Pendle Hill Former Bonds Factory Site

Economic Impact Assessment

Prepared for JST Pty Ltd

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QUALITY ASSURANCE

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EXECUTIVE SUMMARY

Introduction (Chapter 1)

HillPDA was commissioned to undertake an economic impact assessment (hereafter referred to as 'the Study') in relation to the proposed redevelopment of the former Bonds Factory Site in Pendle Hill (the 'Subject Site'). The proposed development proposes a mix of uses as follows:

- Approximately 1,500 dwellings; and
- Approximately 6,000sqm of gross lettable area (GLA)[1] of commercial and retail floorspace comprising a full-line supermarket (3,000sqm), specialty retail floorspace (2,500sqm) and commercial floorspace (500sqm).

Planning and Policy Review (Chapter 2)

The review of relevant planning policy indicates a significant need for additional retail floorspace within the Sydney Metropolitan Area to cater for population growth and to support employment. Centres are the most appropriate locations at which to accommodate retail floorspace and the centres hierarchy should be flexible to allow new centres to form where there is sufficient demand associated with increasing population.

The Holroyd Retail Centres Strategy (2008) determined that there was an immediate need for a full-line supermarket in Pendle Hill to meet demand. Additional capacity for further supermarket floorspace in the longer term beyond 2021 was also quantified. Note that this was based on demand at that time which did not include any allowance for residential development on the Subject Site.

The proposed retail component on the Subject Site would comprise a Village Centre and a new centre in the retail hierarchy. The principle of a new centre is informed by the extent to which there is, or will be, a demonstrated need for it but primarily by whether the economic impact of the centre on existing centres in the retail hierarchy would be acceptable i.e. it would not adversely impact on the role and function of existing and planned centres. Proposals for new centres

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[1] Gross Lettable Area – Gross Lettable Area (GLA) is the common measure used for lease and for other descriptive purposes in retail centres and shops. It is usually defined as the total area of the lease and includes back of house, storage, offices and mezzanine levels but usually excludes loading docks and common mall spaces. GLA is more commonly used in the industry because it defines the area of the lease. Shopping centre owners report rents and turnover figures on the leased area and benchmarking is usually made on the GLA. All retail floorspace references in the Study relate to GLA.

should be viewed positively where trading impacts on existing and planned centres are acceptable.

Trading impacts on individual retailers which may eventuate within a centre are not a material planning consideration; rather it is the overall impact on the centre as a whole which is the pertinent consideration from an economic perspective.

Retail Hierarchy Review (Chapter 3)

There are a range of different sized centres which constitute the retail hierarchy surrounding the Subject Site. The closest centre to the Subject Site is Pendle Hill Small Village Centre which provides localised retail provision only. It does not contain a full-line supermarket. Indeed the closest full-line supermarkets capable of fulfilling the main food shopping requirements of residents are located in Wentworthville Village Centre (1km east of the Subject Site), Toongabbie Small Village Centre (3km north) and South Wentworthville Small Village Centre (2km south east).

Trade Area Definition and Analysis (Chapter 4)

A Main Trade Area (MTA) is defined constituting a Primary Trade Area (PTA) and a Secondary Trade Area (STA).

The PTA is defined as the approximate area bounded by Wentworth Avenue to the north, the Cumberland Highway to the east, the M4 Western Motorway to the south and the Girraween employment lands/ Jirramba Reserve to the west. The proposed development would capture the majority of main food shopping expenditure generated in the PTA.

The STA comprises an area to the north of the PTA bounded by Wentworth Avenue in the south and west, Old Windsor Road in the north east, McCoy Park in the North West and the Cumberland Highway in the east. The proposed development would capture some trade from the STA but a significantly lower quantum than in the PTA and it would not be the main destination for food and grocery shopping related expenditure.

Demand Assessment (Chapter 5)

An assessment of demand based on household expenditure modelling indicates that there is sufficient need to justify the proposed development as a result of:

- Population growth on the Subject Site;
- Population growth in the wider MTA;
- Real retail expenditure growth; and
- Existing retail floorspace undersupply.

Given the extent of retail floorspace undersupply in the MTA the proposed development would be in addition to an improvement of the retail offer in Pendle Hill Small Village Centre to include a full line supermarket, should the opportunity arise, not at the expense of it.

In the context of growth and assuming 10% of demand for a centre is derived from outside of the MTA, a 6,000sqm centre with 5,500sqm GLA retail floorspace in total including a supermarket of 3,000sqm GLA on the Subject Site would account for just:

- 16% of growth in total floorspace demand in the MTA between 2011 and 2031; and
- 54% of growth in supermarket and grocery store expenditure in the MTA between 2011 and 2031.

Retail Impact Assessment (Chapter 6)

Hill PDA has modelled the trading impacts of the proposed development on existing centres in the surrounding area. This indicates that trading impacts would not jeopardise the role, function or vitality of any existing centre in the surrounding area. Over the 2015 to 2019 period all centres with the exception of Pendle Hill Small Village Centre can still expect to increase their trading level even with the proposed development. Pendle Hill would experience a loss of trade in 2019 of less than 5% compared to its estimated current turnover. This equates to an 'insignificant' trading impact and is well within the normal competitive range.

Indeed the proposed development would perform a different role to that of the Pendle Hill Small Village Centre and would not compete with it to a great extent. This is because Pendle Hill currently provides a small supermarket of approximately 700sqm as well as specialty floorspace. This serves localised top-up shopping needs only. By contrast the proposed development would be anchored by a full-line supermarket, performing a different role to that of Pendle Hill Small Village Centre. The proposed development would compete largely with other shopping destinations with full-line supermarkets such as Wentworthville.

Given the extent of unmet supermarket demand in this locality there is sufficient demand to support a full-line supermarket in Pendle Hill

and one on the Subject Site. If a full-line supermarket were also developed in Pendle Hill this would double the turnover of Pendle Hill Small Village Centre even accounting for the loss of trade associated within the proposed development on the Subject Site. In this scenario, the cumulative impacts on all other surrounding centres would still be within the acceptable competitive impact range. In light of the extent of expenditure leakage in the MTA associated with food and grocery shopping and in view of growth in future demand on the Subject Site itself, there is sufficient demand to support a full-line supermarket on the Subject Site and an expansion to Pendle Hill Small Village Centre.

Other Economic Benefits (Chapter 7)

The Study recognises a range of additional economic benefits which could eventuate from the proposed development. These include:

- Cost of construction of $500m (estimated by Hill PDA) which would support a further $1.1b in construction related multipliers indirectly and 4,640 job years directly and indirectly during the construction process;

- Supporting 222 full and part-time jobs on the Subject Site post-development;

- Facilitating urban activation of the Subject Site and the surrounding area and offering the potential to create a 'barbell effect' with Pendle Hill Small Village Centre;

- Making efficient use of previously developed urban land and facilitating the adaptive reuse of heritage items;

- Providing an investment stimulus for the surrounding area;

- Contributing more retail expenditure to the locality as a result of new residents than it would capture as a result of new retail facilities, thus delivering a net positive impact on the quantum of expenditure available to be captured by retail centres;

- Contributing towards shopper convenience and reducing the need for residents to travel particularly in view of the lack of full-line supermarket provision in the MTA; and

- Contributing towards price competition locally to the benefits of local residents.

Response to Peer Review (Chapter 8)

The Study considers the findings of the Leyshon Consulting Peer Review (October 2013) commissioned by Council which reviewed Hill PDA's original Pendle Hill Former Bonds Factory Site: Economic Impact Assessment. The Peer Review concluded that a centre of 5,500sqm retail floorspace and up to an additional 500sqm of non-retail commercial/ business premises was supportable on the Subject Site. This was in the context of trading impacts, existing retail floorspace undersupply, resultant improved access to retail services and support for the wider redevelopment of the Subject Site. The Peer Review therefore supports the findings of this Study that the proposed centre is justified in economic terms.

1 INTRODUCTION

HillPDA was commissioned to undertake an economic impact assessment (hereafter referred to as 'the Study') related to a planning proposal and subsequent redevelopment of the former Bonds Factory Site in Pendle Hill (the 'Subject Site'). The proposed development proposes a mix of uses including residential and retail floorspace on the Subject Site.

1.1 The Subject Site

The Subject Site comprises the former Bonds Factory located within the Pendle Hill suburb, Holroyd Local Government Area (LGA). The Subject Site comprises 8ha of land bounded by: Dunmore Street to the north; Jones Street to the east; residential properties fronting Rowley Street to the south; and residential properties, aged care living properties and associated parkland to the west.

The location of the Subject Site is depicted in Figure 1. It is situated approximately 0.5km or a 6 minute walk[2] to the north-east of Pendle Hill Small Village Centre.

Figure 1-The Subject Site

Source: Map produced by Hill PDA using MapInfo 11.0 software and Microsoft Bing (c) 2011 Microsoft Corporation

[2] Source: Google Maps

1.2   The Proposed Development

The proposed development which would be facilitated by the planning proposal comprises the following components:

- Approximately 1,500 dwellings[3] comprising 10% 3-bed units, 50% 2-bed units, 20% dual key units and 20% 1-bed units; and

- Approximately 6,000sqm of gross lettable area (GLA)[4] commercial floorspace of which retail floorspace would comprise 5,500sqm GLA. For the purposes of this Study it has been assumed that the retail floorspace composition would constitute a 3,000sqm GLA supermarket and 2,500sqm GLA of specialty shops.

We understand that the retail component of the proposed development would be situated within and adjacent to the heritage buildings situated in the northeast of the Subject Site.

1.3   Structure of the Study

To meet the requirements of the project brief, the Study is set out in the following manner:

- Chapter 2: Undertakes an assessment of the planning and legislative background to the proposed development in relation to issues of economic impact;

- Chapter 3: Examines the existing supply of retail floorspace and the hierarchy of centres surrounding the Subject Site to identify the extent and location of existing provision;

- Chapter 4: Defines a trade area for the proposed development and undertakes an analysis of the demographic characteristics and growth forecasts for residents in this area;

- Chapter 5: Undertakes an assessment for the demand for retail floorspace in the trade area using household expenditure modelling. This includes consideration of the demand for retail facilities which would result from new residents on the Subject Site itself;

- Chapter 6: Quantifies the trading impacts of the proposed development on centres in the retail hierarchy; and

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[3] Note: The scheme may be subject to refinements during the planning proposal process and therefore this figure has been used for indicative purpose to inform this Study

[4] Gross Lettable Area – Gross Lettable Area (GLA) is the common measure used for lease and for other descriptive purposes in retail centres and shops. It is usually defined as the total area of the lease and includes back of house, storage, offices and mezzanine levels but usually excludes loading docks and common mall spaces. GLA is more commonly used in the industry because it defines the area of the lease. Shopping centre owners report rents and turnover figures on the leased area and benchmarking is usually made on the GLA. All retail floorspace references in the Study relate to GLA.

- Chapter 7: Identifies a range of other economic impacts which would eventuate from the proposed development such as employment, economic multipliers and so on.

2 PLANNING & POLICY REVIEW

This Chapter undertakes an appraisal of the planning and legislative context relevant to considering issues of economic impact associated with the proposed development. Note that it considers matters relating to the proposed development from an economic perspective only.

2.1 Section 79C (1) (b) of the EPA Act

Section 79C (1) (b) of the Environment Protection Act (EPA) Act 1979 requires Council to consider "the likely impacts of that development, including environmental impacts on both the natural and built environments, and social and economic impacts in the locality". Previous court judgements have provided some guidance on relevant issues in relation to the economic impact of retail development.

In Fabcot Pty Ltd v Hawkesbury City Council (97) LGERA, Justice Lloyd noted "economic competition between individual trade competitors is not an environmental or planning consideration to which the economic effect described in s 90(1)(d) is directed. The Trade Practices Act 1974 (Cth) and the Fair Trading Act 1987 (NSW) are the appropriate vehicles for regulating competition. Neither the Council nor this Court is concerned with the mere threat of economic competition between competing business.... It seems to me that the only relevance of the economic impact of a development is its effect 'in the locality'...".

In Kentucky Fried Chicken Pty Ltd v Gantidis (1979) 140 CLR 675 at 687 Justice Stephen noted that "if the shopping facilities presently enjoyed by a community or planned for it in the future are put in jeopardy by some proposed development, whether that jeopardy be due to physical or financial causes, and if the resultant community detriment will not be made good by the proposed development itself, that appears to me to be a consideration proper to be taken into account as a matter of town planning... However, the mere threat of competition to existing businesses if not accompanied by a prospect of a resultant overall adverse effect upon the extent and adequacy of facilities available to the local community if the development be proceeded with, will not be a relevant town planning consideration."

The NSW Land & Environment Court has stated that Councils should not be concerned about competition between individual stores as this is a matter of fair trading. Councils should however concern itself with impact on established retail centres. The impact on competing stores

and businesses is only relevant if the viability of those businesses would be threatened and the viability of a retail centre as a whole would also be threatened due to a demonstrated nexus between the competitive stores and the other retailers within the retail centre.

The principles were reiterated by Justice Pearlman in Cartier Holdings Pty Ltd v Newcastle City Council and Anor [2001] NSWLEC 170. "It follows that Section 79C(1)(b) does not require the consent authority to take an approach in consideration of the relevant matter different from the approach formerly taken in the application of 90(1)(d)".

