



Bi-annual Economic Analysis
City of Logan
June 2018 Issue

Summary

Logan City Council collects key economic statistics and information to measure how the city is performing. This information has been compiled into the Bi-annual Economic Analysis Report, June 2018 issue.

The City of Logan continues to show strong population and economic growth. Key information updates in this issue include the latest population figures, economic and business key performance indicators, the local labour market, development activity and property market analysis. An update on key transport infrastructure projects is also provided.

Key economic indicators



319,652

↑ 1.9%

Population (Jun 17)



\$13.488b

↑ 20.0%

GRP (Gross Regional Product) (Jun 17)



21,126

↑ 3.6%

Businesses in Logan* (Jun 17)



6.9%

↑ 0.1%

Unemployment (Mar 18 qtr)



160,383

↑ 2.2%

Labour force (Mar 18 qtr)



4,063

↑ 31.0%

New business registrations* (Oct 17 - Mar 18)

*Businesses registered for GST

Development activity and outlook Jun-Dec 2017



51,202m²

Industry & non-residential approved development

39,533m²

Non-residential floor space constructed

Top areas residential dwellings constructed

1. Park Ridge
2. Logan Village
3. Yarrabilba
4. Flagstone



2,719

Residential dwellings approved

2,276

Residential dwellings constructed

Logan property market

Top growth suburbs

REIQ (Mar 18)

1. Cornubia
2. Bethania
3. Logan Village
4. Logan Reserve
5. Shailer Park
6. Loganlea
7. Woodridge
8. New Beith
9. Crestmead
10. Chambers Flat



Annual figures

2017-18

\$395,000

House sales median price

4.0% ↑

Growth median price

\$271,000

Unit/Town sales median price

0.7% ↑

Growth median price

Key infrastructure projects



\$512 million

Transurban Logan Enhancement Project construction well underway including Logan and Gateway extension motorways and upgrades to key intersections. The project is expected to be completed by 2019.

Queensland budget announcements

\$50 million

Pacific Motorway - Gateway Motorway

\$16 million

Mt Lindesay Highway intersection improvements

\$17 million

Pacific Motorway - Eight Mile Plains to Daisy Hill

\$13.3 million

Waterford-Tamborine Road

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City snapshot

- The City of Logan has experienced consistent economic growth in the year from June 2016 to June 2017. Logan's Gross Regional Product (GRP) increased by 20% during this period.
- Economic Output increased by 19.4% to \$26.018 billion, over the 12 month period of June 2016 to June 2017.
- The number of businesses in Logan has increased by 3.6% to 21,126 over 12 months to June 2017. (These businesses are actively trading and registered for GST)
- Currently there are about 500+ new business registrations per month - the vast majority of these new businesses are not registered for GST.



Population

Est. Resident Population

313,785 (2016)

319,652 (2017)

1.9% ↑

Unemployment Rate

6.9% (Mar 2018 Qtr)

6.8% (Dec 2017 Qtr)



Gross Regional Product (GRP)

GRP Nominal

\$11.243 billion (2016)

\$13.488 billion (2017)

20% ↑

Per Capita GRP

\$40,425 (2016)

\$44,457 (2017)

10% ↑



Business

No. of Logan businesses*

20,393 (June 2016)

21,126 (June 2017)

3.6% ↑

New business registrations

3,095 (Apr 2017-Sep 2017)

4,063 (Oct 2017-Mar 2018)

31% ↑

Business exits

165 (Apr 2017-Sep 2017)

139 (Oct 2017-Mar 2018)

*Businesses actively trading and registered for GST

Labour market and unemployment

The unemployment rate for the City of Logan as at 30 March 2018 was 6.9%. This is an increase 0.1% from the December 2017 quarter (6.8%) and up from March 2017 (5.5%).

Logan employment summary	Dec '17 quarter	Mar '18 quarter	% change
Percentage of unemployed persons	6.8%	6.9%	0.1%
No. of unemployed persons	10,608	11,087	4.5%
Persons in labour force	156,982	160,383	2.2%

Unemployment is measured by the Australian Bureau of Statistics with the following criteria:

- Not working more than one hour in the reference week.
- Actively looking for work in previous four weeks.
- Be available to start work in the reference week.
- Aged 15 years and over and not employed during the reference week.

