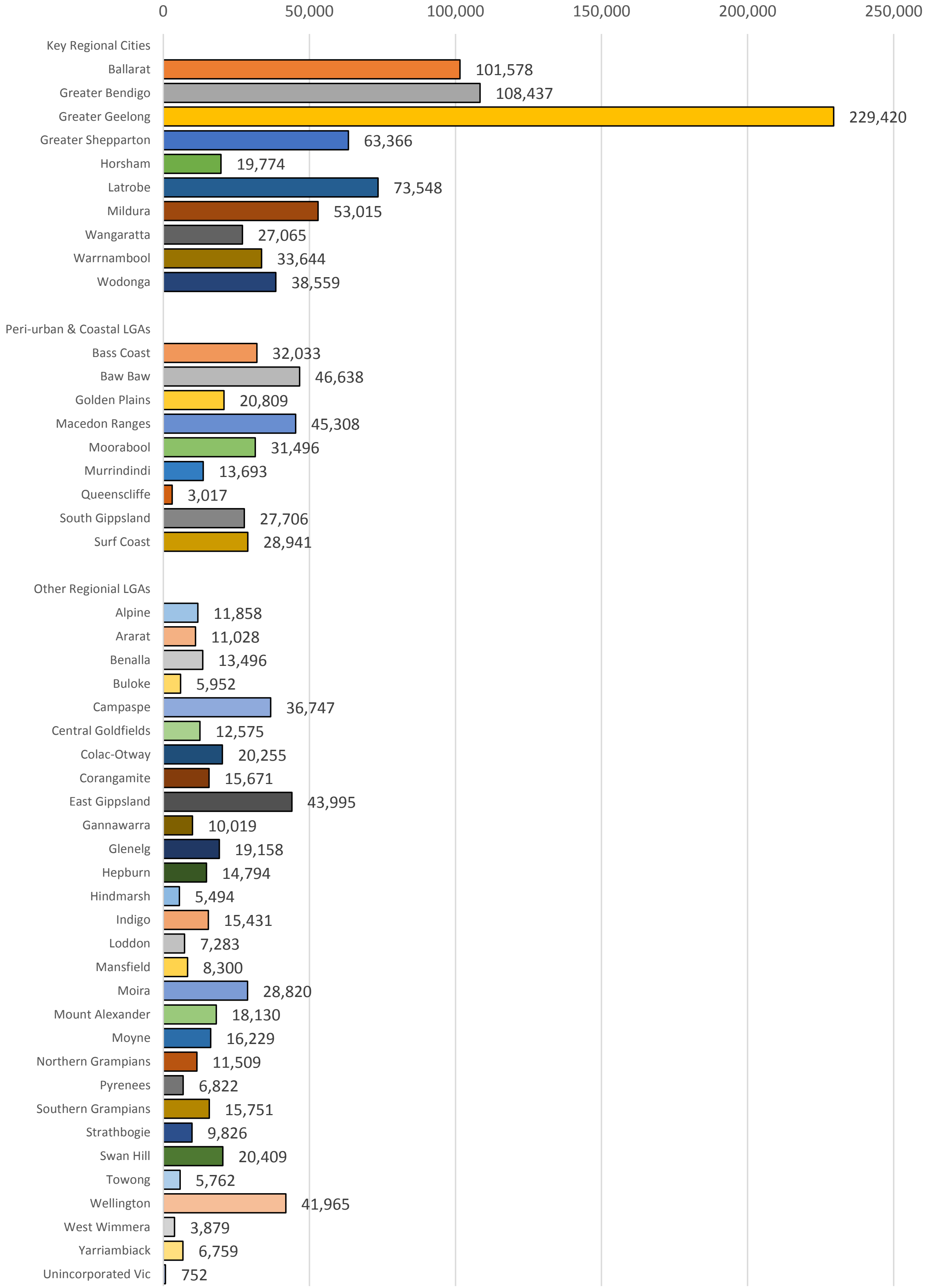


APPENDIX 2 – LGA POPULATIONS JUNE 30 2015

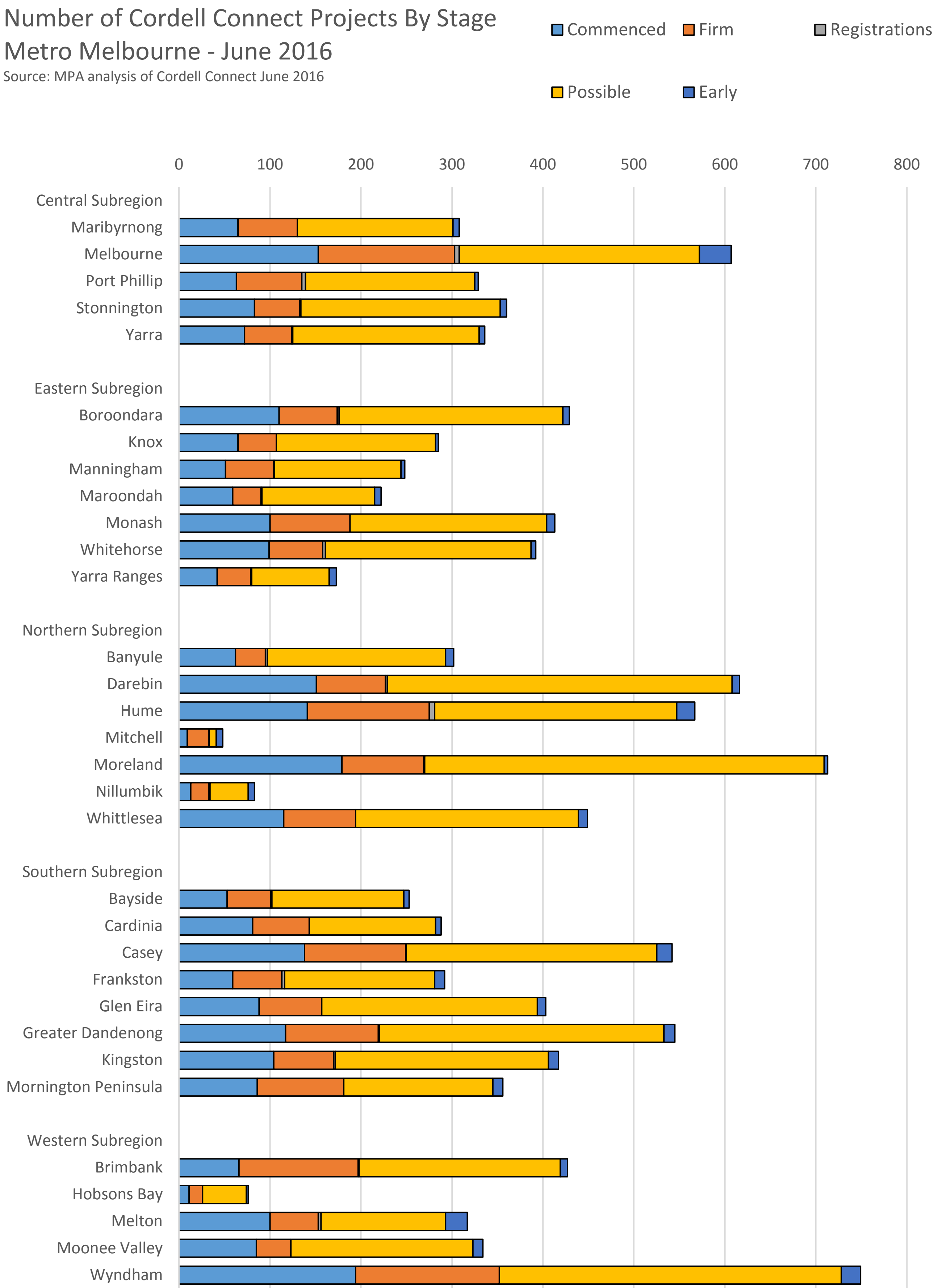


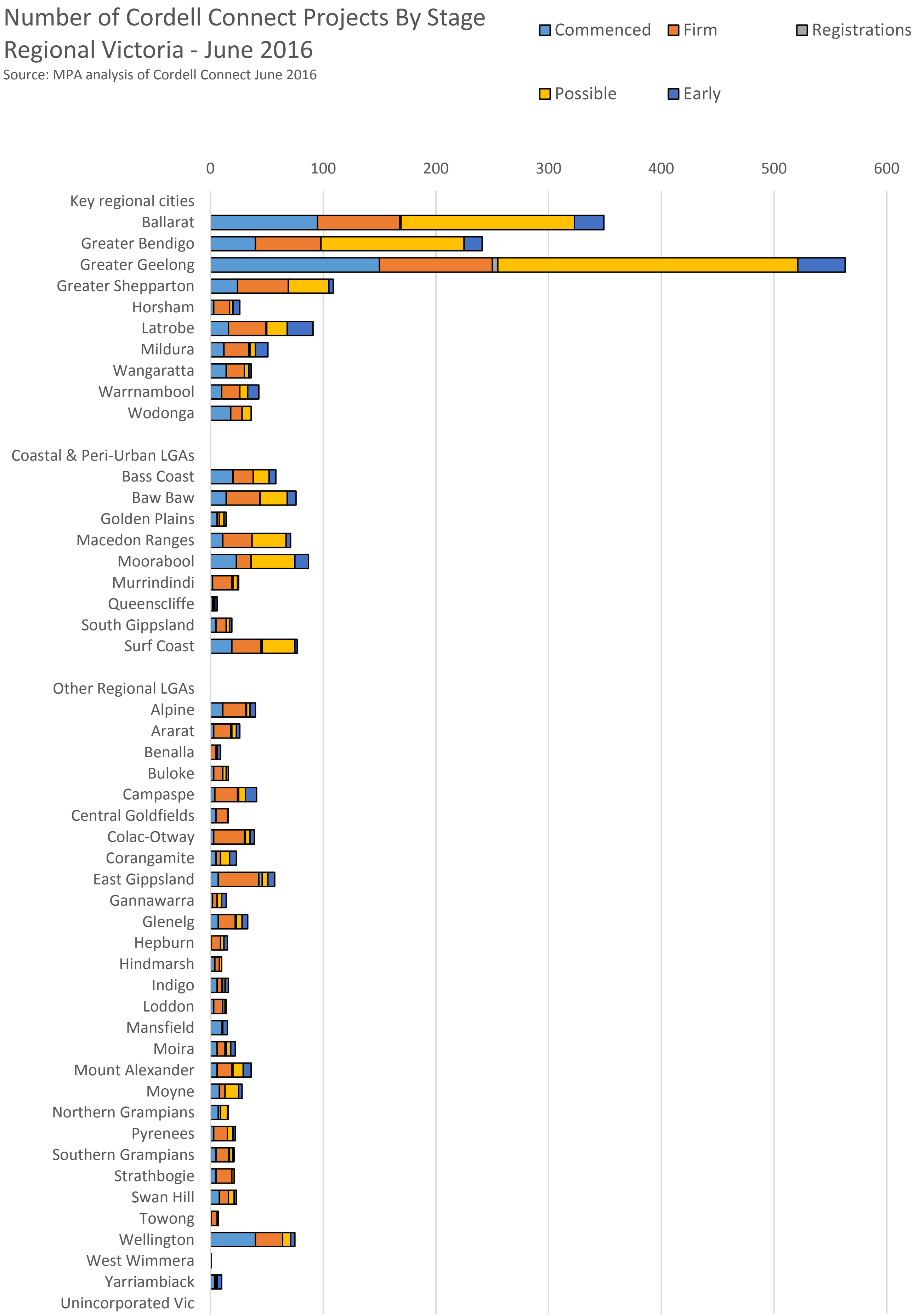
Population of LGAs at 30 June 2015 - Regional Victoria

