



## The Economy

### *Clarity of Concept*

The economy refers to the broad issues of employment, innovation, infrastructure and public transport, globalisation, technology and telecommunications. Logan City Council's role in relation to these economic issues is to provide leadership for economic development and job growth within the city and to ensure that infrastructure provision is sufficient to meet demand in to the future.

### *Where are we now?*

Logan City has thriving commercial, retail and manufacturing precincts as well as healthy service and wholesale industries. The retail and commercial sectors of the Logan economy are focused on Springwood, Moss Street, Hyperdome, Logan Central and Browns Plains. The centres of Springwood (Moss Street), the Hyperdome and in the near future IKEA serve catchments well beyond Logan City's boundaries. Crestmead Industrial Estate is a major focus of industrial and manufacturing employment. The University and Hospital located at Meadowbrook provide a focus for health and education employment.

Logan City has traditionally experienced high rates of unemployment. In March 2006, Logan City's unemployment rate was at 6.46%. This rate is markedly higher when compared to Brisbane - 4.80%, Queensland - 5.00% and Australia - 5.10%. Of the 71 223 employed persons in Logan City (as per the 2001 Census) 17.7% work in the retail trade and 17.2 % in manufacturing.

To reduce the reliance on the retail and manufacturing sector for employment, Council has developed a leading edge strategy "The Knowledge Economy for Logan City's 21<sup>st</sup> Century Strategy (2005)" which focuses on attracting high yield employment opportunities for the city.

Logan is strategically located between Brisbane, Ipswich, Redlands and the Gold Coast all of which are major population growth centres in the SEQ Regional Plan. This growing population growth has lead to improved employment figures over the last couple of years. The City is also well provided with easy access to the national highway and rail networks the Brisbane ports. The strategic location of Logan City and its transport network is increasingly significant for industrial development occurring in Yatala, and Ipswich and potentially in the future in Bromelton.

Logan City Council has increased the amount of land available for Enterprise and as such 40ha. of land at Berrinba is being developed into a clean, green, mixed enterprise precinct with a further 80ha. of the property protected as parklands and wetlands. This project is anticipated to create up to 2000 new jobs and attract high quality green tenants. The Berrinba Enterprise Precinct which is being lead by Council is to be marketed as "South West 1" indicating the differentiation of this corridor and future enterprise areas from the industrial focus of Yatala and Ripley.

The Park Ridge Enterprise Precinct, an area of regional significance at 650ha., holds significant potential to create a very large number of jobs for both Logan City and its neighbours and provide for ongoing economic growth and to confirm the South West Corridor within South East Queensland.

The introduction of wireless broadband across the city in 2006 has provided a comprehensive communication network for residents and business owners. Logan City was the first city in Australia to be able to offer wireless broadband for all residents which has resulted in 41% of residents having access to a home computer.

The City's business interests are currently expanding to incorporate trade agreements and export opportunities to Asia, supported by sister city relationships in China.

### **Current Logan Strategies**

Economic Development Strategy 2003 - 06

- Goal 1: Supporting Economic and Employment Growth
- Goal 2: Building On Our Physical Infrastructure

### ***Forces of Change***

There are a number of possible forces of change over the next 20 years that will impact upon the international, national and regional economies. The following issues are seen as most likely to impact on Logan City's economy:

#### **Employment**

The continuing movement of people into South East Queensland will drive consumption-related jobs and provide employment in emerging residential areas. As such Logan City will continue to share in growth within these industries. The challenge for Logan City is to continue to create higher-skilled jobs in knowledge-based industries.

At the same time ageing and diversification of the population will present opportunities and challenges. Logan City's population of 65 year olds will increase by 294%. 24.9% (49 355) of people living in Logan City in 2026 will have been born overseas.

#### **Knowledge economy and innovation**

Knowledge based industries including a range of services such as education, financial and other business services and communications will be the driver for employment in the future. The inclusion of high-tech manufacturing and emerging industries such as such as biotechnology will also be prominent.

