

Attachment C: The socioeconomics of our region

The socioeconomics data in this attachment provides context about our customers' capacity to pay, and potential affordability in the Lower Hunter.

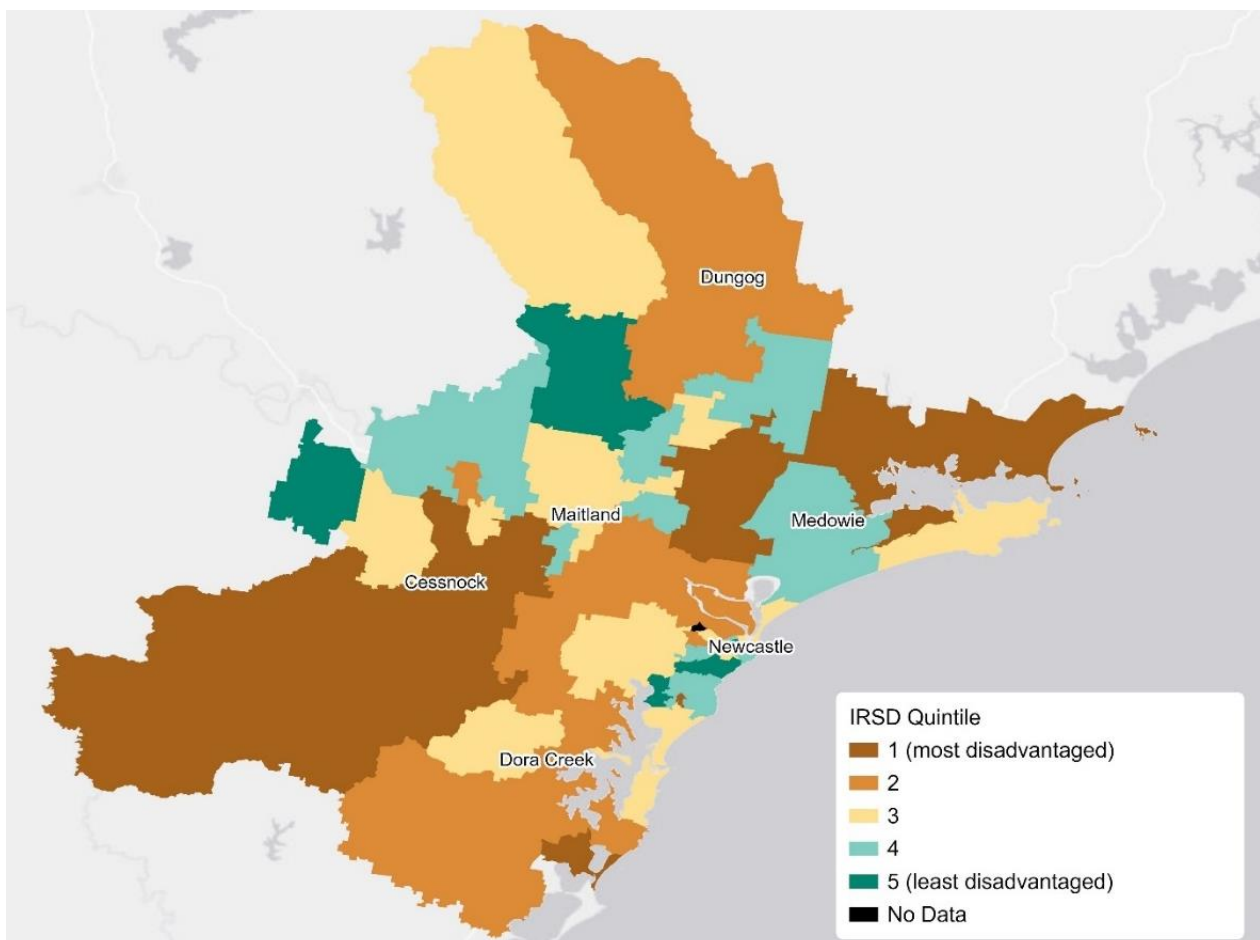
The socioeconomics of our region mean that relative to Sydney, more of our customers will find an increase in their water bill difficult to manage. It sets the scene for just how imperative it is that our pricing proposal limits bill increases as much as possible.

Our community has a higher degree of relative socioeconomic disadvantage than Sydney and other metropolitan areas

The Australia Bureau of Statistics' online tool summarises Australian communities' relative socio-economic characteristics.