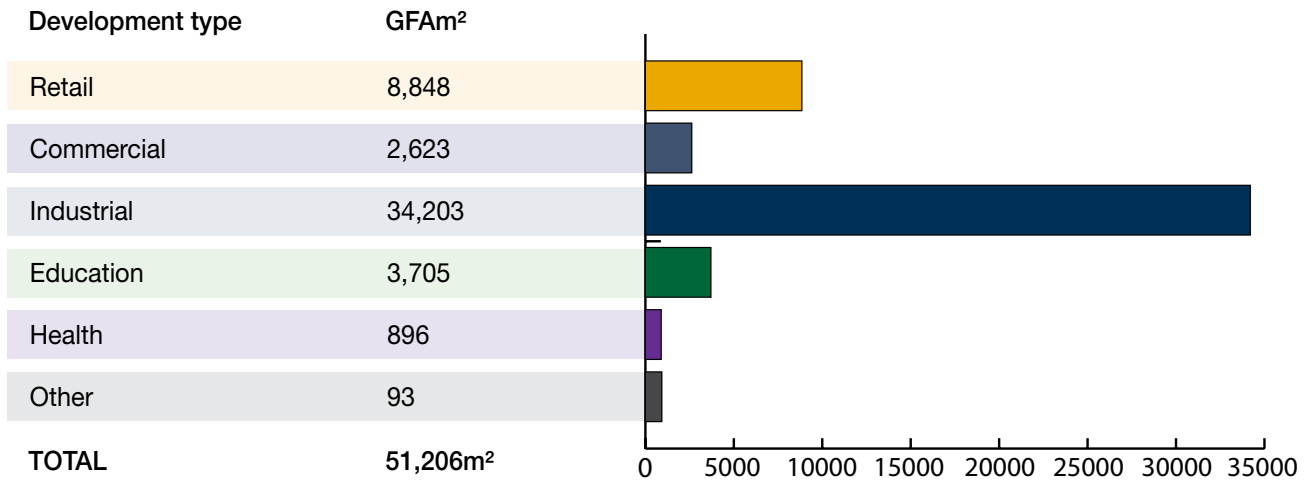
Development activity

Below is a snapshot of development approvals and construction of both residential and non-residential development for the six month period July to December 2017.

More detailed information is included in the full Logan Development Monitoring Bi-Annual Report which can be downloaded from Logan City Council's website, <http://www.logan.qld.gov.au/planning-and-building/planning-and-development/development-statistics>.

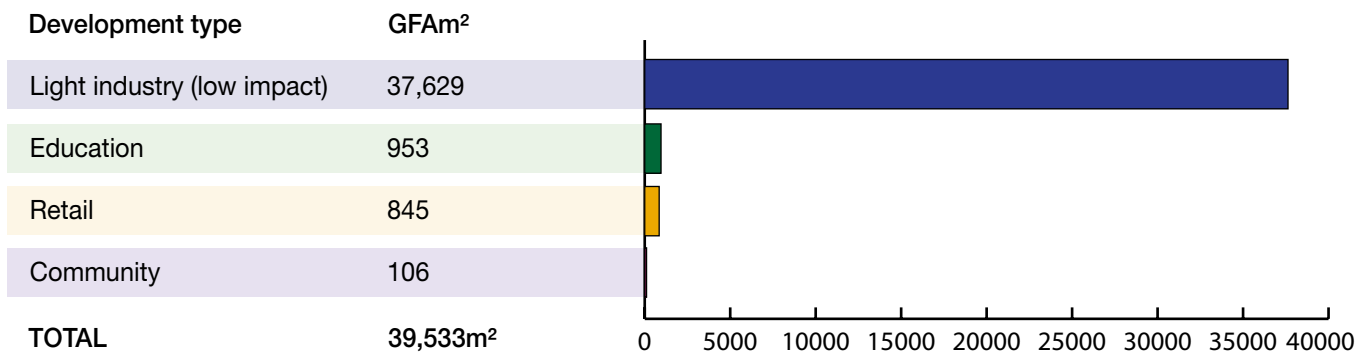
Non-residential approvals

Most non-residential developments were approved in the industry sectors listed below. Of note were approvals for general industry (medium impact) development totalling 10,000m²+ in Loganlea. Previous to this, there have been no approvals obtained for general industry since January 2015.