2.2 State and Regional Planning Policy and Strategies

2.2.1 NSW Draft Centres Policy (2009)

Over the past few years there has been a growing awareness and investigation of barriers to competition in Australia, particularly in the retail industry. As a result of these investigations the Australian Government directed State government and planning authorities to review the flexibility of planning regulations and policies regarding retail development. In response NSW Planning and Infrastructure (P&I) released the Draft Centres Policy in April 2009. The Draft Centres Policy has been publicly exhibited and P&I is currently reviewing submissions.

The Draft Centres Policy focuses around six key principles as described in the following table.

Table 1-NSW Draft Centres Policy Key Principles

Principle	Direction	Description
Principle 1	Retail and commercial activity should be located within centres.	Reinforces the longstanding strategy to concentrate the predominant share of retail and business floor space within town centres. The clustering of uses within centres is justified for environmental and economic reasons. By way of example, focusing uses within centres makes efficient use of existing infrastructure, can improve business efficiency and productivity and allow for a range of uses to be provided to meet consumer needs.
Principle 2	Centres should be able to grow and new centres form.	The Draft Centres Policy identifies that areas experiencing significant increases in population and real income must be dynamic and respond to "prevailing market demands" through the extension of existing centres or the growth of new ones. Principle 2 of the Draft Centres Policy notes that increases in population and real incomes and a constantly changing and evolving economy means that the planning system needs to respond dynamically to prevailing market demand.

Principle	Direction	Description
Principle 3	Market determines need for development, planning regulates location and scale.	Identifies that the market is best placed to determine demand for retail and commercial development. Accordingly, the role of the planning system is not to assess the appropriateness of development on the basis of demand, but rather to make an assessment as to the external costs and benefits. It also notes that the planning system should be flexible and enable new centres to form which may mean that new centres may form and compete with more established centres.
Principle 4	Ensuring the supply of floor space accommodates market demand.	Emphasises the importance of competition between retailers. The key intention of this principle is to create better quality, cheaper and more accessible goods for all consumers through enhanced competition. To support opportunities for greater competition, the Draft policy requires councils to ensure that there is sufficient zoned land to enable additional (and new) large format retailers to enter the NSW retail market.
Principle 5	Support a wide range of retail and commercial premises and contribute to a competitive retail market.	Subject to meeting the appropriate location and design criteria, the zoning and development assessment process should not consider impacts between existing and proposed retailers as a planning consideration.
Principle 6	Contributing to the amenity, accessibility, urban context and sustainability of centres.	Centres should be well designed for functionality, providing ambience, convenience and accessibility and well integrated with surrounding land uses.

Source: NSW Draft Centres Policy, NSW Planning and Infrastructure (2009)

2.2.2 A Plan for Growing Sydney 2031 (2014)

The DP&E published the A Plan for Growing Sydney to 2031 (the Plan) in December of 2014. It seeks to achieve the following outcomes:

- A competitive economy with world-class services and transport;

- A city of housing choice, with homes that meet our needs and lifestyles;

- A great place to live with communities that are strong, healthy and well connected; and

- A sustainable and resilient city that protects the natural environment and has a balanced approach to the use of land and resources.

By 2031, Sydney's economic output will almost double to $565 billion a year, with this economic growth being fuelled partly by an additional 689,000 new jobs over the period. Sydney will also experience a population growth of about 1.6 million persons. To meet this population growth, an additional 664,000 new dwellings will need to be constructed.

Urban renewal of established residential and commercial areas is the primary focus of the Plan. Urban renewal of these areas is intended

to provide additional housing while supporting and encouraging economic revitalisation and growth. The revitalisation of Subject Site is in accordance with this planning direction.

▪ To address the projected economic, employment and population growth that Sydney will experience, the Plan seeks to promote and facilitate growth which acknowledges market considerations and integrates transport, infrastructure and a variety of land uses.

The below describes those directions of the Plan that are of relevance to this Study.

▪ **Direction 1.4** seeks to increase the productivity of Western Sydney through growth and investment. To meet this need, Western Sydney will require new jobs close to centres and transport, with improved access to knowledge jobs. The direction also highlights the need to improve the scale and mixture of job opportunities as this will help more people work closer to home.

▪ **Direction 2.1** seeks to accelerate housing supply across Sydney. Through providing more housing and different dwelling types, this direction aims to reduce pressure on rising housing prices. The target of this direction is the delivery of 664,000 new dwellings by 2031.

▪ **Direction 2.2** seeks to accelerate urban renewal across Sydney by providing homes closer to jobs. The direction highlights the importance of urban renewal in helping to provide housing within Sydney and meeting the dwelling target. The Plan identifies the need to identify urban renewal precincts that are in, or near, centres with good connectivity to economic and social facilities.

▪ **Direction 2.3** aims to improve housing choice to suit the different needs and lifestyles of Sydney's population. The direction requires local housing strategies to plan for a range of housing types.

More specifically the Plan defines the West Central Subregion as comprising the LGAs of Auburn, Bankstown, Blacktown, Holroyd, Parramatta and The Hills. Having specific regard to the Subregion, the Plan recommends that the DP&E in conjunction with councils within the Subregion (which includes Holroyd Council), should:

▪ Leverage investment and economic development opportunities for the whole Subregion that may be generated by the growth of the Greater Parramatta area and the extension of the Global Economic Corridor;

- Identify suitable locations for housing and employment growth; and

- Provide additional mixed-use development including offices, retail, services and housing to meet the needs of the Subregion's growing population.

2.2.3 West Central Subregional Strategy (2007)

The Draft West Central Subregional Strategy (2007) relates to the LGAs of Auburn, Bankstown, Fairfield, Holroyd and Parramatta. It plans to accommodate +61,000 new jobs and +95,500 new dwellings within the West Central Subregion between 2004 and 2031. Of these some +1,000 jobs (3% of the West Central Subregional target) and +11,500 dwellings (12% of the West Central Subregional target) are to be accommodated within the Holroyd LGA. Note that these are not maximum targets and are lower than those targeted in the adopted and draft Metropolitan Strategies.

2.3   Local Planning Policy and Strategies

2.3.1 Holroyd Local Environmental Plan (2013)

The Subject Site is zoned IN2 Light Industrial in the Holroyd Local Environmental Plan (LEP) 2013. A rezoning of the Subject Site under the Holroyd LEP 2013 is required to facilitate the proposed development. The centre proposed would be subject to a B2 Local Centre zoning under the Holroyd LEP 2013. It would comprise a new centre in the retail hierarchy.

2.3.2 Local Government - Holroyd City EDS 2014

Holroyd City Economic Development Strategy (EDS) 2014 was adopted by Council in September 2014. The EDS provides a vision of Holroyd as "The Enterprise City". Council aims to achieve this vision by focusing on advanced or niche manufacturing and businesses with initiative and resourcefulness.

The EDS identifies five stages to facilitate and promote economic development within Holroyd which are as follows:

- Attracting new business investors;

- Quality infrastructure that meets the needs of the local community, businesses and visitors;

- Competitive businesses and opportunities to network;

- Industrial operations and innovation; and
- Partnerships that provide support for businesses to develop and grow.

2.3.3 Holroyd Retail Centres Strategy (2008)

HillPDA completed the Holroyd Retail Centres Strategy (the Strategy) on behalf of Holroyd City Council (Council) in February 2008. Although the Strategy has not been publically released Council has confirmed that we may refer to it as part of the Study[5].

The Strategy undertook an assessment of retail floorspace supply versus demand in the LGA based on household expenditure modelling and forecast population growth. Total retail expenditure (excluding bulky goods expenditure) generated by households in the LGA was forecast to increase from $909m in 2010 to $1.4bn in 2031 ($2007).

Once an allowance was made for expenditure escaping to centres outside of the LGA and by applying target turnover rates to the remaining expenditure, it was estimated that around 104,845sqm GLA of retail floorspace (excluding bulky goods floorspace) was demanded by residents in the LGA in 2006. The Hill PDA floorspace survey indicated that 87,700sqm of retail floorspace existed in the LGA at the time of the Strategy equating to a non-bulky goods retail floorspace undersupply of around 17,145sqm (in 2006) after accounting for escape expenditure. Non-bulky goods retail floorspace demand was expected to increase to approximately 177,500sqm by 2031 equivalent to retail floorspace undersupply of some 89,800sqm.

To accommodate this unmet demand targeted floorspace increases were advocated by the Strategy. Of particular importance to this Study a 5,000sqm expansion to Pendle Hill Village Centre between 2011 and 2016 was recommended which could include a new anchor supermarket of 3,000sqm. It was envisaged that this expansion would help to re-enforce the role of the Pendle Hill by reducing the leakage of expenditure from its trade area. A further 5,500sqm expansion beyond 2021 was recommended for Pendle Hill to cater for growth which would include additional supermarket floorspace.

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[5] Note: Based on telephone conversation with Council in November 2012

2.4   Implications for the Subject Site

This Chapter has considered the policy approach advocated by State, Subregional and local planning policies towards the development of new retail floorspace.

The Holroyd Retail Centres Strategy (2008) determined that there was an immediate need for a full-line supermarket in Pendle Hill to meet demand. Additional capacity for further supermarket floorspace in the longer term beyond 2021 was also quantified. Note that this was based on demand at that time which did not include any allowance for residential development on the Subject Site.

The proposed retail component on the Subject Site would comprise a Village Centre and a new centre in the retail hierarchy based on the definitions in the Metropolitan strategic planning documents previously considered. The principle of a new centre is informed by the extent to which there is, or will be, a demonstrated need for it but primarily by whether the economic impact of the centre on existing centres in the retail hierarchy would be acceptable i.e. it would not adversely impact on the role and function of existing and planned centres. Proposals for new centres should be viewed positively where trading impacts on existing and planned centres are acceptable.

Trading impacts on individual retailers which may eventuate within a centre are not a material planning consideration; rather it is the overall impact on the centre as a whole which is the pertinent consideration from an economic perspective.

3   RETAIL HIERARCHY REVIEW

This Chapter examines the existing retail hierarchy in the area surrounding the Subject Site. The purpose is to gain an understanding of the supply and distribution of retail floorspace in this locality which will inform the trade area definition and the floorspace supply and demand assessment undertaken subsequently in the Study. Understanding the existing pattern of shopping in the local area and identification of any gaps in provision also assists in determining the future role retail floorspace on the Subject Site would perform.

3.1   Retail Hierarchy

The table below identifies the centres, centre typology and centre characteristics which constitute the retail hierarchy relevant to future retail development on the Subject Site. These are centres which are likely to be used by residents of Pendle Hill and its surrounds and will influence the extent of the defined trade area.

Table 2-Existing Retail Hierarchy surrounding the Subject Site

Centre Typology	Characteristics	Centres
Regional City	Providing a full range of business, government, retail, cultural, entertainment and recreational activities, they are a focal point where large, growing regions can access good jobs, shopping, health, education, recreation and other services and not have to travel more than one hour per day.	Parramatta
Major Centre	Major shopping and business centre serving immediate subregional residential population usually with a full scale shopping mall, council offices, taller office and residential buildings, central community facilities and a minimum of 8,000 jobs.	Blacktown
Town Centre	Town Centres have one or two supermarkets, community facilities, medical centre, schools, etc. Contain between 4,500 and 9,500 dwellings. Usually a residential origin than employment destination.	Seven Hills
Stand Alone Centre	Internalised, privately owned centres located away from other commercial areas, containing many of the attributes of a Town Centre but without housing or public open` space—may have potential to become a traditional town centre in the long–term.	Winston Hills
Village	A strip of shops and surrounding residential area within a 5 to 10 minute walk contains a small supermarket, hairdresser, take-away food shops. Contain between 2,100 and 5,500 dwellings.	Wentworthville
Small Village	A small strop of shops and adjacent residential area within a 5 to 10 minute walk. Contain between 800 and 2,700 dwellings.	Greystanes, Pemulwuy, Pendle Hill, South Wentworthville, Toongabbie
Neighbourhood Centre	One or more small cluster of shops and services. Contain between 150 and 900 dwellings.	Old Prospect

Source: Draft North West and West Central Subregional Strategies (2007), NSW Planning and Infrastructure

The location of these centres in relation to the Subject Site is shown in Figure 2. A brief description of each centre is provided in the following sections of this Chapter.