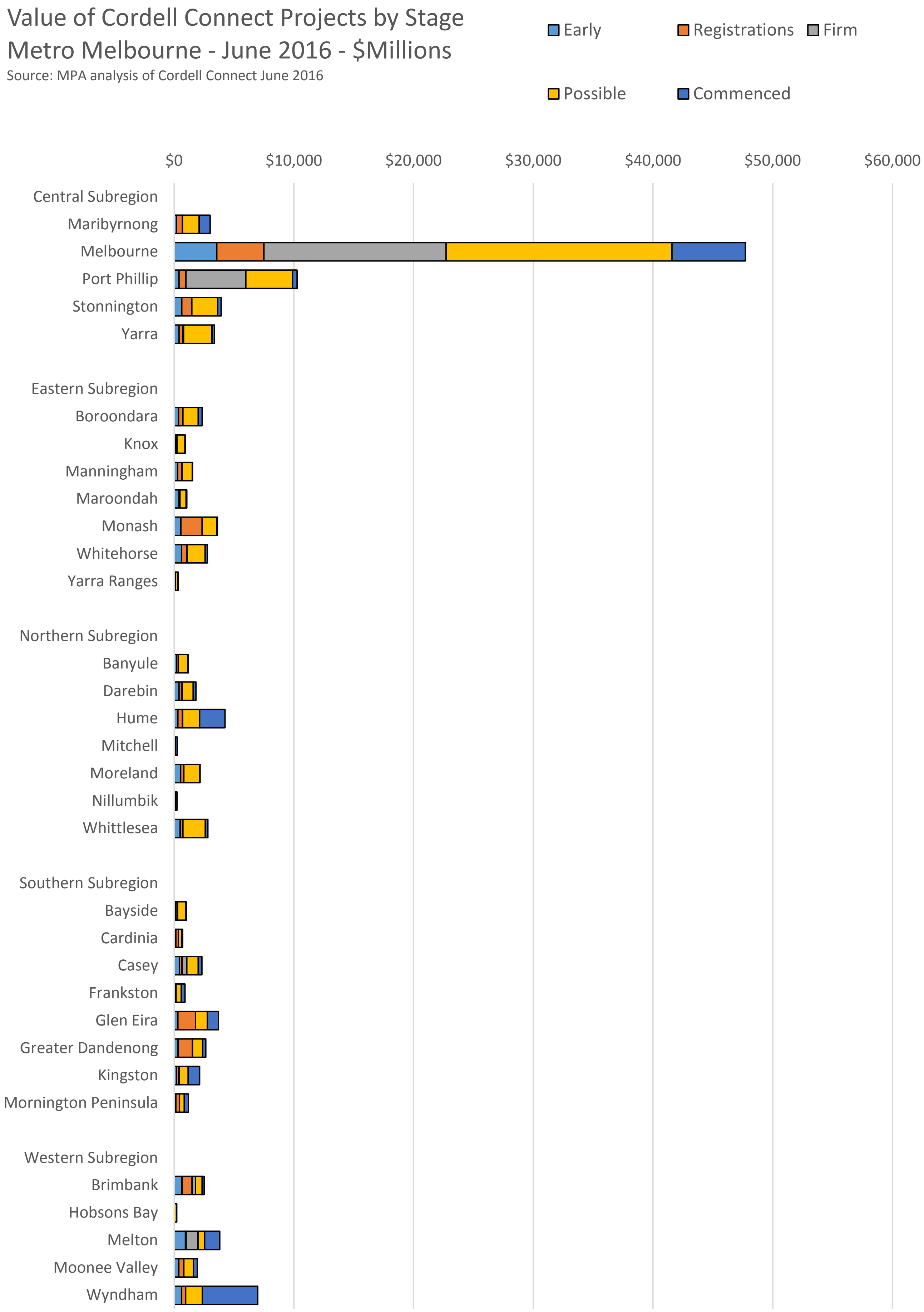
Source: ABS 3218.0

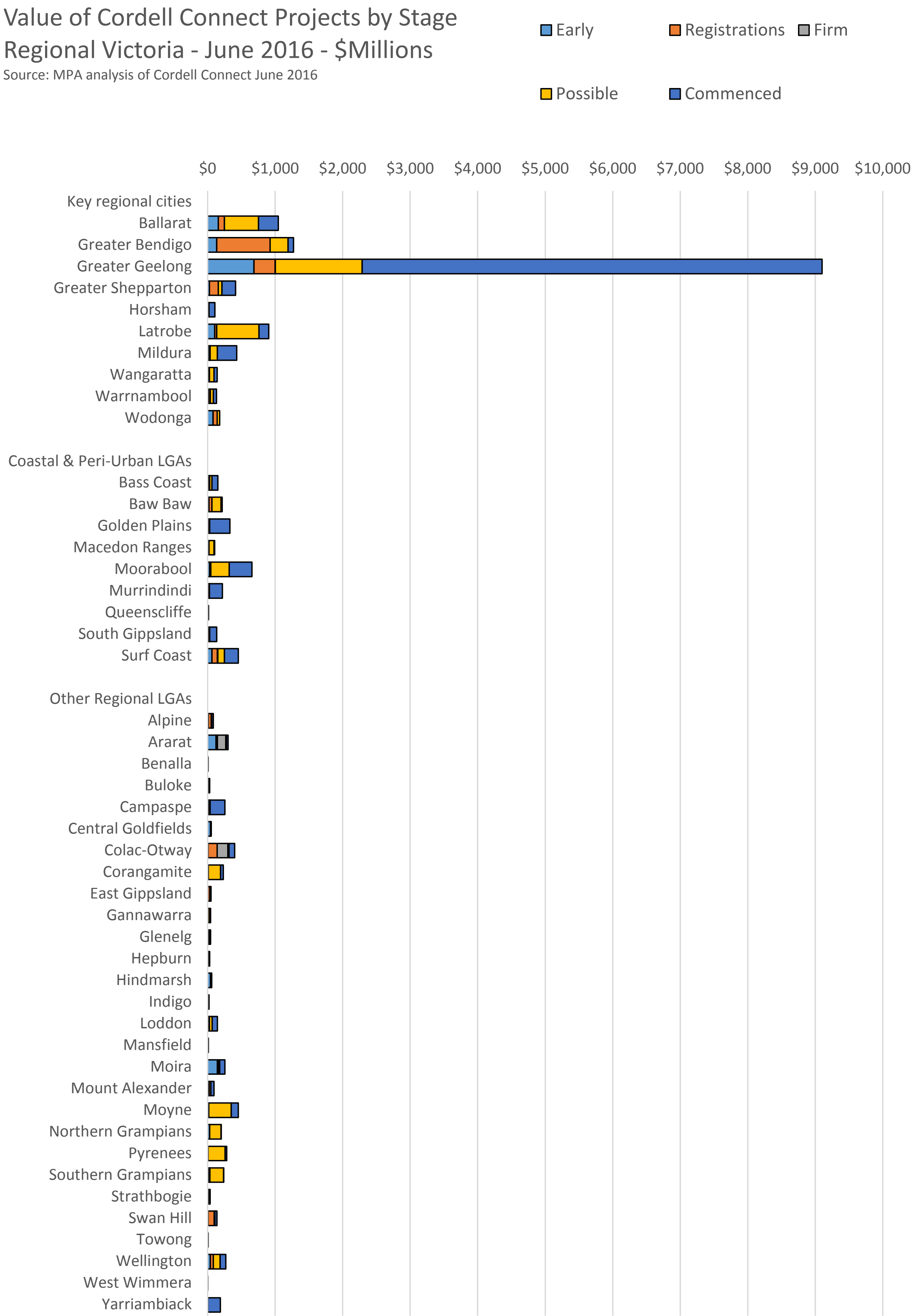


APPENDIX 3 – CORDELL CONNECT PROJECTS BY LGA

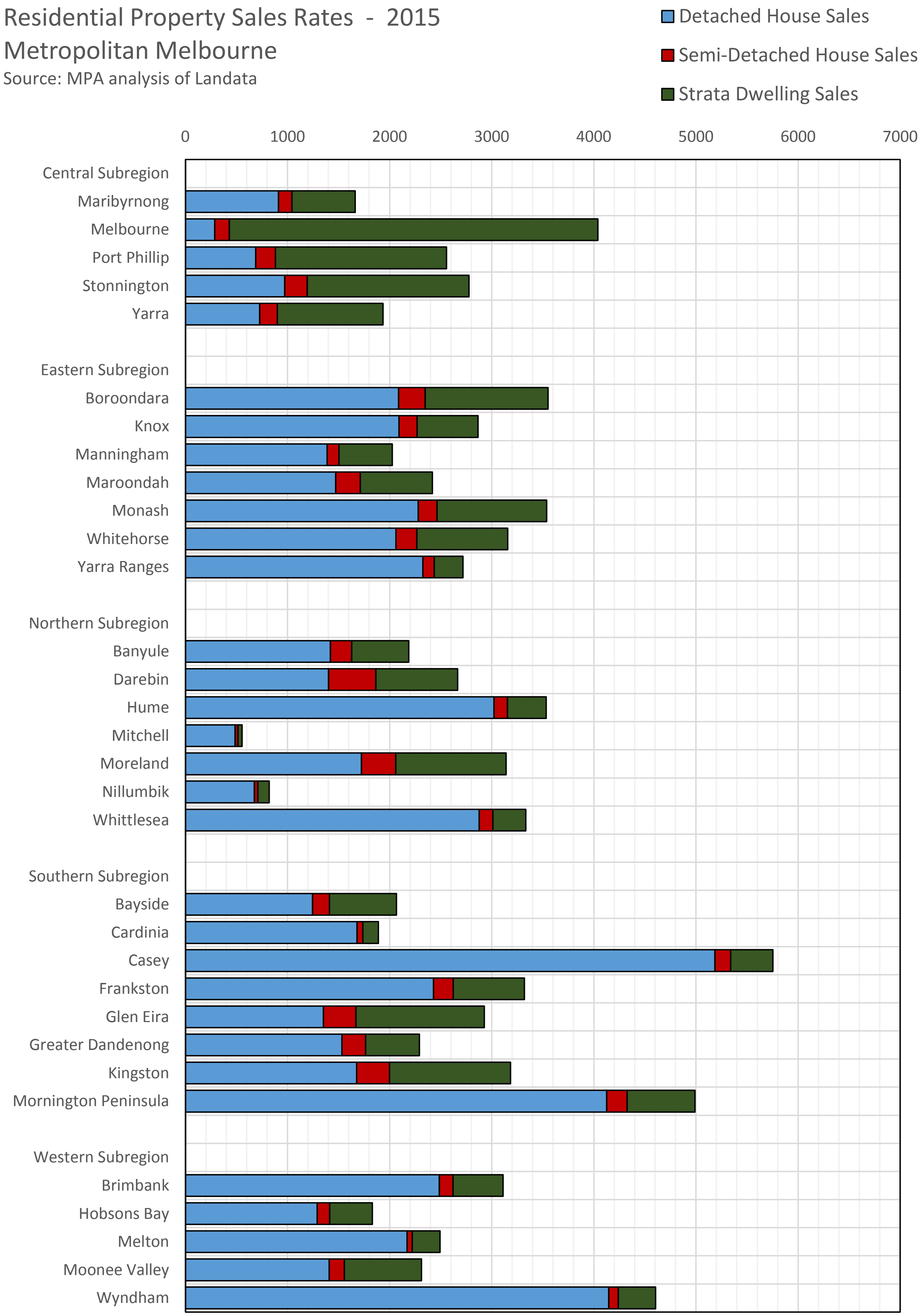


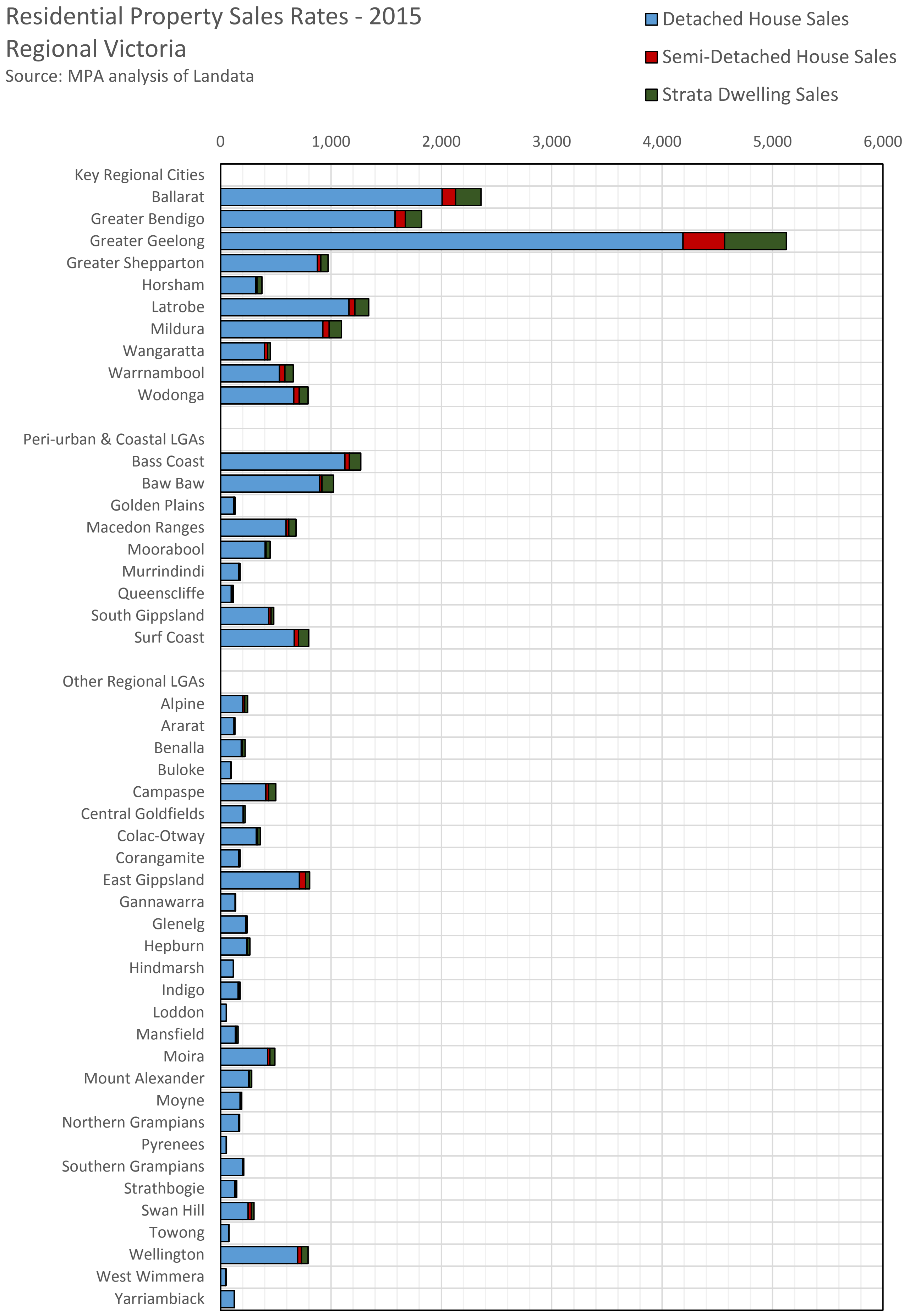

Number of Cordell Connect Projects By Stage
Regional Victoria - June 2016
Source: MPA analysis of Cordell Connect June 2016
Commenced
Firm
Registrations
Possible
Early
0
100
200
300
400
500
600
Key regional cities
Ballarat
Greater Bendigo
Greater Geelong
Greater Shepparton
Horsham
Latrobe
Mildura
Wangaratta
Warrnambool
Wodonga
Coastal & Peri-Urban LGAs
Bass Coast
Baw Baw
Golden Plains
Macedon Ranges
Moorabool
Murrindindi
Queenscliffe
South Gippsland
Surf Coast
Other Regional LGAs
Alpine
Ararat
Benalla
Buloke
Campaspe
Central Goldfields
Colac-Otway
Corangamite
East Gippsland
Gannawarra
Glenelg
Hepburn
Hindmarsh
Indigo
Loddon
Mansfield
Moira
Mount Alexander
Moyne
Northern Grampians
Pyrenees
Southern Grampians
Strathbogie
Swan Hill
Towong
Wellington
West Wimmera
Yarriambiack
Unincorporated Vic


Value of Cordell Connect Projects by Stage
Metro Melbourne - June 2016 - $Millions
Source: MPA analysis of Cordell Connect June 2016
Early
Registrations
Firm
Possible
Commenced
$0
$10,000
$20,000
$30,000
$40,000
$50,000
$60,000
Central Subregion
Maribyrnong
Melbourne
Port Phillip
Stonnington
Yarra
Eastern Subregion
Boroondara
Knox
Manningham
Maroondah
Monash
Whitehorse
Yarra Ranges
Northern Subregion
Banyule
Darebin
Hume
Mitchell
Moreland
Nillumbik
Whittlesea
Southern Subregion
Bayside
Cardinia
Casey
Frankston
Glen Eira
Greater Dandenong
Kingston
Mornington Peninsula
Western Subregion
Brimbank
Hobsons Bay
Melton
Moonee Valley
Wyndham


