

MACARTHUR ECONOMIC PROFILE

MARCH 2009

INTRODUCTION

The Macarthur Region is situated to the south west of the Sydney Region and comprises the local government areas (LGAs) of Campbelltown, Camden and Wollondilly, covering an area of 3,067 km². It has a population approaching 242,000 and has some 17,055 businesses operating in the region. Ideally located on major transport corridors, the region is within half an hour's travel to Wollongong and Sydney as well as international sea and airports.

The region has a high diversity of business enterprises, including manufacturing, farming, service industries and mining. The Macarthur region is strategically positioned for future population and employment growth, through its diverse economic base and available resources.

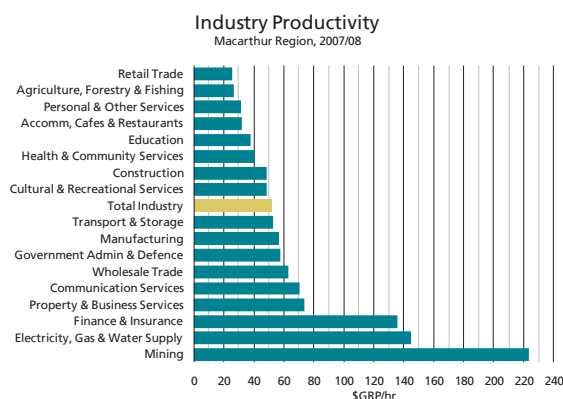
The *Macarthur Economic Profile* is a quarterly publication produced by the Macarthur Regional Organisation of Councils (MACROC), and aims to provide key economic, business and social indicators.



PRODUCTIVITY

The Macarthur Region recorded total industry productivity (or industry value added per hour worked) of approximately \$51.53 in 2007/08, which represented an increase of 7.8% from the average productivity for 2006/07 (\$47.82). The Macarthur Region recorded a higher annual increase than the average for New South Wales (5.6%).

The Mining sector recorded the highest industry productivity level (\$223.42/hr) in the Macarthur Region in 2007/08, followed by the Electricity, Gas & Water Supply (\$144.89), Finance & Insurance (\$135.51) and Property & Business Services (\$73.96) industries.



Note: All values are in current prices.
Source: Lawrence Consulting

The Macarthur Region recorded higher industry productivity in the Agriculture, Forestry & Fishing; Manufacturing; Wholesale Trade; and Finance & Insurance sectors than New South Wales in 2007/08.

Key Economic Indicators, Macarthur Region

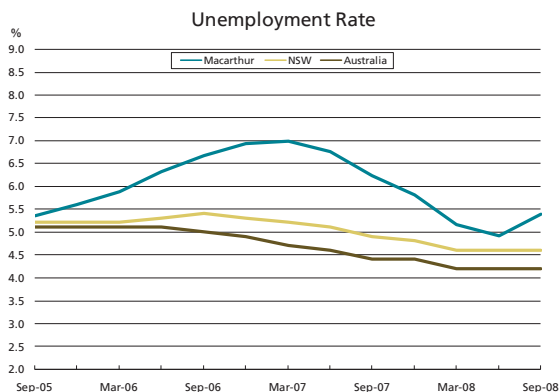
	Period	Level	Quarterly % change	Annual % change
Population				
Estimated Resident Population	2007	241,608	n.a.	0.9%
Consumer Price Index				
Sydney CPI – All Groups	Dec Qtr 2008	165.5	-0.2%	3.8%
Employment				
Unemployment rate (%) ^(a)	Sep Qtr 2008	5.4	0.5%	-0.9%
Labour force (persons)	Sep Qtr 2008	132,557	-1.8%	-3.2%
Private Consumption				
No. of dwelling approvals	Dec Qtr 2008	177	1.7%	-33.2%
Value of dwelling approvals (\$'000)	Dec Qtr 2008	47,793	-6.7%	-26.5%
Value of non-dwelling approvals (\$'000)	Dec Qtr 2008	29,846	-41.1%	-61.7%
Property Market				
Median house price (\$) – Campbelltown	Sep Qtr 2008	290,000	1.0%	-1.7%
Median house price (\$) – Camden	Sep Qtr 2008	377,000	-2.0%	-4.8%
Median house price (\$) – Wollondilly	Sep Qtr 2008	410,000	13.9%	-1.2%
Transport				
Average Daily Traffic – Westlink M7	Dec Qtr 2008	118,281	0.6%	1.0%
Average Daily Traffic – M5	Dec Qtr 2008	120,869	1.1%	5.1%

Note: (a) Unemployment rate changes are percentage point changes.