Figure 2-Existing Retail Hierarchy around the Subject Site
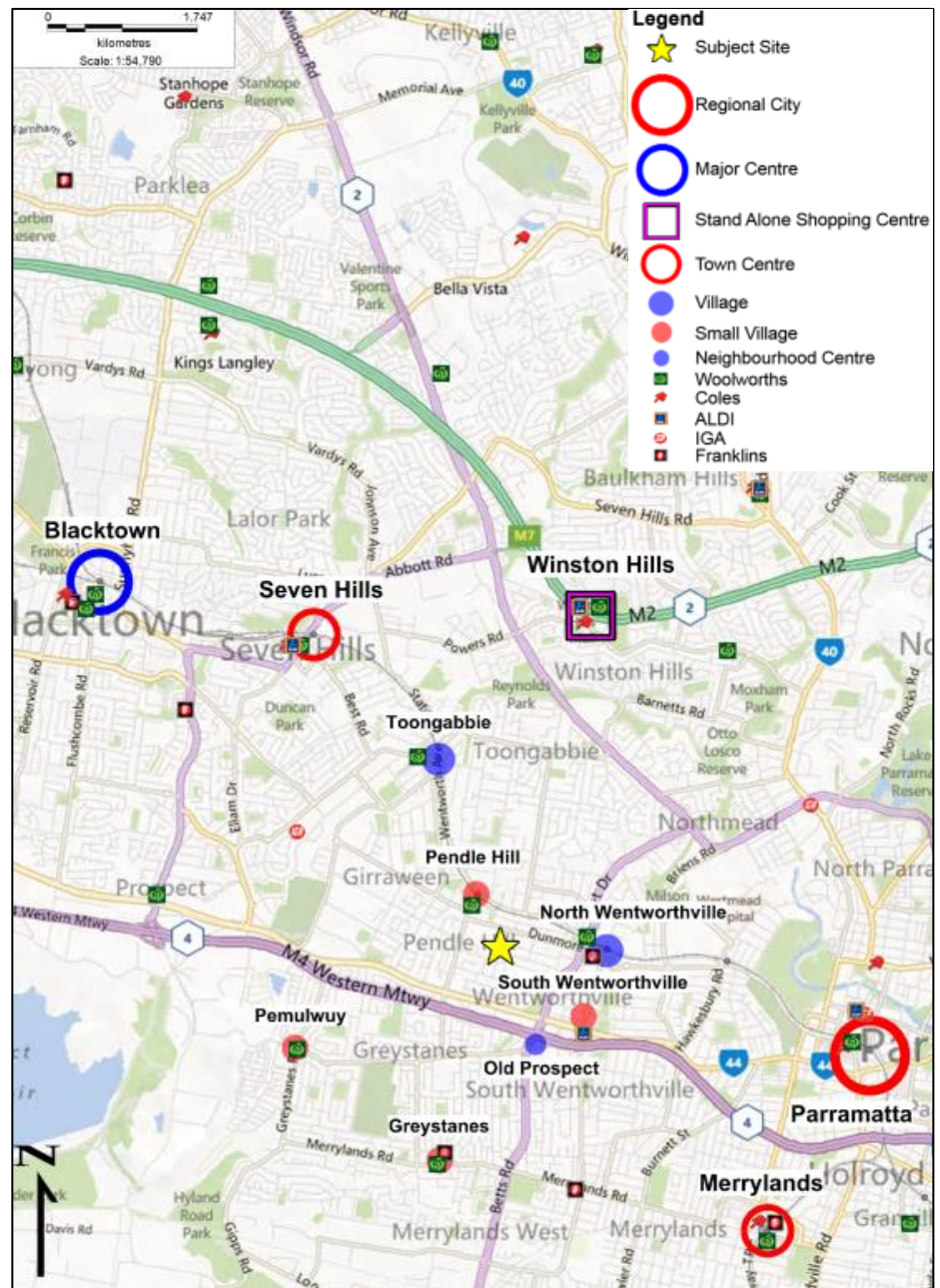
Source: Map produced by Hill PDA using MapInfo 11.0 software and Microsoft Bing (c) 2011 Microsoft Corporation
Note: Only those centres closest to the Subject Site have been depicted in the Figure, not all defined centres

3.2   Parramatta Regional City

Parramatta CBD is situated 5km or an approximate 9 minute drive east of the Subject Site[6]. The CBD provides an estimated 700,000sqm of commercial office space and 180,000sqm of retail space[7]. The prime retail component of the CBD is located along Church Street, between the Parramatta River (north) and the Westfield Shopping Centre (south).

Parramatta CBD as a retail centre has an extensive trade area covering the central western suburbs of Sydney. The main retail focus of the CBD is Westfield Parramatta which contains approximately 120,370sqm of occupied retail space[8] anchored by Myer, David Jones, Kmart, Target, Woolworths (4,622sqm) and Coles (2,637sqm). For the year to December 2015 Westfield Parramatta reported a turnover of $772m which ranked the centre 13th nationally out of the 91 similar sized shopping centres in Australia (of greater than 45,000sqm GLA retail floorspace) recorded by Shopping Centres News (SCN). However, in terms of turnover per square metre Westfield Parramatta achieved a rate of $6,306/sqm[9], ranking the centre 62th nationally and 7% below the median for similar sized shopping centres in Australia of $6,799/sqm.

A proposed expansion to the Westfield Parramatta has been approved by P&I. Stage 1 of this expansion will comprise an additional 31,495sqm of retail floorspace[10] inclusive of a new discount department store (8,263sqm) and a relocated Woolworths supermarket (4,781sqm) in addition to mini-major, major tenant (4,412sqm) and specialty floorspace (6,679sqm). Stage 2 will comprise commercial office floorspace. The Parramatta Square development will add up to 6,600sqm of additional retail floorspace to Parramatta CBD[11].

3.3   Blacktown Major Centre

Blacktown Major Centre is located approximately 10km or a 15 minute drive north west of the Subject Site[12]. It comprises some 138,510sqm of occupied commercial floorspace (retail, office and

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[6] Source: Googlemaps
[7] Source: UWS Westmead Campus Redevelopment Retail Economic Impact Assessment, Hill PDA (January 2011)
[8] Source: Property Council of Australia NSW/ACT Shopping Centre Directory 2016
[9] Source: Shopping Centre News Big Guns 2016
[10] Source: CordellsConnect
[11] Source: Parramatta CBD Retail Impact Study, MacroPlan Dimasi (2013)
[12] Source: Googlemaps

other uses)[13] and, in addition to its role in the provision of retail goods and services, performs an important employment, administrative and educational function for its catchment population.

Westpoint Shopping Centre is the largest shopping centre within Blacktown comprising some 79,147sqm GLA of occupied retail floorspace in addition to leisure and ancillary uses (13,951sqm)[14]. It is anchored by Myer, Big W and Target and contains a Woolworths (4,456sqm), Coles (4,209sqm) and ALDI (1,592sqm).

Westpoint Blacktown recorded a turnover of $513m for the year to December 2015[15], equivalent to a turnover of $5,858/sqm. This ranked the centre 67th out of the 91 similar sized centres in Australia[16] in terms of turnover per square and some 14% below the median for comparably sized centres over this period.

Outside of Westpoint but still within Blacktown Major Centre there is approximately 30,000sqm of retail strip shopfront floorspace together with a stand-alone Kmart discount department store (7,980sqm)[17]. Blacktown Major Centre also contains in the order of 37,000sqm of bulky goods floorspace[18].

3.4   Merrylands Town Centre

Merrylands is situated some 4.2km southeast of the Subject Site or an approximately 11 to 12 minute drive[19]. Merrylands is the largest centre in the Holroyd LGA. At the time of the Holroyd Retail Centres Strategy (2008) Merrylands had total commercial floorspace of around 71,000sqm GLA of which approximately 56,000sqm GLA was shopfront retail floorspace[20]. An expansion of the Stockland Merrylands shopping centre has been completed since then adding a further 33,000sqm of GLA commercial floorspace to provision in Merrylands.

Stockland Merrylands dominates retail provision in the centre with 56,000sqm of GLA occupied retail floorspace[21] including Woolworths (3,820sqm), Coles (4,424sqm) and ALDI (1,4991sqm) supermarkets, Big W, Kmart and Target DDSs and 200 specialties. Stockland

[13] Source: Blacktown City Commercial Centres Strategy (November 2007)
[14] Source: Property Council of Australia NSW/ACT Shopping Centre Directory 2016
[15] Source: Shopping Centre News Big Guns 2016
[16] Note: Centres of greater 45,000sqm GLA retail floorspace as recorded by Shopping Centre News
[17] Source: Convenience Centre and Bulky Goods Retail – Development Potential Study, MacroPlan Dimasi (March 2012)
[18] Source: Eastern Creek Business Hub, Economic Impact Assessment, Hill PDA (August 2012)
[19] Source: Googlemaps
[20] Source: Holroyd Retail Centres Strategy, Hill PDA (2008)
[21] Source: Property Council of Australia NSW/ACT Shopping Centre Directory 2016

Merrylands recorded a turnover of $357m for the year to December 2015[22], equivalent to a turnover of $6,634/sqm. This ranked the centre 53th out of the 91 similar sized centres in Australia[23] in terms of turnover per square and some 2% below the median for comparably sized centres over this period.

The balance of Merrylands is strip retail mainly fronting Merrylands Road just south of Stockland.

3.5   Seven Hills Town Centre

Seven Hills Town Centre is located approximately 6km or an 11 minute drive north west of the Subject Site[24]. It is situated west of the Prospect Highway and adjacent to Seven Hills Rail Station. Retail provision in the centre is dominated by Seven Hills Shopping Centre which provides approximately 18,160sqm of occupied retail floorspace and is anchored by Woolworths (3,886sqm), Coles (2,688sqm) and ALDI (1,184sqm)[25].

Seven Hills Shopping Centre reported an annual turnover of $130m for the August 2014 to July 2015 period[26]. This equates to a turnover per square metre of $6,666/sqm. of the 133 similar sized centres (of between 6,000sqm and 20,000sqm) recorded by SCN in Australia ($8,157/sqm), the centre 99th nationally in terms of turnover per square metre for centres of this size.

3.6   Winston Hills Stand Alone Centre

The Winston Hills Shopping Mall is defined as a Stand Alone Centre under the draft North West Subregional Strategy. It is situated on Caroline Chisholm Drive and adjacent to the M2 Motorway approximately 6.5km or a 10 minute drive from the Subject Site[27].

Winston Hills Shopping Mall provides some 24,450sqm GLA of occupied retail floorspace anchored by Big W, Woolworths (3,859sqm), Coles (3,556sqm) and ALDI store (1,305sqm) and supported by 72 speciality stores[28].

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[22] Source: Shopping Centre News Big Guns 2016
[23] Note: Centres of greater 45,000sqm GLA retail floorspace as recorded by Shopping Centre News
[24] Source: Googlemaps
[25] Source: Property Council of Australia NSW/ACT Shopping Centre Directory 2016
[26] Source: Shopping Centre News Mini Guns 2015
[27] Source: Googlemaps
[28] Source: Property Council of Australia NSW/ACT Shopping Centre Directory 2016

The Mall had a reported turnover of $228m for the October 2014 to September 2015 period equivalent to $9,865/sqm[29]. In terms of turnover per square metre the centre is ranked 8th out of the 101 similar sized shopping centres in Australia (of between 20,000sqm and 45,000sqm as recorded by SCN).

3.7   Village Centres

3.7.1 Wentworthville Village Centre

Based on Hill PDA's floorspace survey in 2008 Wentworthville provided in the order of 11,950sqm of occupied retail floorspace and 19,500sqm of floorspace in total[30]. It incorporates The Mall Shopping Centre (5,200sqm[31]) which contains a Franklins (2,309sqm) and a Go-Lo. This makes the centre the second largest retail centre in Holroyd LGA behind Merrylands. Wentworthville is located 1km or a 3 minute drive east of the Subject Site[32]. Wentworthville is defined as a Village Centre in the draft West Central Subregional Strategy and the Holroyd Retail Centres Strategy (within which it is referred to as 'North Wentworthville').

The Wentworthville retail precinct is north of Fullagar Road and bound by Wentworth Avenue, Cumberland Highway and Lane Street. It includes retail space on Dunmore Street, Station Street, Pritchard Street East, Lane Street, The Kingsway and Cumberland Highway. Wentworthville is a busy retail centre.

3.7.2 Toongabbie Small Village Centre

Toongabbie is located approximately 3km or a 5 minute drive north of the Subject Site[33]. It is classified as a Small Village Centre under the draft West Central Subregional Strategy (2007). Toongabbie is roughly divided by the main western railway line over Holroyd and Parramatta LGAs.

The retail core is identified in the Holroyd Retail Centres Strategy as the strip of retail along Aurelia Street and surrounding the Portico Plaza Shopping Centre along Portico Parade and Cornelia Road. Portico Plaza provides 4,790sqm of occupied retail floorspace[34]

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[29] Source: Shopping Centre News Little Guns 2015
[30] Source: Holroyd Retail Centre Strategy (February 2008)
[31] Source: Property Council of Australia NSW/ACT Shopping Centre Directory 2013/14
[32] Source: Googlemaps
[33] Source: Googlemaps
[34] Source: Property Council of Australia NSW/ACT Shopping Centre Directory 2013/14

including a Woolworths supermarket (2,589sqm) and Dimmeys DDS (978sqm[35]). The Property Council of Australia records 3,020sqm of vacant floorspace in this centre however it appears that much of this has now been taken up with floorplans for the Portico Plaza indicating around 1,000sqm of vacancies[36].

Toongabbie provided approximately 5,150sqm of shopfront retail floorspace overall based on the Holroyd Retail Centres Strategy although at that time (2008) Portico Plaza was under construction. We estimate that it now contains around 12,000sqm of shopfront retail floorspace.

3.7.3 Pendle Hill Small Village Centre

Pendle Hill is the closest defined centre to the Subject Site being some 0.5km or an approximate 6 minute walk to the northwest[37]. Pendle Hill provided approximately 4,650sqm of shopfront retail floorspace at the time of the Holroyd Retail Centres Strategy (2008). Shopfront retail and commercial floorspace is concentrated along Civic Avenue, Joyce Street and Pendle Way north of Gilbra Road.

Pendle Hill was noted in the Holroyd Retail Centres Strategy as performing a localised shopping role with a high degree of expenditure leakage from its trade area to other centres nearby, particularly North Wentworthville (Wentworthville). Since the preparation of the Strategy Woolworths has refurbished and occupied the former Flemmings store at 109 Pendle Way (circa 700sqm[38]).