Value of Cordell Connect Projects by Stage
Regional Victoria - June 2016 - $Millions
Source: MPA analysis of Cordell Connect June 2016
Early
Registrations
Firm
Possible
Commenced
$0
$1,000
$2,000
$3,000
$4,000
$5,000
$6,000
$7,000
$8,000
$9,000
$10,000
Key regional cities
Ballarat
Greater Bendigo
Greater Geelong
Greater Shepparton
Horsham
Latrobe
Mildura
Wangaratta
Warrnambool
Wodonga
Coastal & Peri-Urban LGAs
Bass Coast
Baw Baw
Golden Plains
Macedon Ranges
Moorabool
Murrindindi
Queenscliffe
South Gippsland
Surf Coast
Other Regional LGAs
Alpine
Ararat
Benalla
Buloke
Campaspe
Central Goldfields
Colac-Otway
Corangamite
East Gippsland
Gannawarra
Glenelg
Hepburn
Hindmarsh
Indigo
Loddon
Mansfield
Moira
Mount Alexander
Moyne
Northern Grampians
Pyrenees
Southern Grampians
Strathbogie
Swan Hill
Towong
Wellington
West Wimmera
Yarriambiack

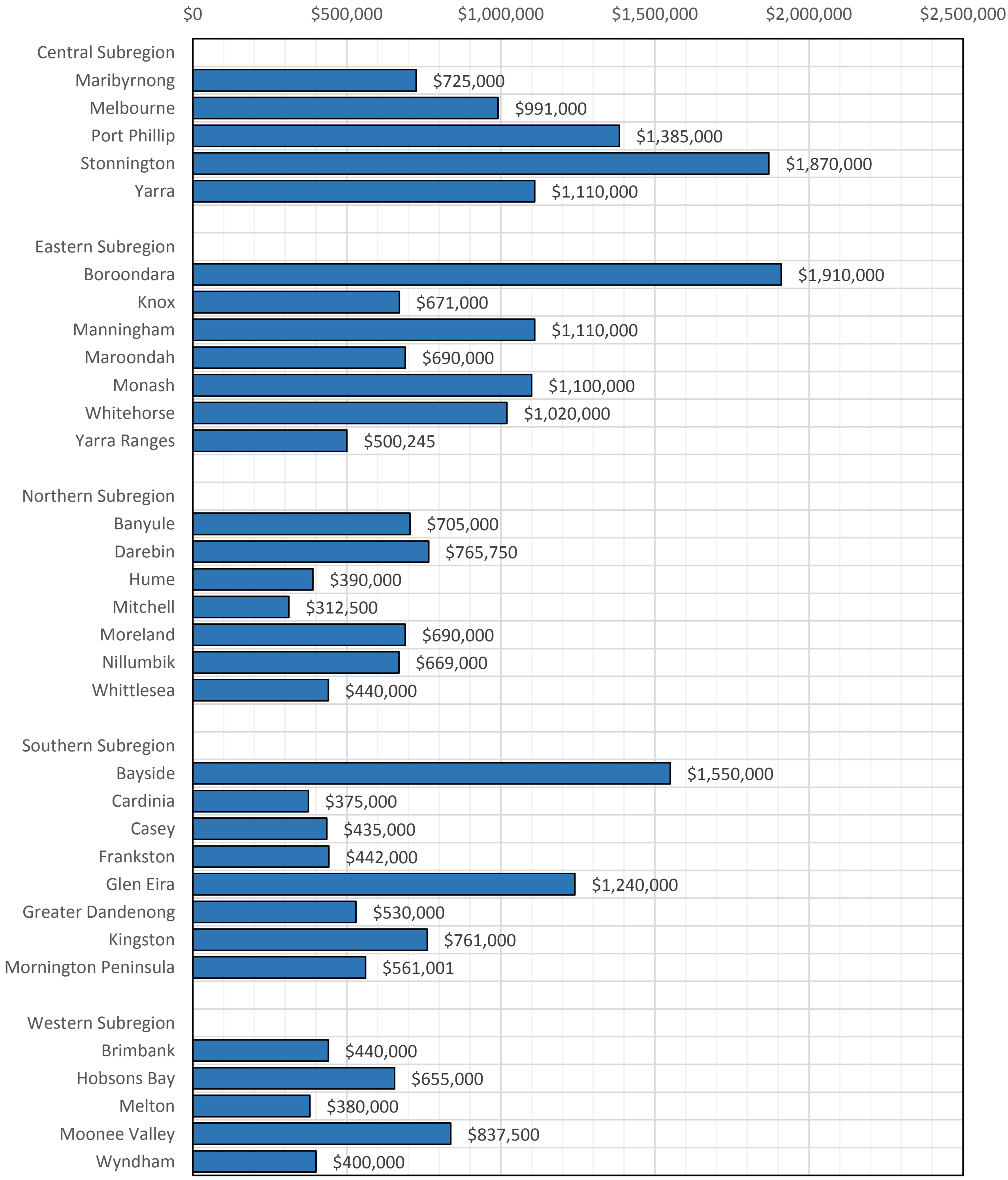
APPENDIX 4 – PROPERTY SALES 2015





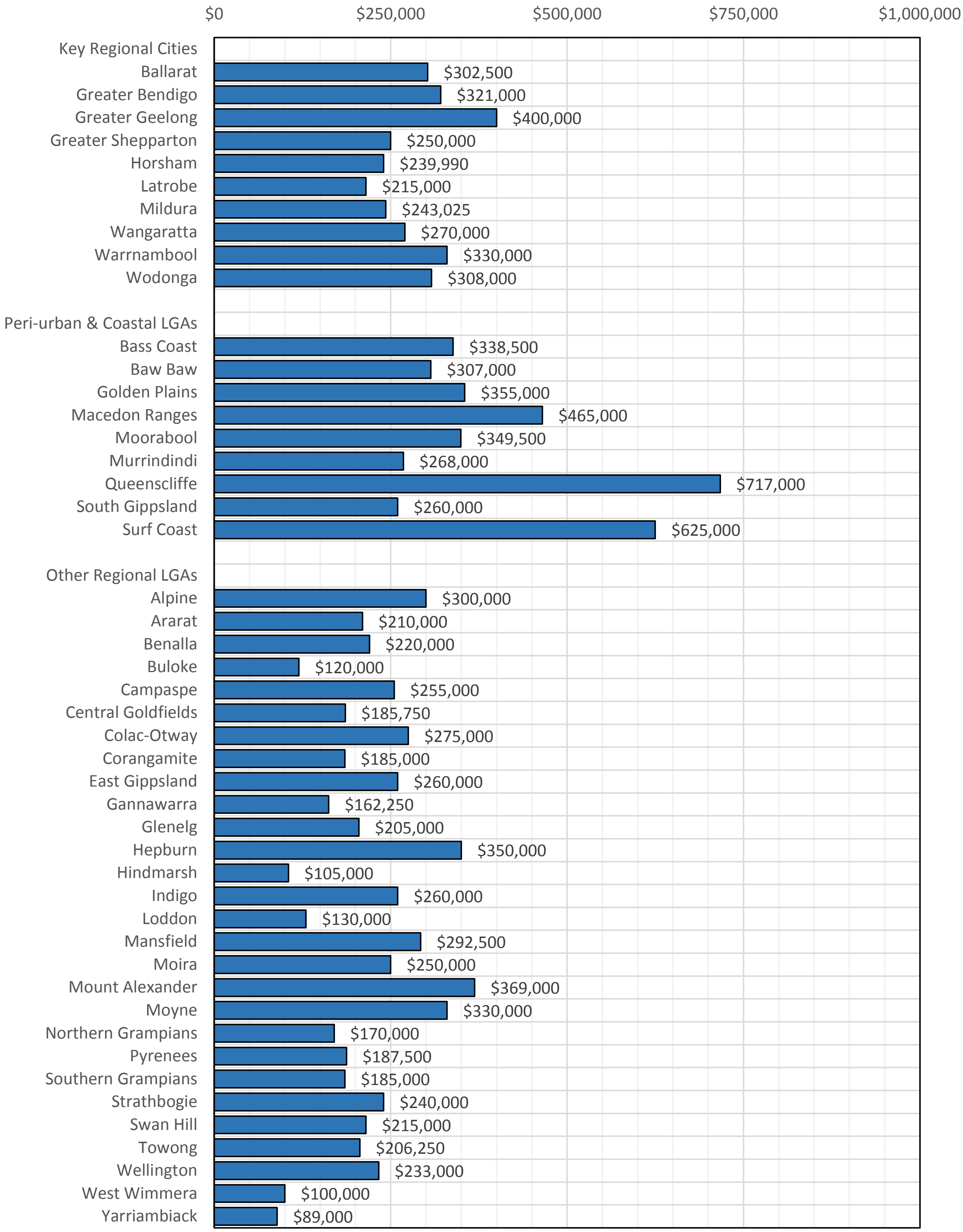
Residential Property Sales Rates - 2015
Regional Victoria
Source: MPA analysis of Landata
Detached House Sales
Semi-Detached House Sales
Strata Dwelling Sales
0
1,000
2,000
3,000
4,000
5,000
6,000
Key Regional Cities
Ballarat
Greater Bendigo
Greater Geelong
Greater Shepparton
Horsham
Latrobe
Mildura
Wangaratta
Warrnambool
Wodonga
Peri-urban & Coastal LGAs
Bass Coast
Baw Baw
Golden Plains
Macedon Ranges
Moorabool
Murrindindi
Queenscliffe
South Gippsland
Surf Coast
Other Regional LGAs
Alpine
Ararat
Benalla
Buloke
Campaspe
Central Goldfields
Colac-Otway
Corangamite
East Gippsland
Gannawarra
Glenelg
Hepburn
Hindmarsh
Indigo
Loddon
Mansfield
Moira
Mount Alexander
Moyne
Northern Grampians
Pyrenees
Southern Grampians
Strathbogie
Swan Hill
Towong
Wellington
West Wimmera
Yarriambiack

Median Price of a Detached Houses - 2015
Metropolitan Melbourne
Source: MPA analysis of Landata