Non-residential development - construction

Non-residential floor space newly constructed in this period totalled 39,533m² which has the capacity for 509 jobs across all sectors.



Residential development approvals



2,719 dwellings were approved for development in Logan the period July to December 2017.



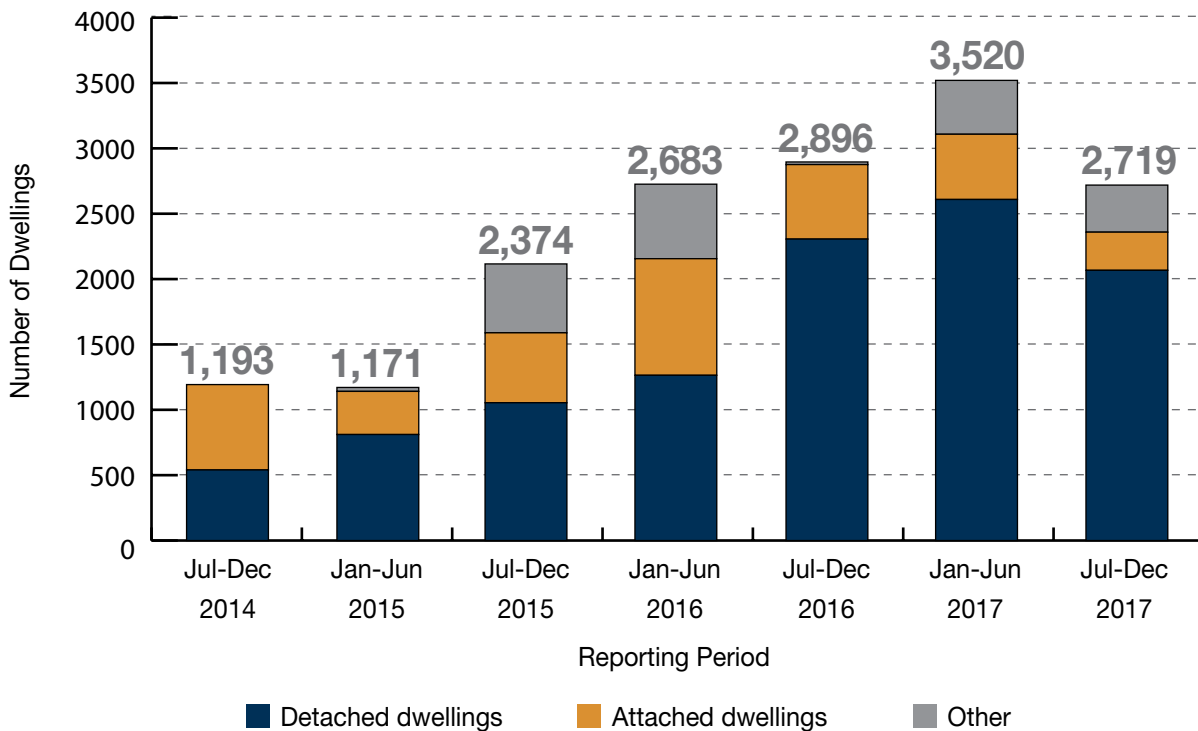
Of the 2,719 dwellings approved, 40% were in the Rural Living Development Front.



The number of dwelling approvals for residential development has dropped for the first time in over 5 reporting periods. There were 800 less development approvals than in the January to June 2017 period.

