

KURNELL PLANNING PROPOSAL

Economic impact assessment



Prepared for Besmaw Pty Ltd

CONTENTS

Executive summary	5
1.0 Introduction	10
1.1 Description of the site and locality	10
1.2 Report background, purpose and structure	10
2.0 Strategic context	12
2.1 State Government.....	12
2.2 Local Government.....	16
3.0 Socio-economic profile	17
3.1 Resident labour force characteristics	17
3.2 Employment characteristics.....	20
3.3 Tourism characteristics	21
3.4 Socio-economic conclusion.....	23
4.0 Retail demand assessment.....	24
4.1 Existing retail hierarchy and competitive environment.....	25
4.2 Site’s trade area	26
4.3 Population, worker and visitor projections	27
4.4 Retail expenditure.....	30
4.5 Retail capture rates by broad store type	31
4.6 Potential retail sales / turnover	31
4.8 Demand for retail floorspace	32
4.9 Retail - recommendation	32
4.10 Impact on surrounding centres.....	32
5.0 Employment land assessment.....	34
5.1 Existing employment lands	34
5.2 Employment generation	35
5.3 Employment land requirements	36
6.0 Economic impact assessment.....	39
6.1 Economic impact assessment approach	39
6.2 Base case – economic impacts.....	40
6.3 Planning Proposal’s design and construction phase - economic impacts.....	40
6.4 Planning Proposal’s operational phase - economic impacts.....	42
6.5 Other economic benefits	45
6.6 Net operational phase - economic impact and conclusion.....	46

Tables

Table 1: Site description	10
Table 2: Consistency with Section 9.1 Ministerial Directions	14
Table 3: Sutherland Shire resident labour force profile by industry sector 2011-21	17
Table 4: Sutherland Shire employment self-containment 2021	19
Table 5: Sutherland Shire population projections 2021-36	20
Table 6: Sutherland Shire employment by industry 2011-21	21
Table 7: The value of tourism to Sutherland Shire	22
Table 8: International and domestic overnight visitors, Sutherland Shire 2010-2022	23
Table 9: Average household size by bedroom number and typology (Sutherland Shire 2021)	28
Table 10: Site’s resident population estimate	28
Table 11: Site main trade area population projections	29
Table 12: Planning Proposal total worker estimates	29
Table 13: Staging of development by broad land use (for modelling purposes)	30
Table 14: Estimated total household retail expenditure by commodity type (\$m)	30
Table 15: Applied target retail capture rates by broad store type and trade segment	31
Table 16: Potential site’s capture of retail trade (\$m)	31
Table 17: Retail floorspace demand (sqm)	32
Table 18: Employment land supply 2018-2022 (hectares)	35
Table 19: Employment in Sutherland Shire and in the employment precincts (2021)	36
Table 20: Employment projections 2021-41 in Sutherland Shire and employment precinct (EP)	37
Table 21: Economic impact metrics assessed	39
Table 22: Base case – economic performance	40
Table 23: Design and construction impact on gross output (\$m)	41
Table 24: Design and construction impact on employment (job years)	41
Table 25: Design and construction impact on wages (\$m)	41
Table 26: Construction – impact on gross value added (GVA)	42
Table 27: Operational phase - employment generation (FTE)	42
Table 28: Operational phase - economic output	43
Table 29: Operational phase - estimated salary generation	43
Table 30: Operational phase - estimated Industry Value Added	44
Table 31: Housing and productivity contributions	44
Table 32: Net operational phase economic impacts – Planning Proposal over base case	46
Table 33: Total retail expenditure by trade segment and source of spend (2023 \$m)	47

Figures

Figure 1: Forecasting retail demand methodology	24
Figure 2: Surrounding retail environment	26
Figure 3: Site’s main trade area	27
Figure 4: Sydney monthly vacancy rate January 2005 – September 2023	28

Quality Assurance

Report contacts

Nicholas Hill
Acting Managing Principal
M.A Property Development, UTS
B. Science, M Human Geography, Macquarie University
Nick.Hill@hillpda.com


Supervisor

Adrian Hack
Principal, Urban and Retail Economics
M. Land Econ. B.Town Planning (Hons) (UNSW)
Adrian.Hack@hillpda.com

Quality control

Adrian Hack
Principal, Urban and Retail Economics
M. Land Econ. B.Town Planning (Hons) (UNSW)
Adrian.Hack@hillpda.com

Reviewer

Signature		Dated	01/12/23
-----------	---	-------	----------

Report details

Job number	V23075
Version	FINAL
File name	Kurnell Peninsula masterplan, economic impact assessment
Date issued	1/12/2023

EXECUTIVE SUMMARY

This economic impact report has been prepared by HillPDA to accompany a proponent initiated Planning Proposal (Planning Proposal) in support of the proposed amendment to the State Environmental Planning Policy (Precincts—Central River City) 2021 (SEPP Precincts) and the Sutherland Shire Local Environmental Plan 2015 (SSLEP 2015).

The Planning Proposal aims to translate and amend current land use zones under the applicable controls to be consistent with the standard instrument local environmental planning zones and enable additional land uses at 251, 260R, 278, and 280-282 Captain Cook Drive, Kurnell (the site). The Planning Proposal will establish a new mixed-use community encompassing residential, employment, tourism, education, cultural facilities, ecological regenerative zones and public open space areas.

The purpose of this report is to assess and quantify, where possible, the economic impacts that would eventuate from development of the Planning Proposal. In undertaking this, the report also provides a review of local and State planning strategies; reviews key socio-economic characteristics of the Shire; undertakes a supply and demand analysis for employment land within the Shire; and estimates how much retail floorspace could be supported in the site without compromising the viability of nearby retail centres.

The following provides a summary of the key findings of the economic impact report.

Strategic policy alignment

This report reviewed State and local policies and strategies including, the Greater Sydney Region Plan, South District Plan, Future Transport Strategy 2056, Sutherland Shire LSPS and Economic Strategy.

These documents recognise that to maintain the economic sustainability of the Shire, there needs to be increased employment opportunities, new industry development, growth and retention of existing businesses, attraction of new residents, increased tourism activity and housing supply and choice. New mixed-use developments, such as that under the Planning Proposal, attract new businesses and residents, are important sources of investment, generate employment, increase GRP, support the local visitor economy and increase the diversity of the local housing market and economy.

Moreover, the Sutherland Shire Economic Strategy identifies four key economic growth objectives that are to be achieved by 2030. The Planning Proposal would contribute to the Shire attaining three of the economic growth objectives, these being:

- Objective 1: Increase the number of jobs by 10,000 Full-time equivalent (FTE) (total of 87,937 jobs) by 2023. The Planning Proposal would directly generate and estimate 1,575 FTE jobs on site. As such, development of the Planning Proposal would directly contribute to attaining this economic objective.
- Objective 2: Increase Sutherland Shire's business output (turnover) by 15% by 2023. The Strategy estimates the Shire's output at \$17.656 billion in 2016/17. It is estimated that the Planning Proposal would directly generate \$232 million in output. As such, development of the Planning Proposal would directly contribute to attaining this economic objective.
- Objective 4: Increase the average tourism spend in the Sutherland Shire by 20% (\$46 million) by 2030. The Planning Proposal would provide 587 short-term visitor and tourist accommodation keys. It is estimated that each year, this would increase the total number of visitor nights per annum in the Shire by around 273,175. Based on an average spend of \$250 per visitor night, total spend would be around \$68.3 million per annum. Of this, \$26 million would be spent on retail goods and services, of which, the majority would be captured in the Shire. As such, development of the Planning Proposal would directly contribute to attaining this economic objective.

As described in Table 2, page 14 of this report, the Planning Proposal is also considered to be consistent with the objectives of Direction 7.1 as described within the 9.1 Ministerial Directions.

Economic profile

Analysis of key socio-economic data presents the following characteristics:

- As of 2021, 38% of residents were employed within knowledge intensive, accommodation/ food and retail service industries.
- Between 2011-21, almost a quarter (23%) of the net increase in employed residents occurred within knowledge-intensive, accommodation/food, and retail service industries.
- In 2021, accommodation/food and retail service jobs had a containment rate of 68%, which was higher than the LGA average (43%).
- Between 2021-41, an estimated 6,585 additional residents would seek employment in the LGA.
- As of 2021, around 41% of jobs generated in the LGA were within knowledge intensive, accommodation/ food and retail service industries.
- The economic value of tourism to the Shire was more significant before COVID-19.
- Measures to reduce the spread of COVID-19 significantly impacted the economic value of tourism in the LGA.

The Planning Proposal would provide the types of land uses and subsequent employment opportunities that would support continued economic sustainability and growth in the Shire. The Planning Proposal would also contribute to a local-led recovery from the impacts of COVID-19 on the tourism industry.

Employment land supply and demand assessment

Across the Shire, employment land encompasses land zoned as E3 Productivity Support, E4 General Industrial, E5 Heavy Industrial and W4 Working Waterfront. As of January 2022, the Shire contained a total of 596 hectares of zoned employment land stocks. Of this, around 448.6 hectares or 75% was developed, and 147 hectares or 25% was undeveloped.

The site contains around 34.5 hectares of undeveloped E4 general industrial zoned land. It is our understanding that, resulting from environmental and heritage constraints, up to two thirds of this is unavailable for development. This reduces the amount of developable land to just under 12 hectares.

As of 2021, it is estimated that the Shire's employment precincts contained up to 18,000 jobs. This represented 25% of the total jobs generated across the Shire. This job generation results in an average density of around 40 jobs per hectare across the Shire's employment precincts.

Transport for NSW projects employment across the Shire will increase by an additional 13,000 jobs between 2021-46. Of this, it is estimated that between 2,835 to 3,220 would be accommodated in the Shire's employment precincts. Based on the average employment land job density of 40 jobs per hectare, 71 to 81 hectares of zoned employment land would be required to accommodate these jobs.

With a current supply of around 147 hectares of vacant land, there is sufficient zoned and undeveloped land stocks across the Shire to meet its projected demand.

As previously discussed, the site contains 34.5 hectares of zoned industrial land. It is understood that two thirds of this land is unavailable for developed because of constraints. Despite this, even accounting for the loss of entire 34.5 hectares there is sufficient undeveloped employment land stocks across the Shire to meet its projected demand - with a surplus of between 32 to 42 hectares.

From the above analysis, it is concluded that retaining the site's current industrial zoned land or rezoning the wider site for industrial purposes it not required or desirable. The reasoning for this is provided below:

1. Excluding the site, there is sufficient zoned land existing across the Shire to meet its employment land needs.
2. The Site's location on a peninsula may not be the preferred location for most of the potential employment land uses. This is indicated both through the site's industrial zoned land remaining undeveloped and the wider Kurnell employment precinct being mostly undeveloped.

In fact, according to the ELDM, despite the Kurnell employment precinct remaining the same size the amount of undeveloped land contained within has increased over the three years to January 2022 while, the amount of developed land has decreased. This future highlights the likely lack of utility for the location for industrial purposes.

3. The lost employment generating potential of industrial land is more than offset by the higher density employment opportunities of the Planning Proposal.
4. Ensuring that existing precincts in more favourable locations have sufficient capacity in their planning framework is likely to be a more successful and appropriate strategy in achieving economic growth.

Retail demand assessment

It is estimated that the site could service a main trade area (MTA) of around 11,450 persons by 2046. Of this, 7,305 persons or 64% are estimated to be accommodated on the site.

To assess an appropriate amount of retail space that could be accommodated on the site to service its and the wider MTA's population, without negatively affecting the surrounding centre network, we utilised our in-house expenditure model (which takes into account socio-demographics of the catchment, real growth in expenditure, population growth, potential capture rates and benchmark retail turnover densities).

Using this model, it was estimated that retailers on the site could achieve total retail sales of around \$133 million by 2046. Sources of expenditure include MTA households, tourism/visitors and workers. Applying industry average retail turnover densities (\$/sqm) by broad store type to the projected expenditure captured, it estimated that just over 25,000sqm could be supported on site.

The Planning Proposal would provide around 19,579sqm of retail space. It is understood that the tourism accommodation would provide around 9,775sqm of retail space (food and entertainment space). This leaves a residual 9,806sqm to be provided across the site.

With this considered, it is recommended that a local centre of around 7,500sqm could be accommodated on the site to service its and the wider MTA's community. The centre could be anchored by a full-line supermarket of around 3,500sqm, supported by speciality retail space of around 3,000sqm and 1,000sqm of non-retail uses.

Up to a further 2,500sqm of retail services, including cafés and restaurants, could be dispersed throughout the balance of the site. These uses could locate close to the tourist accommodation and/or natural amenity that would take advantage of visitor numbers.

Economic impact assessment

The Planning Proposal would support several direct and indirect economic benefits during its construction and operation phases. These benefits are outlined in the following sections.

Net construction phase economic impacts

Based on an estimated construction cost of \$3.4 billion (excluding GST), the proposal could generate and support the following economic activity during its construction phase:

- A total economic output of around \$9.79 billion.
- A total of around 27,257 job years, including 7,387 job years directly generated onsite.

- Total worker remuneration of \$2.14 billion, including \$594 million in direct remuneration.
- A total of \$4.05 billion in gross value added (GVA) to the local gross regional product (GRP), including \$1.06 billion in direct GVA.

Net operational phase economic impacts

Compared to the base case, the Planning Proposal would support a more intensified economic outcome for the site. The net increase in economic activity generated and supported during the operation phase, when compared to the base case, is estimated at:

- **Employment:** a total net increase of around 2,169 FTE jobs generated and supported. Of these, 1,163 FTE jobs are directly generated onsite.
- **Output:** a total net increase of around \$620 million in generated and supported output. Of this, \$229 million is directly generated.
- **Remuneration:** a total net increase of around \$156 million in generated and supported wages. Of this, \$82 million is directly generated.
- **GVA:** a total net increase of around \$251 million in generated and supported GVA. Of this, \$102 million is directly generated by the uses onsite.
- **Tourism expenditure:** a total expenditure of around \$68.3 million, of which \$26 million is estimated to be spent on retail goods and services.
- **Resident retail expenditure:** by 2046, residents on site would generate a total of \$158 million in retail expenditure.
- **Government contributions:** an estimated \$69 million would be contributed towards state/regional and local infrastructure through the Housing and Productivity Contribution and Section 7.12 developer Contributions.

From this assessment, it is concluded that the Planning Proposal is strongly supported from an economic perspective.

INTRODUCTION

1.0 INTRODUCTION

This economic impact report has been prepared by HillPDA to accompany a proponent initiated Planning Proposal (Planning Proposal) in support of the proposed amendment to the State Environmental Planning Policy (Precincts—Central River City) 2021 (SEPP Precincts) and the Sutherland Shire Local Environmental Plan 2015 (SSLEP 2015).

