

GEELONG, VICTORIA, AUSTRALIA

Geelong, located 75km south west of Melbourne, is Victoria's largest regional City. It is part of the Barwon Region, which is vital to the State and National economy with over 20,000 businesses, a highly skilled workforce and comprehensive infrastructure and business support services.

Geelong's key growth sectors include: advanced manufacturing; health; education & research; tourism; information & communication technology (ICT); and food, horticulture & aquaculture.

ECONOMIC INDICATORS SUMMARY

The Global Financial Crisis created uncertain and difficult circumstances for economies worldwide in 2008/09. As credit tightened and international trade declined, escaping the impact was a difficult task for any community.

Overall the Barwon Region recorded mixed results in key economic indicators for 2008/09. Some indicators experienced modest growth and although many declined, they were generally on the back of record highs achieved the previous year.

Geelong's manufacturing sector experienced further restructuring during the year, however the continued diversification of the regional economy helped minimise the extent of the impact felt locally. Geelong's resilience during one of the most challenging economic periods on record, is testament to the robust nature of the local economy and ongoing confidence in the Region.

- > The Region experienced **an upward movement in the unemployment rate** compared to the record lows of 2007/08 (reached 6.5% in June 09).
- > Total **building activity fell from its peak** of \$1.1b in 2007/08 to \$960m in 2008/09 (a drop of 15.4%).
- > The value of **new dwelling approvals dropped** by 15.6% to \$469m, whilst the value of home renovations increased by 14.0% to \$145m.
- > The value of **non-residential building activity contracted** by 23.4% to \$346m yet is still the second highest figure on record.
- > Expenditure on commercial, industrial and retail projects dropped by 38.5%, whilst **expenditure on health and public buildings increased by 22.7%**.
- > Most municipalities in the Region experienced **modest rises in median house prices**.
- > **The population grew by 1.6%** or 4,412 people to reach 278,668 residents.
- > The population is expected to reach **355,278 people by 2026**, an increase of 31.6%.
- > **Gross Regional Product (GRP) increased to \$11.4b in 2009**, an increase of \$900m since the 2008 estimate (basic prices without adjustment for CPI).

- > **Trade through the Geelong Port slowed to 10.4m tonnes** (imports dropped by 7.0% however exports grew by 2.7%).
- > The Region attracted **4.3m domestic daytrip visitors**, up by 11.9% on the previous year.

REGIONAL NEWS SUMMARY

Continued investor interest in the Region combined with a large amount of public sector spending, also helped minimise the impact of the challenging global economic conditions. Following is a snapshot of some of the major project announcements during 2008/09:

- > The **\$380m Geelong Ring Road** (from Corio to Waurn Ponds) officially opened. Construction started on the \$125m Section 4a and planning commenced on the \$45m section 4b.
- > The **\$200m redevelopment of Westfield Geelong** was completed.
- > The Transport Accident Commission (TAC) opened its **\$100m headquarters** in Geelong.
- > The **\$100m WaterMarke apartment complex** in Geelong was approved.
- > Barwon Water started construction on a **\$76m bio-solids drying facility at Black Rock and the \$70m Anglesea Borefield**.
- > The **\$60m Edgewater residential/retail** development along Waterfront Geelong was completed.
- > Plans were unveiled for a **\$50m expansion of the Waurn Ponds Shopping Centre**.
- > Deakin University opened the **\$37m extension of its Waterfront campus**.
- > Construction started on the **\$35m redevelopment of Queenscliff Harbour**.
- > Construction started on the **\$30m Geelong Private Medical Centre** adjacent to Geelong Private Hospital.
- > The Geelong Football Club started work on the **\$28m refurbishment of Skilled Stadium**.
- > Barwon Health's **\$26m Emergency Department upgrade** was completed.
- > The second-round of successful applicants for the Geelong Innovation and Investment Fund (GIIF) were announced (**\$21m worth of investment and 326 jobs** are expected to be created).
- > The rezoning of land for the **Armstrong Creek Urban Growth Area** was approved (expected to accommodate 54,000 people over the next 25 years).



For updates on regional economic indicators beyond 2008/09 visit: www.geelongaustralia.com.au/business