



Does the fastest growth suit you?

It's often said that new business would do well to start in fast-growing communities, and ABS data can give us a good idea of where those places are. Each year, it releases a preliminary Estimated Resident Population (ERP) for the previous year (at 30th June), and a revised ERP for the preceding year. An estimated population is available for every local council area, and for the technically minded, for every Statistical Local Area.

I used the most recent ABS data to compare the recent growth rates of all Local Government Areas or councils across Australia, over the five years 2000 to 2005.

To cut to the quick, the fastest growing Local Government Area (LGA) in Australia over recent years has been Perth, rising a magnificent 64% from 2000 to 2005. That's Perth the City council, not the whole metropolitan area. Perth's population rose from 7,187 to 10,448 over the time. Not a lot numerically, but Melbourne City grew just 35% and Sydney City just 18% over that time. It seems that Westralian's can teach Easterners something about trendy city living.

City centres were just one characteristic growth area in Australia over recent times, with Perth ranking first, Melbourne sixth, and Sydney 29th in the growth stakes.

Here are the top 20 councils, by growth rate. They are shaded by State, with seven browns from WA, five mauves from Queensland, five greens from Victoria and 3 aquas from NSW.



Figure 1: Top 20 Growth councils, by percentage change 2000-2005.

However, as Perth demonstrates, some of these rapidly growing councils can actually be very small, so the biggest growers by number are charted below. Not surprisingly, the largest growth was in the biggest council – Brisbane – with 93,000 more people in five years, up 11%, followed by the Gold Coast, with 73,500 more people.

The State pattern changes when you look at growth this way. Queensland now has 8 of the top 20, Victoria and NSW have 5 each and Western Australia has 2. But really, this depends on the size of the councils as much as on the growth. Victoria has amalgamated its councils into fewer bigger ones, while Western Australia has lots of little councils (though big in area and in heart).

So this chart's not really much use to you. Let's go back to the 20 fastest growing councils to see what we can find out about them.

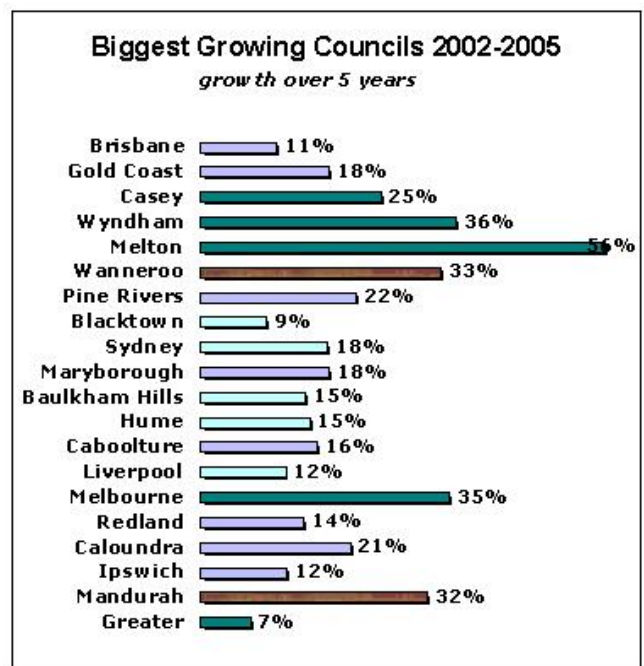


Figure 2: Top 20 Growth councils, in order of absolute growth, showing percentage growth over 2000-2005.



What types of places are growing?

When we check what types of places these councils are, using ABS classifications, we find:

- 12 are urban and 8 are rural
- 7 of the urban are regional centres, 3 are urban fringe and two are city centres
- 5 of the rural are classified as agricultural areas and 3 as 'rural, significant growth' (though these don't actually grow fastest),

The chart below shows their growth, listed from the top in order of numeric (absolute) growth, but still showing the percentage change over 2000–2005. The 8 dark green bars represent rural councils, the 7 light green are regional growth centres, the 2 brown are the capital cities and the 3 orange are urban fringe areas. The biggest of the fastest are regional growth centres and urban fringe areas.