The Planning Proposal aims to translate and amend current land uses zones under the applicable controls to be consistent with the standard instrument local environmental plan zones and enable additional land uses at 251, 260R, 278, and 280-282 Captain Cook Drive, Kurnell (the site). The Planning Proposal will establish a new mixed-use community encompassing residential, employment, tourism, education, cultural facilities, ecological regenerative zones and public open space areas.

1.1 Description of the site and locality

The land to which this Planning Proposal relates is 251, 260R, 278, and 280-282 Captain Cook Drive, Kurnell and is located within the Sutherland Shire Local Government Area (LGA).

The key features of the site are summarised in Table 1.

Table 1: Site description

Feature	Lot 2 North	Lot 2 South	Lot 8	Lot 9
Street Address	251 Captain Cook Drive	280-282 Captain Cook Drive	278 Captain Cook Drive	260R Captain Cook Drive Kurnell
Legal Description	Lot 2 in DP1030269	Lot 2 in DP559922	Lot 8 in DP586986	Lot 9 DP 586986
Site Area	16 hectares	160 hectares	34.5 hectares	82sqm
	Total Area: Approximately 210.5 hectares			
Local Government Area	Sutherland Shire			

1.2 Report background, purpose and structure

In March 2023, the proponent submitted a Scoping Proposal to Sutherland Shire Council to commence the formal Planning Proposal process, in accordance with the LEP Making Guidelines. The Scoping Proposal provided a comprehensive ‘status update,’ outlining the concept master plan, the intended development outcome, the proposed planning controls and the environmental considerations which were to be further resolved.

As part of the Scoping Proposal process, Council referred the Scoping Proposal package to the NSW Department of Planning and Environment (DPE), State agencies and several internal Council teams for review and comment. The advice received from these stakeholders has provided clear directives on the necessary updates and key focus areas within the technical documentation.

Separate to the Scoping Proposal package, extensive and ongoing engagement with relevant State Agencies has occurred since November 2022, with the objective of clarifying and resolving any of the outstanding considerations.

Besmaw has engaged HillPDA to prepare an economic impact assessment (report) to address the feedback received from the DPE and state agencies and reflects the engagement undertaken to date.

Specifically, feedback received was to assess the Planning Proposal’s consistency with the objectives of Direction 7.1 as described within the 9.1 Ministerial Directions. This is addressed in Section 2.1.4 of this report. It was also

requested that the report estimate the amount the Planning Proposal would contribute towards state/regional infrastructure through the Housing and Productivity Contribution. This is addressed in Section 6.4.7.

In addition to addressing feedback received by DPE, State agencies and Council the report also assess and quantify, where possible, the economic impacts that would eventuate from the development of the Planning Proposal. This is done by assessing the economic activity generated/supported by current land uses on the site and comparing it to the likely uses under the Planning Proposal. Economic impacts are measured using four key performance indicators – gross output (revenue), jobs, wages and gross value added (contribution to the gross domestic product).

The report also undertakes a review of State and local planning strategies/policies; reviews socio-demographic characteristics of the Shire; undertakes a supply and demand analysis for employment land within the Shire; and estimates how much retail floorspace could be supported on the site without compromising the viability of nearby retail centres.

Although the report assesses State and local planning documents/strategies, it does not include any specific planning or policy recommendations, which would require consideration of a range of other factors that would be explored in other specialist studies being undertaken in the preparation of the proposal.

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

- **Chapter 2 – Contextual review** | undertakes an assessment of State and local planning policies of relevance to the Planning Proposal. The section also addresses the proposal’s consistency with the objectives of Direction 7.1 as described within the 9.1 Ministerial Directions.
- **Chapter 3 – Economic profile** | presents an analysis of historic and forecast socio-economic characteristics of Sutherland Shire. The intent is to highlight unique characteristics and opportunities for the Planning Proposal to support, thereby contributing to the economic sustainability of the locale.
- **Chapter 4 – Retail floorspace demand** | undertakes an assessment of the need and demand for retail space that could be located on the site. this is to ensure the Planning Proposal’s and surrounding communities are approximately serviced without impacting the viability of the established centre hierarchy.
- **Chapter 5 – Employment lands** | undertakes a review of the current supply and demand for employment lands in Sutherland Shire.
- **Chapter 6 – Economic impact** | examines the economic contribution that the site currently generates. This is referred to as the “base case”. The section then examines the economic implications that the Planning proposal would have during its construction and operational phases. The economic impacts are measured against the base case.

2.0 STRATEGIC CONTEXT

This section analyses State and local planning strategies, it further identifies areas where the Planning Proposal assists in achieving the intent of these strategies from an economic, employment and tourism perspective.

2.1 State Government

2.1.1 Greater Sydney Regional Plan

The *Greater Sydney Region Plan* (the Plan) was developed by the Greater Cities Commission (GCC) and released in March 2018. The Plan sets out a vision, objectives, strategies and actions for a metropolis of three cities across Greater Sydney over the next 40 years.

Of relevance to this study are the following objectives:

- **Objective 10| Greater housing supply:** emphasises the need to provide ongoing housing supply and a range of housing types in the right locations to support Sydney's growing population. The Planning Proposal would provide a range of housing options, increasing housing supply and diversity within the local area and Greater Sydney.
- **Objective 12| Great places that bring people together:** identifies three mechanisms for developing great places, of which, the provision of social infrastructure that creates authentic local experiences and opportunities for social interaction and connection is one. The Planning Proposal would accommodate several land uses, such as, commercial; education; tourism; retail; residential; social and other employment uses that would increase the opportunity for social interaction and a sense of place, increasing local experiences and social cohesion.
- **Objective 22| Investment and business activity in centres:** aims to maximise the liveability, productivity and sustainability benefits of all employment centres within Sydney by managing and expanding the network of existing centres; planning and growing new centres; delivering walkable, accessible and high amenity centres; and facilitating innovation in retail operations. The Planning Proposal would create an active, connected, vibrant and viable centre that would service the current and future population needs of the Kurnell Peninsula. This locality is currently lacking any sustainable supply of retail services such as that provided in the Planning Proposal. This lack of provision requires residents to travel a substantial distance to access weekly and other essential shopping needs. The Planning Proposal would negate this need to travel, having social, environmental and economic benefits to the locality and residents.
- **Objective 23| Industrial and urban services land is planned, protected and managed:** aims to properly plan for additional industrial and urban services zoned land within Greater Sydney while protecting and managing existing land. The Objective identifies that within greenfield areas (such as the site), there is a need to consider the likely long-term population of the area, and, therefore, the need for land locally to be allocated for industrial and urban services. The demand and supply of such land within the locality are assessed in Chapter 5 of this study.
- **Objective 24| Economic sectors are targeted for success:** aims to ensure that State and local governments are working to drive industry and economic development activities that will create a future where Greater Sydney has a highly skilled workforce that is able to access high-quality jobs in their local area. Key industry sectors relevant to this study identified in this Objective include health, education and tourism uses. The Planning Proposal would increase the amount and type of key economic sectors identified in this Objective.

2.1.2 South District Plan

In March 2018, the GCC released their final District Plans for Sydney. The District Plans support the actions and outcomes of the Greater Sydney Region Plan with additional ‘Planning Priorities’ that are focussed on each district. The Planning Proposal is located within the South District which consists of the local government areas of Sutherland Shire, Georges River and Canterbury-Bankstown.

By 2036, the population of the South District is forecast to reach 945,350 residents, an increase of 204,100 residents from 2016. Over this period, persons aged under four years is projected to increase by 17%, while persons 65 years and over will increase by 61%. Furthermore, to house this total population growth, at least an additional 83,500 dwellings would be required.

The Planning Priorities of the South District relevant to this study include:

- Providing services and social infrastructure to meet people’s changing needs.
- Fostering healthy, creative, culturally rich and socially connected communities.
- Providing housing supply, choice and affordability, with access to jobs, services and public transport
- Delivering high-quality open space.

The mix of land uses proposed in the Planning Proposal are in accordance with the above planning priorities for the South District.

2.1.3 Future Transport Strategy 2056

The Future Transport Strategy is the NSW Government’s 2017 update of the 2012 Long Term Transport Master Plan. It is a 40-year vision for mobility in NSW being developed with the Greater Sydney Commission, the Department of Planning and Environment and Infrastructure NSW. Of relevance to this study are the following identified infrastructure projects (committed or for investigation):

1. Committed initiative (0-10 years) | F6 extension from Kogarah to Loftus identified for immediate detailed planning.
2. Initiative for investigation (10-20 years) | Extension of potential South East train/mass transit link to Miranda.

The fruition of the above infrastructure projects would increase the accessibility and attractiveness of Sutherland Shire for increased residential development. Increased residential development would require additional employment services. The Planning Proposal would generate up to a total of 1,575 jobs upon full development and occupation. This provides increased employment opportunities for the Shire’s current and future population.

2.1.4 Section 9.1 Ministerial Directions

Focus Area 7 of the Ministerial Directions relate to industry and employment. Specifically, Direction 7.1 within Focus Area 7 applies when a relevant planning authority prepares a planning proposal that will affect land within an existing or proposed employment zone (including the alteration of any existing employment zone boundary).

The objectives of Direction 7.1 are to:

- Encourage employment growth in suitable locations,
- Protect employment land in employment zones, and
- Support the viability of identified centres.

A planning proposal may be inconsistent with the terms of this direction only if the relevant planning authority can satisfy the Secretary of the Department of Planning and Environment (or an officer of the Department nominated by the Secretary) that the provisions of the planning proposal that are inconsistent are:

- a. justified by a strategy which:
 - (i) gives consideration to the objective of this direction (**refer to Table 2**), and
 - (ii) identifies the land which is the subject of the planning proposal (if the planning proposal relates to a particular site or sites), and
 - (iii) is approved by the Secretary of the Department of Planning and Environment, or
- b. justified by a study (prepared in support of the planning proposal) which gives consideration to the objective of this direction (**refer to Table 2**), or
- c. in accordance with the relevant Regional Strategy, Regional Plan or Sub-Regional Strategy prepared by the Department of Planning and Environment which gives consideration to the objective of this direction or
- d. of minor significance.

It is understood that feedback was received from DPE, State Agencies, and Council during the Scoping Proposal process. Of relevance to this study was comments that the:

planning proposal must demonstrate consistency with all relevant Section 9.1 Ministerial Directions.

Addressing the proposal's consistency with this Direction (7.1) must include discussion on how the proposal:

- Encourages employment growth in suitable locations;
- Supports the viability of existing identified centres, including how the proposal responds with the broader centres hierarchy; and
- How the proposal can provide for adequate services to meet the needs of the broader community and residents (i.e. supermarkets, commercial premises etc). This should be informed by a retail and commercial needs analysis.

The above comments are addressed in Table 2.

Table 2: Consistency with Section 9.1 Ministerial Directions

Objective	Consistency of Planning Proposal
Encourage employment growth in suitable locations	<p>The Planning Proposal is conserved to be consistent with this objective as:</p> <ul style="list-style-type: none"> ■ The site is currently being used for employment purposes and adjoins a larger employment precinct. This implies the location is suitable for employment uses. ■ Employment uses proposed are generally permitted with consent under the current and superseded SEPP. This implies that at the time the SEPP was developed (1989) the site was considered suitable for a range of employment including retail, commercial and tourism.
Protect employment land in employment zones	<p>The site currently contains 34.4 hectares of E4 General Industrial zoned land. It is understood that this industrial zoned land has remained undeveloped and is antidotally constrained further reducing its employment generating or appropriateness for development.</p> <p>The Planning Proposal would supplement the retraction of the industrial land with the provision of a range of other employment zoned land, including E1 Local Centre and SP3 Tourism. These employment zones have a comparably higher employment generating outcome to that that which would eventuate under the site's current uses and industrial zone.</p>
Supports the viability of existing identified centres, including how the proposal responds with the broader centres hierarchy	<p>Supports the viability of existing identified centres</p> <p>The Planning Proposal would support the viability of existing identified centres by generating the opportunity for the capture of additional trade from its estimated resident population (7,305 persons), workers and tourist/visitors.</p> <p>In fact, by 2046 it is estimated that these sources could generate up to \$194 million in retail spend. The site would capture 55% of the spend potential, leaving around a residual \$108 million to be captured by existing and future centres. This is additional expenditure which, without the Planning Proposal, would not eventuate. As such, the Planning Proposal would support the continued viability and vibrancy of the Shire existing and future centre network.</p>

Additionally, as described in Chapter 4, our retail demand modelling and suggestive retail provision/mixture onsite ensures that the site does not adversely impact upon the viability of the surrounding centre network. The following further details this:

Potential impact on Kurnell retail strip: Currently, the 2,500 residents in Kurnell are serviced by a small retail strip located at the junction of Torres St and Captain Cook Drive. The retail strip provides around 1,700sqm of ground floor retail floorspace which includes a BWS shop, friendly grocer, fruit, and vegetable shops, take away food and a pharmacy. Residents are required to travel to Woollooware, Cronulla, Miranda or Caringbah to undertake more substantial shopping needs. These centres are between a 10-to-20-minute drive away. The site would provide vital retail and commercial services for the existing and future residents of the Kurnell Peninsula, reducing their need to travel further to access such services. This would have social, environmental and economic benefits in the locality.

Furthermore, the site would capture around an estimated 30% of the total household expenditure generated by the residents of Kurnell suburb (excluding the site). This leaves a residual 70% or \$29 million in 2023 increasing to \$37 million by 2046 to be captured by retailers in Kurnell or surrounding centres. This residual amount, coupled with potential increased sales from visitors and residents from the site, is considered sufficient to mitigate any negative impacts resulting from the Planning Proposal.

Potential impacts on other Sutherland Shire centres: Retail services onsite would draw most of their trade from the Planning Proposal's residents, workers and visitors/ tourists to the site. This implies that most of the retail expenditure generated by the residents of the Shire would be directed towards Miranda and existing local centres. Hence, the Planning Proposal would have no measurable impact on the viability or sustainability of the Shire's existing centre network.

Expenditure on retail goods and services generated by Sutherland Shire residents is forecast to increase from around \$4.6 billion in 2023 to around \$6.4 billion by 2046. This represents a \$1.8 billion or 39% growth over the period. The expected capture of resident expenditure on the site is likely to be around 5% of this growth. Hence, all other centres in the Shire are expected to enjoy some growth in trade, notwithstanding likely short-term impacts from the Planning Proposal.

Responds with the broader centres hierarchy

As described in Chapter 4, the Planning Proposal would serve a main trade area extending from Kurnell to Greens Beach. By 2046, this area is estimated to have a resident population of around 11,450 persons, of which, 7,305 or 64% reside on site.

Currently, this area is only served by a small retail strip of around 1,700sqm. Residents in Kurnell, the site and Greens Beach are currently required to travel extended distances to undertake their weekly shopping needs. Modelling detailed in Chapter 4 of this study suggests that the site could accommodate up to 25,000sqm of shop front space without compromising the viability of the surrounding centre network. Excluding tourism and dispersed retail space it is recommended that a local centre of up to 7,500sqm be provided onsite. This local centre responds to an identified demand while not being of a size that would comprise the surrounding hierarchy.