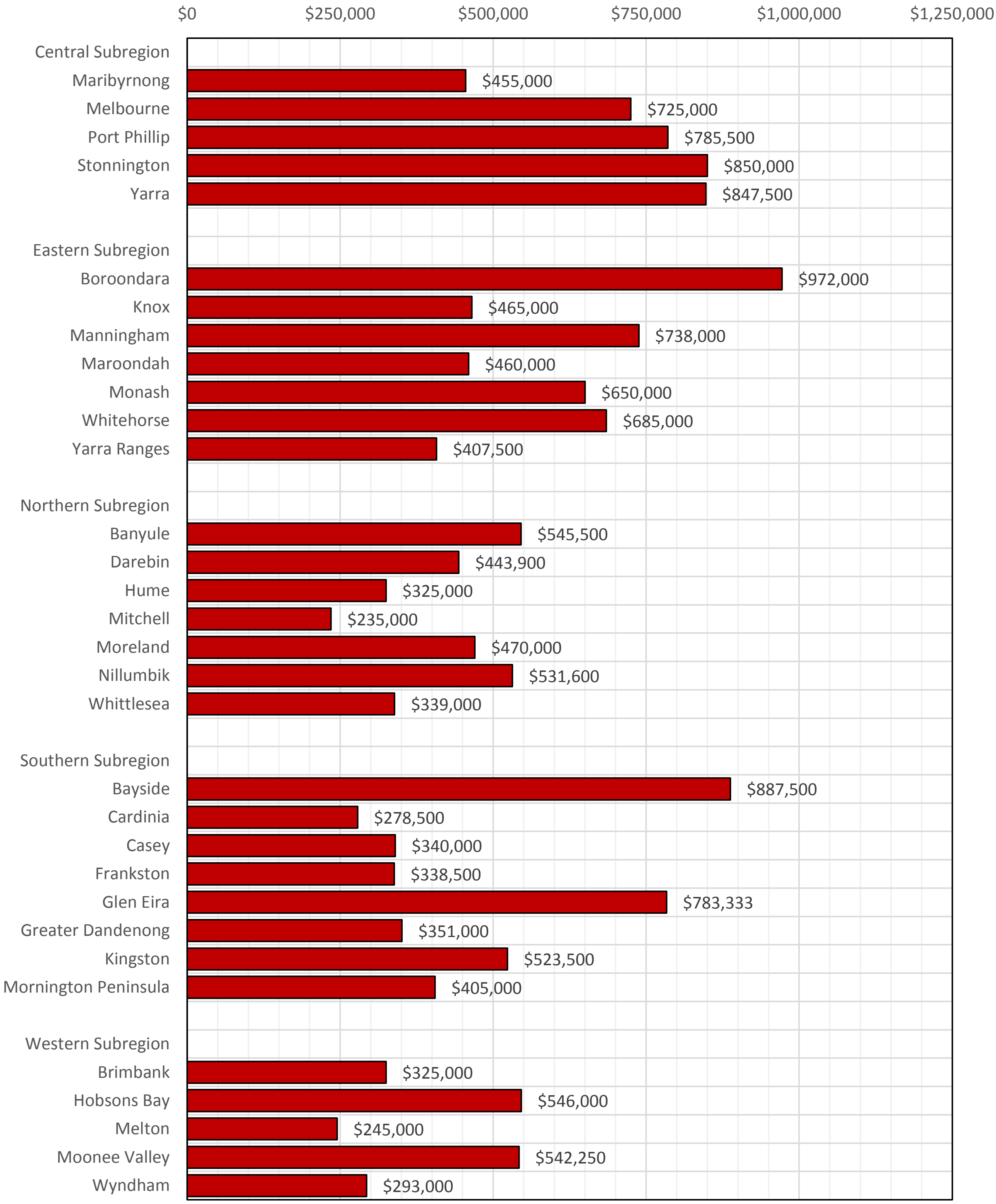


Median Price of a Detached Houses - 2015
Regional Victoria

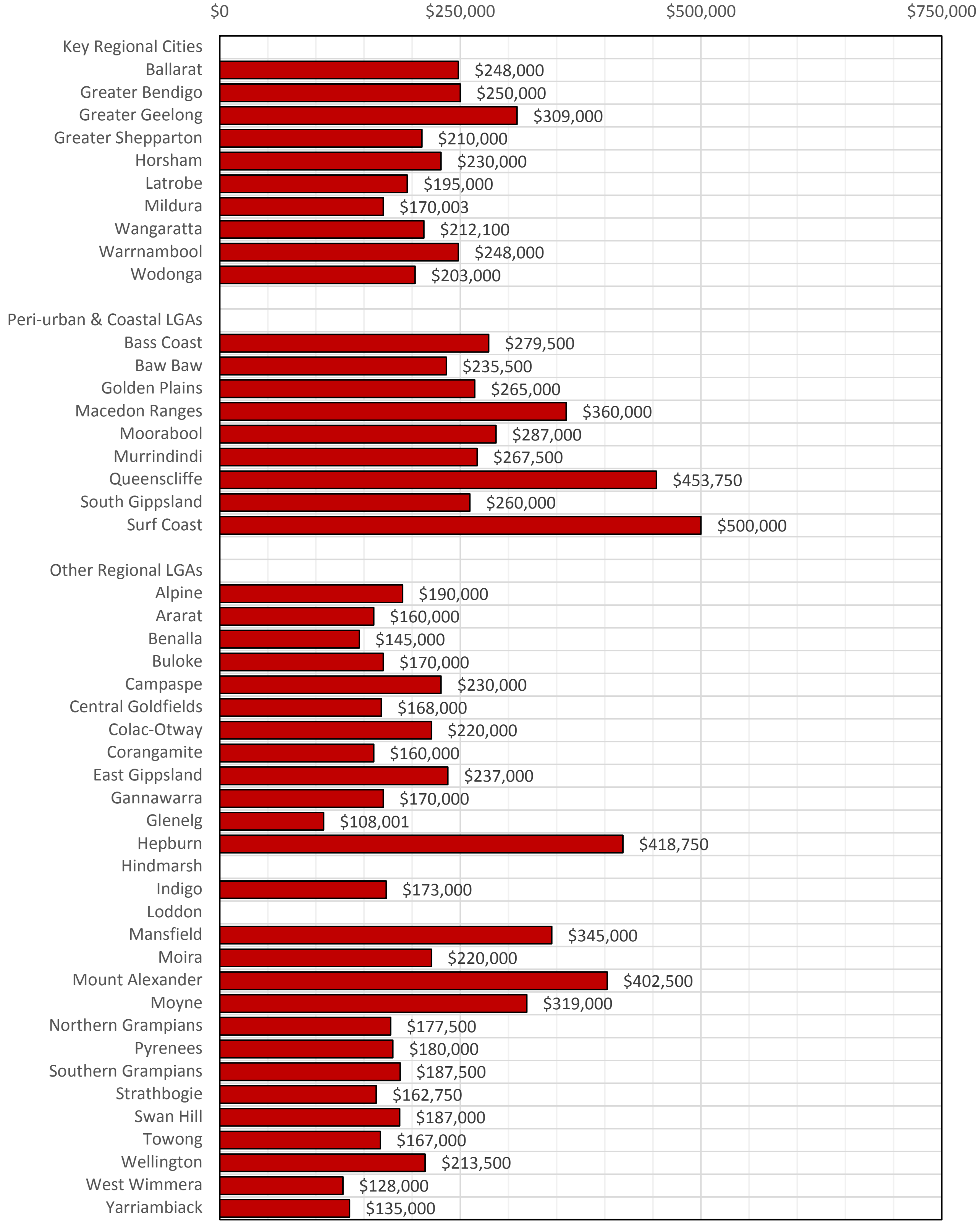
Source: MPA analysis of Landata



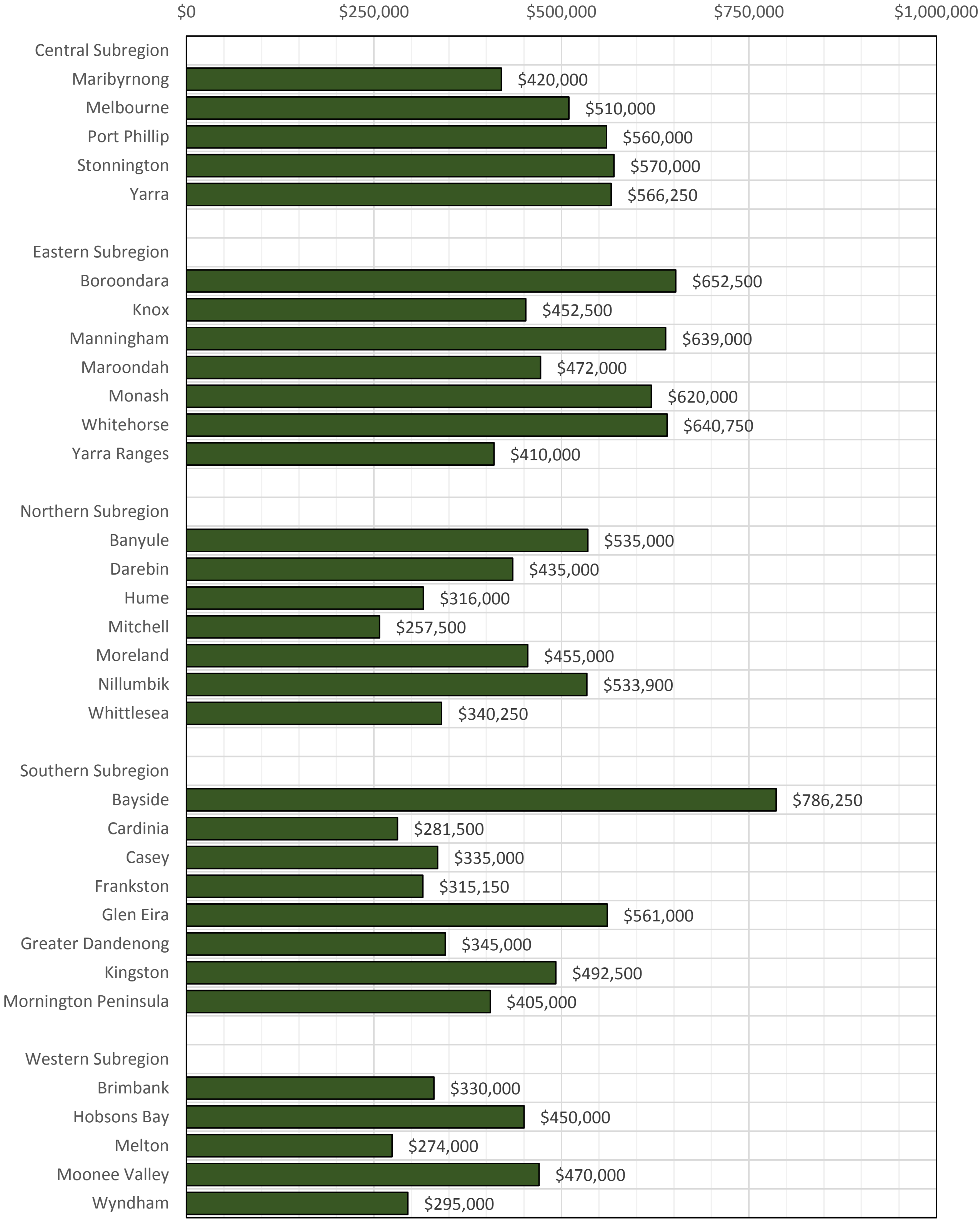
Median Price of a Semi-Detached Houses - 2015
Metropolitan Melbourne
Source: MPA analysis of Landata