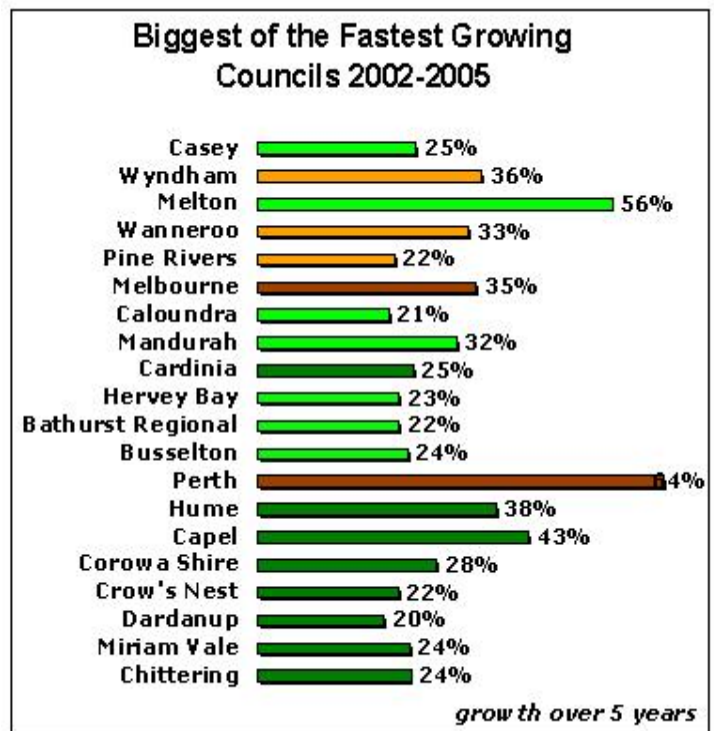


Figure 3: Councils in order of largest population growth, showing % change over 2000-2005

Looking forward to growth

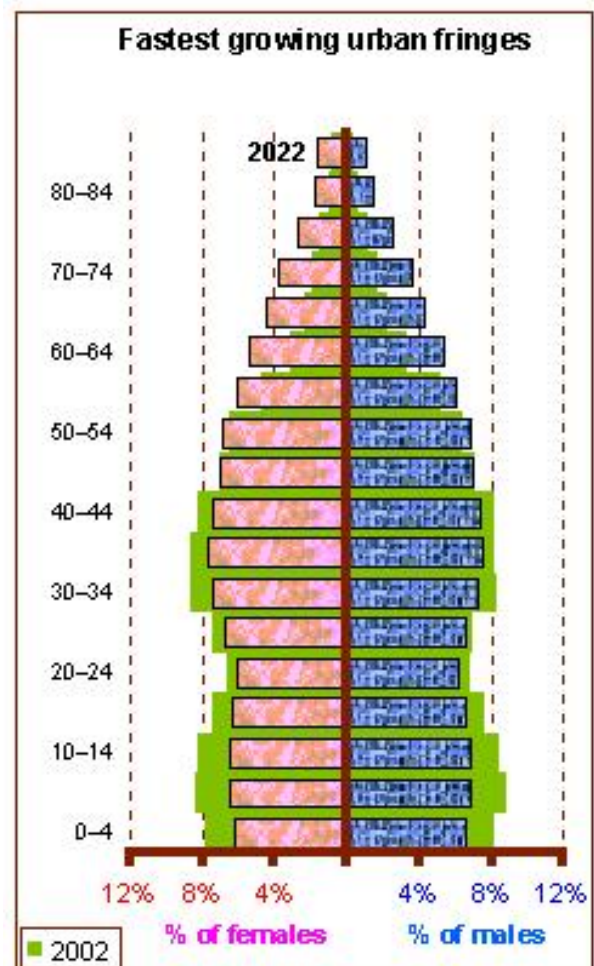
While past growth is interesting, future growth is more important to business location. Let's look at how these top 20 fastest are likely to change into the future.

To examine the characteristics of these areas' growth, I used the ABS median 20-year projections (2002–2022), which have been produced for every local council area (and SLA). I extracted the data for the Top 20 councils and added them to make four "composite" high-growth areas –urban fringe areas, regional centres, rural areas and city centres.

I have a small Excel-based program called The PopuLater that reads in population projections and prepares an instant analysis. So I loaded the four composite areas in turn, to see how they differ.