<p>How the proposal can provide for adequate services to meet the needs of the broader community and residents</p>	<p>As described in detail in Chapter 4, the proposal could support up to 25,000sqm shop front space. The Planning Proposal would provide around 19,579sqm of retail space. Of this, it is understood, that the tourism accommodation would provide around 9,775sqm of retail space (food and entertainment space). This leaves a residual 9,806sqm to be provided elsewhere across the site.</p> <p>With this considered, it is recommended that a local centre of around 7,500sqm could be provided on site. The centre could be anchored by a full-line supermarket of around 3,500sqm, supported by speciality retail space of around 3,000sqm and 1,000sqm of non-retail uses. Up to a further 2,500sqm of retail services, including cafés and restaurants, could be dispersed throughout the remainder of the site. This would benefit by being located close to the tourist accommodation component and/or around natural assets to take advantage of the landscape and visitor expenditure.</p>
--	---

2.2 Local Government

2.2.1 Local Strategic Planning Statement 2019

The Local Strategic Planning Statement (LSPS) expresses the vision and planning principles to guide land use decisions across the Shire for the next 20 years. It identifies priorities to deliver specific land use outcomes for infrastructure, housing, town centres, employment, transport, recreation and the environment.

The LSPS provides planning priorities for the Shire. Of relevance to this study are:

- Planning Priority 15 – Grow Industrial land and urban service jobs: aims to maintain our industrial land and investigate opportunities to grow local employment in industrial and urban services. The site contains around 34.4 hectares of E4 General Industrial land which forms part of the wider Kurnell industrial precinct. The Kurnell industrial precinct has the lowest jobs densities of all the Shire’s industrial precincts, estimated at 5.7 jobs per hectare¹.

Using this benchmark it is estimated that if fully developed the site’s existing industrial zoned land would only generate up to 195 jobs. This outcome is unlikely as it understood that two thirds of this land unavailable for development due to environmental and heritage constraints. This would limit its development capacity and employment generation.

In comparison, upon completion the master plan could generate upwards of 1,575 total jobs. As such, the higher order land uses as proposed under the master plan would generate greater economic outcome and benefits for the Shire.

It is also noted that, even with the retraction of the site, analysis in Chapter 5 indicates that the Shire has sufficient existing zoned employment land stocks to meet its projected needs.

- Planning Priority 17 – Grow Tourism: aims to support opportunities to grow tourism and encourage more overnight visitors, extend visitor stays and invest in tourism assets to enhance visitor experiences. The master plan would provide upwards of 587 short-term tourist and visitor accommodation rooms. This would significantly raise the profile of the Shire to potential visitors, increasing overnight visitation rates in the Shire with beneficial economic flow-on effects.

2.2.2 Sutherland Shire Economic Strategy 2018 update

The Strategy outlines the key economic outcomes which will contribute to enhancing the vibrancy, liveability, economic diversity and sustainability of the Sutherland Shire. The Strategy identifies four key economic growth objectives to be achieved by 2030. The Planning Proposal would contribute to the Shire attaining three of the economic growth objectives, these being:

- Objective 1: Increase the number of jobs by 10,000 Full-time equivalent (FTE) (total of 87,937 jobs) by 2023. The Planning Proposal would directly generate and estimate 1,575 FTE jobs on site. As such, development of the Planning Proposal would directly contribute to attaining this economic objective.
- Objective 2: Increase Sutherland Shire’s business output (turnover) by 15% by 2023. The Strategy estimates the Shire’s output at \$17.656 billion in 2016/17. It is estimated that the Planning Proposal would directly generate \$232 million in output. As such, development of the Planning Proposal would directly contribute to attaining this economic objective.
- Objective 4: Increase the average tourism spend in the Sutherland Shire by 20% (\$46 million) by 2030. The Planning Proposal would provide 587 short-term visitor and tourist accommodation keys. It is estimated that each year, this would increase the total number of visitor nights per annum in the Shire by around 273,175. Based on an average spend of \$250 per visitor night, total spend would be around \$68.3 million per annum. Of this, \$26 million would be spent on retail goods and services, of which, the majority would be captured in the Shire. As such, development of the Planning Proposal would directly contribute to attaining this economic objective.

¹ Calculated from an employment generation of 1,484 jobs (draft LSPS 2019) over 261.3 hectares of developed land (ELDM 2019)

3.0 SOCIO-ECONOMIC PROFILE

The following section undertakes a review of Sutherland Shire’s (the Shire) economic profile to highlight unique key characteristics and opportunities that the Planning Proposal could support and ensure the continued economic growth and sustainability of the locale.

3.1 Resident labour force characteristics

The LGA labour force refers to working persons living in the LGA, regardless of where they work.

3.1.1 Workforce profile 2011-21

Table 3 provides a summary of the industries that residents in the Shire were employed in between 2011-21. This provides insight into the changing preference for the types of industries in which residents seek employment.

Table 3: Sutherland Shire resident labour force profile by industry sector 2011-21

Industry	2011	2021	Change
Agriculture, Forestry and Fishing	129	228	99
Mining	204	229	25
Manufacturing	8,801	5,694	-3,107
Electricity, Gas, Water and Waste Services	1,286	1,154	-132
Construction	9,689	13,294	3,605
Wholesale trade	5,289	3,506	-1,783
Retail Trade	11,101	9,782	-1,319
Accommodation and Food Services	5,788	5,416	-372
Transport, Postal and Warehousing	7,804	6,661	-1,143
Information Media and Telecommunications	2,089	1,942	-147
Financial and Insurance Services	6,358	7,066	708
Rental, Hiring and Real Estate Services	2,182	2,482	300
Professional, Scientific and Technical Services	9,430	11,363	1,933
Administrative and Support Services	3,327	3,358	31
Public Administration and Safety	7,561	8,008	447
Education and Training	9,739	11,825	2,086
Health Care and Social Assistance	11,415	14,717	3,302
Arts and Recreation Services	1,745	1,893	148
Other Services	4,227	4,390	163
Inadequately described or not stated	2,299	4,441	2,142
Total	110,463	117,449	6,986

Source: Profile.id

The resident labour force profile for the LGA presents the following key characteristics:

- Over the period, employed residents increased by 6,986, representing a proportional growth of 6.3 per cent.
- Growth of employed residents over the 2011-21 period (6.3 per cent) was higher than population growth (4.8 per cent), implying a comparably higher demand for employment opportunities over the period.

- Residents employed in ‘blue collar’ industries (including manufacturing, wholesaling, transport and warehousing but excluding primary industries) decreased by around 6,033 jobs or 15 per cent over the 2011-21 period.
- The top five industries in which the Shire residents were employed in, as of 2021, were:
 - Health Care and Social Assistance – 14,717 employed residents
 - Construction – 13,294 employed residents
 - Education and training – 11,825 employed residents.
 - Professional, Scientific and Technical Services – 11,363 employed residents
 - Retail trade – 9,782 employed residents
- The top five growth industries for employed residents between 2011-21, were:
 - Construction – 3,605 additional employed residents
 - Health Care and Social Assistance – 3,302 additional employed residents
 - Education and training – 2,086 additional employed residents.
 - Professional, Scientific and Technical Services – 1,933 additional employed residents
 - Financial and Insurance Services – 708 additional employed residents

This analysis indicates a growing preference for residents to be employed within construction, knowledge intensive, health and education and retail industries. The type of employment provided in the Planning Proposal (such as: construction, commercial, education, health and retail) has a strong correlation with Shire’s labour force preferences.

3.1.2 Employment self-containment 2021

Table 4 below provides a summary of the Shire’s self-containment rates for each industry. Self-containment measures the proportion of working residents who also work in the Shire. Analysis of the Shire’s self-containment rates presents the following key characteristics:

- In 2021, the Shire had an overall self-containment rate of 42.7 per cent, this being the proportion of the LGA’s employed residents who work within the LGA. Conversely, 57.3 per cent of employed residents leave the LGA for work.
- Industries related to the Planning Proposal’s had higher self-sufficiency rates than the overall LGA average, these being:
 - Accommodation and Food Services – 71.7 per cent
 - Retail Trade – 65.7 per cent
 - Other Services – 56.0 per cent
 - Education and Training – 48.2 per cent
 - Health Care and Social Assistance – 48.1 per cent
 - Arts and Recreation Services – 45.5 per cent.

The Planning Proposal would provide a range of land uses, including accommodation, food services, retail, health, education and recreation services. These types of land uses have amongst the highest self-containment rates. This implies that the Planning Proposal may have stronger multiplier benefits in the LGA when compared to other development options.

Table 4: Sutherland Shire employment self-containment 2021

Industry	Total resident workers	Resident workers employed in the region	% of resident workers employed in the region
Agriculture, Forestry and Fishing	201	95	47.3%
Mining	180	60	33.3%
Manufacturing	5,668	2,195	38.7%
Electricity, Gas, Water and Waste Services	1,156	378	32.7%
Construction	13,267	5,673	42.8%
Wholesale Trade	3,482	1,115	32.0%
Retail Trade	9,761	6,417	65.7%
Accommodation and Food Services	5,399	3,869	71.7%
Transport, Postal and Warehousing	6,647	1,422	21.4%
Information Media and Telecommunications	1,926	419	21.8%
Financial and Insurance Services	7,054	1,581	22.4%
Rental, Hiring and Real Estate Services	2,470	1,078	43.6%
Professional, Scientific and Technical Services	11,335	4,718	41.6%
Administrative and Support Services	3,361	1,391	41.4%
Public Administration and Safety	7,984	1,796	22.5%
Education and Training	11,774	5,680	48.2%
Health Care and Social Assistance	14,656	7,043	48.1%
Arts and Recreation Services	1,907	868	45.5%
Other Services	4,391	2,461	56.0%
Industry not classified	4,396	1,839	41.8%
Total	117,380	50,101	42.7%

Source: Profile.id

3.1.3 Forecast population and labour force estimates

Profile.id projects that the Shire's population will reach 257,531 people by 2036. This represents an increase of around 26,434 persons or 11.4 per cent over the 15 years from 2021.

Of the net growth, around 23,869 are forecast to be aged 15 years and over. Assuming a participation rate² of 64.6 per cent (2021 Census), it is estimated that around 15,419 more residents would be active in the labour force and seeking employment by 2036. It can be further estimated that just under 6,585 of these new residents in the labour force would seek employment in the LGA.

It is important that additional employment opportunities are provided for these future working residents to ensure that the full economic, environmental and social benefits are provided and captured in the Shire. The Planning Proposal, with its land use mix, could ensure that these employment opportunities and associated economic benefits to the LGA are realised.

It is also noted that residents over 60 years of age are forecast to increase by over 9,000 between 2021-36. Increased provision of aged care, seniors housing and dwellings for downsizing in locations of high amenity, services and a sense of community will be important to ensure these residents can age in place. The Planning Proposal, with its provision of aged care, seniors housing, apartments of different sizes and configurations coupled with retail, commercial, medical and social infrastructure, can provide this.

² The number of persons in the labour force expressed as a percentage of persons aged 15 years and over

Table 5: Sutherland Shire population projections 2021-36

Age service group	2021	2026	2036	Change
Babies and pre-schoolers (0 to 4)	13,590	14,446	15,216	1,626
Primary schoolers (5 to 11)	20,375	20,446	21,618	1,243
Secondary schoolers (12 to 17)	17,738	18,253	18,604	866
Tertiary education and independence (18 to 24)	18,604	20,048	20,884	2,280
Young workforce (25 to 34)	26,974	29,058	31,080	4,106
Parents and homebuilders (35 to 49)	47,281	48,779	51,717	4,436
Older workers and pre-retirees (50 to 59)	29,964	31,381	32,680	2,716
Empty nesters and retirees (60 to 69)	25,757	26,495	27,830	2,073
Seniors (70 to 84)	24,363	26,637	29,990	5,627
Elderly aged (85 and over)	6,451	6,197	7,910	1,459
Total persons	231,097	241,740	257,531	26,434

Source: Profile.id – projection undertaken in January 2023

3.2 Employment characteristics

Employment in this section refers to persons aged 15 years and over who are employed in the Shire, regardless of their place of usual residence.

3.2.1 Sutherland Shire employment by industry

Table 6 provides a summary of employment generated across the Shire between 2011-21. It has been sourced from Profile.id and ABS Census. Analysis of the employment profile for the LGA presents the following key characteristics:

- Over the period, the number of jobs provided in the LGA increased by around 15,361, representing a proportional growth of 27 per cent.
- The top six employment-generating industries were:
 - Health Care and Social Assistance – 11,976 jobs or 17 per cent of all jobs
 - Retail Trade – 9,439 jobs or 13 per cent of all jobs
 - Construction – 7,951 jobs or 11 per cent of all jobs
 - Education and Training – 7,214 jobs or 10 per cent of all jobs
 - Professional, Scientific and Technical Services – 6,502 jobs or 9 per cent of all jobs
 - Accommodation and Food Services – 5,331 jobs or 7 per cent of all jobs

The above six industries generated almost 48,415 jobs, accounting for 67% of all jobs in the LGA.

- The top six growth industries were:
 - Health Care and Social Assistance – 4,165 additional jobs
 - Construction – 3,599 additional jobs
 - Education and Training – 1,938 additional jobs
 - Professional, Scientific and Technical Services – 1,382 additional jobs
 - Transport, Postal and Warehousing – 689 additional jobs
 - Accommodation and Food Services – 667 additional jobs.
- The Planning Proposal, through its construction and operation phases, would support the growth and resilience of key employment sectors in the Shire’s economy.

Table 6: Sutherland Shire employment by industry 2011-21

Industry	2011	2021	Change
Agriculture, Forestry and Fishing	54	149	95
Mining	42	75	33
Manufacturing	5,258	3,508	-1,750
Electricity, Gas, Water and Waste Services	383	622	239
Construction	4,352	7,951	3,599
Wholesale Trade	2,452	1,844	-608
Retail Trade	9,353	9,439	86
Accommodation and Food Services	4,664	5,331	667
Transport, Postal and Warehousing	1,481	2,170	689
Information Media and Telecommunications	391	537	146
Financial and Insurance Services	1,420	1,875	455
Rental, Hiring and Real Estate Services	1,068	1,311	243
Professional, Scientific and Technical Services	5,120	6,502	1,382
Administrative and Support Services	1,341	1,941	600
Public Administration and Safety	2,398	2,717	319
Education and Training	5,276	7,214	1,938
Health Care and Social Assistance	7,811	11,976	4,165
Arts and Recreation Services	883	1,048	165
Other Services	2,859	3,412	553
Industry not classified	599	2,944	2,345
Total	57,205	72,566	15,361

Source: Profile.id

3.3 Tourism characteristics

The following sections analyse key tourism data for the Shire. Data have been sourced from Profile.id.