BUSINESS ACTIVITY

LABOUR MARKET

The estimated number of employed persons in the Macarthur Region decreased slightly by 2.3% to 125,420 in the September Quarter 2008, the lowest level since the March Quarter 2007.



Source: DEWR, Lawrence Consulting

The unemployment rate for Macarthur increased by 0.5 percentage points to 5.4% in the September Quarter 2008, although this was 0.9 percentage points below the figure recorded in the September Quarter 2007 (6.2%). Within the region, Camden recorded the lowest unemployment rate of 2.5%, followed by Wollondilly (3.4%) and Campbelltown (6.9%).

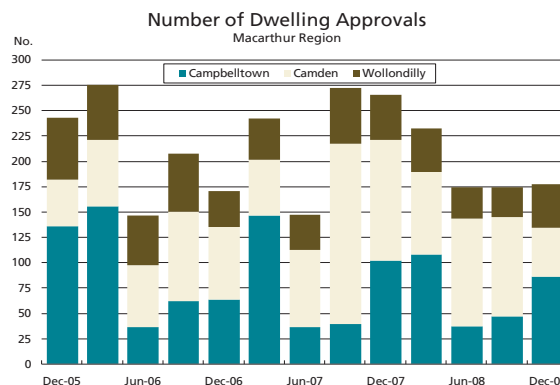
Labour Market, Macarthur Region			
	Level Sep Qtr 2008	Qtrly % chg	Ann % chg
<i>Employed persons (no.)</i>	125,420	-2.3	-2.4
Campbelltown	76,979	-2.4	-2.0
Camden	27,072	-2.1	-3.1
Wollondilly	21,369	-2.2	-2.8
<i>Unemployed (no.)</i>	7,137	7.7	-16.4
Campbelltown	5,690	7.3	-17.5
Camden	687	9.7	-9.0
Wollondilly	760	9.0	-14.9
<i>Unemployment rate^(a) (%)</i>	5.4	0.5	-0.9
Campbelltown	6.9	0.6	-1.2
Camden	2.5	0.3	-0.1
Wollondilly	3.4	0.3	-0.5
<i>Labour force (no.)</i>	132,557	-1.8	-3.2
Campbelltown	82,669	-1.8	-3.2
Camden	27,759	-1.8	-3.2
Wollondilly	22,129	-1.8	-3.2

Note: (a) Unemployment rate changes are percentage point changes.
Source: DEWR, Lawrence Consulting

The number of unemployed persons in the Macarthur Region decreased significantly by 16.4% over the year to the September Quarter 2008, whilst the size of the labour force fell by 3.2% to 132,557 persons.

BUILDING APPROVALS

The number of building approvals in the Macarthur Region increased by 1.7% to 177 in the December Quarter 2008. The number of approvals in the Macarthur Region in the year to the December Quarter 2008 was 757, representing a decrease of 18.3% from the previous twelve months. In contrast to total dwelling approvals, there was an annual increase of 4.0% in new house approvals in the year to the December Quarter 2008.



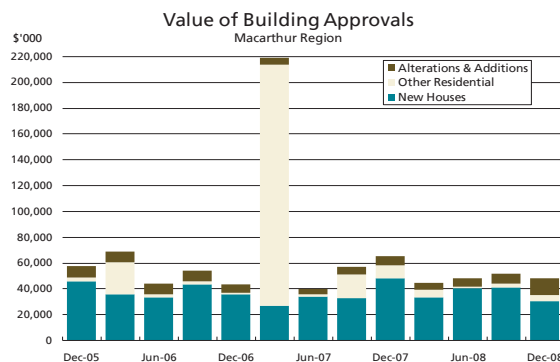
Source: ABS 8731.1

Building Approvals, Macarthur Region

	Level Dec Qtr 2008	Qtrly % chg	Ann % chg	Level Yr to Dec 2008	Ann % chg
Number					
Dwellings:	177	1.7	-33.2	757	-18.3
New houses	137	-12.7	-33.5	619	4.0
Other dwellings	40	135.3	-32.2	138	-58.3
Value (\$'000)					
Dwellings:	47,793	-6.7	-26.5	191,495	-49.7
New houses	29,924	-27.0	-37.2	144,451	3.0
Other dwellings	5,049	70.1	-51.3	15,403	-92.9
Alts & adds	12,821	76.8	82.8	31,641	37.7
Non-dwelling	29,846	-41.1	-61.7	178,757	-28.5
Total building	77,638	-23.8	-45.7	370,251	-41.3

Source: ABS 8731.1

The total value of residential building approvals in the Macarthur Region was \$47.8 million in the December Quarter 2008, representing a small quarterly decrease of 6.7%.



