

## Economic Summary

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Byron Shire has always been a meeting place and a place of commerce. First nations people would meet and trade in the Byron Shire. In the 1890s, the NORCO butter factory was established and more industry followed in the early twentieth century including a piggery, meatworks, whaling station and others. Most of these factories have gone and new industries, such as tourism, professional business services and healthcare, have taken their place.

As the economy has evolved over time, so too has its unique collection of communities. Today, the Byron community is engaged, inclusive and aware of its ethical responsibility to grow in a responsible and sustainable manner. These principles will influence the growth of the economy into the future.

While the local economy has numerous features associated with many other regional areas, it has a range of unique characteristics.

Unlike many regional areas in Australia, the population of the Shire is growing rapidly, as new residents are attracted to the area for many reasons. Over the last decade, the Byron Shire was the fourth fastest growing regional LGA in New South Wales and in 2022 had 36,398 people. The Byron population is young, with a median age of 43 in 2021, which is actually a decline from 44 years old in 2016. Household incomes are below the State median, but have been growing rapidly, averaging 6.9% per year growth since 2016, compared to the average rate of inflation of 1.8%, which means that the wealth of local residents has been rising (which could be partially explained through the wealth that some new residents are bringing).

Based on data from the NSW Department of Planning and Environment, the population of the Shire is expected to reach 44,700 by 2041. However, it should be noted that forecasted growth is much lower than the growth experienced over the past decade, so the future population could be even larger. Accommodating a continued rise in the local population must be managed carefully in terms of land and infrastructure development.

The local economy is diverse much like the region itself. While Byron Bay is a well-known and a popular visitor destination, the Shire has numerous other key centres including Mullumbimby, Brunswick Heads, Ocean Shores, Bangalow and a range of small townships and villages. The visitor economy is important, contributing an estimated 6.2% to the economy and 7.5% of local employment in 2022, but it is not the largest industry in the local economy. Visitation to the Byron Shire is still well below pre-COVID levels, so there is potential for the visitor economy to contribute more than it has recently. Despite the down turn, the visitor economy still represents a significant export industry for the Byron Shire. The significance of the visitor market can lead to conflicts with residents as well as generate a significant infrastructure burden for Council (given visitors do not contribute financially to infrastructure in the same way that residents do).

Despite the downturn in the visitor economy, the economy has been growing rapidly, averaging 4.9% over the last five years and 4.2% over the last ten years. This rate of growth is well above the Northern Rivers Region and the State. While economic growth was dampened by the COVID-19 pandemic, it has accelerated considerably over the last two years. The economy has evolved over the last decade as well. Professional, scientific and technical services is now the largest industry in the Byron economy, representing 10.4% of the economy and is followed closely by accommodation and food services (9.9%), healthcare (9.7%) and construction (9.2%).

There are additional sectors that produce value for the local economy. Manufacturing, while small by comparison to other leading sectors, represents the second largest export sector, behind accommodation and food services and ahead of professional, scientific and technical services. 60% of the manufacturing industry is based on food and beverage products, which often leverage locally grown produce. Lands used for agricultural production make up 20% of the Byron Shire and produce a wide range of products, including nursery products, macadamia nuts and cattle.

Like most regions in Australia, Byron Shire is suffering from a shortage of workers. The unemployment rate is near an all-time low (seen pre-COVID) while job advertisements in the broader NSW North Coast region are at an all-time high. 70% of employers in New South Wales are reporting difficulties in hiring staff. Representative of the broader economy, the Byron Shire workforce is higher skilled than the State averages.

Byron Shire also has experienced the housing crisis that is facing the nation. Housing in Byron Shire is very expensive, up to 1.6 times the median price in regional NSW (keeping in mind median income levels are below the state average). Residential vacancy rates are also low, averaging between 0.5% and 3.5% across the Shire over the last few years. Short term rental accommodation (STRA) has had an impact, as Byron Shire has a very high penetration rate with over 2,600 active listings across the Shire. The STRA market is fuelled by its own success, experiencing high rates of occupancy and average daily rate. In 2022, the STRA market generated \$189 million in revenue. Recent announcements will see a 60 day cap applied to short term rental accommodation in the Shire, which will impact these figures.

Like many areas in Australia, the COVID-19 pandemic impacted the Byron Shire. Increased regulations, closed borders and lock downs impacted businesses' ability to trade. While the overall number of jobs has long recovered to surpass pre-pandemic levels, the visitor economy has not. Compared to pre-COVID levels, visitation to the Byron Shire is down 740,000 visitors and 2.45 million visitor nights. The flood events in 2022 have impacted these figures as well and also caused significant damage, with 70% of local businesses reporting damage as a direct result of the flood events. The damage to the local road network from the flooding was estimated to be \$180 million alone. The COVID-19 pandemic and the 2022 flood events are still impacting businesses and the community today.

The Byron Shire economy is representative of its community, young, dynamic and fast growing. Given the pressures of climate change and the importance of sustainability and equity in the community, it will be interesting to uncover the next evolution of the Byron economy.