3.3.1 The economic value of tourism to Sutherland Shire

Table 7 provides a summary of the economic value of tourism to the Shire. Over the period between 2016/17 to 2018/19, the economic value of tourism increased across all metrics, including:

- 718 additional jobs, including 408 directly linked to tourism industries.
- An additional \$149 million in sales, including \$58 million in direct sales.
- An additional \$48 million to the LGA's GRP, including \$20 million directly.

However, with the measures implemented to slow the spread of COVID-19, tourism and retail industries have been adversely impacted. This is evident in the estimated reduced economic value of the tourism industry between 2019/20 and 2020/21, specifically the loss of:

- 3,918 jobs, including 2,224 directly linked to tourism industries.
- \$749 million in sales, including \$293 million in direct sales.
- \$401 million to the LGA's GRP, including \$166 million directly.

The impact of COVID-19 lockdown measures has likely seen the closure or downsizing of numerous tourism-related businesses. Over the coming years, as travel patterns normalise, ensuring the suitable and sufficient provision of tourism services will be crucial to ensuring that supply meets growing demand and that no additional economic opportunities are missed.

The recovery of the tourism sector is already occurring in the Shire. This is evident in tourism related employment, output and GVA having growth 2020/21 and 2021/22. For example, between 2020-22 there was an additional:

- 762 jobs, including 432 directly linked to tourism industries.
- \$56 million in sales, including \$22 million in direct sales.
- \$52 million to the LGA's GRP, including \$22 million directly.

The Planning Proposal would contribute to the continued recovery and growth of this key industry sector for the Shire.

Table 7: The value of tourism to Sutherland Shire

Category	2016/17	2018/19	2020/21	2021/22	Change 2016/17 – 2018/19	Change 2019/20- 2021/22	Change 2020/21- 2021/22
Employment (total)							
Direct	4,569	4,977	2,753	3,185	408	-2,224	432
Indirect	3,480	3,790	2,096	2426	310	-1694	330
Total	8,049	8,767	4,849	5,611	718	-3,918	762
Output/Sales (\$m)							
Direct	598	656	363	385	58	-293	22
Indirect	928	1,019	564	597	91	-455	34
Total	1,526	1,675	927	982	149	-749	56
Value added (\$m)							
Direct	318	338	172	193	20	-166	22
Indirect	451	479	243	274	28	-235	31
Total	769	817	415	468	48	-401	52

Source: Profile.id

3.3.2 International and domestic overnight visitors

Table 8 provides an estimate of the number of international and domestic visitors to Sutherland Shire and Regional NSW over the last decade.

Evident in the table are the impacts of COVID-19, resulting from lockdown measures and international border closures and lockdown measures, seen in the reduction in visitors post-2018/19. For example, there has been no international visitors recorded since 2019/20, while domestic overnight visitors have recovered, although they generally have remained lower than pre-pandemic levels.

Prior to the pandemic, international visitors to the Shire had been steadily increasing, with a proportion growth of almost 70% between 2010/11 and 2018/19. International visitors, on average, stayed almost eight times longer than domestic overnight visitors. This longer staying period would have additional economic benefits to the Shire when compared to domestic day or overnight visitors.

Supporting the tourism industry through the provision of appropriate high-quality accommodation will ensure this key industry sector continues to recover and grow, increasing its economic and social value. The Planning Proposal would provide high quality tourism accommodation and infrastructure, contributing to the recovery and growth of this significant industry in the Shire.

Table 8: International and domestic overnight visitors, Sutherland Shire 2010-2022

Year	Inter-national	Domestic overnight	Total
2010/11	24,040	253,228	277,268
2011/12	26,580	234,693	261,273
2012/13	23,694	212,778	236,472
2013/14	27,278	333,221	360,499
2014/15	24,786	310,569	335,355
2015/16	30,724	273,698	304,422
2016/17	35,369	311,684	347,053
2017/18	40,942	272,892	313,834
2018/19	40,646	249,250	289,896
2019/20	0	281,284	281,284
2020/21	0	222,507	222,507
2021/22	0	276,550	276,550
Five-year average	34,493	260,497	301,291
Average length of stay (days) five-year average	18.4	2.4	4.3

Source: Profile.id, HillPDA

3.4 Socio-economic conclusion

From the analysis, the following presents key characteristics which the Planning Proposal would support:

- As of 2021, 38% of residents were employed within knowledge intensive, accommodation/food and retail service industries. The Planning Proposal provide these types of industries, supporting the Shire’s resident labour force.
- Between 2011-21, almost a quarter (23%) of the net increase in employed residents occurred within knowledge-intensive, accommodation/food, and retail service industries. The Planning Proposal would provide these types of land uses, supporting the Shire’s resident labour force.
- In 2021, accommodation/food and retail service jobs had a containment rate of 68%, which was higher than the LGA average (43%). The Planning Proposal would provide these types of land uses which have a higher propensity to employ residents.
- Between 2021-41, an estimated 6,585 additional residents would seek employment in the LGA. The 1,575 jobs generated by the Planning proposal would provide employment opportunities for the Shire’s current and future working residents.
- As of 2021, around 41% of jobs across the LGA were within knowledge intensive, accommodation/ food and retail service industries. The Planning Proposal would support the types of land uses which comprise the bulk of the Shire employment base.
- The economic value of tourism to the Shire was more significant before COVID-19. The Planning Proposal would support a local led recovery from the impacts of COVID-19.

The Planning Proposal would provide the types of land uses and subsequent employment opportunities that would support the economic profile of the Shire while also reducing the impact of COVID-19 on the tourism industry.

4.0 RETAIL DEMAND ASSESSMENT

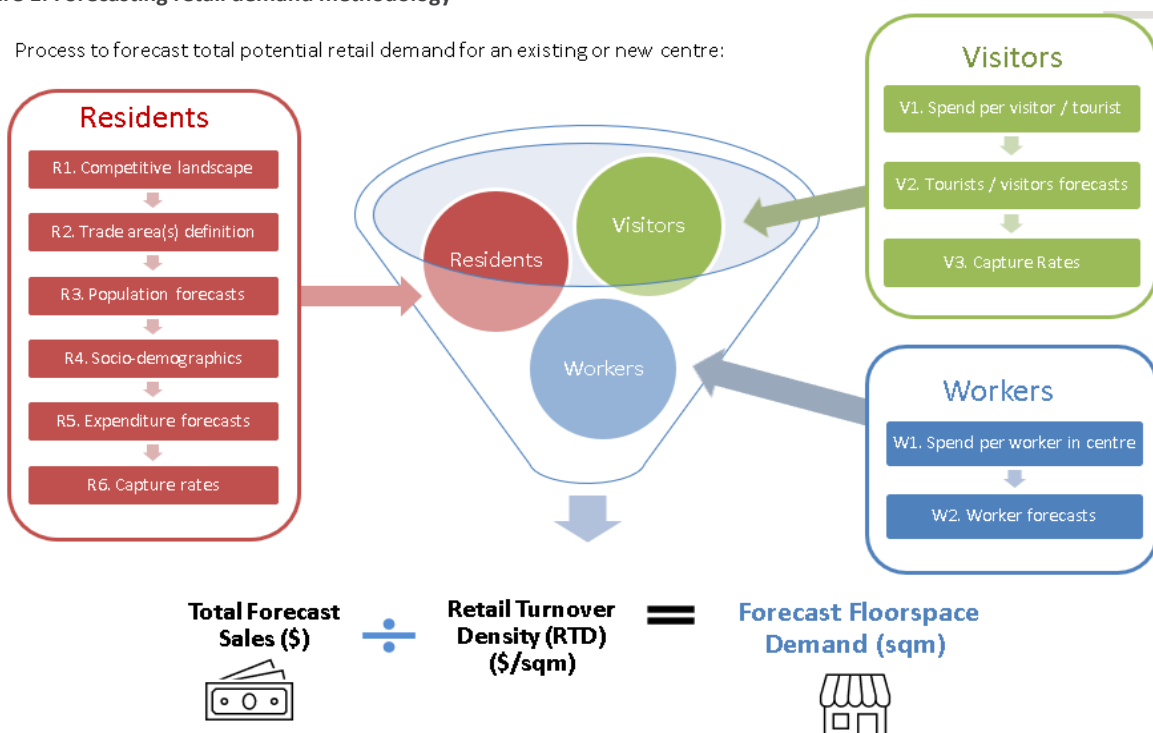
The following section undertakes an assessment of the need and demand for retail space that could be located on the site.

HillPDA has utilised its in-house expenditure models (which takes into account socio-demographics of the catchment, real growth in expenditure, population growth, potential capture rates and benchmark retail turnover densities) to forecast the quantum of retail floorspace that could be accommodated on the site.

Specific steps taken to determine the amount and type of retail space that could be supported on the site include:

- Analysis of the surrounding retail environment
- Determining trade catchments for the site based on the surrounding retail environment and natural/artificial barriers.
- Determining and forecasting sources of expenditure (residents, workers and visitors)
- Forecasting retail expenditure for each source.
- Determining the amount of expenditure captured by retailers on the site.
- Converting captured retail spend into floorspace through applying average turnover densities.

Figure 1: Forecasting retail demand methodology



Source: HillPDA

4.1 Existing retail hierarchy and competitive environment

Key centres that would influence the extent of the site's trade area(s) and the provision of retail space are as follows:

- **Miranda strategic centre** | is located just to the north of Miranda railway station and provides more than 140,000sqm. The majority of this floorspace (128,400sqm) is in Westfield Miranda. Some major tenants in Westfield include a Myer (16,885sqm), David Jones (12,590sqm), Woolworths (4,820sqm), Coles (4,1185sqm), ALDI (1,227sqm), Target (8,217sqm) and Big W (7,685sqm). 340 speciality stores are also located in Westfield³.
- **Caringbah local centre** | is centred at Caringbah railway station and provides a total of around 12,700sqm of retail floorspace. The 5,680sqm⁴ Caringbah Shopping Village is located within the centre which contains a 4,430sqm Woolworths. The remaining 7,000sqm⁵ is strip retailing with a 3,150sqm⁶ standalone Coles supermarket.
- **Cronulla local centre** | is located just to the north of Cronulla railway station. The centre provides a total of around 15,130sqm of retail floorspace. Of this, Cronulla Centre provides 2,130sqm of retail floorspace which is anchored by a 1,090sqm IGA⁷. The remaining 13,000sqm is comprised of strip retailing which contains a 700sqm Woolworths and a 650sqm IGA.⁸
- **Sylvania local centre** | is at one of the main entry points to the Shire at the junction of Princes Hwy and Port Hacking Rd. The centre is primarily comprised of Southgate Shopping Centre which provides a total of 23,300sqm of retail floorspace. Major tenants include a Kmart (8,140sqm), Coles (3,535sqm) and a Woolworths (2,268sqm). The remaining 6,376sqm is comprised of 52 speciality shops⁹
- **Kurnell village** | is located at the junction of Torres St and Captain Cook Drive. The Village provides around 1,700sqm of ground floor retail floorspace which includes a BWS shop, friendly grocer, fruit and vegetable shops, take away food and a pharmacy.
- **Woolooware Bay Town Centre - Planned retail centre** | is scheduled to open in late 2023. The centre will provide 17-15,000sqm of retail space anchored by a Woolworths and ALDI supermarket with a further 48 retailers, medical precinct, Dan Murphy's, and a waterfront dining precinct.
- **Bundeena strip retailing** | is located along Brighton St near Bundeena ferry wharf and provides around 1,300sqm of ground floor shop front floorspace. The strip is anchored by 400sqm IGA and IGA liquor store.
- **Wentworth St, strip retailing** | is located at the intersection of Wentworth St and Port Hacking Rd in Lilli Pilli. Combined around 700sqm of ground floor shop front floorspace is provided which is anchored by a 400sqm IGA. Other uses include a café and take away restaurant.
- **Port Hacking Rd, strip retailing** | provides around 850sqm of ground floor shop front space. The strip is occupied by several cafes, newsagent, service station, pharmacy, take away/ speciality food and some commercial uses.
- **Woolooware Rd, Burraneer strip** | is located along Woolooware Rd and provides around 1,200sqm of ground floor shop front floorspace. Occupants include cafes, speciality food, BWS, grocer and personal services.

³ Shopping Centre Directory 2023

⁴ Shopping Centre Directory 2016

⁵ MacroPlan Dimasi Taren Point EIA 2016

⁶ Nearmap 2018

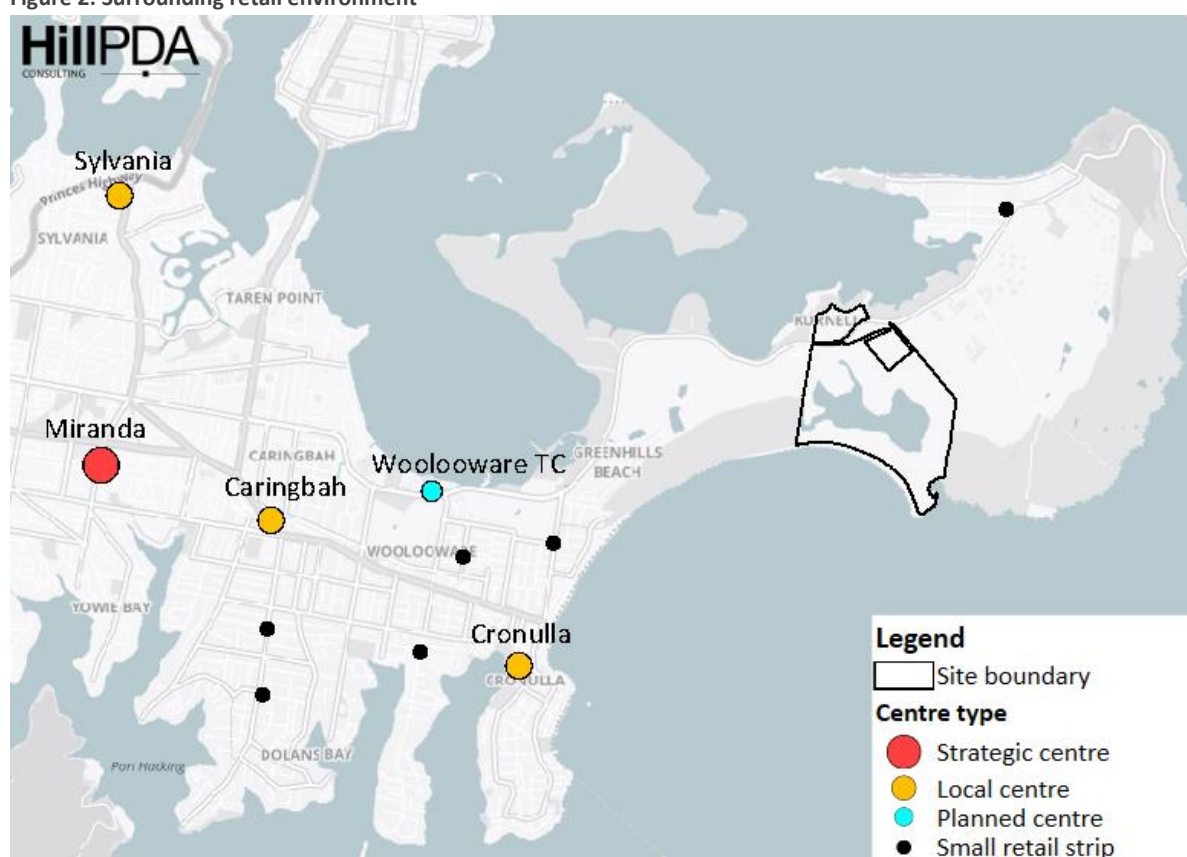
⁷ Shopping Centre Directory 2016

⁸ nearmap

⁹ Shopping Centre Directory 2023

- **Woolooware strip, Woolooware** | is located just north of Woolooware station along Wills Rd. A total of around 1,580sqm of ground floor shop front floorspace is provided, with occupants including a BWS, pharmacy, cafes, newsagent, personal services (hair salon and physiotherapy) and speciality food stores (butcher and bakery).
- **Elouera Rd, Cronulla Strip retailing** | is located along Elouera Rd and provides around 360sqm of ground floor shop floorspace. Occupants include a newsagent, take away food store and a laundromat.
- **Taren Point IGA** | is a 2,180sqm Super IGA and 1,100sqm of other food and beverage retailing at 123 Parraweena Road.
- **Caringbah home centre** | this bulky goods centre provides a total of 19,370sqm of bulky goods floorspace, with major tenant being Harvey Norman and Freedom Furniture.
- **Taren Point bulky good cluster** | provides 2,753sqm of retail floorspace. Occupants include four speciality shops. These are an Original Mattress Factory, Oporto's, Pet Barn and Subway store.