Source: ABS 8731.1

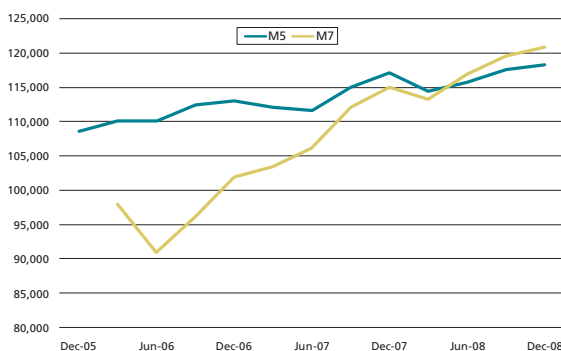
MAJOR INDUSTRY

TRANSPORT

Average daily traffic through the M5 tollway amounted to 118,281 vehicles per day in the December Quarter 2008, representing a quarterly increase of 0.6% and an annual increase of 1.0% from the figure for the December Quarter 2007 (117,104).

The Westlink M7 Motorway averaged 120,869 vehicles per day in the December Quarter 2008, an increase of 1.1% from the September Quarter 2008 and an annual increase of 5.1% from the level recorded in the December Quarter 2007 (115,025).

Average Daily Traffic

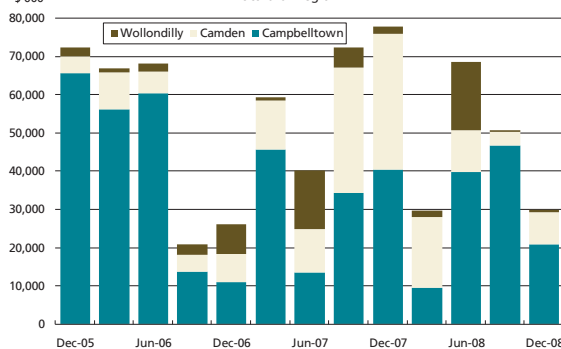


Source: Transurban

CONSTRUCTION

The value of non-residential building approvals in the Macarthur Region was \$29.8 million in the December Quarter 2008, of which Campbelltown contributed \$20.9 million.

Value of Non-Residential Building Approvals
Macarthur Region



Source: ABS 8731.1

The value of non-residential approvals in the Macarthur Region in the year to the December Quarter was \$178.8 million, representing a decrease of 28.5% from the previous twelve months.

UPCOMING EVENTS

MACROC Events

MACROC CEO Breakfast Forum # 1 - 2009

Date: 28 April 2009

Time: 7.30am – 9.30am

Venue: Camden (TBA)

Description: A networking meeting of business owners and managers from the Macarthur region

Speaker: TBA

Contact: Pam Corscadden, 4645 4937

MACROC CEO Breakfast Forum # 2 - 2009

Date: 11 August 2009

Time: 7.30am – 9.30am

Venue: Picton (TBA)

Description: A networking meeting of business owners and managers from the Macarthur region

Speaker: TBA

Contact: Pam Corscadden, 4645 4937

Macarthur Business Hall of Fame

Date: TBA

Time: 6.30pm – 10 pm

Venue: (TBA)

Description: A gala dinner where 3 exceptional entrepreneurs will be honoured for their contribution to business

Contact: Pam Corscadden, 4645 4937

MACROC CEO Breakfast Forum # 3 - 2009

Date: 17 November 2009

Time: 7.30am – 9.30am

Venue: Campbelltown (TBA)

Description: A networking meeting of businesses from the Macarthur region

Speaker: TBA

Contact: Pam Corscadden, 4645 4937

Other Events

Macarthur Lifestyle & Business Expo 2009

Date: 6-8 March 2009

Time: 9.00 am – 5.00 pm

Organiser: SWNG Group

Venue: Wests Leagues Club

Description: Business and trade exhibition

Contact: Geoff Ellis, 4625 9534

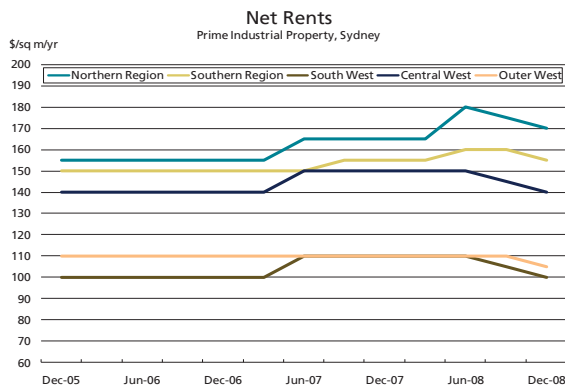
MAJOR PROJECTS

- Teaching facility at University of Western Sydney (UWS), Campbelltown campus – construction completed (\$20 million).
- Minto housing redevelopment (approximately \$300 million) – 1,000 dwellings constructed over 10 years.
- Camden Gas Project – 'State Significant Development'.
- Allied Flour Mills development, Maldon (\$85 million).
- Proposed 223-lot residential development incorporating 8-hole golf course at Wilton (\$10.3 million).
- Retail Complex, Grange Road, Campbelltown (\$10 million).
- Apartments, Leumeah (\$22 million).
- Retail Complex, Queen Street, Campbelltown (\$22 million).
- Residential development, Leumeah (\$10.8 million).