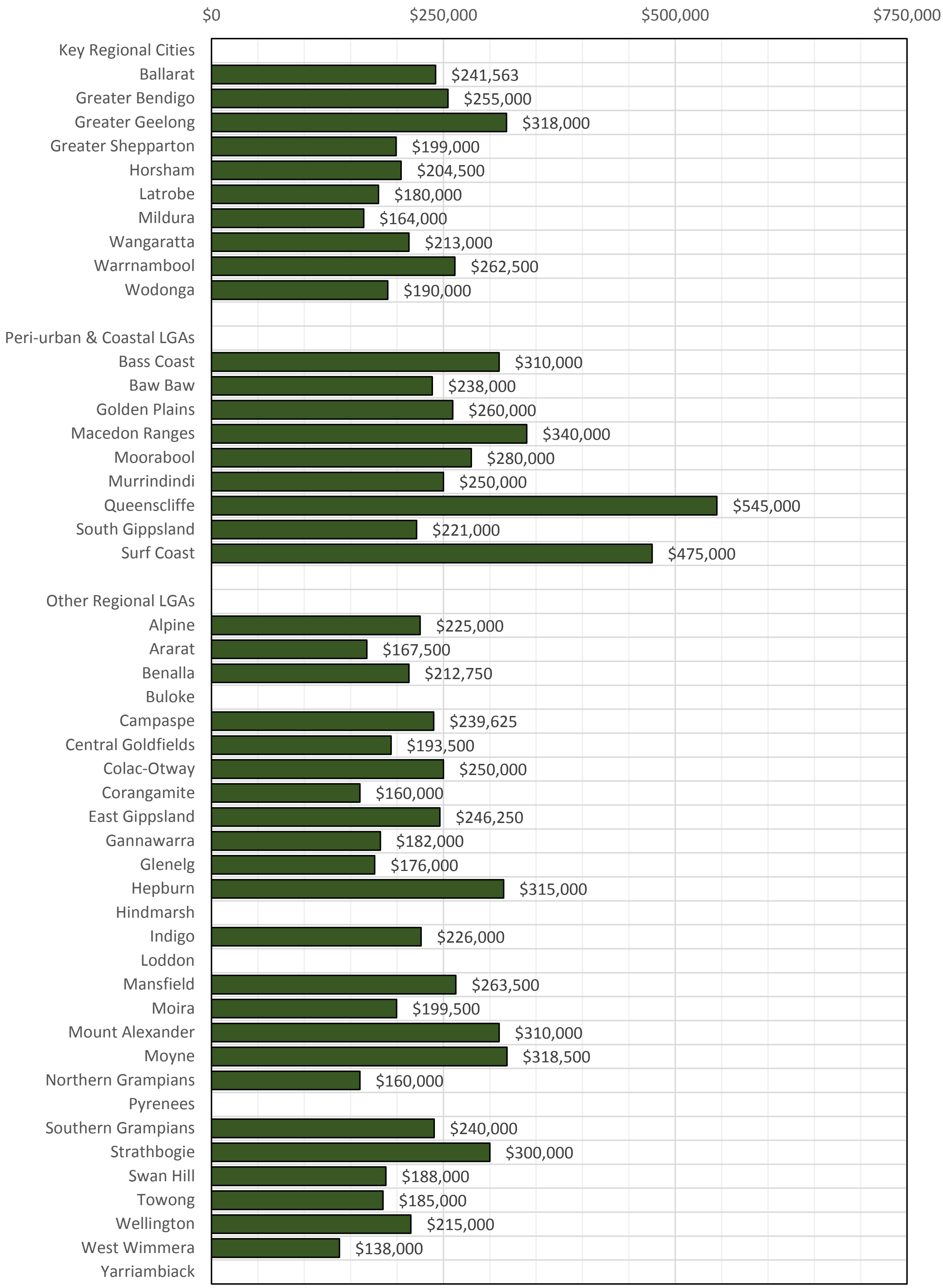
Median Price of a Detached Houses - 2015
Regional Victoria
Source: MPA analysis of Landata



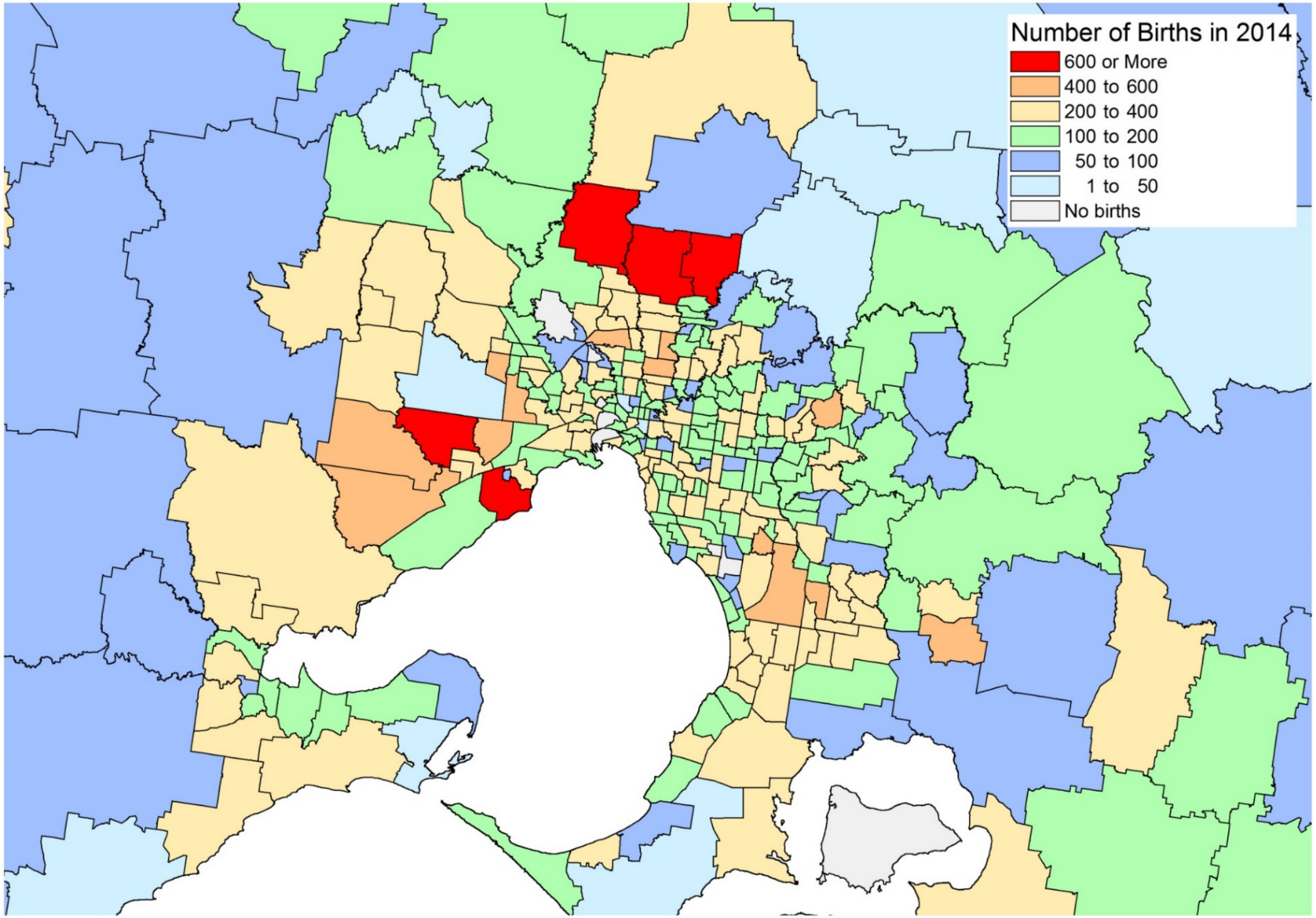
Median Price of a Strata Title Dwelling- 2015
Metropolitan Melbourne
Source: MPA analysis of Landata