3.7.4 Pemulwuy Small Village Centre

This centre is located on the corner of Old Prospect Road and Butu Wargun Drive in Pemulwuy approximately 4km or a 6 minute drive[39] southwest of the Subject Site. The Pemulwuy retail precinct is relatively new having been developed to serve the new population moving into the residential release areas at Pemulwuy. The Pemulwuy Marketplace comprises a purpose built shopping centre of 5,218sqm anchored by a full-line Woolworths supermarket of 3,940sqm[40].

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[35] Source: Portico Plaza Floor Plans, http://www.porticoplaza.com.au/floor-plans
[36] ibid
[37] Source: Googlemaps
[38] Source: Holroyd Retail Centres Strategy, Hill PDA (2008) and verified by HillPDA in 2012 using Nearmap
[39] Source: Googlemaps
[40] Source: Property Council of Australia NSW/ACT Shopping Centre Directory 2016

3.7.5 Greystanes Small Village Centre

Greystanes Small Village Centre is located on Merrylands Road between Braeside Road and Cumberland Road some 4km or a 7 minute drive south of the Subject Site[41]. The Greystanes Shopping Centre dominates retail provision in this centre and comprises 5,950sqm of floorspace including Woolworths (3,420sqm) supermarket[42]. The Holroyd Retail Centres Strategy noted that Greystanes has a large trade area extending as far north as the Great Western Highway.

3.7.6 South Wentworthville Small Village Centre

South Wentworthville is located adjacent to the Great Western Highway approximately 2km or a 4 minute drive south east of the Subject Site[43]. The centre is identified as a Village Centre in the Holroyd Retail Centres Strategy (2008) but is defined as a Small Village Centre in the draft West Central Subregional Strategy. Based on the Holroyd Retail Centres Strategy, South Wentworthville has a large catchment area which extends as far north as North Wentworthville, west to Pendle Hill and east to Westmead.

Wentworthville Shopping Plaza, north of the Great Western Highway, dominates retail provision in the centre providing approximately 6,400sqm GLA of shopfront retail floorspace[44]. It is anchored by a full-line Woolworths supermarket (3,883sqm). There is a freestanding ALDI supermarket 1,366sqm GFA[45] on the south of the Great Western Highway in addition to a number of large stand-alone speciality food, auto and restaurant uses including Hungry Jacks and Dan Murphys.

3.8   Neighbourhood Centres

3.8.1 Old Prospect Neighbourhood Centre

Old Prospect Neighbourhood Centre provided some 858sqm of shopfront retail floorspace at the time of the Holroyd Retail Centres Strategy (2008). It is situated 1.7km or a 5 minute drive south east of the Subject Site[46] on Old Prospect Road adjacent to the junction with Emert Road (the Cumberland Highway). It performs a localised

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[41] Source: Googlemaps
[42] Source: Property Council of Australia NSW/ACT Shopping Centre Directory 2016
[43] Source: Googlemaps
[44] Source: Property Council of Australia NSW/ACT Shopping Centre Directory 2016
[45] Source: UWS Westmead Campus Redevelopment Retail Economic Impact Assessment, Hill PDA January 2011
[46] Source: Googlemaps

shopping role only and did not contain any supermarket or grocery store floorspace.

3.9 Planned/ Proposed Retail Floorspace

3.9.1 Wentworthville Shopping Mall

Development approval has been granted for the redevelopment of Wentworthville Shopping Mall to allow residential flat buildings on top. Alterations and additions will also be undertaken to the existing shopping centre including reconfiguration of existing shops and a provision of pedestrian through site link. Only an additional 359sqm of commercial floorspace will be added to the Mall equaling to a total of 5,419sqm.

3.9.2 Merrylands Rd Mixed Use Development

Merrylands Rd Mixed Use Development has been granted development approval for the construction of a mixed use development comprising five buildings ranging in height between 10 and 17 storeys comprising a total of 542 units and retail tenancies. A laneway precinct would be development which would provide 8,000sqm of retail floorspace in the form of restaurants and cafes.

We are not aware of any significant planned/ proposed retail floorspace in the area around the Subject Site over and above that referenced above.

3.10 Summary

There are a range of different sized centres which constitute the retail hierarchy surrounding the Subject Site. The closest centre to the Subject Site is Pendle Hill Small Village Centre which provides localised retail provision only. It does not contain a full-line supermarket. Indeed the closest full-line supermarkets capable of fulfilling the main food shopping requirements of residents are located in Wentworthville Village Centre (1km east of the Subject Site), Toongabbie Small Village Centre (3km north) and South Wentworthville Small Village Centre (2km south east). There are no pipeline planning proposals which would alter this retail landscape. On this basis and consistent with our previous advice to Council, there is a retail gap for full-line supermarket provision in the area around the Subject Site.

4 TRADE AREA DEFINITION AND ANALYSIS

This Chapter defines the trade area which would be served by the retail component of the proposed development. An analysis of socio-demographic characteristics of residents within this area and an assessment of population forecasts is undertaken. This includes consideration of the future resident population which will be accommodated on the Subject Site.

4.1 Trade Area

The trade area served by any retail centre/ facility is determined by the consideration of:

- The strength and attraction of the centre as determined by factors such as the composition, layout, ambience/atmosphere and car parking;

- Competitive retail centres, particularly their proximity to the subject centre and respective sizes, retail offer and attraction;

- The location and accessibility of the centre including the available road and public transport network and travel times; and

- The presence or absence of physical barriers, such as rivers, railways, national parks and freeways.

For the purposes of this Study we have defined a trade area based on the localised provision of a 4,000sqm supermarket and 4,000sqm of specialty floorspace on the Subject Site. The trade area served by such provision would be similar to that served by Pendle Hill Small Village Centre.

The Holroyd City Retail Centres Strategy (2008) defined a trade area for Pendle Hill Small Village Centre which comprised a localised area as shown in Figure 3. This was based on existing provision and was informed by the results of the shopper survey which was undertaken as part of the Strategy.

Figure 3-Pendle Hill Catchment Area
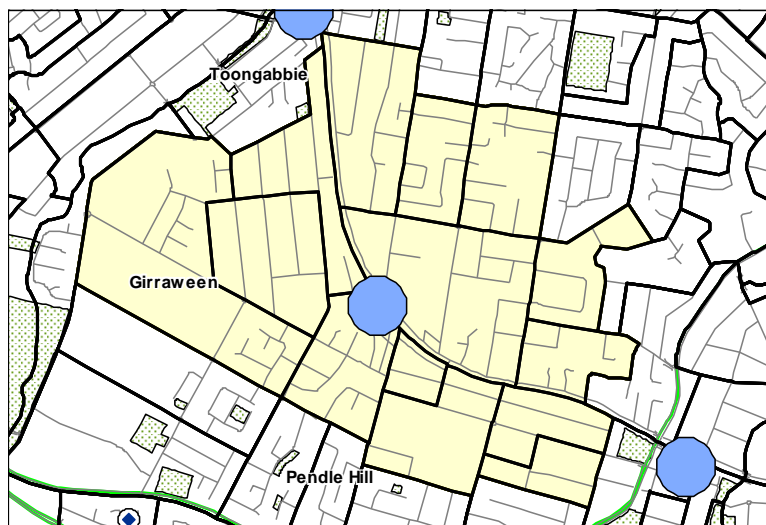
Source: : Holroyd City Retail Centres Strategy, Hill PDA (2008)

For the purposes of this Study a more extensive trade area has been defined which assumes that the retail offer in this location is strengthened, enabling retailers to capture a greater proportion of trade from a larger area.

This assumption is justifiable based on:

- The findings of the Holroyd City Retail Strategy which recognised that a significant proportion of trade is currently escaping the defined catchment area (depicted in Figure 3) creating the opportunity for some of this lost expenditure to be recaptured by additional retail facilities locally. On this basis the Strategy recommended a 5,000sqm expansion to Pendle Hill Small Village Centre between 2011 and 2016 including a full-line supermarket (3,000sqm) and a further 5,500sqm expansion beyond 2021;

- Our understanding that Wentworthville Village Centre is trading strongly and the evidence of published trading data which demonstrates that Winston Hills is trading at well above benchmark levels. This is indicative of the need for additional retail floorspace locally; and

- Additional residents on the Subject Site which will generate significant additional demand for retail facilities in their own right. This is explored and quantified later in the Study.

For the purposes of this Study two trade areas have been defined comprising of a Primary Trade Area (PTA) and a Secondary Trade Area (STA) which combined constitute the Main Trade Area (MTA). These terms can be understood as follows:

- The PTA – the area from which retail facilities in Pendle Hill Small Village Centre and on the Subject Site would capture the majority of their trade. The retail facilities in Pendle Hill and on the Subject Site would comprise the main destination for food and grocery shopping within this area;

- The STA – the area from which the retail facilities in Pendle Hill Small Village Centre and on the Subject Site would capture some trade but would not be the main destination for food and grocery shopping related expenditure within this area; and

- The MTA – the PTA and STA combined.

The PTA comprises the approximate area bounded by Wentworth Avenue to the north, the Cumberland Highway to the east, the M4 Western Motorway to the south and the Girraween employment lands/ Jirramba Reserve to the west. The PTA boundaries comprise barriers to movement and lead to a fairly self-contained PTA. Accessibility to Pendle Hill/ the Subject Site from within the PTA is unproblematic. The PTA contains limited supermarket shopping facilities at the current time restricted to those provided in Pendle Hill Small Village Centre and does not contain any full-line supermarkets. As such new retail facilities locally have the potential to capture a sizeable proportion of the supermarket related shopping expenditure from residents in the PTA.

The STA comprises an area to the north of the PTA bounded by Wentworth Avenue in the south and west, Old Windsor Road in the northeast, McCoy Park in the northwest and the Cumberland Highway in the east. Accessibility to the Subject Site is relatively unconstrained from the STA. The STA presently lacks a sizeable supermarket offer although residents in the STA have easier access to competing shopping provision (e.g. Wentworthville Village, Portico Plaza Shopping Centre, Winston Hills) and therefore the potential trade capture of their available expenditure by new facilities on the Subject Site will be lower.

The MTA has been defined based on ABS Statistical Area Level 1 (SA1) and is shown in Figure 4[47].

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[47] SA1s are built from whole Mesh Blocks, SA1s generally have a population of 200 to 800 persons, and an average population of about 400 persons.

Figure 4-Main Trade Area
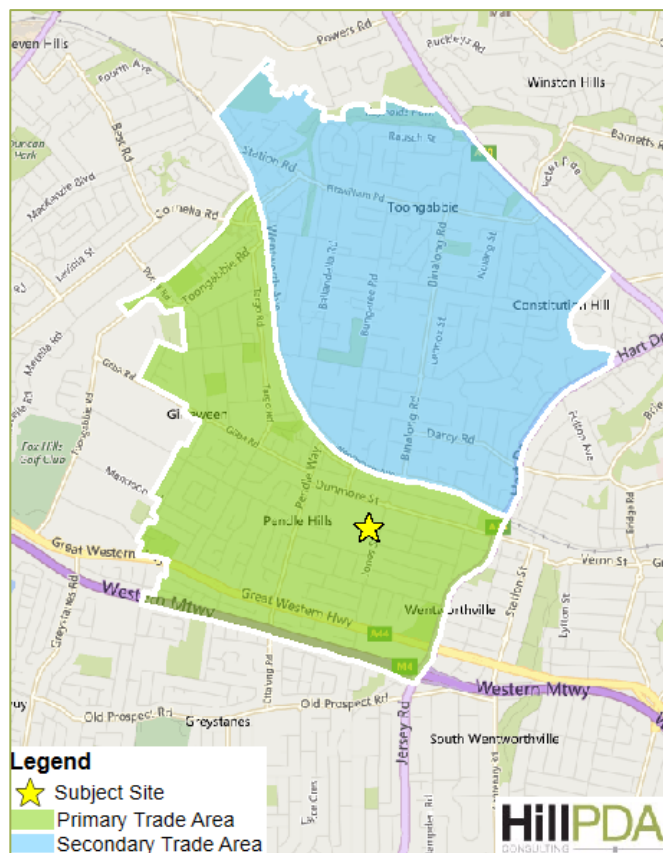
Source: : HillPDA

4.2   Demographics of the MTA

Demand for retail floorspace is dependant not only on the number of households in the MTA but also on the demographic characteristics of those households. Appendix 1 of this Study examines the key demographic characteristics recorded for the suburbs which, wholly or in part, constitute the MTA based on the 2011 ABS Census. These are benchmarked against the demographics recorded for Holroyd LGA and for the Greater Sydney Area[48]. The suburbs which comprise the MTA for the demographic analysis are Pendle Hill, Girraween, South Wentworthville, Constitution Hill, Old Toongabbie and Toongabbie.

In general terms the suburbs which comprise the MTA had a greater proportion of occupied private dwellings than Holroyd LGA or Greater Sydney based on 2011 ABS Census data. The median weekly household incomes across the suburbs were variable, ranging from

[48] Based on the ABS Greater Capital City Statistical Areas (GCCSAs) for Sydney– The GCCSAs represent the socio-economic extent of each of the eight State and Territory capital cities The GCCSAs combined with the 'Rest of State' regions cover the whole of Australia without gaps or overlaps and aggregate directly to State/Territory

$1,188/ week in Pendle Hill to $1,595/ week in Toongabbie. Generally, the suburbs constituting the MTA recorded median household incomes which were lower than the Greater Sydney median ($1,447/ week).