The ABS projections give the estimated number of males and females in each five-year age cohort in each year. I use this to construct an Age Tree, where the branches represent the age groups, and the shape of the tree reveals to nature of the population. The PopuLater allows the Age Tree to grow over 20 years so the effects of population growth and ageing can be seen. Here, I just compare the 2002 and 2022 Age Trees.

Figure 4: Age Tree 2022 and 2002, high-growth urban fringe areas





Urban fringe councils

Three of the top 20 growth areas were urban fringe – Wyndham (Melbourne), Wanneroo (Perth) and Pine Rivers (Brisbane). The Age Tree for their composite population is shown below, with the blue branches representing males in 2022 and the pink representing females. The green background tree shows the current shape of the population (ie in 2002).

You can see that the Age Tree evolves over 20 years from the slight hourglass shape typical of family-dominated communities (with larger parents and child age groups) to a more-even pole structure, where there is about the same proportion of every age group. Age groups below 45 will shrink proportionately (though they will be absolutely larger), mainly amongst the parent and child age groups. The fastest growing age groups will be the active-aged, 60-74.

Twenty years may be a good time-line for planners, but possibly too long for businesses. You may

want to examine numeric growth for the next ten years to see if your market is growing. The chart below shows the annual forecast growth for some of the 20 age cohorts, for the composite high-growth urban fringe area. The highest short-term growth is forecast amongst the 60-64 age group but the age group worth looking at is the 30-34 age group, whose growth picks up from 2006.

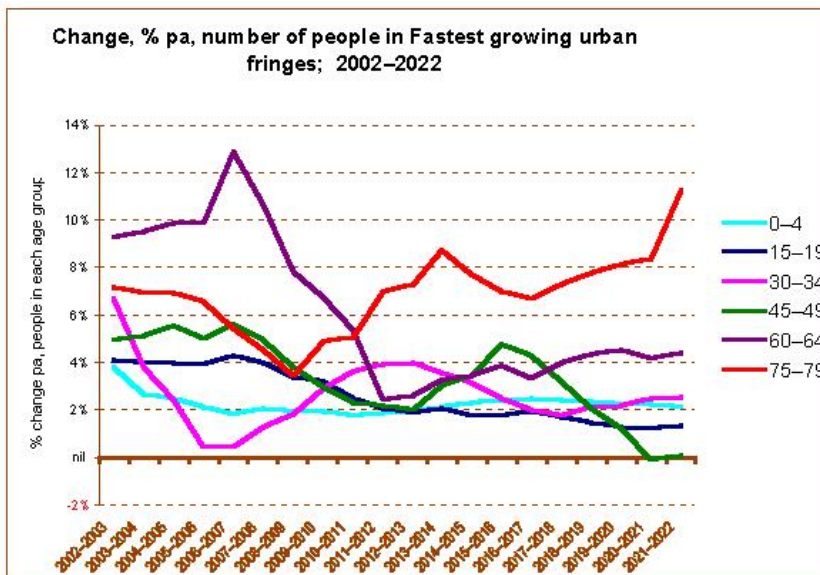


Figure 5: Projected growth rate for three high-growth fringe areas, selected age groups, 2002-2012

Regional Centres

There are seven regional centres in the Top 20 growth councils, so I extracted their 20-year growth projections and added them to makes Australia's generic regional growth centre. I excluded Bathurst because its boundaries have changed.

The generic regional growth centre Age Tree is shown in Figure 6 below. The overall pattern is similar to urban fringe areas – the current population bulges in the parent and children age groups fade to give a more even population, age-wise.

The way the Age Tree for regional growth centres changes over 20 years appears similar to that for fringe urban growth areas. To see the differences, the chart below shows the relative growth (ie regional minus fringe) for selected age groups. While most age groups grow about 1% slower in regional centres, the 60-64 age groups cuts across this trend, moving from slower relative growth to more rapid over the twenty years. In the short-term, young adult age groups seem to grow faster in regional centres, but older age groups grow more slowly.