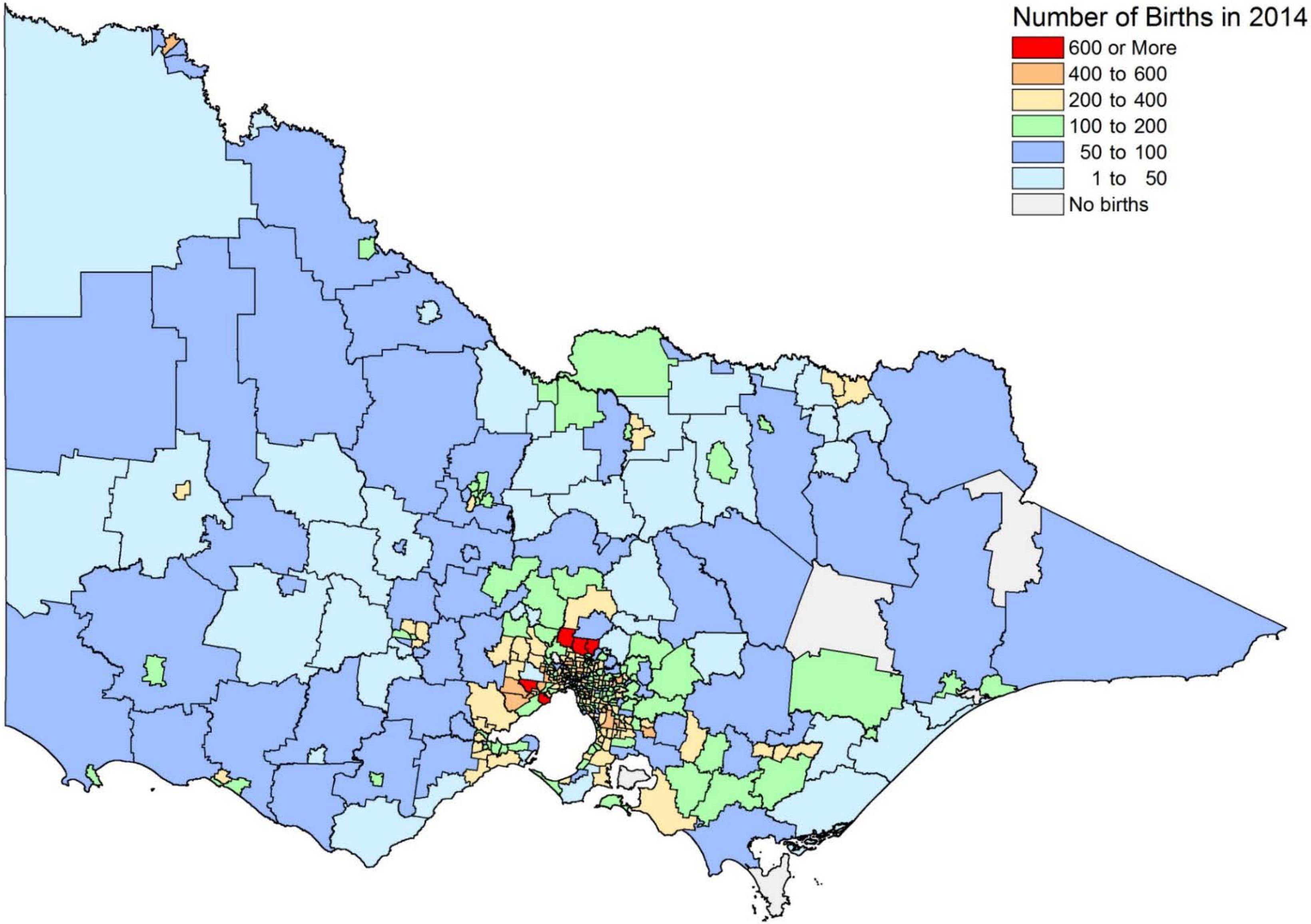


Median Price of a Strata Title Dwelling - 2015
Regional Victoria
Source: MPA analysis of Landata

