

Economic Scenario Options For Redland Shire To 2026

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Introduction

This report explores three scenarios or visions along a continuum of economic development possibilities, for Redland Shire's future to the year 2026.

Each of the scenarios takes as a starting point the situation in Redland Shire in 2001:

- Population of 114, 601 (ABS census data)
- Age proportions are as follows: those aged 65 and older constitute 11.5 % of the Shire's population, those aged 15 years–64 years (working aged population) make up 65.8%, while those aged 14 and under total 22.8%.
- Labour force of 52,000
- Labour force participation rate of 65%
- Local jobs number 26, 201. Persons who reside outside the Shire hold about 23% of these local jobs. This means locals hold 20,174 local jobs.
- Approximately 31, 826 people or 60% of the Shire's labour force commute outside the Shire for employment.
- Industrial land usage is approximately 6,000 employees utilising 90 hectares in the Shire.

SCENARIO 1: "Leave Things As They Are"

Basis

This scenario builds on the notion that no further commercial and industrial development is desirable to preserve the current way of life. However people are still encouraged to settle in the area if they so wish. Indeed the area is very attractive in terms of the region's natural amenities and strategic proximity to employment opportunities and higher order services available in Brisbane City and Logan City.

Assumptions

- The projected population based on the Department of Local Government and Planning medium series is for a population of 176,025 by 2026.
- The age proportions as forecast by the Department of Local Government and Planning are for those aged 65 and older to constitute 24.1 % of the Shire's population by 2026. The proportion of the population aged 15 years– 64 years (working aged population) will decline to 59.9%, while those aged 14 and under will decline to 16%.
- The labour force participation rate declines to 60% due to demographic factors.
- Based on population increase, local employment growth (local jobs held by locals) increases by 11%.
- The proportion of local jobs held by persons residing outside the Shire remains constant at 23%.

Forecast Situation

The dormitory suburb status of the Shire will increase in profile. With little commercial and industrial development occurring in the Shire, very few of the extra 20,000 persons in the Shire's labour force will obtain employment in the local economy.

Up to 69% of the Shire's labour force, or 50,117 people would have to seek work outside the Shire. Compared to 2001, 19,000 more people will be commuting outside the Shire in 2026.

Local jobs in total, including those held by outsiders, will increase from 26, 201 in 2001 to 28,420 in 2026. Local people will hold 21,883 local jobs. Compared to the 2001 situation, this is an improvement of 1,709.

Industrial land usage stays constant at approximately 6,000 employees utilising 90 hectares in the Shire.

Table 1 shows the extent of the impact this scenario would have on the various sectors in the Shire. Only Construction and Property Services would experience strong growth. Other population related growth industries would expand moderately within the parameters of existing commercial and industrial infrastructure capacity. This latter group includes Retail Trade, Business Services, Education, Health and Personal and Other Services. With no stimulus or encouragement, sectors such as Agriculture, Manufacturing and the tourism related Service Sector would experience little or no growth.

Table 1: Sector Impacts Resulting from Scenario 1A

Strong Impact	Moderate Impact	Low Impact
<ul style="list-style-type: none"> ▪ Construction ▪ Property Services 	<ul style="list-style-type: none"> ▪ Retail Trade ▪ Education ▪ Health ▪ Personal and Other Services ▪ Business Services 	<ul style="list-style-type: none"> ▪ Agriculture ▪ Mining ▪ Manufacturing ▪ Electricity, Gas and Water ▪ Wholesale Trade ▪ Accommodation, Cafes and Restaurants ▪ Transport and Storage ▪ Communication Services ▪ Finance and Insurance ▪ Government Administration and Defence ▪ Cultural and Recreational Services

Further Ramifications

- Such strong population growth, resulting in urban sprawl, will have a negative impact on the natural environment and attributes.
- Because surrounding Local Government Authorities continue to actively promote economic development strategies, Redland Shire will increasingly become less competitive for employment opportunities and overtime will become increasingly locked into the dormitory suburb status.
- A loss of sense of community and Shire identity will result.
- The lifestyle may not be as “peaceful” as some would like because over 50,000 commuters may be travelling in and out of the Shire on a daily basis.
- Knowledge assets of the Shire’s labour force would not be utilised to maximise benefits for the community in which they reside.
- People who are disadvantaged in terms of access to private transport would be further disadvantaged in terms of access to employment opportunities and accessing higher order amenities.