Figure 2: Surrounding retail environment



Source: HillPDA

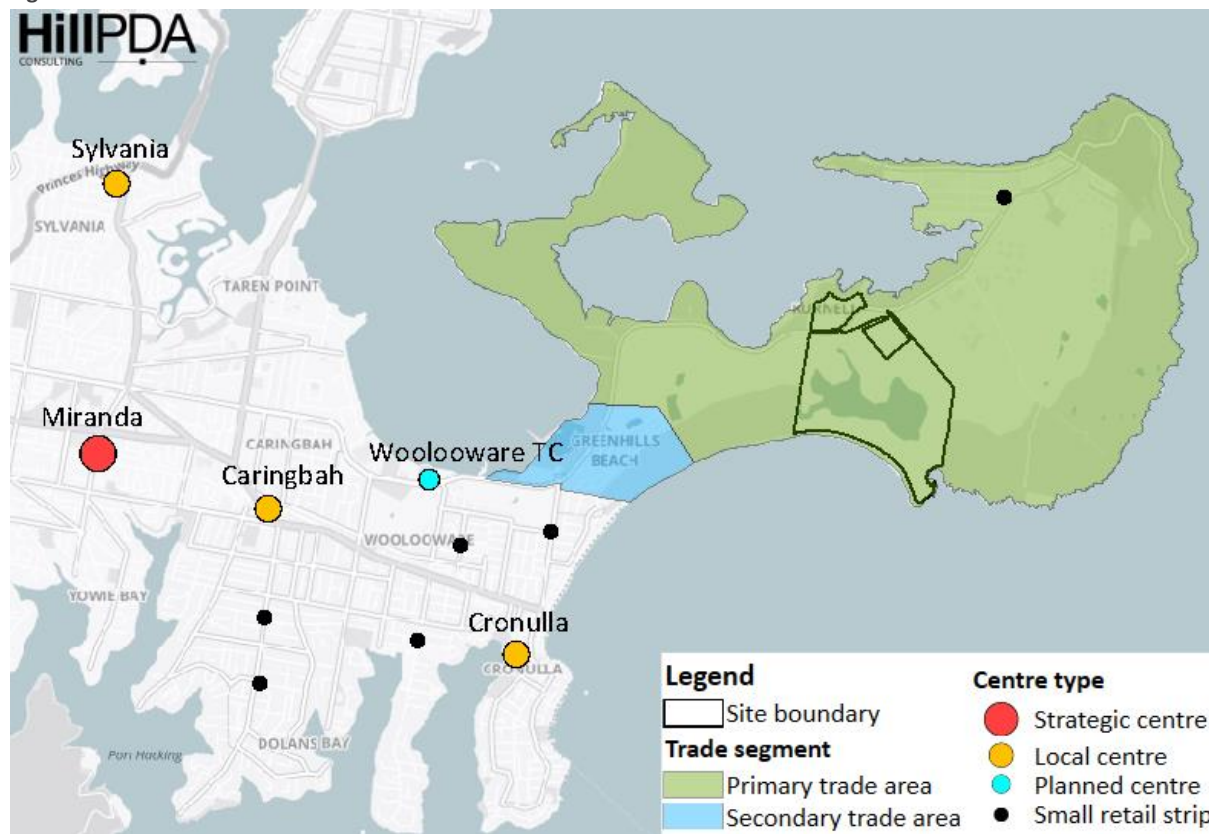
4.2 Site's trade area

A trade area is a geographic area from which a centre generates a high share of its sales and visitation. The extent of a trade area is influenced by a number of factors, including:

- Accessibility to the site via the surrounding road network, including consideration of travel times and its location on the end of a peninsula.
- Presence of physical barriers such as parks, rivers and creeks.
- The range and nature of retail and other facilities in the centre.
- The location and composition of competing centres.
- The location of nearby residential and worker areas.

Given consideration to the above, a primary trade area (PTA) has been defined. This is the primary catchment for which the site would draw the majority of its trade. The PTA broadly corresponds the suburb of Kurnell . A smaller proportion of trade is likely to be drawn from a secondary trade area (STA) which extends to the suburb of Greenhills Beach. The combination of the PTA and STA comprises the main trade area (MTA). The PTA and STA are shown in the figure below.

Figure 3: Site’s main trade area



Source: HillPDA

4.3 Population, worker and visitor projections

Sources of expenditure to support the centre would be derived from residents, workers and overnight tourists and day visitors.

Resident population projections

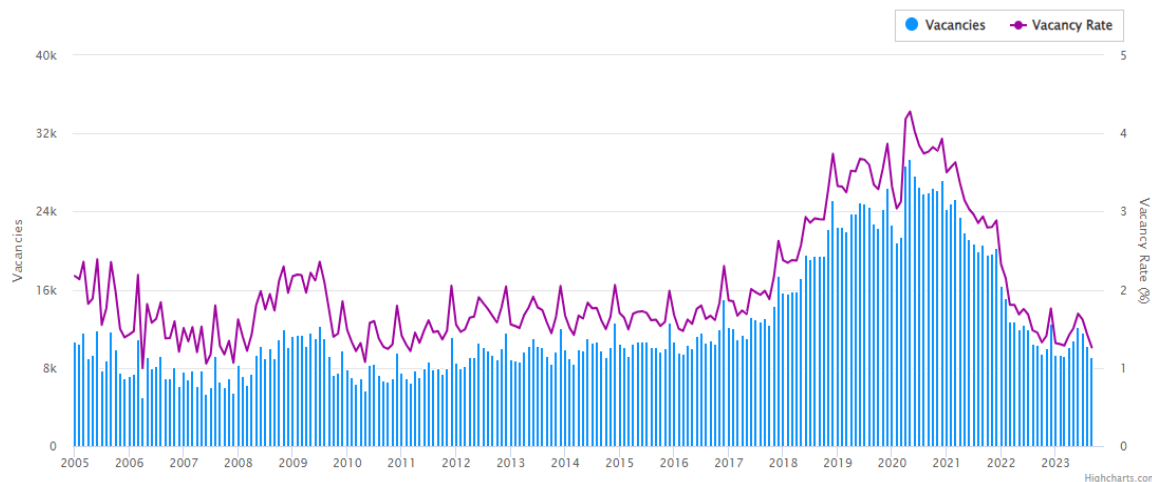
The following estimates the resident population of the site. This was achieved through the following steps:

1. Applying an average vacancy rate to determine the number of occupied dwellings.
2. Applying an average occupancy rate (average number of people per household) to the number of occupied dwellings.

Vacancy rate

According to SQM Research between January 2005 and September 2023 the average residential vacancy rate across Sydney has been 2%. This rate has been applied to the proposed number of dwellings in the Planning Proposal to determine the number of occupied dwellings at any one time.

Figure 4: Sydney monthly vacancy rate January 2005 – September 2023



Source: SQM Research October 2023

Occupancy rates

Average household sizes for apartments and townhouses have been sourced from the ABS 2021 Census for Sutherland Shire. This was further undertaken at the bedroom level through cross-tabulating the number of persons usually residing by bedroom number and typology type.

These rates were applied to each respective typology type by their bedroom composition.

Table 9: Average household size by bedroom number and typology (Sutherland Shire 2021)

Category	Apartment	Townhouse
Studio/1 bed	1.25	1.29
2 bed	1.87	1.75
3 bed	2.37	2.45
4 bed	2.89	3.19

Source: ABS 2021 TableBuilder

An average household density of 1.3 persons per senior independent living unit (IUL) was sourced from research undertaken and provided in Kight Frank’s Seniors Living Insight September 2017. It has been assumed an average household density of 1 person per aged care dwelling.

Resident population estimate

Based on the above assumptions, it is estimated that the site could achieve a resident population of around 7,305 persons.

Table 10: Site’s resident population estimate

Dwelling type	Dwellings	Vacancy rate	Occupied dwellings	Blended occupancy rate	Population estimate
Apartments	3,325	2%	3,259	1.74	5,675
Townhouses	258	2%	253	2.81	710
Senior ILUs	628	2%	615	1.3	800
Senior RACF	122	2%	120	1.0	120
Total	4,333	0	4,246	1.72	7,304

Source: Profile .id January 2023 projections, ABS, 2021 Census, Kight Frank Seniors Living Insight September 2017, HillPDA

Population forecasts for the MTA (excluding the Planning Proposal) have been sourced from Profile .id. Population estimates for the Planning Proposal have been predominantly based on ABS 2021 Census information and dwelling yields as identified in the Planning Proposal (Table 10).

From the above, it is estimated that the MTA’s resident population will reach around 11,450 persons by 2046. This represents an increase of around 7,520 persons or 191% from its 2023 population of 3,930 persons.

Most of the growth (99%) is forecast to occur within the PTA, with its population forecast to increase from 2,560 residents in 2023 to just over 10,000 residents by 2046. This represents an increase of 7,460 persons or 292% over the period. Most of the PTA’s growth (98% or 7,305 persons) would be the result of the Planning Proposal.

Table 11: Site main trade area population projections

Trade segment	Locality	2023	2026	2031	2036	2041	2046	Change
PTA	Kurnell	2,557	2,562	2,575	2,645	2,680	2,715	158
	Site	0	0	1,836	3,762	6,046	7,304	7,304
	Sub-total	2,557	2,562	4,411	6,407	8,726	10,019	7,462
STA	Greenhills Beach	1,375	1,403	1,431	1,431	1,431	1,431	56
	Total	3,932	3,965	5,842	7,838	10,157	11,450	7,518

Source: Profile .id January 2023 projections, ABS, 2021 Census, Kight Frank Seniors Living Insight September 2017, HillPDA

Worker forecasts

Job estimates for the Planning Proposal have been deduced by applying benchmark employment densities to the amount and type of floorspace or number of rooms provided. These industry standard benchmarks have been sourced from City of Sydney 2017 floorspace survey, NSW DPE common planning assumptions 2023, City of Sydney DCP, ABS Schools 2022 data and Health NSW.

Applying these benchmark densities, it is estimated that the Planning Proposal could generate a total of around 1,575 jobs. For modelling purposes, we have assumed that 80% of these workers will live outside the MTA – that is not within Kurnell or Greenhills Beach.

Table 12: Planning Proposal total worker estimates

Land use	Units	Density	Total workers*
Specialty food	8,419sqm	25sqm/worker	337
Non-retail services	835sqm	40sqm/worker	21
Specialty non-food	552sqm	33sqm/worker	17
Cultural	1,324sqm	80sqm/worker	17
Tourist accommodation	587 keys	1 worker / key	587
School (1,190 students)	1,190 students	7.9 students/worker	150
Aged care	122 units	1.6 workers per key	195
Senior units	628 units	0.4 workers per key	251
Total			1,575

Source: HillPDA, *combination of full and part-time workers, NSW DPE Common Planning Assumptions, City of Sydney 2017 Floorspace Survey, City of Sydney DCP and ABS retail survey

Tourists/visitors nights and expenditure

The Planning Proposal would provide 587 luxury hotel and eco cabins.

Total number of visitor nights per annum for the tourism component is estimated at around 273,175, assuming 1.5 persons per room and a target occupancy rate of 85%¹⁰.

¹⁰ Occupancy rate 2019 pre-COVID impacts – Sydney Region, Tourism Research Australia

Based on an average spend of \$400 per visitor night¹¹, the total spend would be around \$109 million per annum. Of this, \$40 million would be spent on retail goods and services¹². We have further assumed 70% of this is captured on site.

Staging of development

The staging of development is provided in the following table.

Table 13: Staging of development by broad land use (for modelling purposes)

Land use	2026	2031	2036	2041	2046
Residential	0%	24%	52%	83%	100%
Senior's housing	0%	27%	43%	77%	100%
Tourism	0%	0%	36%	100%	100%
Employment	0%	3%	29%	91%	100%

Source: URBIS 2023, HillPDA

4.4 Retail expenditure

This section examines the projected growth in household expenditure on retail goods and services between 2023 and 2041. Household expenditure was sourced from:

- ABS Retail Turnover data, which provides total turnover every month by State and by industry sub-groups across Australia;
- ABS Household Expenditure Survey, which provides household expenditure by broad commodity type by household income quintile; and
- HillPDA's bespoke retail expenditure model is generated by combining and data from the Census and the ABS Household Expenditure Survey (HES).

It is estimated that residents across the main trade area generated \$73 million in total household retail expenditure in 2023. This figure is forecast to increase to approximately \$269 million by 2046, representing a \$196 million or 271% increase over the period.