The average size of households in the suburbs ranged from 2.7 to 2.9 persons, predominantly above average for Greater Sydney (2.7 persons per household) but comparable to that for Holroyd LGA (2.8 persons per household). The median age for persons in the suburbs ranged from 34 to 37 years and in general terms was higher than that for Holroyd LGA (34) but lower than that for Greater Sydney (36). In proportional terms the MTA generally had a lower proportion of older residents aged 75 or older and a greater proportion of children aged younger than 15 than either Holroyd LGA or Greater Sydney. Notwithstanding this, Pendle Hill had a notably higher proportion of elderly residents in the 75 years or older cohort than any of the other suburbs, Holroyd LGA or Greater Sydney.

With respect to household characteristics the demographic analysis in Appendix 1 (Table A2) reveals that, with the exception of Pendle Hill, all the suburbs within the MTA had greater proportions of households owning or purchasing their properties compared to Holroyd LGA.

Although there was some degree of variance generally suburbs in the MTA had a greater proportion of family households than either Holroyd LGA or Greater Sydney. Pendle Hill had a lesser proportion of family households than either Holroyd LGA or Greater Sydney, however, and a significantly greater proportion of lone person households. This reflects the presence of elderly care accommodation within the suburb.

Couple families with children dominated family types within all of the suburbs which constitute the MTA. The proportion of such families in the MTA was generally greater than for the Holroyd LGA and Greater Sydney. In keeping with Holroyd LGA and Greater Sydney separate houses were the most prolific dwelling type in the MTA.

Unemployment in the suburbs constituting the MTA was above the average for Greater Sydney and, in half of the six suburbs, was greater than in Holroyd LGA. Of those who were employed, working residents exhibited a greater propensity to be employed in lower skilled professions and a lesser propensity to be employed in higher skilled professions compared to Greater Sydney. This equated to a comparably higher proportion of households earning less than $2,500/ week.

In summary the suburbs which constitute the MTA had unique and varied demographic characteristics but in broad terms residents were more likely to be families with children, younger and earning lower incomes than those in Greater Sydney. This is also true of residents in the broader Holroyd LGA. It is notable that the results for the Pendle Hill suburb were affected by the concentration of aged care accommodation within the suburb which led to a significantly greater proportion of residents being aged 75 years or older and a higher proportion of lone person households. Such households are usually less mobile than other household types and would particularly benefit from easy access to retail provision locally.

4.3   Population Growth

4.3.1 Population Growth on the Subject Site

The proposed redevelopment of the Subject Site would yield approximately 1,500 homes comprising the following mix:

- 150 (10%) 3-bed units;
- 750 (50%) 2-bed units;
- 300 (20%) dual key units; and
- 300 (20%) 1-bed units.

To estimate population growth on the Subject Site we have assumed the following:

- The 1,500 homes on the Subject Site would be delivered between 2016 and 2026 (150 dwellings per annum over the period); and
- The units will have an occupancy rate of 2.4 persons per unit, comparable to the average occupancy rate of units in Holroyd LGA derived from 2011 ABS Census data.

On this basis the Subject Site would accommodate 1,710 residents in 2021 and 3,420 residents in 2026 if it were completed and assumed to have a 5% vacancy rate.

4.3.2 Population Growth in the wider area

Population estimates and growth forecasts for the MTA have been sourced from the BTS Population Forecasts (August 2012 release) and

are based on travel zones. Note that these do not allow for redevelopment on the Subject Site itself[49].

Based on the BTS data the PTA population will grow at an average per annum rate of 2.1% between 2016 and 2031 from 15,014 residents to 20,495 residents. The STA is less populous and contained 15,681 residents in 2016 based on the BTS data. It is forecast to experience a lower per annum growth rate of 1.49% to 2031 and will grow to an estimated 19,577 residents in 2031.

4.3.3 Total Population Growth in the Main Trade Area

The combined population forecasts for the MTA over the 2016 to 2031 period are shown in the following table.

Table 3-Combined Population Projections for the Main Trade Area

	2016	2021	2026*	2031	Change 2016-31	Growth / ann (%)
PTA						
BTS	15,014	15,724	16,528	17,360	2,346	0.97%
Subject Site		1,710	3,420	3,420	3,420	n/a
Total PTA	**15,014**	**17,434**	**19,948**	**20,780**	**5,766**	**2.19%**
STA						
BTS	15,681	17,016	18,366	19,577	3,896	1.49%
Total STA	15,681	17,016	18,366	19,577	3,896	1.49%
Total Main Trade Area	**30,695**	**34,450**	**38,314**	**40,357**	**9,662**	**1.84%**

Source: BTS Population Forecasts (2014 release)

Table 3 indicates that the population of the MTA is projected to increase from 30,695 residents in 2016 to 40,357 residents in 2031. This is equivalent to an increase of +9,662 residents or +1.8% per annum average growth over the 15 year period. It is clear that redevelopment of the Subject Site has the potential to make a significant contribution to population growth in the MTA to 2031.

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[49] Note: BTS Population Forecasts 2006-2046 August 2012 Release: Technical Documentation indicates that only three 'Main Projects' have been allowed for in Holroyd LGA being Pemulwuy (1,794 dwellings), Nelsons Ridge (1,804 dwellings) and Merrylands Town Centre/ Neil Street Precinct (1,816 dwellings)

5   DEMAND ASSESSMENT

This Chapter forecasts retail floorspace demand within the MTA based on household expenditure modelling and forecast population growth. It considers the extent to which this demand will be met locally in the future and, in doing so, the extent to which there is a sufficient need for the proposed development.

5.1   Methodology

For the purposes of this report, household expenditure was sourced from AnySite Data 2014 which provides household expenditure by broad commodity type.

Based on the above, and assuming population growth forecasts as discussed above, HillPDA has forecast household retail expenditure in the trade area as provided in the following table. Note the forecasts assume growth in real retail spend per capita of 1.0% per annum consistent with the long term trend in historic spend.

To convert retail demand by commodity type to retail demand by store type, Hill PDA has used the results of the ABS Retail Survey 1998-99 (Cat No. 8624.0). The ABS Retail Survey 1998-99 provides a cross tabulation of store type (defined by ANZIC) by commodity type. Multiplying the percentages in the cross tabulation by total dollars spent generates household expenditure by retail store type.

Once demand by retail store type has been determined, demand for retail floorspace is then derived by applying target turnover rates (or industry benchmarks[50]) to the amount of retail sales generated by households in the MTA by retail store type. The assumed target turnover rates are shown in the following table.

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[50] Derived from various sources including Urbis Retail Averages, ABS Retail Survey 1998-99 escalated at CPI to $2009, Shopping Centre News, Hill PDA and various consultancy studies.

Table 4-Industry Benchmark Turnover Levels in 2014

YEAR	Target Rate*
Supermarkets & Grocery Stores	11,000
Take-away Liquor Stores	12,000
Specialty Food Stores	8,000
Fast-Food Stores	8,000
Restaurants, Hotels and Clubs	5,000
Department Stores	3,600
Clothing Stores	6,000
Bulky Goods Stores	3,700
Other Personal & Household Goods Retailing	4,900
Selected Personal Services	3,500
Total Retailing	5,829

Source: * Sources: ABS Retail Survey 1998-99 (escalated to 2007 dollars), JHD Retail Averages, Shopping Centre News, Hill PDA and various consultancy studies

The result of this method is the determination of demand for retail floorspace by retail store type in the MTA over the 2011 to 2031 period.

5.2 Demand from Residents on the Subject Site

To calculate demand for retail floorspace from new residents we have assumed that:

- In total 3,420 new residents will be accommodated on the Subject Site once it is fully developed and occupied. Half of these residents are assumed to reside on the Subject Site by 2021 and all are assumed to be resident by 2026;

- New residents will have expenditure levels comparable to existing residents in the PTA;

- Retail expenditure per capita will increase by 1% per annum in real terms between 2014 and 2031 in line with historic trends since 1986; and

- Retail floorspace demand is in accordance with the target turnover rates provided in Table 4.

Using the above assumptions and the methodology in Section 5.1, the following table shows total expenditure by retail store type which would be generated by new residents located within the Subject Site.

Table 5-Forecast Expenditure by Retail Store Type from New Residents on the Subject Site ($m2014)

YEAR	2021	2026	2031
Supermarkets & Grocery Stores	6.8	14.3	15.0
Take-away Liquor Stores	0.8	1.6	1.7
Specialty Food Stores	0.8	1.7	1.8
Fast-Food Stores	1.3	2.7	2.8
Restaurants, Hotels and Clubs*	2.2	4.7	5.0
Department Stores	1.5	3.2	3.4
Apparel Stores	1.9	4.0	4.2
Bulky Goods Stores	3.1	6.4	6.7
Other Personal & Household Goods Retailing	3.2	6.7	7.0
Selected Personal Services**	0.8	1.7	1.8
Total New Residents	**22.4**	**47.1**	**49.5**

* Turnover relating only to consumption of food and liquor (excludes all other types of revenue such as accommodation, gaming and gambling)
** Bulky Goods includes fabrics, soft goods, furniture, floor coverings, hardware, houseware, electtrical appliances, sports and camping stores.
*** Selected Personal Services includes hair and beauty, laundry, clothing hire and alterations, shoe repair, optical dispensing, photo processing and hire of videos

As shown in Table 6 new residents on the Subject Site would generate approximately $22.4m of retail expenditure (by retail store type) in 2021, increasing to $47.1m by 2026 and to $49.5m in 2031. As a result the total demand for retail floorspace is shown in the table below.

Table 6-Forecast Retail Floorspace Demand from New Residents on the Subject Site (GLA sqm)

YEAR	2021	2026	2031
Supermarkets & Grocery Stores	598	1,226	1,257
Take-away Liquor Stores	63	129	132
Specialty Food Stores	96	196	201
Fast-Food Stores	153	314	322
Restaurants, Hotels and Clubs*	434	890	912
Department Stores	412	845	866
Clothing Stores	309	634	650
Bulky Goods Stores	797	1,634	1,675
Other Personal & Household Goods Retailing	624	1,280	1,312
Selected Personal Services**	223	458	470
Total New Residents	**3,710**	**7,606**	**7,797**

Source: * Sources: ABS Retail Survey 1998-99 (escalated to 2007 dollars), JHD Retail Averages, Shopping Centre News, Hill PDA and various consultancy studies
* Turnover relating only to consumption of food and liquor (excludes all other types of revenue such as accommodation, gaming and gambling)
** Selected Personal Services includes hair and beauty, laundry, clothing hire and alterations, shoe repair, optical dispensing,   photo processing and hire of videos

Based on our household expenditure modelling some 3,710sqm of retail floorspace would be demanded by new residents on the Subject Site in 2021 increasing to over 7,800sqm by 2031. Growth in demand for supermarket and grocery store related floorspace from new residents would be equivalent to some 1,257sqm by 2031. Some of this demand could be met by new retail floorspace on the Subject Site.

5.3 Residents in the Wider Trade Area

In addition to new residents on the Subject Site, demand for retail floorspace from existing and future residents in the MTA (outside of the Subject Site) would increase to 2031. Using the same methodology and approach the following tables calculate demand from residents in the MTA over the 2011 to 2031 period.

Table 7-Forecast Expenditure by Retail Store Type in the Main Trade Area exc Subject Site ($m2016)

YEAR	2016	2021	2026	2031
Supermarkets & Grocery Stores	119.3	140.1	163.1	180.7
Take-away Liquor Stores	13.7	16.1	18.8	20.8
Specialty Food Stores	13.9	16.3	19.0	21.1
Fast-Food Stores	22.2	26.1	30.4	33.6
Restaurants, Hotels and Clubs*	39.4	46.2	53.8	59.6
Department Stores	26.9	31.6	36.8	40.8
Apparel Stores	33.7	39.5	46.0	51.0
Bulky Goods Stores	53.5	62.8	73.1	81.0
Other Personal & Household Goods Retailing	55.5	65.2	75.9	84.0
Selected Personal Services**	14.2	16.7	19.4	21.5
Total Main Trade Area	**392.3**	**460.6**	**536.2**	**594.0**

* Turnover relating only to consumption of food and liquor (excludes all other types of revenue such as accommodation, gaming and gambling)
** Bulky Goods includes fabrics, soft goods, furniture, floor coverings, hardware, houseware, electtrical appliances, sports and camping stores.
*** Selected Personal Services includes hair and beauty, laundry, clothing hire and alterations, shoe repair, optical dispensing, photo processing and hire of video
Forecast assumes 1% real growth in retail spend per capita per annum in line with historic trend since 1986.'

The quantum of retail expenditure generated by residents of the MTA by retail store type is forecast to grow from $392m in 2016 to $594m in 2031, equivalent to a $201m or 51% increase over the period. This would lead to growth in demand retail floorspace demand of approximately 26,980sqm between 2016 and 2031 including an additional +4,348sqm of supermarket and grocery store related floorspace. Note this is based on growth alone from 2016. The Holroyd Retail Strategy (2008) identified non-bulky goods retail floorspace

undersupply of some 17,000sqm in 2006 across the LGA as a whole. The growth in demand identified in this Section is therefore in addition to existing floorspace undersupply.