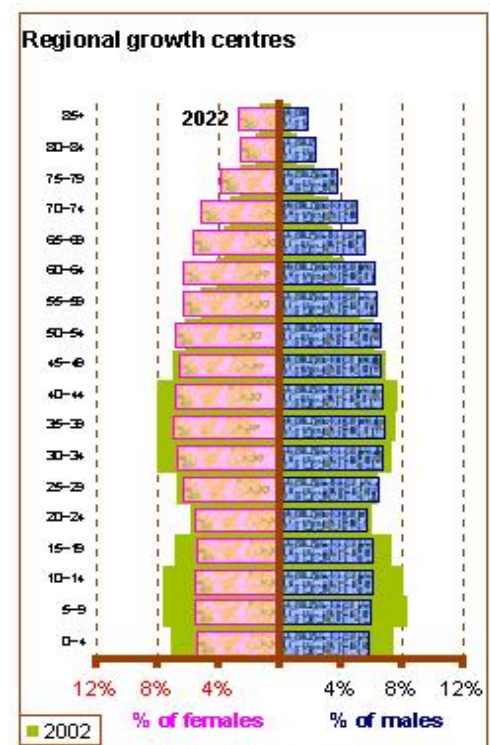


Figure 6: Age Tree for composite regional growth centre, 2022 and 2002

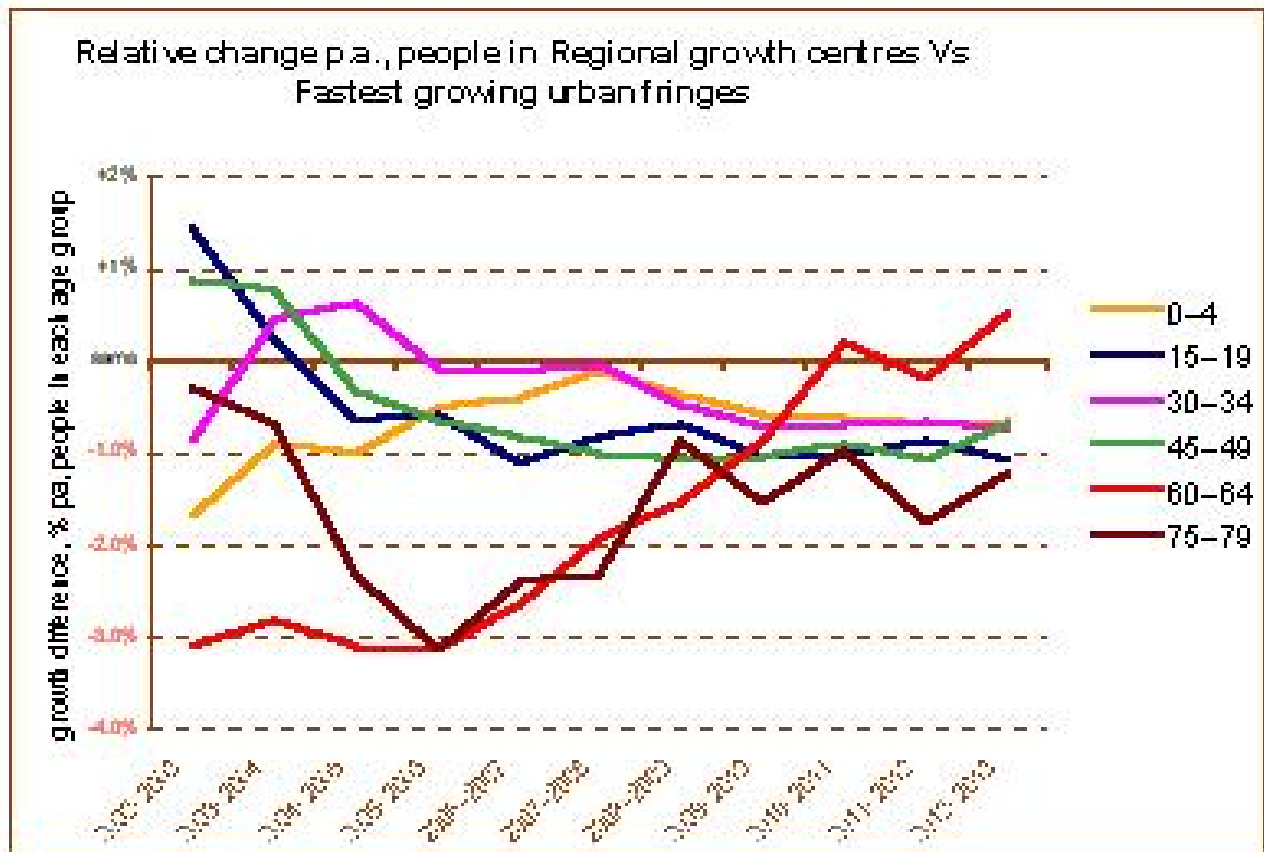


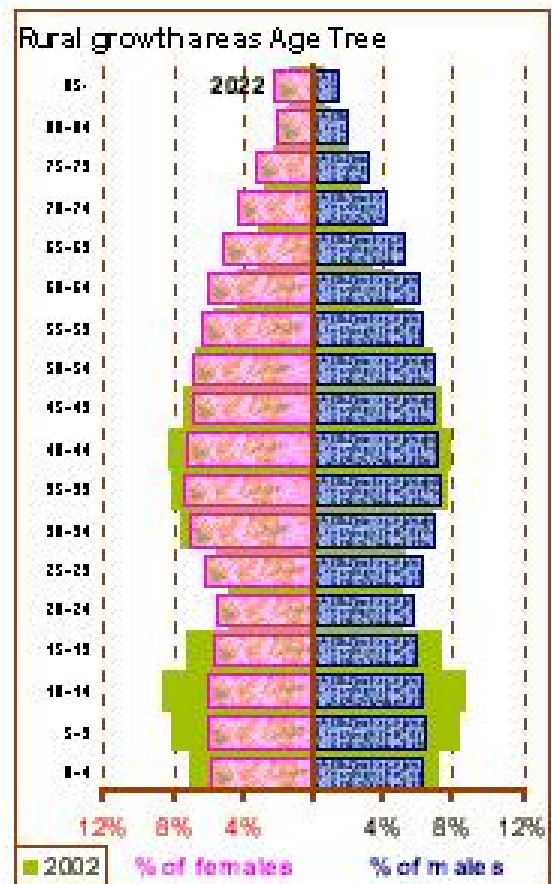
Figure 7: Regional centre growth relative to urban fringe growth, selected age groups.

Rural areas

The Top 20 highest growth areas include 8 rural shires and 7 of these are aggregated to make to composite fast-growing rural area (Hume Shire is omitted because of its boundary changes).

The current rural Age Tree shows a strong hourglass shape, with the narrow “waist” from fewer young adults, characteristic of country towns. Over twenty years, the shape matures – hips slim as child populations decline, while adult age groups become more equal in size. This could be a very productive population with high proportion of mature workers, particularly if people keep working towards 70.