Table 14: Estimated total household retail expenditure by commodity type (\$m)

Broad retail category	2023	2031	2036	2041	2046	Change
Supermarkets and grocery stores	20	32	46	63	75	55
Specialised food stores	5	7	11	16	19	14
Bulky goods stores	12	18	25	34	40	28
Department stores	3	5	6	8	8	5
Apparel stores	8	12	17	22	26	18
Other non-food stores	11	17	25	35	41	29
Restaurants and fast food services	11	18	29	45	51	40
Personal services	3	4	6	9	10	7
Total	73	113	165	232	269	196

Source: HillPDA

¹¹ Destination NSW, Sydney Visitor Profile Year Ending March 2023

¹² International and National Visitor Survey June 2019 and 2020

4.5 Retail capture rates by broad store type

The previous analysis identified the total volume of retail expenditure in the MTA. However, not all this expenditure will be captured by retailers in the MTA. Reasons for this include:

- The proximity and size of surrounding shopping centres and supermarket stores
- Residents leaving the locality to predominantly undertake discretionary shopping (in department stores, apparel stores and bulky goods stores elsewhere – mostly to Miranda)
- Expenditure from residents who are on holidays / business trips or are away for other reasons for any extended period. This is counterbalanced to some extent by residents from outside the MTA visiting the store as they visit the area.

Capture rates (i.e. the proportion of expenditure captured by the site) have been adopted, considering the above factors. These market share assumptions are outlined in the following table and are indicative targets of what a local centre located on the site could capture given the proposed size, land use mixture and surrounding retail hierarchy.

Table 15: Applied target retail capture rates by broad store type and trade segment

Broad retail category	Kurnell	Site	Greenhills Beach	Seniors housing	Tourists	Workers
Supermarkets and grocery stores	50.0%	75.0%	20.0%	75.0%	5.0%	10.0%
Specialised food stores	40.0%	60.0%	15.0%	70.0%	10.0%	20.0%
Bulky goods stores	-	-	-	-	-	-
Department stores	-	-	-	-	-	-
Apparel stores	2.5%	5.0%	2.5%	40.0%	5.0%	-
Other non-food stores	30.0%	60.0%	15.0%	65.0%	15.0%	20.0%
Restaurants and fast food services	40.0%	60.0%	25.0%	70.0%	60.0%	35.0%
Personal services	45.0%	65.0%	20.0%	70.0%	5.0%	15.0%

4.6 Potential retail sales / turnover

Applying the above capture rates, it is estimated that retailers on the site could potentially achieve total retail sales of around \$16 million in 2023, increasing to \$133 million by 2046 (measured in 2023 dollars). This represents an increase of around \$117 million or 718% over the period.

Table 16: Potential site's capture of retail trade (\$m)

Broad retail category	2023	2031	2036	2041	2046	Change
Supermarkets and grocery stores	8	16	27	41	49	41
Specialised food stores	1	3	7	14	15	14
Bulky goods stores	0	0	0	0	0	0
Department stores	0	0	0	0	0	0
Apparel stores	0	0	2	4	5	4
Other non-food stores	3	6	13	25	28	25
Restaurants and fast food services	4	7	26	56	60	56
Personal services	1	2	4	8	9	8
Total	16	34	67	116	133	117

Source: HillPDA, assumes an additional 5% capture of spend from beyond the trade area

4.8 Demand for retail floorspace

To determine the demand for retail floorspace, target turnover rates (\$/sqm of GLA, and otherwise known as Retail Turnover Densities (RTDs)) have been applied to forecast potential retail sales. The RTD rates broadly represents industry averages.

Table 17: Retail floorspace demand (sqm)

Broad retail category	RTD (\$/sqm)	2023	2031	2036	2041	2046	Change
Supermarkets and grocery stores	12,500	603	1,211	1,992	2,992	3,497	2,895
Specialised food stores	9,500	145	287	697	1,324	1,427	1,283
Apparel stores	5,000	39	89	358	803	833	794
Other non-food stores	5,000	521	1,153	2,564	4,650	5,137	4,616
Restaurants and fast food services	6,500	568	1,078	3,714	7,931	8,251	7,683
Personal services	4,000	224	427	969	1,804	1,962	1,738
Total occupied retail space		2,099	4,244	10,294	19,503	21,107	19,007
Non-retail space (say 15% of demand)		315	637	1,544	2,926	3,166	2,851
Vacancy allowance (say 5%)		121	244	592	1,121	1,214	1,093
Total space		2,535	5,124	12,430	23,550	25,487	22,952

Source: HillPDA

By applying the above RTDs and a 5% vacancy allowance, it is estimated that by 2041, around 25,000sqm of shop front space could be supported across the site.

4.9 Retail - recommendation

The Planning Proposal would provide around 19,579sqm of retail space. Of this, it is understood, that the tourism accommodation would provide around 9,775sqm of retail space (food and entertainment space). This leaves a residual 9,806sqm to be provided elsewhere across the site.

With this considered, it is recommended that a local centre of around 7,500sqm could be provided on site. The centre could be anchored by a full-line supermarket of around 3,500sqm, supported by speciality retail space of around 3,000sqm and 1,000sqm of non-retail uses.

Up to a further 2,500sqm of retail services, including cafés and restaurants, could be dispersed throughout the remainder of the site. This would benefit by being located close to the tourist accommodation component and/or around natural assets to take advantage of the landscape and visitor expenditure.

4.10 Impact on surrounding centres

Assessing the impacts on existing retailers is vexed largely because of there are several unknown factors that can influence the impacts, including but not limited to the following:

- The mix of retailers on the site and the degree to which individual retailers would sell like for like products with the existing retailers.
- Not only the degree of competition but also the degree of complementation between retailers which can result in some induced spending for the benefit of existing retailers.
- The level of response from the existing centre and individual retailers to growth in the locality and to added competition through refurbishment and other measures.
- Loyalty programs with existing customers.

Impact on existing Kurnell retail strip

Currently, the 2,500 residents in Kurnell are serviced by a small retail strip located at the junction of Torres St and Captain Cook Drive. The retail strip provides around 1,700sqm of ground floor retail floorspace which includes a BWS shop, friendly grocer, fruit, and vegetable shops, take away food and a pharmacy. Residents are required to travel to Woollooware, Cronulla, Miranda or Caringbah to undertake more substantial shopping needs. These centres are between a 10-to-20-minute drive away. The site would provide vital retail and commercial services for the existing and future residents of the Kurnell Peninsular, reducing their need to travel further to access such services. This would have social, environmental and economic benefits in the locality.

Furthermore, the site would capture around an estimated 30% of the total household expenditure generated by the residents of Kurnell (excluding the site). This leaves a residual 70% or \$29 million in 2023 increasing to \$37 million by 2046 to be captured by retailers in Kurnell or surrounding centres. This residual amount, coupled with potential increased sales from visitors and residents from the site, is considered sufficient to mitigate any impacts resulting from the Planning Proposal.

Impacts on other Sutherland Shire centres

Expenditure on retail goods and services generated by Sutherland Shire residents is forecast to increase from around \$4.6 billion in 2023 to around \$6.4 billion by 2046. This represents a \$1.8 billion or 39% growth over the period. Based on our assumptions detailed in this report, the expected capture of resident expenditure on the site is likely to be around 5% of this growth.

Hence, all other centres in the Shire are expected to enjoy some level growth in trade. For this reason, it is reasonable to assume that the Planning Proposal would have no measurable impact on the viability or sustainability of the Shire's existing centre network.

5.0 EMPLOYMENT LAND ASSESSMENT

The following section undertakes a review of the existing employment lands within the Shire and South District. Using employment forecasts for the Shire, the section projects the demand for employment land to ascertain the appropriateness or need for additional land stocks to meet projected growth.

As defined by the Department of Planning and Environment's (NSW DPE) Employment Lands Development Monitor (ELDM), employment lands are defined as:

“land zoned for industrial or similar purposes in planning instruments. They are generally lower density employment areas containing concentrations of businesses involved in: manufacturing; transport and warehousing; service and repair trades and industries; integrated enterprises with a mix of administration, production, warehousing, research and development; and urban services and utilities.

They are vital to the functioning of our urban areas, providing space for:

- *Essential services such as waste and water management, repair trades and construction services*
- *Warehousing, logistics and distribution centres*
- *Areas for businesses that design, manufacture and produce goods and services”.*

Across the Shire and South District, employment lands encompass land zoned as E3 Productivity Support, E4 General Industrial, E5 Heavy Industrial and W4 Working Waterfront.

5.1 Existing employment lands

As of January 2022, the Shire contained a total of 596 hectares of zoned employment land stocks. This represented 36% of the South Districts employment land stocks (1,654 hectares).

Of the Shire's employment lands stocks (596 hectares), around 147 hectares or 25% was undeveloped. In fact, the Shire accounted 81% of the wider South District's undeveloped employment land stocks (181 hectares).

The largest employment precinct in Shire is the Kurnell precinct, providing 370 hectares of zoned land stocks, of which 140 hectares or 38% was undeveloped. The precinct's undeveloped land stocks accounted for 96% of the Shire's and 78% of the South District's undeveloped land stocks. Interestingly the amount of undeveloped land within the Kurnell precinct has increased between 2018-22 by almost 34 hectares.

Historically Kurnell precinct accommodated petrochemical, heavy industries and the construction sector. However, Continental Carbon, Australia's carbon black manufacturing closed in 2011, and the Caltex Oil Refinery converted into a fuel storage centre. More recently, Kurnell has developed more advanced manufacturing, such as a water desalination plant and creative industries such as cloud-based computing¹³.

“Kurnell has capacity to accommodate new and evolving industrial and urban services activities on large and undeveloped sites. Some of these sites are subject to environmental and other constraints, including the operational requirements and impacts of Sydney Airport”¹⁴.

There is no land in the South District identified as having the potential to become future employment lands. This highlights the importance that the Shire's existing undeveloped employment land has in accommodating future demand.

¹³ South District Plan

¹⁴ South District Plan

It also suggests that the Shire’s existing developed employment land stocks may accommodate additional supply through the intensification of development, such as multi-storey warehousing. This is a trend which is already occurring in other parts of Sydney where high land values and land constraints exist.

A proportion of the site (16% or 34.4 hectares) is zoned as E4 General Industrial and forms part of the wider Kurnell industrial precinct. This land is currently undeveloped, and it is understood that up to two thirds is not available for development due to environmental and heritage constraints.

Table 18: Employment land supply 2018-2022 (hectares)

Precinct	Jan-18 (Ha)		Jan-19 (Ha)		Jan-20 (Ha)		Jan-21 (Ha)		Jan-22 (Ha)	
	Undevel.	Total	Undevel.	Total	Undevel.	Total	Undevel.	Total	Undevel.	Total
Caringbah/Taren Point	7.1	143.0	6.2	142.9	2.4	143.2	4.1	143.1	3.0	143.1
Engadine (Princes Hwy)	0.0	0.6	0.0	0.6	0.0	0.6	0.0	0.6	0.0	0.6
Heathcote	0.0	0.5	0.0	0.5	0.0	0.5	0.0	0.5	0.0	0.5
Heathcote (Burns Rd)	0.0	3.7	0.0	3.7	0.0	3.7	0.0	3.7	0.0	3.7
Kirrawee	0.2	49.8	0.2	49.8	1.0	49.8	1.0	49.8	1.0	49.8
Kurnell	107.1	372.1	108.6	369.9	108.1	369.9	139.1	369.9	140.9	369.9
Menai	0.0	3.3	0.2	3.3	0.2	3.3	0.0	3.3	0.0	3.3
Miranda	0.0	8.3	0.0	8.3	0.0	8.3	0.0	8.3	0.0	8.3
Taren Point Bulky Goods	0.0	12.3	0.0	12.3	0.0	12.3	0.0	12.2	0.0	12.2
Waterfall	4.2	5.1	3.0	5.1	3.0	5.1	2.1	4.2	2.1	4.2
Sutherland total	118.6	598.7	118.2	596.4	114.7	596.7	146.3	595.6	147.0	595.6
South District total	150.4	1,665.5	154.7	1,660.0	146.9	1,659.8	186.3	1,654.5	181.4	1,653.6

Source: ELDM 2021-22

5.2 Employment generation

As detailed in Table 19, as of 2021 it is estimated that the Shire’s employment precincts contained up to 18,000 jobs. This represented 25% of the total number of jobs generated across the Shire.

With around 448.6 hectares of developed employment land, this job generation results in an average job density of around 40 jobs per hectare across the Shire’s employment precincts.

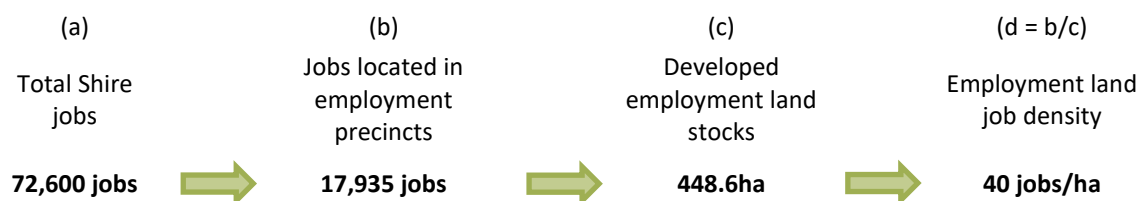


Table 19: Employment in Sutherland Shire and in the employment precincts (2021)

Industry	Total LGA jobs	Employment precinct (EP) jobs	% of jobs in EP
Agriculture, Forestry and Fishing	149	81	54%
Mining	75	14	19%
Manufacturing	3,508	2,580	74%
Electricity, Gas, Water and Waste Services	622	276	44%
Construction	7,951	3,396	43%
Wholesale Trade	1,844	1,370	74%
Retail Trade	9,439	2,248	24%
Accommodation and Food Services	5,331	607	11%
Transport, Postal and Warehousing	2,170	1,026	47%
Information Media and Telecommunications	537	102	19%
Financial and Insurance Services	1,875	200	11%
Rental, Hiring and Real Estate Services	1,311	179	14%
Professional, Scientific and Technical Services	6,502	829	13%
Administrative and Support Services	1,941	423	22%
Public Administration and Safety	2,717	298	11%
Education and Training	7,214	439	6%
Health Care and Social Assistance	11,976	1,049	9%
Arts and Recreation Services	1,048	283	27%
Other Services	3,412	1,271	37%
Industry not classified	2,944	1,264	43%
Total	72,579	17,935	25%

Source: Profile .id, ABS Table Builder 2021, HillPDA

5.3 Employment land requirements

To assess the future demand for employment land, we have assessed State Government employment projections for the Shire and converted net employment growth, directed towards employment precincts, to land requirements.

Employment projections are sourced from Transport for NSW's Travel Zone Projections 2022 (TZP22), released November 2022. Employment projections are provided for each industry sector in 5-year increments between 2016-66. These projections are based on and align with NSW DPE 2022 population projections and NSW Government Common Planning Assumptions.

Projections were based on the best available data as at early to mid-2022. It includes the impacts from the COVID-19 pandemic. However, they do not include results from the ABS 2021 Census as the relevant data was not released at the time of their production.

The TZP22 project employment across the Shire to increase by just over 13,000 jobs over a 25-year period to 2046. By applying the proportion of jobs located the Shire's employment precincts by industry type (refer to Table 19), it is estimated that between 2,835 and 3,220 new jobs would be accommodated in the Shire's employment precincts.

Applying the current average employment land job density, it is estimated that these new jobs would require 71 to 81 hectares of zoned employment land.