Table 8-Forecast Retail Floorspace Demand in the Main Trade Area exc Subject Site (GLA sqm)

	2016	2021	2026	2031	Net Growth
Supermarkets & Grocery Stores	10,741	12,298	13,965	15,089	4,348
Take-away Liquor Stores	1,132	1,296	1,472	1,591	+458
Specialty Food Stores	1,721	1,970	2,237	2,417	+697
Fast-Food Stores	2,750	3,149	3,576	3,864	+1,113
Restaurants, Hotels and Clubs	7,797	8,927	10,138	10,954	+3,157
Department Stores	7,403	8,476	9,625	10,399	+2,997
Clothing Stores	5,557	6,362	7,225	7,806	+2,250
Bulky Goods Stores	14,313	16,388	18,609	20,107	+5,794
Other Personal & Household Goods Retailing	11,216	12,841	14,582	15,756	+4,540
Selected Personal Services	4,014	4,595	5,218	5,638	+1,625
Total Main Trade Area	**66,644**	76,303	**86,648**	93,623	**+26,979**

Source: Sources: ABS Retail Survey 1998-99 (escalated to 2007 dollars), JHD Retail Averages, Shopping Centre News, Hill PDA and various consultancy studies
* Turnover relating only to consumption of food and liquor (excludes all other types of revenue such as accommodation, gaming and gambling)
** Selected Personal Services includes hair and beauty, laundry, clothing hire and alterations, shoe repair, optical dispensing, photo processing and hire of videos

5.4   Total Retail Floorspace Demand

The cumulative demand for retail floorspace from both new residents on the Subject Site and existing and future residents in the wider MTA is shown in the table below.

Table 9-Forecast Retail Floorspace Demand in the MTA including the Subject Site (GLA sqm)

YEAR	2016	2021	2026	2031	Net Growth
Supermarkets & Grocery Stores	10,741	12,896	15,191	16,346	+5,605
Take-away Liquor Stores	1,132	1,360	1,601	1,723	+591
Specialty Food Stores	1,721	2,066	2,434	2,619	+898
Fast-Food Stores	2,750	3,302	3,890	4,186	+1,436
Restaurants, Hotels and Clubs	7,797	9,361	11,028	11,866	+4,069
Department Stores	7,403	8,888	10,469	11,265	+3,862
Clothing Stores	5,557	6,672	7,859	8,456	+2,899
Bulky Goods Stores	14,313	17,184	20,243	21,782	+7,469
Other Personal & Household Goods Retailing	11,216	13,466	15,863	17,069	+5,853
Selected Personal Services	4,014	4,819	5,676	6,108	+2,094
Total Main Trade Area	**66,644**	**80,013**	**94,254**	**101,420**	**+34,776**

* Turnover relating only to consumption of food and liquor (excludes all other types of revenue such as accommodation, gaming and gambling)
** Selected Personal Services includes hair and beauty, laundry, clothing hire and alterations, shoe repair, optical dispensing,   photo processing and hire of videos

Overall growth in demand for nearly 34,780sqm of retail floorspace is projected between 2016 and 2031 in the MTA, including 5,600sqm of supermarket and grocery store related floorspace. Some of this expenditure (for example that related to 'department stores' and 'hardware and bulky goods stores') would escape the MTA to higher order centres and retail destinations including Seven Hills and Winston Hills. However there is an opportunity for most of the convenience and top-up related floorspace demand to be captured by retail floorspace locally, at Pendle Hill and on the Subject Site. Again this is based on growth in expenditure alone and does not account for existing undersupply of retail floorspace in the MTA.

It is likely that additional retail floorspace in Pendle Hill/ the Subject Site would derive some expenditure from outside of the MTA from local workers who do not live locally, passing motorists, visitors to the area and so on. This could equate to around 10% of additional expenditure.

An allowance should also be made for the provision of non-retail shopfront floorspace such as banks, travel agents, medical serves and so on which do not capture retail expenditure and therefore are not included in the previous modelling. The proportion of non-retail commercial uses provided within total shopfront floorspace varies significantly depending upon the centre but in our view 5-7% is an appropriate mid-range estimate[51]. On the basis of demand growth identified in Table 9 this would equate to a further 1,740sqm to 2435sqm of non-retail floorspace being demanded in the MTA between 2011 and 2031.

5.5   Supermarket & Grocery Store Floorspace Demand

Specifically with regard to supermarket and grocery store floorspace demand in Pendle Hill (in the existing centre and on the Subject Site) this Study has found that:

- ▪ The Holroyd City Retail Strategy (2008) identified a need for a 3,000sqm supermarket in Pendle Hill by 2021 to meet floorspace undersupply and accommodate expenditure growth and additional need beyond 2021;

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[51] Note: The proportion of non-retail commercial uses provided within total shopfront floorspace varies significantly depending upon the centre. Non-retail uses are typically lower rent payers and therefore such uses are found in greater proportions in strip retail and poorer performing centres, within which such uses can account 15% or more of total floorspace. In large shopping centres, such as Westfield Parramatta, and in well performing centres where demand for representation from specialty retailers is stronger, the proportion of non-retail commercial uses is much lower and can be less than 5%. In our view 5-7% is an appropriate mid-range estimate as a proportion of total floorspace.

- New residents on the Subject Site alone will generate demand for 1,150sqm of supermarket and grocery store floorspace by 2031 (Table 6); and

- Forecast growth in demand for supermarket and grocery store floorspace in the wider MTA between 2016 and 2031, excluding residents on the Subject Site, is forecast to be in the order of 4,350sqm (Table 8).

From an economic and environmental sustainability point of view, it is desirable for local centres in the MTA to capture a reasonable proportion of supermarket related expenditure from the MTA. The benefits relate to the reduced need and time associated with travel in addition to traffic generation. The provision of additional retail floorspace would also help to improve levels of access and service provision for the less mobile or time poor. Notwithstanding this, in any trade area there will always be some leakage of expenditure attributable to residents spending money near to their place of work, during holidays, on trips away and so on.

The table below provides a high-level assessment of the demand for supermarket floorspace in Pendle Hill to 2031 based the findings of this Study and the use of indicative expenditure capture rates. Note that the assumed degree of supermarket and grocery store expenditure captured in Pendle Hill from the STA is lower than for the PTA. This is reflective of the greater distances between residents in the STA and the Subject Site and relative to other competing centres.

Table 10-Demand for Supermarket and Grocery Store Floorspace in Pendle Hill to 2031 ($2013)

Sources of Demand	Floorspace (sqm)
Floorspace undersupply to 2016*	3,000
Subject Site Residents to 2031**	
Total Demand	1,257
Assumed 75% Capture	943
Growth in MTA 2016 to 2031***	
Total Growth Demand	5,605
Assumed 75% Capture from PTA and 40% from STA	2,583
Total Demand	**3,525**

* Source: Holroyd City Retail Strategy (Hill PDA, 2008)

** Source: Table 6 of this Study

*** Source: Table 9 of this Study

Based on our high-level appraisal there if sufficient unmet need in the local area to support a full-line supermarket on the Subject Site and one in Pendle Hill over the period to 2031. We should note that this is indication of if or when a proposal for a full-line supermarket within Pendle Hill will come forward for development. In the context of the significant supermarket floorspace need in the local area and subject to issues of economic impact, proposals to increase the supply of full-line supermarket floorspace locally should be viewed positively from a community perspective.

5.6   Demand Conclusion

▪ This Chapter has demonstrated that there is sufficient need for the proposed development as a result of:

▪ Population growth on the Subject Site;

▪ Population growth in the wider MTA;

▪ Real retail expenditure growth; and

▪ Existing retail floorspace undersupply.

The proposed development would be in addition to an improvement of the retail offer in Pendle Hill Small Village Centre to incorporate a full-line supermarket, should the opportunity arise, not at the expense of it.

In the context of growth and assuming 10% of demand for a centre is derived from outside of the MTA, a 6,000sqm centre with 5,500sqm GLA retail floorspace in total including a supermarket of 3,000sqm GLA on the Subject Site would account for just:

▪ 16% of growth in total floorspace demand in the MTA between 2011 and 2031; and

▪ 54% of growth in supermarket and grocer

6   RETAIL IMPACT ASSESSMENT

Chapter 5 of this Study established a need for retail floorspace proposed based on forecast retail demand. This Chapter assesses the economic impact of the proposed centre on existing and proposed retail centres in the locality.

6.1   Methodology to Determine Impact

- To assess economic impact Hill PDA employed the following steps in the methodology:

- Recorded reported turnover levels of the competing centres and/or estimated turnover levels based on industry benchmark turnover levels, expenditure modelling and by survey and observation (type and mix of retailers, levels of vacancies, etc);

- Estimated the turnover of proposed retail centre on the Subject Site based on industry benchmarks and having regard to the MTA and potential capture;

- Redirected the turnover from competing centres utilising a gravity model;

- Measured the 'point in time' impacts on competing centres as percentage shifts in turnover;

- Measured the shifts in turnover over time taking into consideration growth in expenditure generated by the respective trade areas of impacted centres;

- Assessed the resultant levels of turnover against industry benchmarks to ascertain whether or not any centre is likely to experience social detriment, significant closures or any other adverse impacts; and

- Considered whether or not mitigating measures would be required to limit the potential for adverse impacts, such as staging.

The gravity model is designed on the premise that the level of redirected expenditure from a centre is directly proportional to the turnover of that centre and indirectly proportional to the distance from the Subject Site.

6.2   Estimated Turnover of the Proposed Development

Hill PDA has assumed that retailers on the Subject Site would trade at close to industry benchmark levels for metropolitan areas and above financially sustainable levels. The economic impact assessment

assumes that the centre would be fully developed and would have achieved a settled pattern of trade in 2019. It may be premature to assume that the retail floorspace has been developed and commenced trading by 2019, however to provide a robust assessment we have adopted a cautious or 'high impact' scenario as a means for quantifying potential impacts and assumed early completion of the retail component.

Table 13 applies target turnover rates consistent with those used to calculate floorspace demand (Table 4) to the assumed floorspace mix on the Subject Site to derive marginal turnover.

Table 11-Estimated Retail Turnover 2019 ($2016)

Use	Floorspace (sqm GLA)	Target Turnover ($/sqm)*	Total Turnover ($m)
Supermarket	3,000	10,500	31.5
Specialty Food	400	8,000	3.2
Restaurants, Café's & Take-aways	400	5,000	2.0
Non-Food Specialties	1300	4,800	6.2
Personal Services	400	3,400	1.4
Commercial Shopfront	500	-	-
Total Shopfront Floorspace	6,000	7,383	44.3

* Source: Various including ABS Retail Survey 1998-99 indexed to 2011 dollars, Shopping Centre News, Urbis Retail Averages, various consultancy studies and Hill PDA research. Target turnover levels are expected to increase at a rate of 0.55% per annum above the CPI rate in line with the historic trend.

Based on industry benchmarks the proposed development would have a turnover in the order of $44m in 2019 ($2016). Note that our assessment of retail expenditure generated by new residents on the Subject Site (Table 6) calculated that by 2026 residents would generate some $47m of retail expenditure. As such residents would generate more retail expenditure than new retail facilities on the Subject Site would capture in the longer term. In doing so it would have a new positive impact upon the quantum of retail expenditure available locally to support existing centres.

6.3   Redirection of Turnover from Existing Centres

The $44m of retail sales captured by the centre would be redirected from competing centres. In order to quantify the scope of this turnover Hill PDA prepared a bespoke gravity model.

The gravity model is based on the premise that the level of redirected expenditure from a centre is directly proportional to the turnover of that centre and indirectly proportional to the distance from the

Subject Site. The level of redirected expenditure is also dependent on the similarities of retail store types (the degree of competitiveness). Given the extent of unmet supermarket floorspace demand in the MTA and the nature of the proposed development, adverse trading impacts are likely to be concentrated on existing centres which offer full-line supermarkets such as Wentworthville and Winston Hills rather than on Pendle Hill. Pendle Hill currently performs a different role to the proposed centre on the Subject Site given its lack of full-line supermarket floorspace provision. It would thus not compete with Pendle Hill to a great extent.

The results of the bespoke gravity model are presented in the following table.

Table 12-Redirection of Expenditure from Existing Centres ($m2013)

Retail Centre	1 Distance from Subject Site (km)	2 Approx. Retail Floor Space*	3 Turnover in 2015	4 Turnover in 2019 without Proposal	5 Turnover in 2019 with Proposal	6 Immediate Shift in Turnover	7 % Shift in Turnover in 2019	8 Shift in turnover from 2015 to 2019	9 % Shift in turnover from 2015 to 2019
Proposed Centre		5,500			44.0	44.0			
Pendle Hill	1	4,650	28.0	30.2	26.9	-3.3	-11.0%	-1.1	-4.0%
Parramatta CBD	10	185,000	1080.0	1178.2	1170.9	-7.4	-0.6%	90.9	8.4%
Blacktown	14	110,000	680.0	741.8	738.2	-3.7	-0.5%	58.2	8.6%
Merrylands	12	72,000	426.0	464.7	461.1	-3.7	-0.8%	35.1	8.2%
Seven Hills	11	26,500	180.0	191.0	188.5	-2.5	-1.3%	8.5	4.7%
Winston Hills	10	23,750	228.0	242.0	238.1	-3.9	-1.6%	10.1	4.4%
Wentworthville	3	11,950	69.5	75.3	71.7	-3.6	-4.8%	2.2	3.1%
Toongabbie	5	11,950	73.3	77.8	75.6	-2.2	-2.8%	2.3	3.1%
Pemulwuy	6	5,200	50.0	63.1	60.5	-2.6	-4.2%	10.5	21.0%
Greystanes	7	5,650	46.2	49.0	47.6	-1.5	-3.0%	1.4	3.0%
S.Wentworthville	4	10,800	90.1	97.9	92.7	-5.2	-5.4%	2.6	2.9%
Old Prospect	5	850	4.0	4.2	4.2	-0.1	-1.4%	0.2	4.7%
Other Localities						-4.4			
TOTAL		473,800	2,955.2	3,215.5	3,219.9	0.0	0.1%	264.7	9.0%

1 Drivetime in minutes derived from Googlemaps.

2 Various including Shopping Centre News, PCA Shopping Centres Directory, Hill PDA Floorspace Surveys.

3 Various including Shopping Centre News, PCA Shopping Centres Directory, Shopping Centre Annual Reports, Urbis Retail Averages, Other Consultancy Reports and Hill PDA Estimate.