Figure 8: Age Tree for rapid growth rural shires



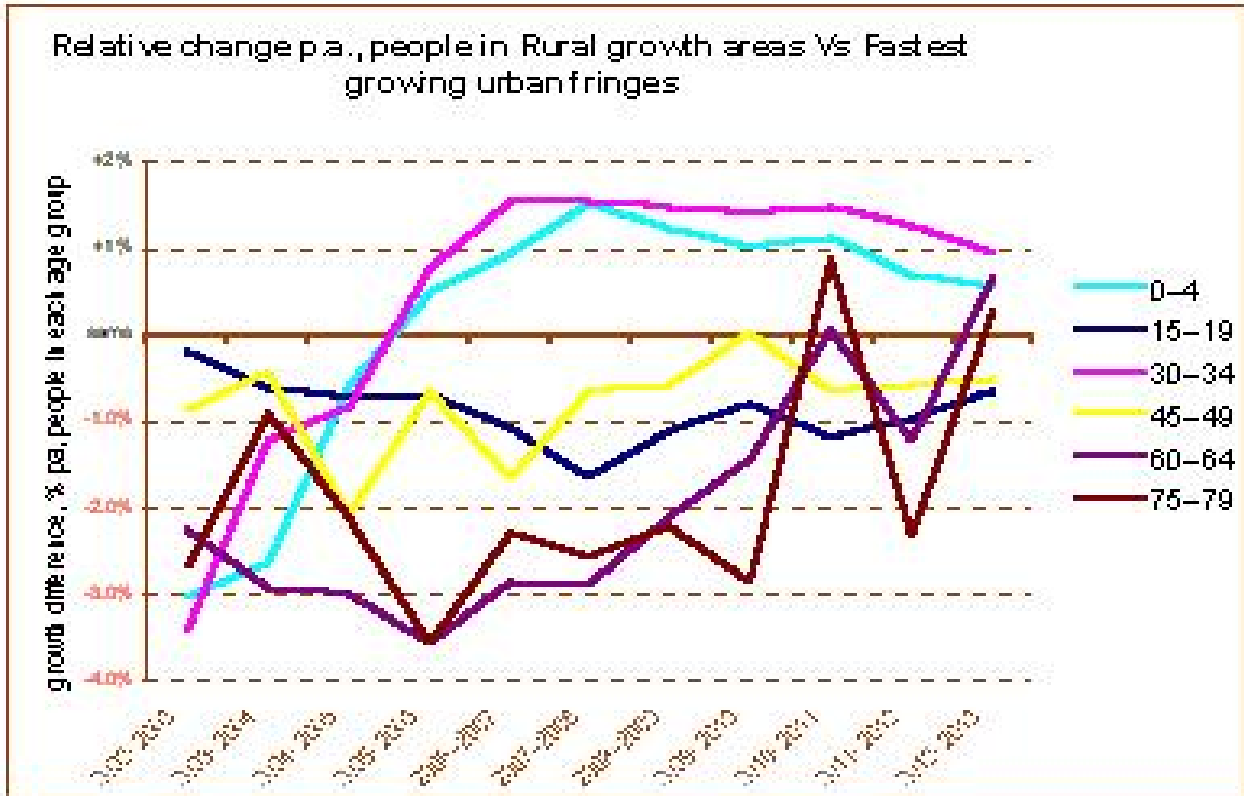


Figure 9: Relative growth, rural growth shires minus fringe urban growth councils.

The distinctive feature of rural growth areas is the increasing population of prime-age adults. This is shown below, where the relative growth between rural and fringe urban growth areas is compared. The young adult – young child combination increases faster in the country.

Finally, to show a real difference, the Age Tree for the composite of the three fastest growing capital cities – Sydney, Melbourne and Perth – is shown below. A classic Christmas Tree, perhaps appropriate for these areas dominated by young people striving to make it. There will be fewer 15-24 year olds after 20 years, as teenager families are squeezed out. But lots of prime-age workers. ✂

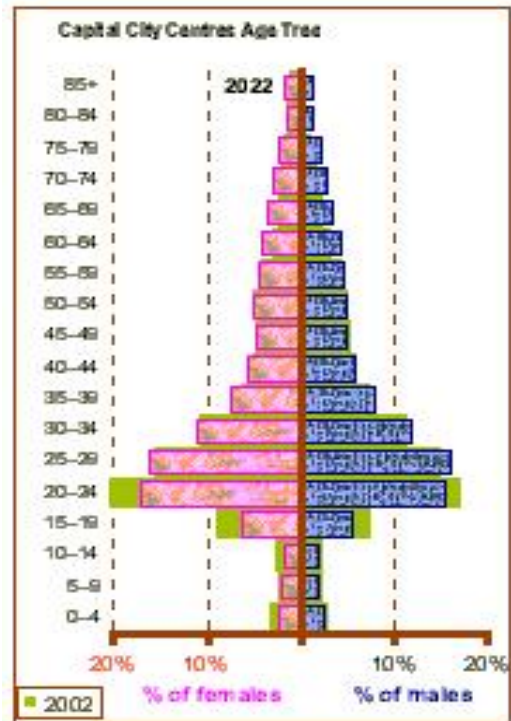


Figure 10: Age Tree for high-growth capital cities.

Colin Menzies has been a social planner for thirty years, and now specialises in demographic analysis through his firm, The Public Practice. He had produced a range of Community Planning Tools, such as The PopuLater used for this article. All are designed to turn raw ABS and Census data into instant, illustrated reports that explain the data in clear English, and at an inexpensive price. More information is at www.publicpractice.net, or e-mail Colin at colin@publicpractice.net.