Currently, the Shire contains 147 hectares of undeveloped zoned employment land. This is sufficient to accommodate the Shire's estimated future demand with a surplus of 66 to 76 hectares.

Even accounting for the loss of the 34.4 hectares of industrial zoned land on the site, there are sufficient undeveloped employment land stocks across the Shire with a surplus of 32 to 42 hectares.

This analysis is likely a high impact scenario as it assumes all new development would occur on undeveloped land. Given that 96% of the Shire undeveloped land stocks are in the Kurnell employment precinct, this would likely not be the case. This is because most new businesses would likely prefer to be in a more central location near existing businesses, transport networks and customers and not at the end of a peninsular. In fact, according to the ELDM, despite the Kurnell employment precinct remaining the same size the amount of undeveloped land contained within has increased over the three years to January 2022 while, the amount of developed land has decreased. This future highlights the likely lack of utility for the location for industrial purposes.

For these reasons, future light industries and urban services would likely be attracted to the existing employment precincts of Caringbah/Taren Point and Kirrawee. Ensuring that these precincts have sufficient capacity, and that appropriate redevelopment is viable will ensure the Shire can meet its job targets over the coming decades.

Table 20: Employment projections 2021-41 in Sutherland Shire and employment precinct (EP)

Industry	2021	2046	Net change	% of net change directed to EP's	Net jobs accommodated in EP's
Agriculture, Forestry and Fishing	93	125	32	54%	18
Mining	42	26	-15	19%	-3
Manufacturing	4,931	5,626	694	74%	511
Electricity, Gas, Water and Waste Services	550	645	95	44%	42
Construction	10,523	11,087	564	43%	241
Wholesale Trade	2,060	2,279	220	74%	163
Retail Trade	12,447	12,760	314	24%	75
Accommodation and Food Services	6,670	7,176	506	11%	58
Transport, Postal and Warehousing	2,244	2,391	147	47%	70
Information Media and Telecommunications	354	388	34	19%	6
Financial and Insurance Services	1,953	2,671	718	11%	77
Rental, Hiring and Real Estate Services	1,543	1,897	354	14%	48
Professional, Scientific and Technical Services	8,567	11,109	2,542	13%	324
Administrative and Support Services	2,720	3,324	603	22%	131
Public Administration and Safety	2,977	3,068	91	11%	10
Education and Training	7,734	8,397	663	6%	40
Health Care and Social Assistance	13,654	17,043	3,389	9%	297
Arts and Recreation Services	1,756	2,236	480	27%	130
Other Services	4,452	6,056	1,605	37%	598
Total	85,269	98,303	13,034		2,835
Total @ 25% of total net employment change			13,034	25%	3,221

Source: NSW TfNSW 2022 employment projections, HillPDA

From the above analysis, it is concluded that retaining the site's currently industrial zoned land or rezoning the wider site for industrial purposes it not required. The reasoning for this is provided below:

1. Excluding the site, there is sufficient zoned land existing across the Shire to meet its employment land needs.
2. The Site's location on a peninsula may not be the preferred location for most of the potential employment land uses. This is indicated both through the site's industrial zoned land remaining undeveloped and the wider Kurnell employment precinct being mostly undeveloped.

In fact, according to the ELDM, despite the Kurnell employment precinct remaining the same size the amount of undeveloped land contained within has increased over the three years to January 2022 while, the amount

of developed land has decreased. This future highlights the likely lack of utility for the location for industrial purposes.

3. The lost employment generating potential of industrial land is more than offset by the higher density employment opportunities of the Planning Proposal.
4. Ensuring that existing precincts in more favourable locations have sufficient capacity in their planning framework is likely to be a more successful and appropriate strategy in achieving economic growth.

6.0 ECONOMIC IMPACT ASSESSMENT

This section examines the economic implications that development of the Planning Proposal would have during the construction phase and post-construction or operational phase. The economic impacts of the Planning Proposal are measured against a base case ('do nothing' or 'continue the existing use' option).

6.1 Economic impact assessment approach

Economic multipliers and impact indicators

Economic multipliers refer to the level of additional economic activity generated or supported by a source industry. There are two types of effects captured by multipliers:

Production induced effects, which are made up of:

- *First round effects*: which are all outputs and employment required to produce the inputs for the source industry, and:
- *Industrial support effects*: which is the induced extra output and employment from all industries to support the increased production by suppliers in response to increased sales.

Consumption induced effects, which relate 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 modelling for this report is based on the Australian National Accounts Input Output tables 2020-21. Input-Output modelling estimates economic activity through the examination of four types of impacts described in the table below.

Table 21: Economic impact metrics assessed

Metric	Description
Output	Output is a gross measure of the total sales generated by the types of land uses present on the site or in the Planning Proposal.
Employment	Full-time equivalent (FTE) employment generated by the types of land uses present on the site or in the Planning Proposal.
Wages	The wages and salaries paid to employees on the site or in the Planning Proposal.
Gross Value Added	Gross Value Added (GVA) of an industry refers to the value of outputs less the costs of inputs. It measures the contribution that the industry makes to the country's wealth or gross domestic product (GDP).

The economic impacts have been assessed at the NSW State level. That is, economic activity supported by the Planning Proposal across NSW. If the impacts were assessed at the LGA or national level the impacts would be different to that provided in this report.

Economic impact phases

Economic impacts are further assessed and discussed regarding the specific phases of construction and operation.

- **Design and construction phase**: the economic activity supported through the design and construction phase of the Planning Proposal. These impacts are expected to be short-term, concluding when development activity is completed. The base case assumes no construction activity and, hence, is not assessed in this phase.
- **Operational phase (post-construction)**: the economic activity supported by the existing or proposed land uses under the base case and Planning Proposal scenario. Economic activity in this phase is compared to that generated/supported under the base case to identify any net impacts.

Limitations with multipliers

Both the ABS and the NSW Treasury Employment Calculator describe several limitations with input-output multipliers, or at least shortcomings with typical interpretations of the multipliers, which generally result in an over-estimation of impacts. The main shortcomings or limitations are as follows:

- Production induced impacts can leave the impression that extra output can be produced without taking resources away from other activities.
- Multipliers assumed fixed input ratios and hence measure impacts based on average effects rather than marginal effects.
- The impacts are nationwide and are not regional or local impacts which would be smaller.

Other limitations are described in both the NSW Treasury Guide and on the ABS website.¹⁵

6.2 Base case – economic impacts

Using ABS 2021 journey to work data, it is estimated that the site currently generates 8 FTE jobs in non-metallic mineral mining and quarrying.

Based on the above, coupled with ABS Input Output tables and IBIS world reports, the following assesses the current economic activity supported by the sites current land uses (referred to as the base case):

- **Employment:** A total of 27 Full-time equivalent (FTE) jobs generated and supported. Of these, 8 FTE jobs are directly generated onsite.
- **Output:** A total of \$7 million in output generated and supported. Of this, \$3 million per annum is directly generated by existing uses on site.
- **Remuneration:** A total of \$2 million in staff wages generated and supported. Of this, \$1 million per annum are wages for workers directly onsite.
- **GVA:** A total of \$3 million in generated and supported GVA. Of this, \$1 million per annum is directly generated by the current uses onsite.

Table 22: Base case – economic performance

Impact metric	Direct	Indirect	Total
Employment (FTE)	8	19	27
Output (\$m)	\$3.1	\$4.0	\$7.1
Wages (\$m)	\$0.8	\$1.3	\$2.1
GVA (\$m)	\$1.4	\$1.8	\$3.1

Source: Australian National Accounts Input Output tables 2020-21, IBIS World Reports 2023, HillPDA

6.3 Planning Proposal’s design and construction phase - economic impacts

A construction cost of around \$3.4 billion was provided by Pope Property. Based on this capital investment estimate, the following assesses the economic activity supported across NSW through the construction phase.

6.3.1 Construction – gross output

The Planning Proposal will have a direct impact on construction output as well as indirectly stimulating other industries which assist in production and cater to increased consumption.

¹⁵ <https://www.abs.gov.au/statistics/economy/national-accounts/australian-national-accounts-input-output-tables/latest-release>
<https://www.treasury.nsw.gov.au/information-public-entities/nsw-treasury-employment-calculator>

The table below details the output multipliers and shows the impact of the change in demand supported by the development and the impact on the NSW economy. The forecast increase in total output supported across NSW is estimated at approximately \$9.79 billion (directly and indirectly).

Table 23: Design and construction impact on gross output (\$m)

	Direct effects	Production induced effects	Consumption induced effects	Total
Output multipliers	1	1.12	0.76	2.88
Output (\$million)	\$3,400	\$3,802	\$2,586	\$9,788

Source: HillPDA estimate using data from ABS Australian National Accounts: Input-Output Tables 2020-21

6.3.2 Construction – job creation

Every million dollars of construction work undertaken generates 2.17 full time job years¹⁶ onsite directly in construction¹⁷. Based on the estimated design and construction cost, a total of around 7,387 job years would be directly supported by the development of the Planning Proposal, as shown in the table below.

Table 24: Design and construction impact on employment (job years)

	Direct effects	Production induced effect	Consumption induced effect	Total
Multipliers	1	1.55	1.14	3.69
Job Years per \$million	2.17	3.36	2.49	8.02
Total Job Years Generated	7,387	11,417	8,453	27,257

Source: Hill PDA Estimate using data from ABS Australian National Accounts: Input-Output Tables 2020-21

Through production induced and consumption induced multiplier impacts a total of 27,257 job years would be generated and supported State-wide during the design and construction phase of the proposed development

6.3.3 Construction – workers’ remuneration

We estimate the remuneration of workers directly in design and construction would be around \$594 million. Total remuneration of workers supported by the development both directly and indirectly would be around \$2.14 billion, as shown in the table below.

Table 25: Design and construction impact on wages (\$m)

	Direct effects	Production induced effects	Consumption induced effects	Total
Workers remuneration per \$ of gross output	0.17	0.26	0.19	0.63
Workers remuneration (\$million)	\$594	\$898	\$647	\$2,139

Source: HillPDA estimate using data from ABS Australian National Accounts: Input-Output Tables 2020-21

6.3.4 Construction – Gross Value Added (GVA)

The Gross value added (GVA) of an industry refers to the value of outputs less the costs of inputs. It also measures the contribution that the industry makes to gross regional product (GRP). The major components of GVA are workers’ remuneration, company profits and government taxes from production.

Design and construction would directly contribute around \$1.06 billion to the NSW economy or gross regional product (GRP). Including the multiplier impacts, a total of around \$4.05 billion would be contributed both directly and indirectly to NSW’s GRP.

¹⁶ Note: One job year equals one full-time job over one year

¹⁷ Source: ABS Australian National Accounts: Input – Output Tables 2020-21 (ABS Pub: 5209.0)

Table 26: Construction – impact on gross value added (GVA)

	Direct effects	Production induced effects	Consumption induced effects	Total
Output multipliers	0.31	0.47	0.41	1.19
Output (\$million)	\$1,063	\$1,603	\$1,380	\$4,045

Source: HillPDA estimate using data from ABS Australian National Accounts: Input-Output Tables 2020-21

6.4 Planning Proposal’s operational phase - economic impacts

Upon completion, development in accordance with the Planning Proposal would provide employment generating land uses including, retail, cultural, accommodation, education, aged care and seniors living. As discussed in Section 4.3 it is estimated that the amount and type of land uses under the Planning Proposal could generate 1,575 jobs on site (full and part-time employment). For this chapter, this has been converted into 1,171 FTE jobs using ABS Australian National Accounts: Input-Output Tables 2020-21 information.

The economic activity that this employment would generate, and support are estimated and detailed below.

6.4.1 Operational phase - employment generation

Based on industry average employment densities for the types of land uses proposed, it is estimated that the Planning Proposal would directly generate 1,171 FTE jobs during the operational phase. This is a 1,163 increase in FTE employment on the site when compared to the base case.

Accounting for multiplier effects, total employment directly generated and indirectly supported by the Planning Proposal is estimated at 2,196 FTE jobs. This is a 2,169 FTE increase in jobs when compared to the base case.

The table below provides an estimate of the number of jobs that could be supported onsite across its various land uses.

Table 27: Operational phase - employment generation (FTE)

Land use	Direct Jobs	Production Induced Jobs	Consumption Induced Jobs	Total
Aged care	146	32	106	283
Cultural	12	3	9	24
Non-retail services	18	5	8	32
School	120	22	77	219
Senior units	187	41	136	365
Specialty food	229	60	81	371
Specialty non-food	12	4	6	22
Tourist accommodation	445	199	236	880
Total	1,171	366	659	2,196

Source: Australian National Accounts Input Output tables 2020-21, IBIS World Reports 2023, industry reports, HillPDA

Totals may not total due to rounding

6.4.2 Economic gross output

Upon operation, it is estimated that development under the Planning Proposal could directly generate \$232 million in gross output each year. This is a \$229 million increase each year when compared to the base case.

Accounting for multiplier effects, total output directly generated and indirectly supported by the Planning Proposal is estimated at \$627 million per annum. This represents a \$620 million increase over the base case.

Table 28: Operational phase - economic output

Land use	Direct output	Production Induced Jobs	Consumption Induced Jobs	Total
Aged care	\$19.7	\$7.5	\$27.0	\$54.2
Cultural	\$1.5	\$0.6	\$2.0	\$4.0
Non-retail services	\$4.7	\$3.1	\$4.3	\$12.1
School	\$29.2	\$10.9	\$39.5	\$79.6
Senior units	\$25.4	\$9.6	\$34.8	\$69.8
Specialty food	\$69.6	\$55.4	\$65.8	\$190.8
Specialty non-food	\$4.8	\$3.2	\$4.5	\$12.5
Tourist accommodation	\$77.5	\$58.6	\$67.4	\$203.5
Total	\$232.5	\$148.7	\$245.4	\$626.6

Source: Australian National Accounts Input Output tables 2020-21, IBIS World Reports 2023, Profile.id, HillPDA

6.4.3 Wages and salaries

We have estimated the direct remuneration of workers onsite during the operational phase at approximately \$83 million per annum. This represents a \$82 million increase over the base case.

Accounting for multiplier effects, total remuneration directly generated and indirectly supported by the Planning Proposal is estimated at \$158 million per annum. This represents a total net increase of \$156 million over the base case.

Table 29: Operational phase - estimated salary generation

Land use	Direct Jobs	Production Induced Jobs	Consumption Induced Jobs	Total
Aged care	\$12.9	\$2.0	\$6.5	\$21.5
Cultural	\$0.9	\$0.1	\$0.5	\$1.5
Non-retail services	\$1.4	\$0.6	\$0.9	\$2.9
School	\$15.6	\$2.6	\$7.9	\$26.1
Senior units	\$16.6	\$2.6	\$8.4	\$27.6
Specialty food	\$9.9	\$4.7	\$6.3	\$20.9
Specialty non-food	\$0.6	\$0.3	\$0.4	\$1.3
Tourist accommodation	\$24.7	\$14.8	\$17.1	\$56.5
Total	\$82.7	\$27.7	\$47.9	\$158.4

Source: Australian National Accounts Input Output tables 2020-21, IBIS World Reports 2023, Profile.id, HillPDA

6.4.4 Gross Value Added

The Gross Value Added (GVA) of an industry refers to the value of outputs less the costs of inputs. It also measures the contribution that the industry makes to the region's wealth or gross regional product (GRP).