## Population (2022)



### Average Annual Population Growth (2012-2022)

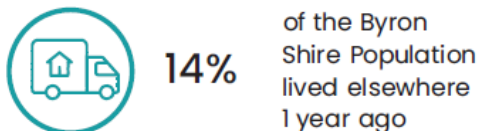


### Future population (2041)



Source: ABS (2023); NSW Department of Planning and Environment (2022)

### Population Turnover



Source: ABS (2022)

### Median Age

	2016	2021
Byron Shire	44	43
New South Wales	38	39

Source: ABS (2022)

### Median Household income (\$/week)

	2011	2016	2021
Byron Shire	\$885	\$1,149	\$1,602
New South Wales	\$1,237	\$1,486	\$1,829

Source: ABS (2022)

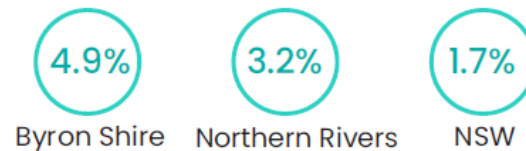
Median household income in the Byron Shire is **12% less** than NSW.

Source: ABS (2022)

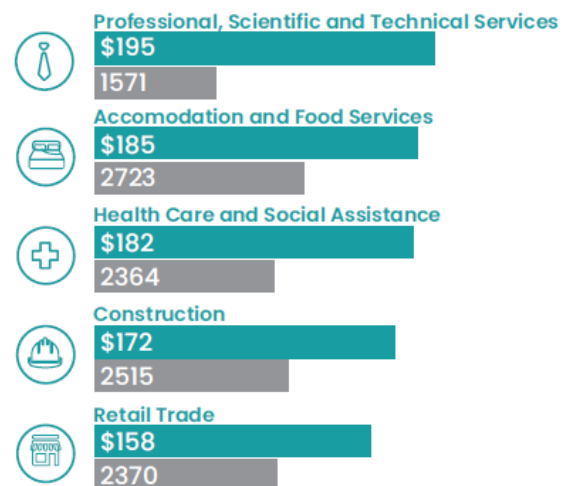
## Gross Regional Product (FY 2021-2022)



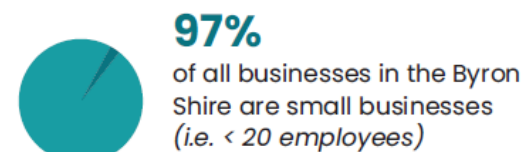
### Average Annual Growth (last 5 years)



### 2021-22 Economic Contribution (\$m) Employment Number



Source: Economy ID (2023)



Source: ABS (2022)

### Key Agricultural Products, 2020-2021 (\$m)



Source: ABS (2022)



In 2020-2021, just over **20% of the Shire** is for agricultural production

Source: ABS (2022)

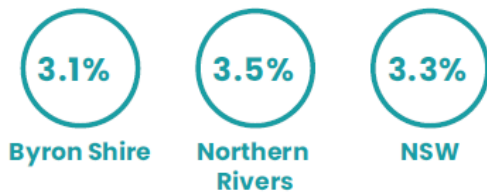
## Top Exporting Industries (\$m) (FY 2021-22)



Top three export industries account for 52% of total

Source: EconomyID (2023)

## Unemployment rate (March quarter 2023)



Source: National Skills Commission (2023)

## Housing Prices (December 2022)

### Median House Price

Byron Shire

\$1.41m

Regional NSW

\$630,000

### Median Rent (\$/week) (Mar 23)

Byron Shire



\$778

\$450

Source: NSW Communities and Justice (2023)

## Residential Vacancy Rate (January 2023)

Post Code      Vacancy Rate (%)

2479	3.3%
2481	1.9%
2482	1.5%
2483	2.4%
Average	2.3%

Source: SQM Research (2023)

## Visitor Economy Visitation

### Pre-COVID (YE Dec 19)

	Visitors	Nights
Day Trip	1,170,000	
Domestic Overnight	1,014,000	3,910,000
International	223,000	1,510,000
Total	2,407,000	5,420,000

### YE March 23

	Visitors	Nights
Day Trip	859,000	
Domestic Overnight	710,000	2,390,000
International	99,000	580,000
Total	1,668,000	2,970,000



Visitor expenditure (YE March 23)

**\$729m**

Source: Tourism Strategy Development Services (2023)

## FY 2021-2022

### Economic Contribution of the Visitor Economy



**Gross Regional Product**  
\$117m (6.3% of total)



**Employment**  
1,481 jobs (7.5% of total)

Source: Economy ID (2023)

## Greenhouse Gas Emissions

Tonnes CO<sub>2</sub>e

2018/19      428,000

2019/20      405,000

2020/21      383,000

Source: snapshotclimate.com.au



**Byron Shire Council**  
sourced 100% renewable  
energy in 2022!



**46% of waste was**  
diverted from landfill  
in 2021-2022

Source: Byron Shire Council