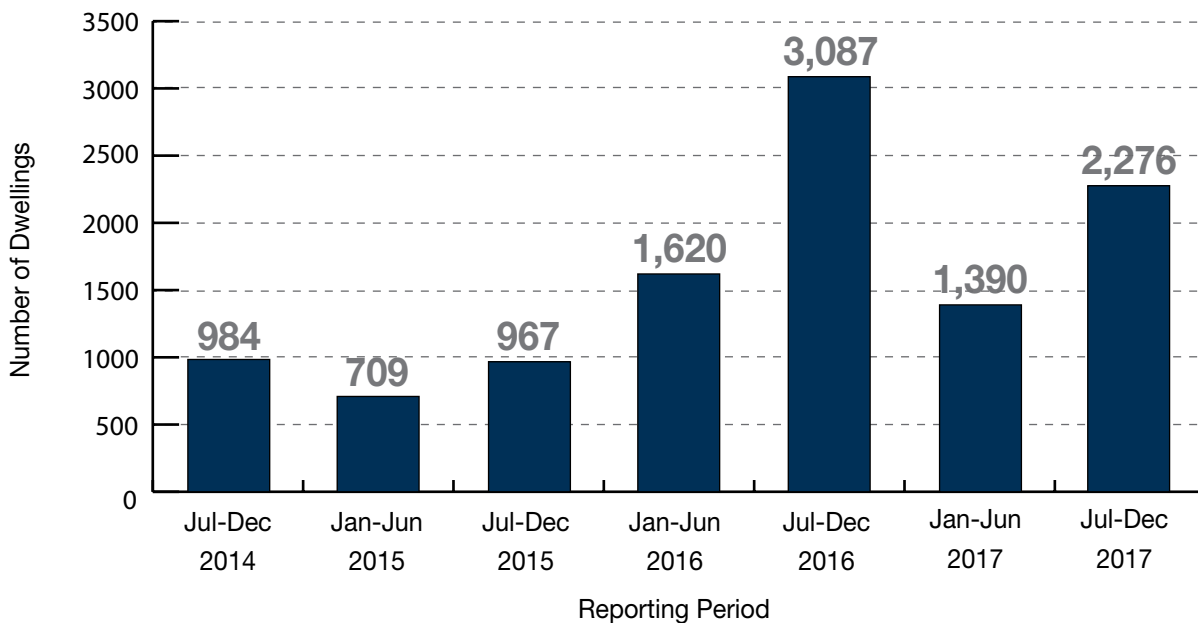


The single largest residential development was approved on Chambers Flat Road, Chambers Flat for 322 detached homes.



Residential construction

- 2,276 dwellings were completed in the six months to December 2017, mostly concentrated in Park Ridge, Logan Village, Yarrabilba and Flagstone.
- 90% of residential construction completed were detached dwellings.



Priority Development Areas update

The following table shows the ultimate dwelling targets, actual dwellings constructed, and active development approvals for both major master-planned communities in Yarrabilba and Greater Flagstone for July to December 2017.



Actual dwellings



Active approvals



Ultimate dwelling target

	Actual dwellings	Active approvals	Ultimate dwelling target
Yarrabilba	3,338	3,820	20,000
Greater Flagstone	691	626	50,000

Source: Economic Development Queensland (EDQ) website

Logan property market - overview

For the March 2018 quarter, the market outlook for house sales in Logan is positive and should continue to perform strongly due to overall affordability, availability, and the locality.

Top performing suburbs

Strong growth suburbs in Logan for house sales for the year to March 2018 included:

1. Cornubia - 11.1%
2. Bethania - 9.1%
3. Logan Village - 8.3%
4. Logan Reserve - 8.1%
5. Shailer Park - 7.7%
6. Loganlea - 7.3%
7. Woodridge - 6.8%
8. New Beith - 6.5%
9. Chambers Flat - 6.3%
10. Crestmead - 6.3%
11. Slacks Creek - 6.1%

Logan recorded an annual growth in median price of 0.7% in an otherwise underperforming unit market. The rental market remains steady with a vacancy rate of 2.0%.

Key property sales statistics

Key sales statistics for the March 2018 quarter include:

- 623 house sales (under 2400m²), with a median sale price of \$390,000 (↓2.0% from previous quarter).
- 126 unit/townhouse sales, with a median sale price of \$261,000 (↑0.4% from previous quarter).
- 61 vacant land sales (under 2400m²), with a median sale price of \$226,000 (↑7.4% up from previous quarter).
- Rental market vacancy rates are steady for Logan at 2.0%

FOR SALE	FOR SALE
6,559	1,387
Total House Listings	Total Unit Listings



Key annual sales statistics include:

- Logan recorded the strongest growth in the region increasing by 4% to \$395,000.
- 3,703 house sales (under 2400m²), with a median sale price of \$395,000.
- 1,027 unit/townhouse sales, with a median sale price of \$271,000, 0.7% annual increase.
- 1,290 vacant land sales (under 2400m²), with a median sale price of \$208,900, 0.0% annual change.