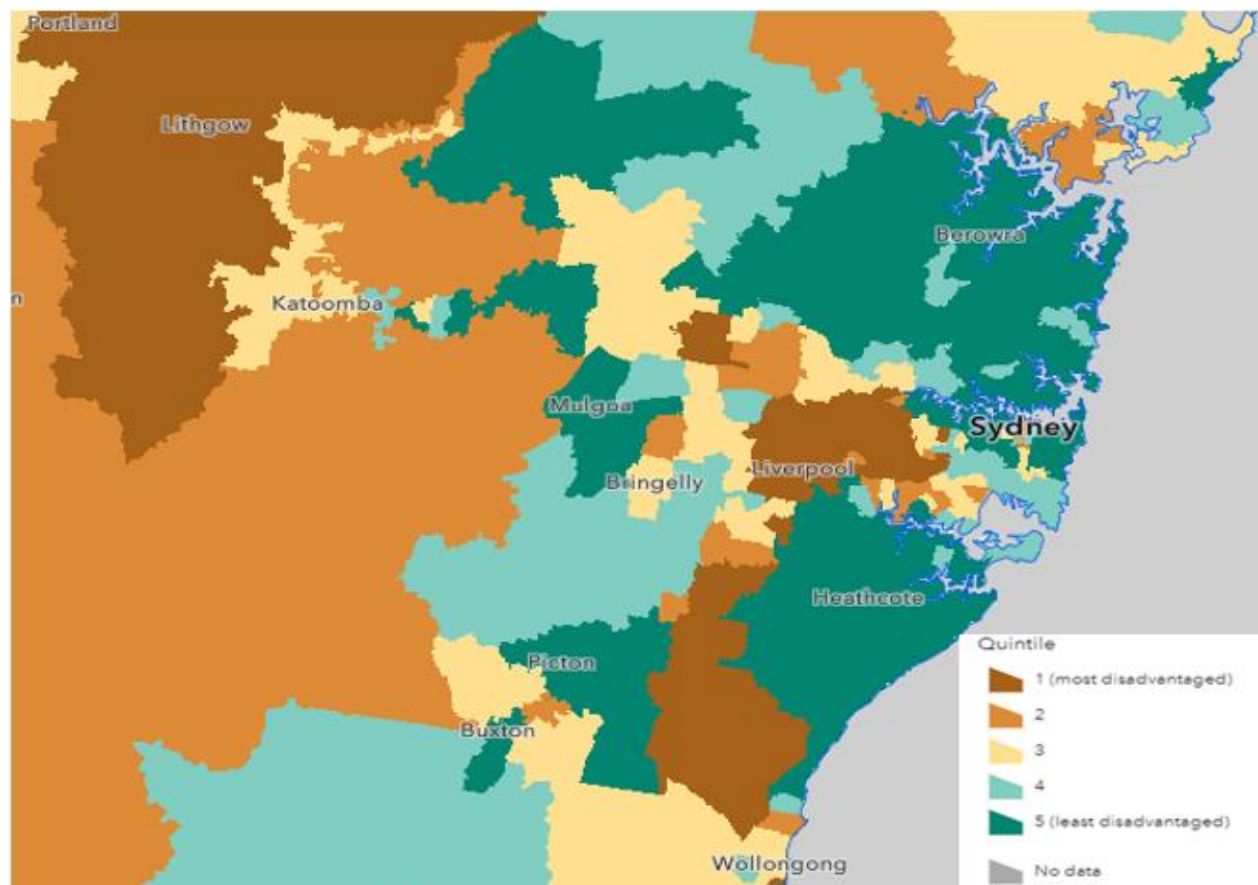
Figure 1 and Figure 2 shows relative disadvantage within in the Lower Hunter region and with comparison to the Greater Sydney region. Locations are ranked from most disadvantaged (brown) to least (green).

Figure 1: Relative disadvantage in Hunter Water's area of operations



Note: care is needed with visual interpretation, as the land area of the polygons may not correspond to the population size in that area.

Figure 2: Relative disadvantage in the Greater Sydney region



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Table 1 shows the number and proportion of postcodes ranked in quintiles of economic disadvantage. The Greater Hunter region has a high proportion of 'disadvantaged' postcodes, based on Socio-Economic Indexes for Areas (SEIFA) data, which ranks areas nationally according to their relative socio-economic disadvantage, using Census data.