4 Allows for population growth (variable for each centre) and real growth in retail spend per capita of 1.0% per annum in line with historic trend since 1986 (Hill PDA Calculation from ABS Retail Sales, population estimates and CPI indexes).

5 The turnover of localities following the proposed development. The forecast turnover of the proposed development is distributed between localities based on distance and size.

6 Immediate shift in turnover. This is difference between the development and the do nothing options (i.e. Column 4 minus Column 5).

7 Immediate percentage shift is shift in turnover divided by the turnover in 2015 without the development proceeding.

8 This is the shift in turnover from 2015 to 2019 after the opening of the new development.

9 This is shift in turnover from 2015 to 2019 divided by the based turnover in 2015.

Note: The gravity model does not make any allowance for the proposed developments in Parramatta CBD given that these have not been approved.

There are no universal measures of significance of economic impact. There are references in various consultancy reports and statements in the NSW Land & Environment Court which suggest that a loss of trade below 5% is considered insignificant, 5% to 10% is low to moderate, 10% to 15% is moderate to high, and above 15% is a strong or significant impact. Generally impacts of up to 10% are considered to be within the normal competitive range although this is dependent upon the trading performance of the centre in question and/ or the level of population growth in the trade area

Table 14 indicates that in monetary terms immediate or 'point in time' impacts from the proposed development would be strongest on Parramatta CBD ($7.4m loss of trade), South Wentworthville ($5.2m loss of trade) and Winston Hills ($3.9m loss of trade). In proportional terms impacts would be greatest on Pendle Hill (11% reduction in turnover), Wentworthville and South Wentworthville (5% reduction in turnover each). Immediate trading impacts on all other centres would be below 5% loss of trade or 'insignificant'.

Immediate impacts will be mitigated by growth in the performance of existing centres over the next 4 years as a result of population and real expenditure growth in their respective trade areas. Analysis of the proportional shift in turnover which would result from the proposed development being implemented (Column 9) demonstrates that even with the proposed development all centres except Pendle Hill can still expect to increase their trading performance over time. This reflects their strong retail offer, existing performance and the level of population growth anticipated.

The impact on Pendle Hill at 4% represents a loss of trade of less than 5% compared to its 2015 trading level – i.e. an insignificant level of impact. Pendle Hill could absorb this impact without the role or function of the centre being jeopardised. The proposed development should thus be viewed positively from an economic perspective.

As recognised above Pendle Hill performs a different role to the proposed centre and thus would not compete with it to a great extent. Over time, Pendle Hill would benefit from additional residents on the Subject Site and associated growth in retail expenditure. Being positioned between the Subject Site and the railway station Pendle Hill has the potential to benefit from increased foot-traffic between the two areas. Furthermore our gravity modelling assumes that there will be no increase in floorspace supply in Pendle Hill over the period. If additional floorspace supply does eventuate, this would lower

trading impacts especially if a full-line supermarket is secured. This is considered in Section 6.4.

6.4 Alternative Scenario Impact Modelling

This Study has shown that there is sufficient unmet demand in the MTA to support the provision of two full-line supermarkets. Our previous work in the area recommended that Pendle Hill could immediately accommodate a full-line supermarket of 3,000sqm to address floorspace undersupply, in addition to further floorspace supply increases in 2021 and beyond.

The following table models the trading impacts of the proposed centre on the Subject Site in addition to the provision of a full-line supermarket of 3,000sqm in Pendle Hill. We should note that no supermarket is currently proposed at Pendle Hill and there is no indication that one will proposed over the period to 2019. We understand that site amalgamation in Pendle Hill may be an issue. Nevertheless to provide a robust assessment of potential cumulative trading impacts the development of a supermarket in both Pendle Hill and on the Subject Site have been modelled.

Table 13-Redirection of Expenditure from Existing Centres in 2019 resulting from the Proposed Development and a Full-Line Supermarket in Pendle Hill ($m2015)

Retail Centre	1 Distance from Subject Site (km)	2 Approx. Retail Floor Space*	3 Turnover in 2015	4 Turnover in 2019 without Proposal	5 Turnover in 2019 with Proposal	6 Immediate Shift in Turnover	7 % Shift in Turnover in 2019	8 Shift in turnover from 2015 to 2019
Proposed Centre		5,500			41.1			
Pendle Hill		7,650	28.0	30.2	55.1	24.9	82.6%	96.9%
Parramatta CBD	10	185,000	1080.0	1178.2	1168.7	-9.5	-0.8%	8.2%
Blacktown	14	110,000	680.0	741.8	736.0	-5.9	-0.8%	8.2%
Merrylands	12	72,000	426.0	464.7	458.9	-5.8	-1.3%	7.7%
Seven Hills	11	26,500	180.0	191.0	186.8	-4.2	-2.2%	3.8%
Winston Hills	10	23,750	228.0	242.0	234.9	-7.1	-2.9%	3.0%
Wentworthville	3	11,950	69.5	75.3	69.6	-5.7	-7.6%	0.1%
Toongabbie	5	11,950	73.3	77.8	74.2	-3.6	-4.7%	1.2%
Pemulwuy	6	5,200	50.0	63.1	58.2	-4.9	-7.8%	16.4%
Greystanes	7	5,650	46.2	49.0	46.4	-2.6	-5.4%	0.4%
S.Wentworthville	4	10,800	90.1	97.9	88.5	-9.4	-9.6%	-1.8%
Old Prospect	5	850	4.0	4.2	4.2	-0.1	-1.4%	4.7%
Other Localities				-7.1				
TOTAL		476,800	2,955.2	3,215.5	3,222.6	0.0	0.2%	9.0%

1 Various including Shopping Centre News, PCA Shopping Centres Directory, Hill PDA Floorspace Surveys.

2 Various including Shopping Centre News, PCA Shopping Centres Directory, Shopping Centre Annual Reports, Urbis Retail Averages, Other Consultancy Reports and Hill PDA Estimate.

3 Allows for population growth (variable for each centre) and real growth in retail spend per capita of 1.1% per annum in line with historic trend since 1986 (Hill PDA Calculation from ABS Retail Sales, population estimates and CPI indexes).

4 The turnover of localities following the proposed development. The forecast turnover of the proposed development is distributed between localities based on distance and size.

5 Immediate shift in turnover. This is difference between the development and the do nothing options (i.e. Column 4 minus Column 5).

6 Immediate percentage shift is shift in turnover divided by the turnover in 2015 without the development proceeding.

7 This is the shift in turnover from 2015 to 2019 after the opening of the new development.

8 This is shift in turnover from 2015 to 2019 divided by the based turnover in 2015.

Note that under this alternative scenario the turnover of the proposed development on the Subject Site would be impacted by the supermarket in Pendle Hill and vice versa. As such, the estimated turnover of the proposed development on the Subject Site under this scenario ($41m) is lower than that estimated in the previous Section ($44m) despite the same quantum of floorspace being proposed.

Under this alternative scenario Pendle Hill would increase its trading level by some $25m between 2015 and 2019. Relatively strong immediate impacts would be experienced by South Wentworthville (10% loss of trade), Wentworthville (8% loss of trade) and Pemulwuy (8% loss of trade) as a result of the cumulative impact of new supermarkets in Pendle Hill and on the Subject Site. These adverse impacts would be entirely mitigated by growth in trade over the next five years with these centres increasing their performance in spite of the adverse impact identified.

Under this alternative scenario the adverse impacts from development on the Subject Site on Pendle Hill would be mitigated and cumulative impacts on all other centres would be acceptable in economic impact terms.

7   OTHER ECONOMIC BENEFITS

This Chapter examines other economic impacts which could eventuate from the proposed development over and above meeting identified retail need. These impacts include additional investment, value add to the local economy, employment, construction multiplier impacts, urban activation shopper choice and so on.

7.1   Construction Multiplier Effects

The construction industry is a significant component of the economy accounting for 7.3% of Gross Domestic Product (GDP) and employing almost one million workers across Australia[52]. The industry has strong linkages with other sectors, so its impacts on the economy go further than the direct contribution of construction. Multipliers refer to the level of additional economic activity generated by a source industry.

There are two types of multipliers:

- **production induced**: which is made up of:
  - first round effect: which is all outputs and employment required to produce the inputs for construction; and
  - an industrial support effect: which is the induced extra output and employment from all industries to support the production of the first round effect; and

- **consumption induced**: which relates to the demand for additional goods and services due to increased spending by the wage and salary earners across all industries arising from employment.

The source of the multipliers adopted in this report is ABS and Australian National Accounts: Input-Output Tables 2013-14 (ABS Pub: 5209.0). These tables identify first round effects, industrial support effects and consumption induced multiplier effects at rates of $0.62, $0.65 and $0.95 respectively to every dollar of construction.

Given that the proposed development is at an early stage no Capital Investment Value (CIV) has yet been quantified. For the purposes of calculating economic multipliers we have estimated the potential CIV value of the proposed development based on the based on the

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[52] Source: IBIS World Construction Industry Report 2011

composition of uses at approximately $500m[53]. This direct investment would be spread over the course of the development process. The following table calculates the economic multipliers associated with construction.

Table 14-Economic Multipliers

	Direct Effects	Production Induced Effects		Consumption Induced Effects	Total
		First Round Effects	Industrial Support Effects		
Output multipliers*	1	0.62	0.65	0.95	3.21
Output ($million)	$500	$310	$323	$473	$1,606

Source: Source: Hill PDA and ABS Australian National Accounts: Input-Output Tables 2013-14 (ABS Pub: 5209.0)

The estimated $500m construction cost would generate a further $633m of activity in production induced effects and $473m in consumption induced effects. Total economic activity generated by the construction of the proposed development would be approximately $1.6bn.

7.2 Construction Employment

It is estimated that 2.35 full time construction positions over 12 months are created for every one million dollars of construction work undertaken[54]. Based on the cost of $500m approximately 1,176 job years[55] would be directly generated over the period of the development.

Table 15-Employment Generation

	Direct Effects	Production Induced		Consumption Induced Effects	Total
		First Round Effects	Industrial Support Effects		
Multipliers*	1	0.73	0.79	1.42	3.95
Employment No. per $million	2.35	1.71	1.87	3.35	9.28
Total job years created	1,176	856	934	1,673	4,640

Source: Source: Hill PDA and ABS Australian National Accounts: Input-Output Tables 2008-09 (ABS Pub: 5209.0)

[53] Source: Informed by Rawlinsons and Hill PDA estimates which include an additional 10% for site costs and landscaping. All commercial car parking and half of the residential car parking assumed to be provided as basement car parking with the residual assumed to be provided as multi-deck car parking.

[54] Source: Hill PDA and ABS Australian National Accounts: Input-Output Tables 2013-14 (ABS Pub: 5209.0)

[55] Note: One job year equals one full-time job for one full year

The 2013-14 ANA Input-Output Tables identified employment multipliers for first round, industrial support and consumption induced effects of 0.73, 0.79 and 1.42 respectively for every job year in direct construction. Including multiplier impacts the proposed development will therefore have potential to generate 4,640 job years.

Note that the multiplier effects are national, and not necessarily local. The ABS notes that "care is needed in interpreting multiplier effects; their theoretical basis produces estimates which somewhat overstate the actual impacts in terms of output and employment. Nevertheless, the estimates illustrate the high flow-on effects of construction activity to the rest of the economy. Clearly, through its multipliers, construction activity has a high impact on the economy." Nevertheless multipliers represent a significant additional economic benefit associated with development to the national economy.

7.3   Employment in Operations

The proposed development would support permanent employment post-development through the operation of retail uses on the Subject Site. The following table applies worker ratios[56] to the assumed floorspace mix to calculate the number of permanent jobs which would be supported.

Table 16-Employment Generation by Retail Store Type

Retail Store Type	Employment Rate*	GLA (sqm)	Workers
Full-Line Supermarket	1:25sqm	3,000	120
Specialty Food	1:20sqm	400	20
Restaurants, Café's and Take-aways	1:30sqm	400	13
Non-Food Specialties	1:40sqm	1300	33
Personal Services	1:25sqm	400	16
Commercial Shopfront	1:25sqm	500	20
Total	**-**	**6,000**	**222**

* Job per square metre of GLA. Source: ABS Retail Census and Hill PDA

Based on the table above the proposed development would support an estimated 222 permanent jobs across the range of retail store types. These would be both full and part-time jobs.

Note that these would not all be net additional jobs given that the existing site is in limited use for industrial purposes. However over time operations on the Subject Site have been scaled down due to restricting

[56] Source: ABS Retail Census and Hill PDA

of Pacific Brands, the inadequacies of existing buildings for industrial uses and conflict with surrounding high density residential uses. As such the Subject Site is not intensively used at present and in the medium term operational use of it is expected to cease.

