

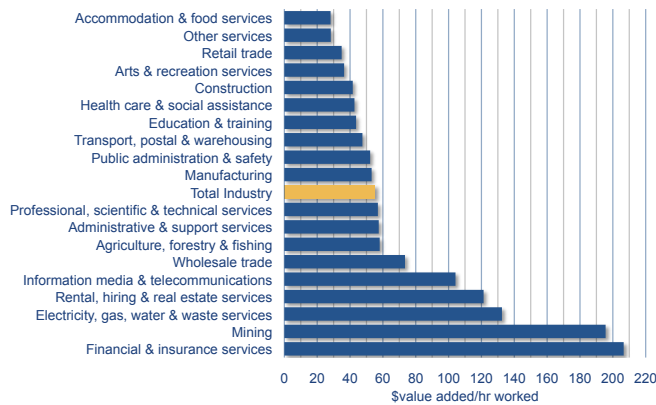
PRODUCTIVITY

Productivity is a key component of economic growth and is a measure of the efficiency of production within a region. Dividing the GRP of a region by total hours worked will measure the labour productivity within that region, i.e. the average amount of output produced by an hour worked by a person within that region.

The City of Knox recorded total industry productivity (or industry value added per hour worked) of approximately \$55.03 in 2008/09, which represented an increase of 2.4% from the average productivity for 2007/08 (\$53.73).

The City of Knox recorded a lower total industry productivity average than Victoria (\$60.81) in 2008/09, although the annual increase in productivity was in contrast to the negative growth experienced by the State (-0.8%).

Industry Productivity
City of Knox, 2008/09

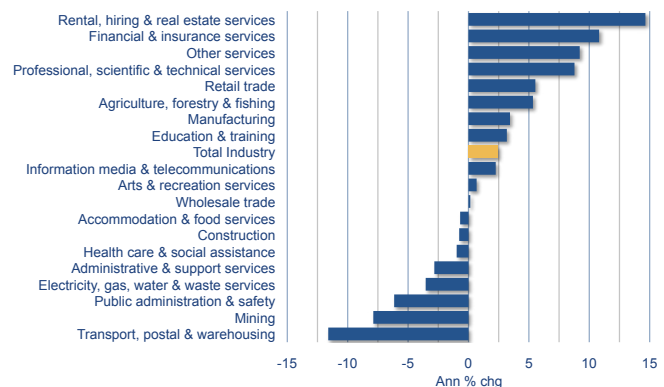


Source: Lawrence Consulting

The Financial & Insurance Services sector recorded the highest industry productivity level (\$206.60/hr) in the City of Knox in 2008/09, followed by the Mining (\$195.60), Electricity, Gas, Water & Waste Services (\$132.48), Rental, Hiring & Real Estate Services (\$121.31) and Information Media & Telecommunications (\$104.20) industries.

The Rental, Hiring & Real Estate sector recorded the highest industry productivity growth rate of 14.6% in 2008/09, followed by Financial & Insurance Services (up 10.8%); Other Services (up 9.2%); Professional, Scientific & Technical Services (up 8.8%); and Retail Trade (up 5.5%) industries.

Productivity, Annual Industry Growth
City of Knox, 2008/09



Source: Lawrence Consulting

The City of Knox recorded higher industry productivity in the Manufacturing; Retail Trade; Financial & Insurance Services; and Public Administration & Safety sectors than Victoria in 2008/09.

Productivity (\$value added/hr worked)

Industry	City of Knox			Victoria		
	Level 2008/09 (\$/hr)	Annual change (\$)	Ann % chg	Level 2008/09 (\$/hr)	Annual change (\$)	Ann % chg
Agriculture, forestry & fishing	58.05	2.94	5.3	63.63	3.58	6.0
Mining	195.60	-16.73	-7.9	390.55	7.73	2.0
Manufacturing	53.13	1.77	3.4	52.75	-2.72	-4.9
Electricity, gas, water & waste services	132.48	-4.87	-3.5	196.02	10.23	5.5
Construction	41.65	-0.32	-0.8	51.34	-1.27	-2.4
Wholesale trade	73.46	0.11	0.2	73.89	0.62	0.8
Retail trade	34.89	1.83	5.5	32.64	-0.04	-0.1
Accommodation & food services	28.14	-0.20	-0.7	30.45	0.42	1.4
Transport, postal & warehousing	47.54	-6.24	-11.6	62.11	-1.77	-2.8
Information media & telecommunications	104.20	2.30	2.3	111.99	-2.94	-2.6
Financial & insurance services	206.60	20.16	10.8	185.52	-7.95	-4.1
Rental, hiring & real estate services	121.31	15.50	14.6	143.49	0.62	0.4
Professional, scientific & technical services	56.94	4.59	8.8	60.22	0.58	1.0
Administrative & support services	57.46	-1.67	-2.8	62.34	-2.38	-3.7
Public administration & safety	52.25	-3.42	-6.2	47.45	2.12	4.7
Education & training	43.68	1.34	3.2	45.91	0.26	0.6
Health care & social assistance	42.68	-0.42	-1.0	44.00	0.94	2.2
Arts & recreation services	36.39	0.24	0.7	46.82	2.31	5.2
Other services	28.27	2.38	9.2	34.55	-0.60	-1.7
Total Industry	55.03	1.31	2.4	60.81	-0.51	-0.8

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