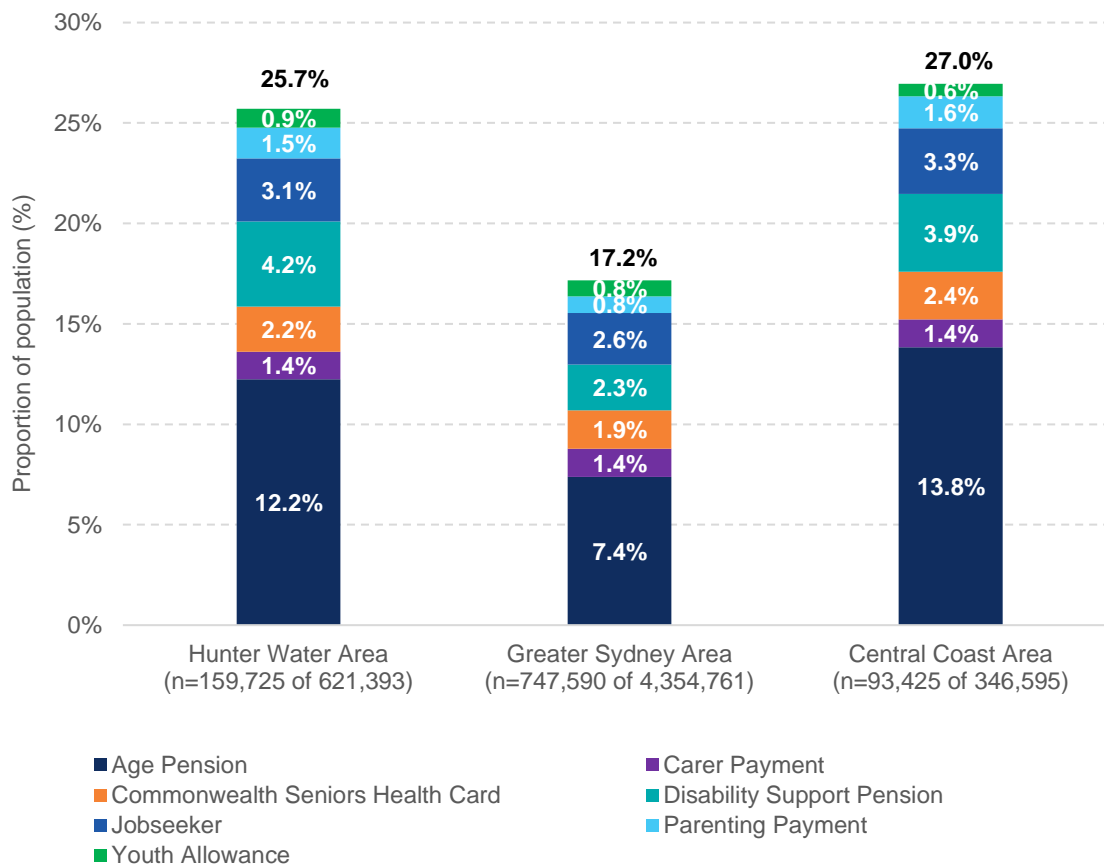
The 2306 postcode (suburb: Windale) is the most disadvantaged postcode in NSW and is in the top 0.5% of most disadvantaged postcodes in Australia, whereas the Woollahra Local Government Area in Greater Sydney is the least disadvantaged in Australia. In our area of operations, 35% of postcodes fall in the most disadvantaged quintiles.

Table 1: Distribution of postcodes in highest and lowest quintiles

% and number of postcodes in the lowest two quintiles	... in the middle quintile	... in the highest two quintiles
Hunter Water's area of operations	35% (17 of 47)	45% (19 of 27)	23% (11 of 47)
Greater Sydney	30% (72 of 242)	5% (13 of 242)	65% (157 of 242)

More than 25% of the population in our area of operations receive some form of government benefits. This proportion is higher than in Greater Sydney, as shown in Figure 3.

Figure 3: Proportion of population receiving government benefits



Source: Department of Social Services, Benefit and Payment Recipient Demographics - quarterly data, March 2024

Our area of operations has a higher proportion of lower income earners and substantially fewer high-income earners, relative to Greater Sydney, as shown in Table 2.

Table 2: Household gross income quartiles

% of households in the lowest income quartile	... the highest income quartile
Hunter Water	27%	21%
Central Coast Council	29%	23%
Greater Sydney	21%	30%

Source: Census Data 2021

Note: Average across Cessnock and Newcastle LGAs - other LGA data unavailable.