PROPERTY MARKET

INDUSTRIAL LAND

The achievable net rent for prime industrial property in the South West region of Sydney in the December Quarter 2008 was \$100 per sq m per annum, whilst the average purchase price was \$1,100 per sq m.

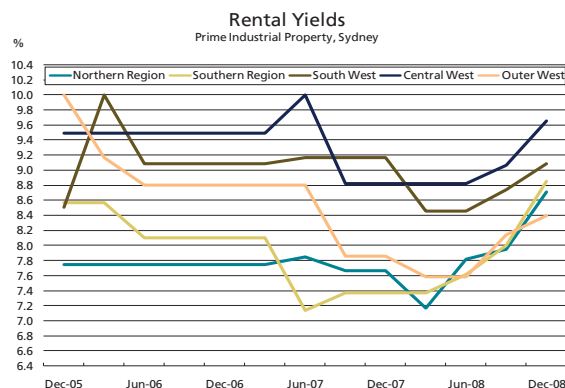


Source: Cushman & Wakefield

Industrial Property Market, Sydney, Dec Qtr 2008				
	Prime	Ann % chg	Secondary	Ann % chg
Net Rents (\$/sq m/yr)				
Northern Region	170	3.0	120	-7.7
Southern Region	155	0.0	115	-4.2
South West	100	-9.1	75	0.0
Central West	140	-6.7	105	-4.5
Outer West	105	-4.5	85	-5.6
Purchase price (\$/sq m)				
Northern Region	1,950	-9.3	1,450	-14.7
Southern Region	1,750	-16.7	1,300	-18.8
South West	1,100	-8.3	700	-12.5
Central West	1,450	-14.7	1,050	-19.2
Outer West	1,250	-10.7	900	-21.7
Average yield (%)				
Northern Region	8.7	1.0	8.3	0.6
Southern Region	8.9	1.5	8.8	1.3
South West	9.1	-0.1	10.7	1.3
Central West	9.7	0.8	10.0	1.5
Outer West	8.4	0.5	9.4	1.6

Source: Cushman & Wakefield

The gross rental yield for prime industrial property in the South West region was 9.1% in the December Quarter 2008, the second highest of all regions across Sydney.

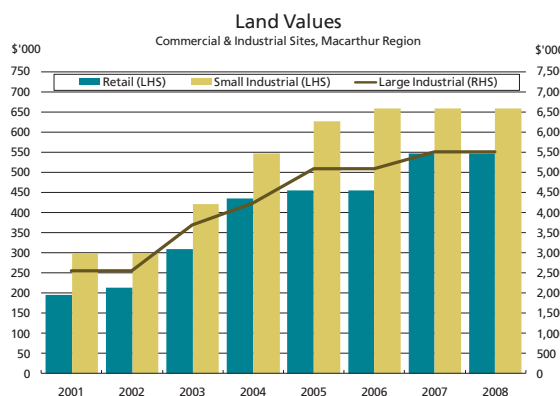


Source: Cushman & Wakefield

LAND VALUES

The average land value for a single dwelling residential site in the Macarthur region was \$151,000 in 2008, well below the average for the Sydney metropolitan area (\$571,673).

The average land value for a single retail site in the Macarthur Region was \$399,000 in 2008, which remained unchanged from the average in 2007. The land value for an average small industrial site in Macarthur (i.e. 2,004 sq m) was \$658,000 in 2008, whilst the average large industrial site (i.e. 2.9 ha) recorded a value of \$5.5 million.



Source: NSW Department of Lands

Type of site	Macarthur		Metropolitan ^(a)	
	Land value (\$)	Ann % chg	Land value (\$)	Ann % chg
Single dwelling	151,000	-1.3	571,673	5.5
Rural homesite	399,000	-5.0	852,167	0.3
Retail shop	546,000	0.0	995,560	6.7
Small industrial	658,000	0.0	1,059,800	3.5
Large industrial	5,510,000	0.0	9,416,000	7.8

Note: (a) Figures for single dwelling and rural home sites relate to Sydney Metropolitan Area. Figures for Retail shop, small and large industrial include Sydney, Newcastle and Wollongong.

Source: NSW Department of Lands

FOR MORE INFORMATION

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