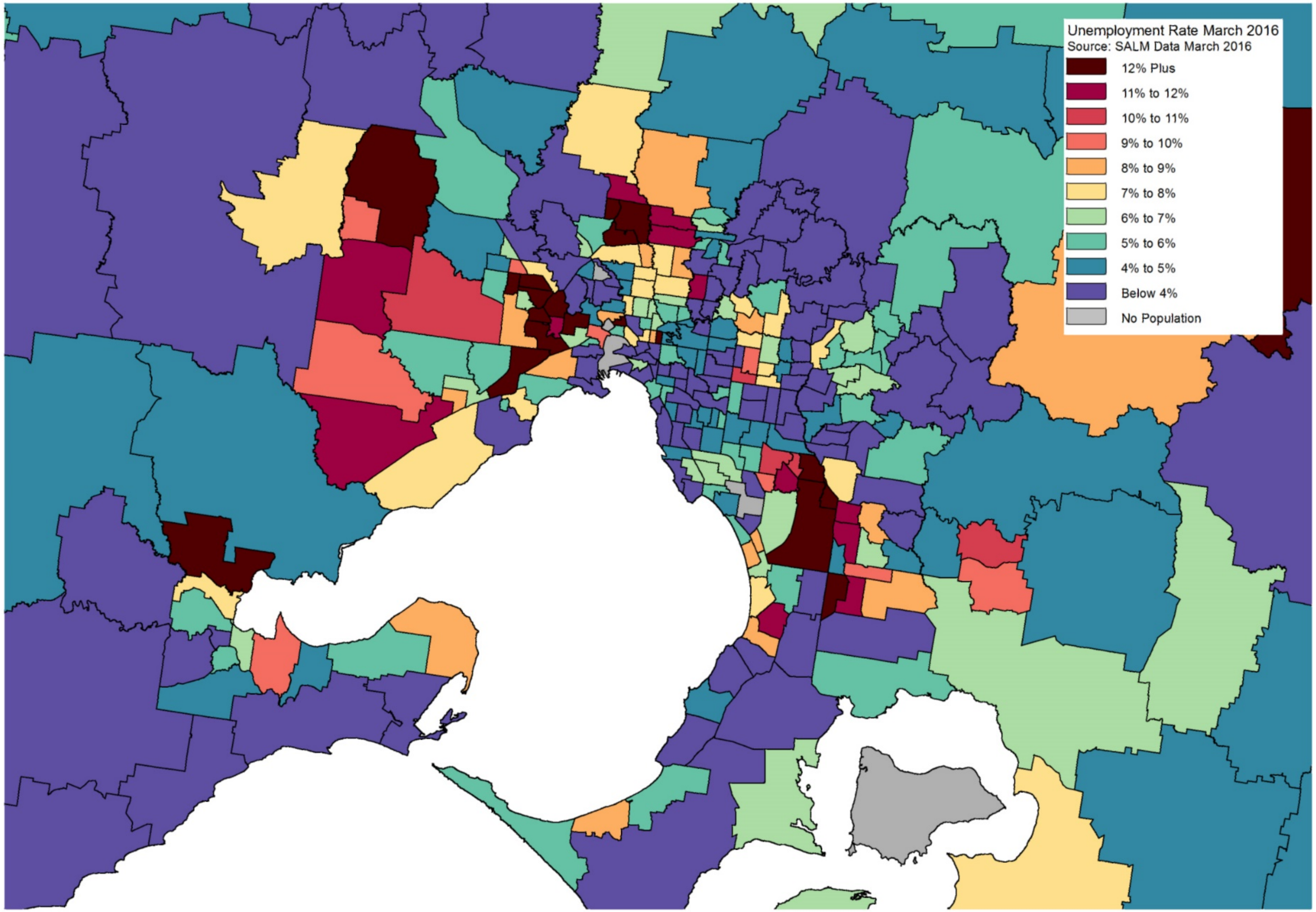


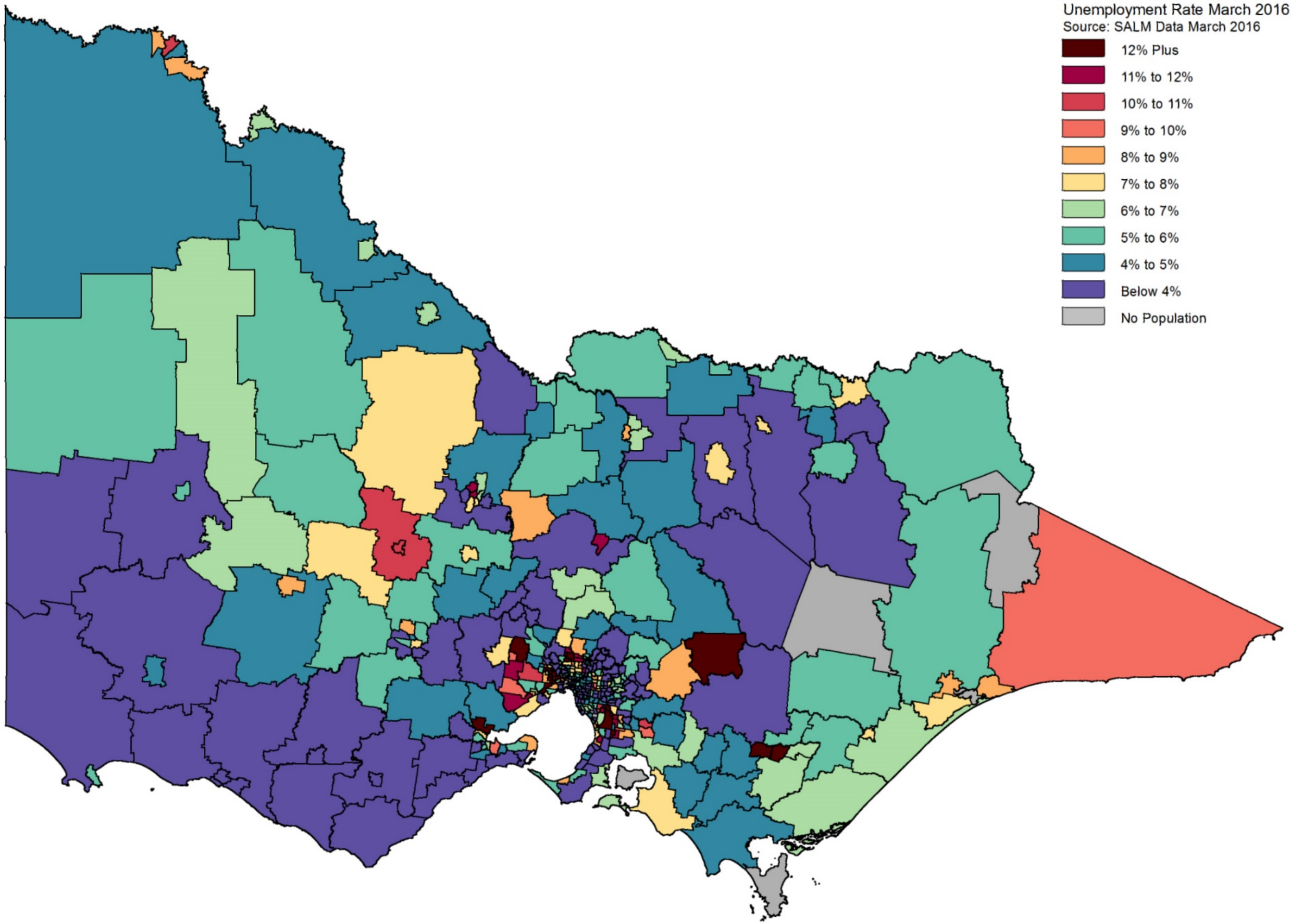
APPENDIX 5 – MAPS OF BIRTHS



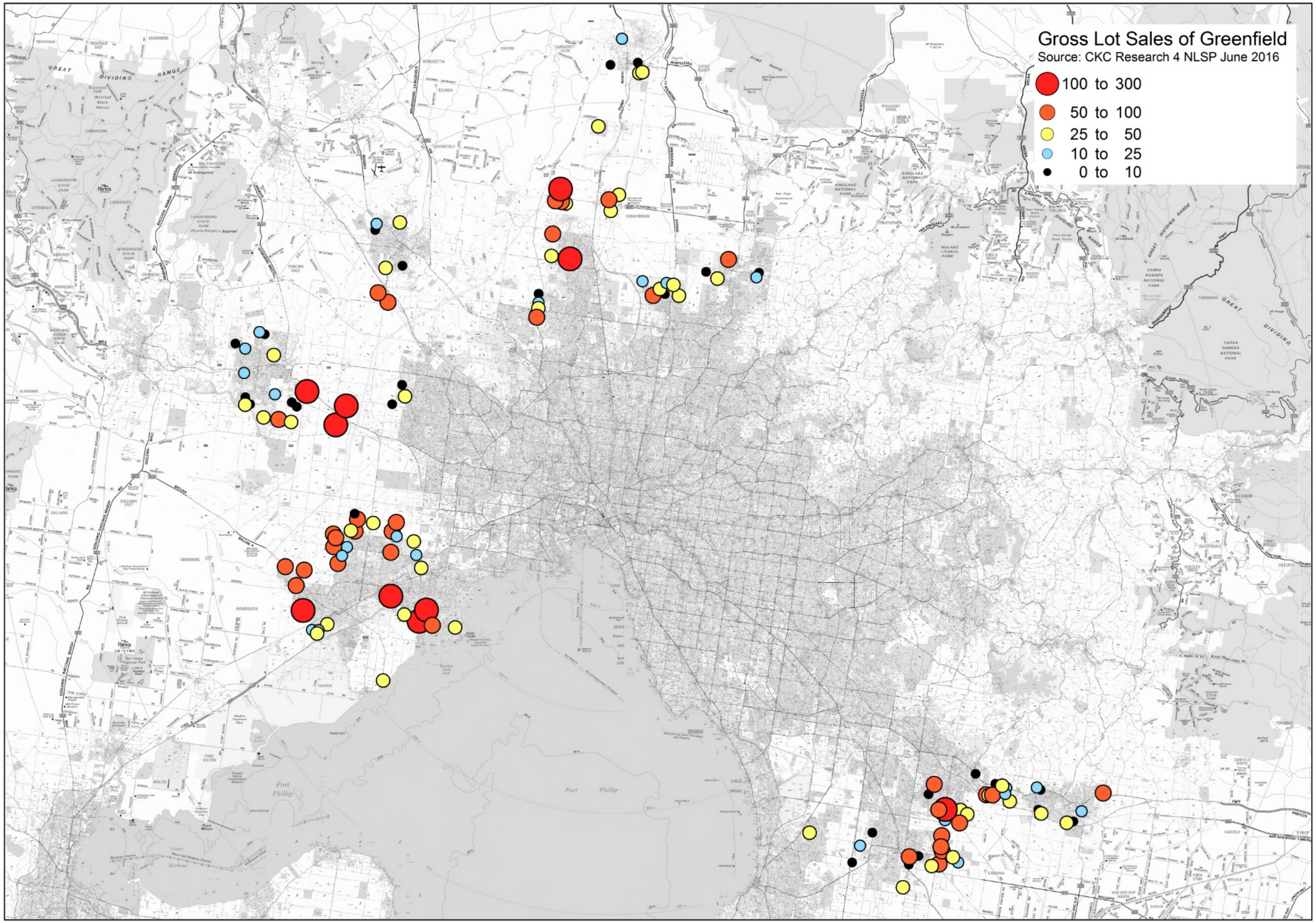

Number of Births in 2014
600 or More
400 to 600
200 to 400
100 to 200
50 to 100
1 to 50
No births

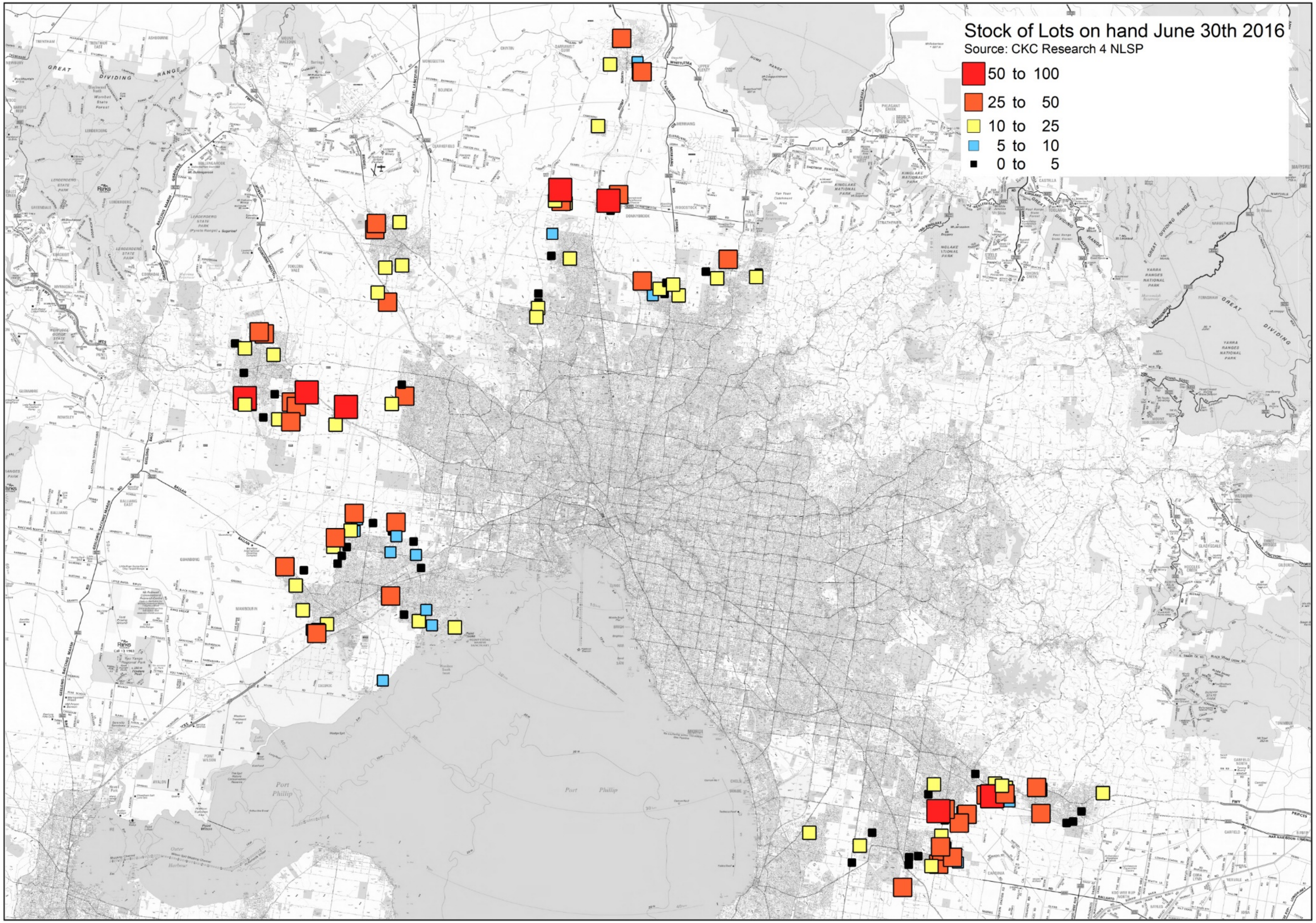
APPENDIX 6 – MAPS OF UNEMPLOYMENT




Unemployment Rate March 2016
Source: SALM Data March 2016
12% Plus
11% to 12%
10% to 11%
9% to 10%
8% to 9%
7% to 8%
6% to 7%
5% to 6%
4% to 5%
Below 4%
No Population

APPENDIX 8 – ACTIVE GREENFIELD PROJECTS




Stock of Lots on hand June 30th 2016
Source: CKC Research 4 NLSP
50 to 100
25 to 50
10 to 25
5 to 10
0 to 5