Upon operation, it is estimated that the Planning Proposal could directly support \$103 million in GVA each year. This represents a \$102 million increase over that directly generated by the base case.

Accounting for multiplier effects, total GVA directly generated and indirectly supported to NSW's State economy, by the Planning Proposal, is estimated at \$254 million per annum. This represents a total net increase of around \$251 million above the base case.

Table 30: Operational phase - estimated Industry Value Added

Land use	Direct Jobs	Production Induced Jobs	Consumption Induced Jobs	Total
Aged care	\$14.2	\$3.6	\$14.1	\$31.9
Cultural	\$1.0	\$0.3	\$1.0	\$2.3
Non-retail services	\$2.1	\$1.2	\$1.8	\$5.1
School	\$16.7	\$4.4	\$16.4	\$37.5
Senior units	\$18.3	\$4.6	\$18.2	\$41.0
Specialty food	\$14.9	\$11.8	\$16.1	\$42.7
Specialty non-food	\$1.0	\$0.6	\$0.9	\$2.5
Tourist accommodation	\$34.8	\$24.4	\$32.3	\$91.5
Total	\$103.0	\$50.8	\$100.7	\$254.5

Source: Australian National Accounts Input Output tables 2020-21, IBIS World Reports 2023, Profile.id, HillPDA

6.4.5 Tourism expenditure

The Planning Proposal would provide 587 luxury hotel and villa rooms.

Total number of visitor nights per annum for the tourism component is estimated at around 273,175 assuming 1.5 persons per room and a target occupancy rate of 85%¹⁸.

Based on an average spend of \$400 per visitor night, the total spend is estimated at around \$109 million per annum. Of this, \$32 million is estimated to be spent on retail goods and services¹⁹.

6.4.6 Resident retail expenditure and floorspace demand

The residential component of the proposal would also have economic benefits. These primarily relate to retail expenditure and floorspace demand.

We have estimated that the site could accommodate up to 7,305 residents upon completion (refer to Section 4.3). Excluding aged care and senior independent living residents and based on an average per capital spend of \$23,400 for residents and \$10,350 for senior living residents, it is estimated these residents would generate a total of around \$158 million in expenditure as of 2046.

Based on an average turnover of \$6,000 to \$8,000/sqm, this could support around 20,000 to 26,500sqm of retail floorspace. We would expect most of this expenditure and floorspace demand would be directed towards existing businesses in the Shire.

6.4.7 Housing and productivity contributions estimate

It is estimated that the Planning Proposal would contribute \$35 million towards state/regional infrastructure through the Housing and Productivity Contribution. This is based on the table below.

Table 31: Housing and productivity contributions

Land use	Contribution rate	Units	\$m
Apartments	\$8,000/dwelling	3,325	\$26.60
Townhouses	\$12,000/dwelling	258	\$3.10
Senior ILUs	\$8,000/dwelling	628	\$5.02
Retail/commercial	\$30/sqm	11,130	\$0.33
Total			\$35.05

¹⁸ Occupancy rate 2019 pre-COVID impacts – Sydney Region, Tourism Research Australia

¹⁹ International and National Visitor Survey June 2019 and 2020

6.4.8 Section 7.12 development contributions

As described in the Sutherland Shire Section 7.12 Development Contribution Plan 2020, the maximum levy percentage for proposed developments with a construction cost of over \$200,000 is 1% of its construction cost.

Based on a \$3.4 billion construction cost it is estimated that the Planning Proposal provide \$34 million in development contributions.

6.5 Other economic benefits

6.5.1 Investment stimulus

Where a significant property investment decision has been made, it is generally viewed as a strong positive commitment for the local area. Such an investment can, in turn, stimulate and attract further investment. Development of the Planning Proposal would support a wide range of economic multipliers which would, in turn, support investment in associated industries. It would also raise the profile of the Shire to potential investors.

The Planning Proposal would create additional business opportunities in this locality associated with the employment floorspace provided on site. It would increase the profile of this area and, in so doing, increase the financial feasibility of commercial developments, potentially acting as a catalyst for sites within the locality.

6.5.1 Added price competition and services

There is sufficient forecast population within the MTA to support the proposed retail space and the trading impacts would not threaten the viability of any existing centre. Accordingly, added price competition with the additional retailers should be viewed positively in this case.

The provision of retail services on the Kurnell Peninsula is limited. This implies that current residents are required to travel 10 to 20 minutes, depending on their destination, to undertake top-up and other essential shopping needs. The Planning Proposal would increase the range, quality and supply of retail and other non-retail services within the peninsula greatly increasing convenience and choice for its residents.

6.5.2 Employment targets

It is estimated that the Shire will need to provide between 9,000 and 15,000 jobs over the next 15 years. The Planning Proposal, with its employment generating and supporting potential, would contribute to the attainment of these targets.

6.5.3 Population and dwelling targets

Profile.id project that the Shire will be home to an additional 26,435 people between 2021-41, requiring 12,285 new dwellings. The Planning Proposal provides increased opportunity for the Shire to attain these targets.

6.5.4 Jobs closer to home

There are many benefits associated with providing jobs closer to home, most notably a reduced need to travel and the flow-on benefits associated with this in terms of reduced pressure on infrastructure.

A reduction in the number and length of journeys made, in particular those made in private vehicles, has environmental benefits. There are also lifestyle benefits related to increased free time, reduced travel related stress and a reduced likelihood of road related accidents.

The Planning Proposal has the potential to generate a total of 1,575 jobs on site (full and part-time jobs). This provides increased employment opportunities for local residents to live and work in the Shire. Providing jobs closer to home meets the GSC 30-minute city direction, where residents live within 30 minutes of their jobs, education and health facilities, services and great places.

6.6 Net operational phase - economic impact and conclusion

Compared to the base case the Planning Proposal would support a more intensified economic outcome for the site. The net increase in economic activity generated and supported during the operation phase, when compared to the base case, is estimated at:

- **Employment:** a total net increase of around 2,169 FTE jobs generated and supported. Of these, 1,163 FTE jobs would be directly generated onsite.
- **Output:** a total net increase of around \$620 million per annum in generated and supported output. Of this, \$229 million would be directly generated by uses on site.
- **Remuneration:** a total net increase of around \$156 million per annum in generated and supported wages. Of this, \$82 million would be directly generated.
- **GVA:** a total net increase of around \$251 million per annum in generated and supported GVA. Of this, \$102 million would be directly generated by the land uses onsite.
- **Tourism expenditure:** a total expenditure of around \$109 million per annum, of which \$40 million would be spent on retail goods and services.
- **Resident retail expenditure:** by 2046, residents on site would generate a total of \$158 million in retail expenditure.
- **Government contributions:** an estimated \$69 million would be contributed towards state/regional infrastructure and Council led infrastructure through the Housing and Productivity Contribution and Section 7.12 developer contributions.

From this assessment, it is concluded that the Planning Proposal is strongly supported from an economic perspective.

Table 32: Net operational phase economic impacts – Planning Proposal over base case

Base Case	Direct	Indirect	Total
Employment	8	19	27
Output (\$m/ann)	\$3	\$4	\$7
Wages (\$m/ann)	\$1	\$1	\$2
GVA (\$m/ann)	\$1	\$2	\$3
Planning Proposal	Direct	Indirect	Total
Employment	1,171	1,025	2,196
Output (\$m/ann)	\$232	\$394	\$627
Wages (\$m/ann)	\$83	\$76	\$158
GVA (\$m/ann)	\$103	\$151	\$254
Impact (marginal increase)	Direct	Indirect	Total
Employment	1,163	1,006	2,169
Output (\$m/ann)	\$229	\$390	\$620
Wages (\$m/ann)	\$82	\$74	\$156
GVA (\$m/ann)	\$102	\$150	\$251

APPENDIX A: RETAIL EXPENDITURE

The following tables provide an estimate on the total amount of retail expenditure generated within each trade segment across its various sources of spend.

Table 33: Total retail expenditure by trade segment and source of spend (2023 \$m)

PTA - Kurnell	2023	2026	2031	2036	2041
Supermarkets and grocery stores	12	13	14	15	16
Specialised food stores	3	3	3	3	3
Bulky goods stores	7	7	8	8	8
Department stores	2	2	2	2	2
Apparel stores	4	4	5	5	5
Other non-food stores	6	7	7	7	8
Restaurants and fast food services	6	7	7	8	8
Personal services	1	2	2	2	2
TOTAL	41	44	47	50	52
PTA - Site	2023	2026	2031	2036	2041
Supermarkets and grocery stores	0.0	9.4	20.9	35.4	44.7
Specialised food stores	0.0	2.1	4.7	7.8	9.7
Bulky goods stores	0.0	5.3	11.5	19.2	23.9
Department stores	0.0	1.3	2.7	4.2	5.0
Apparel stores	0.0	3.3	7.2	12.0	14.9
Other non-food stores	0.0	4.9	10.7	17.8	22.2
Restaurants and fast food services	0.0	5.0	11.1	18.9	23.9
Personal services	0.0	1.2	2.5	4.2	5.2
TOTAL	0.0	32.4	71.4	119.5	149.4
STA	2023	2026	2031	2036	2041
Supermarkets and grocery stores	8.0	9.0	9.4	9.9	10.4
Specialised food stores	2.0	2.2	2.3	2.3	2.4
Bulky goods stores	5.1	5.6	5.8	6.0	6.2
Department stores	1.2	1.2	1.2	1.1	1.1
Apparel stores	3.6	3.9	4.0	4.1	4.3
Other non-food stores	5.2	5.7	5.9	6.1	6.3
Restaurants and fast food services	5.0	5.7	6.0	6.3	6.6
Personal services	1.2	1.3	1.4	1.4	1.5
TOTAL	31.2	34.5	35.9	37.3	38.8
PTA - Seniors housing	2023	2026	2031	2036	2041
Supermarkets and grocery stores	0.0	0.6	1.0	1.8	2.5
Specialised food stores	0.0	0.1	0.2	0.4	0.5
Bulky goods stores	0.0	0.3	0.5	1.0	1.3
Department stores	0.0	0.1	0.1	0.2	0.3
Apparel stores	0.0	0.2	0.3	0.6	0.8
Other non-food stores	0.0	0.3	0.5	0.9	1.2
Restaurants and fast food services	0.0	0.3	0.5	1.0	1.3
Personal services	0.0	0.1	0.1	0.2	0.3
TOTAL	0.0	2.0	3.3	6.1	8.3
PTA - Tourism	2023	2026	2031	2036	2041
Supermarkets and grocery stores	0.0	0.0	0.6	1.6	1.6
Specialised food stores	0.0	0.0	1.2	3.2	3.2
Bulky goods stores	0.0	0.0	0.0	0.0	0.0
Department stores	0.0	0.0	0.0	0.0	0.0
Apparel stores	0.0	0.0	0.6	1.6	1.6

Other non-food stores	0.0	0.0	1.7	4.8	4.8
Restaurants and fast food services	0.0	0.0	7.0	19.2	19.2
Personal services	0.0	0.0	0.6	1.6	1.6
TOTAL	0.0	0.0	11.6	32.0	32.0
Workers	2023	2026	2031	2036	2041
Supermarkets and grocery stores	0.0	0.0	0.1	0.4	0.4
Specialised food stores	0.0	0.0	0.2	0.8	0.9
Bulky goods stores	0.0	0.0	0.0	0.0	0.0
Department stores	0.0	0.0	0.0	0.0	0.0
Apparel stores	0.0	0.0	0.0	0.0	0.0
Other non-food stores	0.0	0.0	0.2	0.8	0.9
Restaurants and fast food services	0.0	0.0	0.4	1.4	1.5
Personal services	0.0	0.0	0.2	0.6	0.7
TOTAL	0.0	0.0	1.2	3.9	4.4

Disclaimer

5. This report is for the confidential use only of the party to whom it is addressed ("Client") for the specific purposes to which it refers and has been based on, and takes into account, the Client's specific instructions. It is not intended to be relied on by any third party who, subject to paragraph 3, must make their own enquiries in relation to the issues with which this report deals.
6. HillPDA makes no representations as to the appropriateness, accuracy or completeness of this report for the purpose of any party other than the Client ("Recipient"). HillPDA disclaims all liability to any Recipient for any loss, error or other consequence which may arise as a result of the Recipient acting, relying upon or using the whole or part of this report's contents.
7. This report must not be disclosed to any Recipient or reproduced in whole or in part, for any purpose not directly connected to the project for which HillPDA was engaged to prepare the report, without the prior written approval of HillPDA. In the event that a Recipient wishes to rely upon this report, the Recipient must inform HillPDA who may, in its sole discretion and on specified terms, provide its consent.
8. This report and its attached appendices are based on estimates, assumptions and information provided by the Client or sourced and referenced from external sources by HillPDA. While we endeavour to check these estimates, assumptions and information, no warranty is given in relation to their reliability, feasibility, accuracy or reasonableness. HillPDA presents these estimates and assumptions as a basis for the Client's interpretation and analysis. With respect to forecasts, HillPDA does not present them as results that will actually be achieved. HillPDA relies upon the interpretation of the Client to judge for itself the likelihood of whether these projections can be achieved or not.
9. Due care has been taken to prepare the attached financial models from available information at the time of writing, however no responsibility can be or is accepted for errors or inaccuracies that may have occurred either with the programming or the resultant financial projections and their assumptions.
10. This report does not constitute a valuation of any property or interest in property. In preparing this report HillPDA has relied upon information concerning the subject property and/or proposed development provided by the Client and HillPDA has not independently verified this information except where noted in this report.
11. This report is expressly excluded from any reliance for mortgage finance purpose or any lending decisions. Furthermore, this report is not intended to be relied upon for any joint venture or acquisition / disposal decision unless specifically referred to in our written instructions.
12. HillPDA makes no representations or warranties of any kind, about the accuracy, reliability, completeness, suitability or fitness in relation to maps generated by HillPDA or contained within this report.

Liability limited by a scheme approved under the Professional Standards Legislation



SYDNEY

Level 3, 234 George Street
Sydney NSW 2000
GPO Box 2748 Sydney NSW 2001
t: +61 2 9252 8777
f: +61 2 9252 6077
e: sydney@hillpda.com

MELBOURNE

Suite 114, 838 Collins Street
Docklands VIC 3008
t: +61 3 9629 1842
f: +61 3 9629 6315
e: melbourne@hillpda.com

WWW.HILLPDA.COM