7.4 Urban Activation

The incorporation of retail uses on the Subject Site as part of a mixed use development would assist to activate the local area through the provision of a range of uses. The masterplan documents recognise the potential to provide active uses along Dunmore Road to draw people into the retail centre. In so doing the development scheme proposes a strong physical and visual link between the Subject Site and the existing Pendle Hill Small Village Centre. It could complement rather than detract from the viability and success of the existing centre through the creation of a 'barbell effect' i.e. it would anchor the south eastern end of Pendle Hill and activate the Dunmore Street between the Subject Site and the existing centre. This is facilitated by a strong urban design approach to support this linkage and which will enhance street level activity and passive surveillance.

7.5 Reuse of Heritage Item

The Subject Site comprises previously developed urban land. The redevelopment of this site is therefore an economic and efficient use of land particularly given that the proposed residential development will be high density. It will also bring back into active economic use the heritage items on the Subject Site in a manner which respects the historic heritage of these buildings and will facilitate public access to them. This constitutes a significant public benefit and is in accordance with the approach towards new retail centres advocated in the Draft Metropolitan Strategy for Sydney to 2031 (2013).

7.6 Investment Stimulus

Where a significant property investment decision has been made it is generally viewed as a strong positive commitment a local area. Such an investment may in turn stimulate and attract further investment to the immediate area. The investment of $500m million in the Subject Site would represent a sign of confidence in the local market and would raise the profile of Pendle Hill as a place to invest.

The Study previously quantified that the proposed development would achieve an estimated turnover of $44m in 2018. New residents

on the Subject Site would generate an estimated $47m in retail expenditure by 2026 increasing to $50m in 2031. Even allowing for improved floorspace efficiencies over the period new residents on the Subject Site will generate more expenditure than new retail facilities will capture. This equates to a net positive impact on the amount of expenditure generated locally which could be captured by existing centres and thus will support investment within them.

7.7 Shopper Convenience

The MTA which the proposed development would serve is currently underprovided for by supermarket floorspace. The proposed development would assist in addressing some of this floorspace undersupply in an accessible location. Furthermore given that 1,700 new homes will be provided on the Subject Site the provision of locally accessible retail facilities would ensure that they can meet their shopping needs without travelling significant distances and placing increased demands of transport infrastructure. Currently residents have no alternative but to travel to retail centres outside of the MTA such as Wentworthville and Winston Hills in order to undertake their main food shopping. The proposed development would therefore reduce the need for residents to travel consistent with the principles of ecologically sustainable development.

7.8 Added Price Competition

There is sufficient need locally as a result of expenditure growth to support the additional facilities and the trading impacts would not threaten the viability of any other centre. Accordingly added price competition which would eventuate from the proposed development should be viewed positively.

8   RESPONSE TO PEER REVIEW

Holroyd City Council commissioned Leyshon Consulting to undertake a peer review of Hill PDA's original Pendle Hill Former Bonds Factory Site: Economic Impact Assessment ('the Original EIA') dated May 2013. The Original EIA modelled the impact of a centre of 8,000sqm GLA being provided on the Subject Site inclusive of a supermarket of 4,000sqm GLA. This Chapter undertakes a high-level response to several of the points made by the Leyshon Consulting Peer Review (hereafter referred to as 'the Peer Review') dated October 2013.

8.1   Centre Size and Impact

The Peer Review concluded in relation to the 8,000sqm centre tested in the Original EIA that trading impacts had been understated by Hill PDA, particularly on Pendle Hill. The Peer Review suggested a smaller centre be provided on the Subject Site as an alternative to moderate potential impact.

The Peer Review advised that:

> "Council support development of a neighbourhood centre on the subject site limited to 5,500sqm GLA for retail premises and up to an additional 500sqm allocated to business/ office premises"[57].

A centre of the size advised by the Peer Review was deemed to moderate potential adverse impact on Pendle Hill and other existing centres which would result.

The proposed centre sought now on the Subject Site and tested in this Study comprises 5,500sqm GLA of retail premises and 500sqm GLA of non-retail commercial/ business uses. The Peer Review therefore accords with the findings of the Study and the impact assessment in Chapter 6 that trading impacts on existing centres would be acceptable.

8.2   Capacity of Existing Centre

It was beyond the scope of the Original EIA to consider the extent to which the proposed centre, or any component of it, could be accommodated within Pendle Hill or other existing centres locally. However, the Peer Review found:

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[57] Source: Page 30, Peer Review of Economic Impact Assessment, Leyshon Consulting Pty Ltd (October 2013)

"…that the Pendle Hill, Wentworthville and South Wentworthville centres do not have the capacity to accommodate the proposed development- either in whole or in part within areas currently zoned for retail activity"[58].

It would therefore appear that there is limited ability to accommodate the proposed centre under existing centre zonings locally.

Notwithstanding this, the purpose of the proposed centre is largely to serve demand emerging out of residential development on the Pendle Hill Former Bonds Factory Site itself and therefore it is most appropriately located within this Site rather than some distance away in Pendle Hill. As previously explored in Chapter 2 of this Study, planning policy seeks to promote a flexible approach towards allowing new centres to grow and form in line with demand and where impacts on existing centres would be acceptable.

8.3   Principle of a New Centre

The Peer Review concluded that "…there is a need for additional retail facilities in the Pendle Hill trade area while the capacity to accommodate them in existing centres is not evident"[59]. On this basis, the Peer Review advocates Council supporting a neighbourhood centre as part of the proposed development subject to a size limitation of 5,500sqm GLA for retail premises and up to an additional 500sqm for non-retail commercial/ business premises. A centre of this size would "…significantly improve retail services in the area"[60] and also "…address the existing under-supply of retail floorspace…while encouraging the redevelopment of the subject site for residential purposes"[61].

Given that a centre of 5,500sqm GLA retail floorspace and an additional 500sqm non-retail commercial/ business floorspace is now sought and has been considered in this Study, the Peer Review supports the provision of the proposed centre in this locality.

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[58] Source: Page 27, Peer Review of Economic Impact Assessment, Leyshon Consulting Pty Ltd (October 2013)
[59] Source: Page 29, Peer Review of Economic Impact Assessment, Leyshon Consulting Pty Ltd (October 2013)
[60] Source: Page 30, Peer Review of Economic Impact Assessment, Leyshon Consulting Pty Ltd (October 2013)
[61] Ibid

APPENDIX A: SOCIO-DEMOGRAPHIC ANALYSIS

Table 17- A1: Population, Household and Dwelling Characteristics

	Pendle Hill	Girraween	South Wentworthville	Constitution Hill	Old Toongabbie	Toongabbie	Holroyd LGA	Greater Sydney*
Total Population	6,662	4,691	5,525	4,255	2,681	13,003	99,163	4,391,676
Total Dwellings	2,512	1,713	2,067	1,573	964	4,692	36,465	1,720,333
Occupied Private Dwellings	2,266	1,588	1,885	1,467	897	4,357	33,013	1,521,398
Occupied Private Dwellings (%)	90.2%	92.7%	91.2%	93.3%	93.0%	92.9%	90.5%	88.4%
Median total household income ($/weekly)	$1,188	$1,315	$1,181	$1,192	$1,595	$1,407	$1,209	$1,447
Median mortgage repayment ($/monthly)	$2,020	$2,150	$2,156	$2,000	$2,000	$2,013	$2,058	$2,167
Median rent ($/weekly)	$320	$330	$345	$265	$360	$320	$330	$351
Average household size	2.7	2.9	2.9	2.8	2.9	2.9	2.8	2.7
Median age of persons	36	35	34	36	37	35	34	36
Age Distribution								
0-14	19.5%	22.7%	21.4%	21.2%	21.7%	20.1%	20.9%	19.2%
15-29	19.1%	17.1%	20.9%	20.0%	17.4%	20.7%	21.6%	21.0%
30-44	23.7%	24.9%	22.9%	22.0%	23.1%	23.8%	23.5%	22.5%
45-59	17.0%	17.9%	17.5%	18.8%	18.6%	18.4%	17.1%	19.2%
60-74	10.5%	11.8%	11.0%	13.6%	14.5%	12.3%	11.3%	11.9%
75+	10.1%	5.5%	6.2%	4.3%	4.7%	4.6%	5.6%	6.1%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Source: Source: ABS Census 2011

* Based on the ABS Greater Capital City Statistical Areas (GCCSAs) for Sydney– The GCCSAs represent the socio-economic extent of each of the eight State and Territory capital cities The GCCSAs combined with the 'Rest of State' regions cover the whole of Australia without gaps or overlaps and aggregate directly to State/Territory

Table 18- A2: Household Characteristics

*	Pendle Hill	Girraween	South Wentworthville	Constitution Hill	Old Toongabbie	Toongabbie	Holroyd LGA	Greater Sydney*
Home Ownership								
Owned or Being Purchased	54.6%	68.3%	64.6%	63.0%	86.1%	69.6%	61.8%	65.2%
Rented	40.0%	28.3%	32.4%	33.7%	12.6%	27.3%	34.8%	31.6%
Other/Not Stated	5.4%	3.3%	3.0%	3.3%	1.3%	3.1%	3.5%	3.2%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Household Structure								
Family Households	71.3%	77.3%	75.2%	93.3%	81.5%	78.6%	76.4%	73.1%
Lone Person Households	26.4%	20.7%	22.9%	3.2%	16.8%	18.8%	20.9%	22.6%
Group Households	2.3%	2.0%	2.0%	3.5%	1.7%	2.6%	2.7%	4.3%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Family Type								
Couple family w. children	51.5%	55.9%	51.0%	48.1%	51.5%	53.2%	50.7%	48.9%
Couple family w/o children	30.7%	27.4%	26.3%	28.7%	34.0%	29.7%	29.5%	33.5%
One parent family	15.6%	14.9%	20.4%	20.8%	13.6%	15.7%	17.6%	15.7%
Other family	2.2%	1.8%	2.3%	2.4%	0.9%	1.4%	2.3%	1.9%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Dwelling Type								
Separate house	50.5%	56.2%	67.6%	72.2%	98.1%	69.6%	61.6%	60.9%
Townhouse	18.4%	34.6%	31.1%	25.5%	1.9%	21.5%	14.3%	12.8%
Flat-Unit-Apartment	29.9%	9.2%	1.2%	2.1%	0.0%	8.6%	23.8%	25.8%
Other dwelling	1.0%	0.0%	0.2%	0.0%	0.0%	0.2%	0.2%	0.5%
Not stated	0.2%	0.0%	0.0%	0.2%	0.0%	0.0%	0.0%	0.1%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Source: Source: ABS Census 2011

* Based on the ABS Greater Capital City Statistical Areas (GCCSAs) for Sydney– The GCCSAs represent the socio-economic extent of each of the eight State and Territory capital cities The GCCSAs combined with the 'Rest of State' regions cover the whole of Australia without gaps or overlaps and aggregate directly to State/Territory

Table 19- A3: Employment and Income Characteristics

*	Pendle Hill	Girraween	South Wentworthville	Constitution Hill	Old Toongabbie	Toongabbie	Holroyd LGA	Greater Sydney*
Labour Force								
Managers	8.5%	8.9%	8.9%	10.2%	11.8%	8.3%	9.4%	13.3%
Professionals	23.8%	23.4%	19.1%	24.7%	20.8%	22.2%	20.0%	25.5%
Technicians & Trade Workers	12.8%	13.9%	16.0%	13.5%	15.7%	13.9%	14.4%	12.2%
Community & Personal Services Workers	7.4%	7.3%	8.9%	8.1%	10.1%	8.2%	8.4%	8.8%
Clerical and Administrative Workers	19.4%	19.3%	20.7%	19.5%	18.8%	19.6%	18.7%	16.2%
Sales Workers	8.7%	8.4%	7.6%	8.6%	8.4%	8.8%	9.0%	9.0%
Machinery Operators & Drivers	8.4%	7.7%	8.9%	6.0%	6.8%	7.8%	8.6%	5.7%
Labourers	9.1%	8.4%	7.8%	6.5%	6.6%	9.2%	9.3%	7.3%
Inadequately described or N.S.	2.1%	2.7%	2.1%	2.9%	1.0%	2.0%	2.2%	2.0%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Weekly Household Income								
$0-$599	24.3%	19.7%	21.7%	21.7%	14.8%	17.1%	21.5%	18.2%
$600-$1,249	23.6%	23.2%	25.7%	24.3%	22.6%	23.5%	25.0%	21.2%
$1,250-$2,499	28.5%	30.8%	28.0%	26.7%	32.2%	31.8%	28.5%	26.6%
$2,500-$3,999	12.6%	14.0%	12.1%	14.0%	17.7%	15.7%	12.6%	18.2%
$4,000+	2.2%	2.5%	2.4%	2.2%	4.2%	3.1%	2.6%	5.5%
Partial income stated	5.6%	6.9%	6.9%	7.9%	6.8%	6.9%	7.0%	7.9%
All incomes not stated	3.4%	2.9%	3.1%	3.3%	1.7%	2.1%	2.6%	2.4%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
% Unemployment	8.0%	6.7%	7.4%	8.5%	3.4%	6.0%	7.2%	5.7%

Source: Source: ABS Census 2011

* Based on the ABS Greater Capital City Statistical Areas (GCCSAs) for Sydney– The GCCSAs represent the socio-economic extent of each of the eight State and Territory capital cities The GCCSAs combined with the 'Rest of State' regions cover the whole of Australia without gaps or overlaps and aggregate directly to State/Territory

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