#### **Infrastructure and Public Transport**

The population increase in the region will drive the need for a transport system that links the wider community with services and employment. An effective,

integrated transport network of roads, railways, ports and airports supports the competitiveness of industry and business.

Intelligent transport systems (ITS) are poised for widespread adoption. ITS are sophisticated multimodal tools that combine advanced technologies to equip vehicles and transport networks and systems with computers and sensors that increase safety, increase capacity, redistribute demand and reduce congestion.

### **Globalisation and trade**

The global trade power shift to Australasia will be capitalised on by Logan City with China/Australia relations and Logan Sister City Relationships. Logan City is also pursuing trade negotiations with India to attract Knowledge based industries to the region and investigating forming relationships with the North Korea.

### **Technology and the interconnected world**

It was a given that new technologies in all areas would be a key driver for change over the next 15 years. Microelectronics, nanotechnology, genetics, new materials, biotechnology, and recombination of old technologies in the areas of multimedia, information technology and telecommunications will continue to shape our lives, and their impact on business will be revolutionary. Logan City will need to continue to meet the need of the business community and residents in providing high speed communication infrastructure to the city.

### ***Trends and Assumptions***

- Fuel prices are increasing
- The aging population results in the skilled workforce decreasing
- Demographic profile indicates the next generation workforce will be more flexible and less loyal to employers
- Telecommunications enabling changing working environment

### ***Where might we be in 2026?***

The Logan economy is strong with online economic development continuing to spearhead many new technology-based businesses which are attracted to the Logan region.

Logan City Council is been actively working on increasing the employment self-containment of the city. With a South East Queensland Regional Plan target set for a population increase of 44 500 (i.e. 16 500 dwellings) and a 40% self-containment target, Logan City has, with a lot of work and difficulty, created 18 000 new jobs within the city over the past 20 years. In achieving this target the employment base has diversified.

The following areas have primarily contributed to the creation of jobs in Logan City over the last 20 years:

- Release of the Crestmead North (South West 1) Berrinba Enterprise Precinct (South West 2) was rigorously controlled by Council which provided only high employment yield knowledge based industries which now occupy the precincts.
- Employment Park Ridge Enterprise Precinct (South West 3 & 4) attracted high employment yield knowledge based industries.
- Natural increase in jobs occurred within existing businesses and industries located within Logan City including home based businesses.
- A growth in retail but with increasing diversification of commercial employment in our Centres. These centres included:
  - Springwood (Principal Activity Centre)
  - Logan Hyperdome (Major Activity Centre)
  - Logan Central (Major Activity Centre)
  - Browns Plains (Major Activity Centre)
- Meadowbrook / Loganlea was developed as a knowledge hub and Park Ridge as an enterprise centre which provided further scope for development and job creation.

Even with the focus on improved self containment of jobs and significant improvement in public transport links and networks Logan City has struggled with competing demands of passenger and freight movement in and through the City. Key links including the Logan Motorway, Mount Lindesay Highway, M1 and the interstate Train Line, struggle with the competing demands and impacts of increased freight and passenger transport.

Telecommunication links have been maintained and improved over time with technological advances providing all residents and business owners' access to emerging technology. 76% of the City's residents utilise these telecommunication links on a regular basis.

Logan City has strong relations with China and India which commenced as sister city relationships that provide a direct portal to the knowledge based sector in those countries for Logan based businesses.

## **Sources**

- South East Queensland Regional Plan 2005 - 2026
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- Logan City Council Economic Development Strategy 2003 - 06
- Alternative Futures – Scenarios for Business in Australia to the year 2015 - Report from GBN Australia for the Australian Business Foundation - September 1999
- Transport Portfolio Scenario-Based Planning for the Queensland Department of Transport and the Queensland Department of Main Roads 2000 - 2025
- Logan 2026, Demographic Profile, PIFU.