For more detailed information refer to the REIQ Queensland Market Monitor, March 2018, Issue 38.

Infrastructure update

Transurban Queensland's \$512 million Logan Enhancement Project includes upgrades to the Logan and Gateway Extension motorways, major upgrades to Logan Motorway/Mt Lindesay Highway/Beaudesert Road interchange, as well as the Wembley Road/Logan Motorway interchange. Construction is well underway with completion scheduled for 2019.

The upgrade to the Wembley Road/Logan Motorway interchange will greatly improve commercial access to major industrial areas in Berrinba and Crestmead.

The Queensland Government Budget 2018-19 announcements included the delivery of the following transport infrastructure and other projects in Logan.

Project	Value	Details	Completion
Pacific Motorway - Gateway Motorway Merge	\$50 million in 2018-19	Upgrade the motorway in Rochedale South in partnership with the Australian Government	Completion scheduled November 2020
Pacific Motorway - Eight Mile Plains to Daisy Hill	\$17 million in 2018-19	Upgrade approx. 9 km of motorway in partnership with the Australian Government	Completion scheduled June 2023
Mount Lindesay Highway intersection improvements - Browns Plains to Beaudesert	\$16 million in 2018-19	Improve the intersection at Greenbank Road, North Maclean in partnership with the Australian Government	Completion scheduled May 2019
Waterford - Tamborine Road upgrade at Logan Village	\$13.3 million in 2018-19	Upgrade four intersections between Anzac Ave and Hotz Road, Logan Village in partnership with private sector	Completion scheduled September 2018

Queensland overview

Quick facts	City of Logan	Queensland
Population	319,652 (2017)	4,948,697 (Sept qtr 2017)
Population projection 2036	490,522	6,763,153
Businesses	21,126 (June 17)	437,308 (June 17)
Jobs	89,093 (2016)	2,130,860 (2016)
Unemployment	6.9% (Mar 18)	6.0% (Mar 18)
Gross Regional Product	\$13.487b (2016-17)	\$326.995b (2016-17)
Per Capita Gross Regional Product	\$44,457 (2016-17)	\$69,712 (2016-17)
Output	\$26.018b (2016-17)	\$661.089b (2016-17)

Sources

Australian Bureau of Statistics, State Details, March quarter 2018, ABS 5206.0, released 6 June 2018, 11:30am (AEST)

Australian Bureau of Statistics, Counts of Australian Businesses, including Entries and Exits, Cat. 8165.0. (Jun 2015, 2016 & 2017, released 21 Feb 2018. Jun 2018 data will be available in Feb 2019.)

Business entries and exits, Australian Business Register (ABR), Australian Government

Queensland Government Budget 2018-19 Regional Action Plan - Delivering for Logan, www.budget.qld.gov.au

Queensland Government Statistician's Office, Queensland Regional Database

Real Estate Institute of Queensland (REIQ) Queensland Market Monitor, March 2018, Issue 38

REMPPLAN data incorporating Australian Bureau of Statistics' (ABS) June 2017 Gross State Product, 2014/2015 National Input Output Tables and 2016 Census Place of Work Employment Data - <http://www.economyprofile.com.au/logan/>

Small Area Labour Market Data March 2018, Australian Government, Department of Employment

Transurban Logan Enhancement Project, <https://loganenhancementproject.com.au/>

Business support services

The Logan Office of Economic Development (LOED) provides free and low cost business support services for City of Logan business owners needing assistance to start, sustain and grow their businesses. These services include:-

- One on one meetings
- Business information
- Assistance with Logan City Council requirements
- Business workshops and events
- Linking your business to local opportunities
- Assistance finding local staff
- Business assistance and referrals - linking business with appropriate programs and services

Website and regular e-newsletters: Explore our website www.loed.com.au or contact us to receive our regular e-newsletter specifically for local businesses. This will help you keep up to date with business information and business events in the City of Logan.

Contact us now to see how we can assist:

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