Overall Situation

Becoming a less desirable place to live for the above reasons, may in time lead to negative population growth. Then, all stimuli to the local economy would be lost. Thus, in the long term this strategy may not be economically sustainable or socially desirable.

SCENARIO 2: “Implementation of Redland Shire’s Economic Growth Strategy” – 80% local labour force working in the Redlands

Basis

This scenario is based on the successful long-term outcomes from the Redland Shire Economic Growth Strategy (2003). This Strategy builds on the Shire’s current competitive and comparative advantages. As well, it seeks to enhance population driven economic growth. Overall it looks at developing all appropriate economic opportunities to give the local labour force a greater opportunity to live and work in the Shire.

Assumptions

- The projected population based on the Department of Local Government and Planning medium series is for a population of 176,025 by 2026.
- The age proportions as forecast by the Department of Local Government and Planning are for those aged 65 and older to constitute 24.1 % of the Shire’s population by 2026. The proportion of the population aged 15 years–64 years (working aged population) will decline to 59.9%, while those aged 14 and under will decline to 16%.
- The labour force participation rate declines to 60% due to demographic factors.
- The proportion of local jobs held by persons residing outside the Shire remains constant at 23 %.
- Economic stimulation from this planned strategy will double the present proportion of locals living and working in the Shire to 80 % of the labour force.

Forecast Situation

Local jobs, including those occupied by people living outside the Shire, will increase from 26,201 in 2001 to approximately 75,000 in 2026.

Locals will hold 57,600 local jobs while 14,400 will commute outside the Shire to work.

In theory though, total local jobs will exceed the local labour force, implying Redland Shire is potentially self sufficient in terms of employment.

Industrial land usage increases to approximately 11,000 employees utilising up to 229 hectares.

Commercial land requirements increase substantially to support the significant local employment growth that will occur, particularly within the Services Sector.

Table 2 shows how the various sectors would be impacted. Because of the population growth as well as specific targeting across a variety of sectors, Agriculture, Manufacturing and all of the Services Industries would enjoy strong to moderate growth. Only Mining would likely have low or no growth.

Table 2: Sector Impacts Resulting from Scenario 2A

Strong Impact	Moderate Impact	Low Impact
<ul style="list-style-type: none"> ▪ Agriculture ▪ Construction ▪ Retail Trade ▪ Property and Business Services ▪ Manufacturing ▪ Accommodation, Cafes and Restaurants ▪ Cultural and Recreational Services ▪ Education ▪ Health ▪ Personal and Other Services 	<ul style="list-style-type: none"> ▪ Transport and Storage ▪ Communication Services ▪ Finance and Insurance ▪ Government Administration and Defence ▪ Wholesale Trade ▪ Electricity, Gas and Water 	<ul style="list-style-type: none"> ▪ Mining

Further Ramifications

- Creates a vibrant, more diverse economy.
- Helps give Shire an identity and sense of community.
- Means that children may not have to leave the Shire later in life in order to access work and education.
- Utilises the knowledge assets of the Shire for the benefit of the Shire and the residents who live there.
- Strengthens the Shire’s diversity across all three broad industry types – primary, secondary and tertiary –ensures the local economy is not too negatively affected if there is a downturn in a particular industry.
- Creates more highly paid employment opportunities, increasing the economic status of residents in the Shire

Overall Situation

Substantial economic growth will be achieved with an optimal target of 80% local employment.

SCENARIO 3: “Implementation of Redland Shire’s Economic Growth Strategy” – 60% local labour force working in the Redlands

Basis

This scenario is based on the many of the successful long-term outcomes from the Redland Shire Economic Growth Strategy (2003). This Strategy builds on the Shire’s current competitive and comparative advantages. As well, it seeks to enhance population driven economic growth. Overall it looks at developing appropriate economic opportunities to give the local labour force a greater opportunity to live and work in the Shire.

Assumptions

- The projected population based on the Department of Local Government and Planning medium series is for a population of 176,025 by 2026.
- The age proportions as forecast by the Department of Local Government and Planning are for those aged 65 and older to constitute 24.1 % of the Shire’s population by 2026. The proportion of the population aged 15 years–64 years (working aged population) will decline to 59.9%, while those aged 14 and under will decline to 16%.
- The labour force participation rate declines to 60% due to demographic factors.
- The proportion of local jobs held by persons residing outside the Shire remains constant at 23 %.
- Economic stimulation from this planned strategy will increase the present proportion of locals living and working in the Shire to 60 % of the labour force.

Forecast Situation

Local jobs, including those occupied by people living outside the Shire, will increase from 26,201 in 2001 to approximately 56,100 in 2026.

Locals will hold 43,200 local jobs while 28,800 will commute outside the Shire to work.

Industrial land usage increases to approximately 11,000 employees utilising up to 229 hectares.

Commercial land requirements increase substantially to support the significant local employment growth that will occur, particularly within the Services Sector.

Table 3 shows how the various sectors would be impacted. Because of the population growth as well as specific targeting across a variety of sectors, Agriculture, Manufacturing and all of the Services Industries would enjoy strong to moderate growth. Only Mining would likely have low or no growth.

Table 3: Sector Impacts Resulting from Scenario 2A

Strong Impact	Moderate Impact	Low Impact
<ul style="list-style-type: none"> ▪ Agriculture ▪ Construction ▪ Retail Trade ▪ Property and Business Services ▪ Manufacturing ▪ Accommodation, Cafes and Restaurants ▪ Cultural and Recreational Services ▪ Education ▪ Health ▪ Personal and Other Services 	<ul style="list-style-type: none"> ▪ Transport and Storage ▪ Communication Services ▪ Finance and Insurance ▪ Government Administration and Defence ▪ Wholesale Trade ▪ Electricity, Gas and Water 	<ul style="list-style-type: none"> ▪ Mining

Further Ramifications

- Creates a vibrant, more diverse economy.
- Helps give Shire an identity and sense of community.
- Means that children may not have to leave the Shire later in life in order to access work and education.
- Utilises the knowledge assets of the Shire for the benefit of the Shire and the residents who live there.
- Strengthens the Shire’s diversity across all three broad industry types – primary, secondary and tertiary –ensures the local economy is not too negatively affected if there is a downturn in a particular industry.
- Creates more highly paid employment opportunities, increasing the economic status of residents in the Shire

Overall Situation

Significant local economic growth will be achieved.

Table 4: Forecast Situation in Redland Shire, Three Scenarios, 2026

	SITUATION IN 2001	SCENARIO 1 “Leave Things As They Are” - no new industrial or commercial land	SCENARIO 2 Full implementation of Redland Shire Economic Growth Strategy – 80% local employment target	SCENARIO 3 Implementation of Redland Shire Economic Growth Strategy – 60% local employment target
Population	114,601	176,025	176,025	176,025
Labour Force	52,000	72,000	72,000	72,000
Labour Force Participation Rate	65%	60%	60%	60%
Local Jobs Available	26,201	28,420	75,000	56,100
Locals Holding Local Jobs	20,174	21,883	57,600	43,200
Locals Commuting Outside Shire For Work	31,826	50,117	14,400	28,800
Industrial Land Usage	6,000 employees utilizing 90 hectares	6,000 employees utilizing 90 hectares	11,000 employees utilizing 229 hectares	11,000 employees utilizing 229 hectares
Commercial Land Usage	Existing situation	As in 2001	Substantial increase	Substantial increase