HillPDA CONSULTING

MURRAY RIVER
Employment Land Strategy 2041

Background Report
Prepared for Murray River Council

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Executive summary

HillPDA prepared the Murray River Employment Land Strategy (ELS) on behalf of Murray River Council (Council). The purpose of the ELS is to provide a robust evidence-base and an overarching framework to guide planning and decision-making for employment lands within the Murray River Local Government Area (LGA) over the next 20 years. It is Council's intention to review the ELS every five years. Within this ELS, the term 'employment lands' means land that is zoned for commercial or industrial purposes and accommodates employment-generating activities.

The Murray River LGA has diverse assets, as well as a growing economy built around strong industries including regional services and agriculture (the latter employing around 18 per cent of the workforce). The LGA has experienced significant population growth over recent years, which is expected to continue. However, the majority of its working residents still commute away from the LGA, with more jobs available in areas including Echuca and Swan Hill. This creates an opportunity to better leverage employment land in the Murray River LGA to provide varied local jobs for a growing population and further increase the vibrancy of its towns. There is potential to foster strong employment ecosystems between towns including Moama, Barham, and Murray Downs and their nearby counterparts.

This ELS provides information, guidance, and strategic direction to inform land use decisions for employment land across the Murray River LGA. In preparing this ELS, a wide range of factors were considered, including key priorities and actions in State, regional, and local plans and strategies; socio-economic and market trends; existing land uses and capacity; and stakeholder feedback. This information has been collated into a robust evidence base and comprehensive strategy to be actioned by Murray River Council and other key stakeholders.

The main ELS and this Background Report were both prepared in accordance with the (now) NSW Department of Planning, Housing and Infrastructure's (DPHI) *A Guideline for local employment land strategies* (the Guideline). It is structured as follows:

- **Chapter 1 – Introduction** identifies the scope of the ELS, defines the study area provides contextual information about Murray River LGA.
- **Chapter 2 – Strategic context** identifies strategic goals for employment lands as outlined in a range of State, regional, and local strategic planning documents. These documents emphasise leveraging cross-border opportunities, supporting agriculture, developing service sectors, strengthening tourism and culture, and protecting the functions and appeal of towns and local centres.
- **Chapter 3 – Socio-economic analysis** outlines the key socioeconomic trends impacting demand for employment lands. This section highlights the importance of job opportunities for the LGA's growing and changing population, including jobs for younger workers. It also discusses the LGA's self-containment rate, which could also be increased by providing more job opportunities.
- **Chapter 4 – Comparative analysis** compares Murray River LGA to other surrounding areas in terms of population, employment, and economic trends. The LGA's population is growing proportionally faster than neighbouring areas, reflected in the rise of land values over recent years. Despite this, the LGA has a smaller quantity of employment land in comparison to other areas.
- **Chapter 5 – Market trends** provides an overview of industrial and retail trends impacting demand for employment lands. Key industrial trends include non-traditional uses within industrial precincts, and industrial buildings comprising taller constructions on smaller blocks. Meanwhile, commercial trends include the rapid increase of e-commerce, which is driving traditional retail precincts towards physical 'placemaking' experiences, and the growth of larger format supermarkets and bulky goods retail in smaller centres. These trends necessitate the protection and enhancement of existing commercial centres, and the planning of industrial precincts to respond to changing business demands.

- **Chapter 6 – Land use audit** provides an overview of the LGA's industrial and commercial land stocks. There is surplus employment land on the outskirts of Moama, with employment land nearing capacity in some other precincts.
- **Chapter 7 – Stakeholder engagement** provides an overview of stakeholder feedback gathered through surveys, group consultation, and one-on-one discussions. This feedback provides insights into the strengths, weaknesses, opportunities, and threats regarding employment land in the LGA. Notable points raised during engagement included the expected contribution of tourism to the local economy, the impact of infrastructure requirements on prospective businesses, and the question of developers being able to navigate the planning system.
- **Chapter 8 – Employment land modelling** projects demand for industrial land in the LGA. It analyses population, land, and market trends against two different employment growth scenarios. It forecasts that in either a high- or low-growth scenario, demand would be able to be absorbed in the LGA's current employment land stocks
- **Chapter 9 – Commercial demand modelling** projects demand for commercial land in the LGA. It forecasts population growth and expenditure, analyses surrounding centres, and calculates turnover and floorspace requirements. It concludes that there will be more demand for commercial space over the next several decades. Such demand could be accommodated on land that is currently undeveloped but zoned for commercial use.
- **Chapter 10 – Planning control review** analyses statutory planning frameworks in the Murray River LGA. It finds that development could be encouraged by changing several provisions including permitted land uses, master-planning requirements, and environmental certifications. Such changes could be considered as part of a consolidation of local planning, which is likely to occur in the medium term.

INTRODUCTION

1.0 INTRODUCTION

Murray River Council has commissioned HillPDA to prepare an Employment Land Strategy (ELS) for the Murray River Local Government Area (LGA), consistent with the (now) NSW Department of Planning, Housing and Infrastructure's (DPHI) *A guideline for local employment land strategies*, published in July 2022 (the Guideline).

The purpose of this ELS is to provide information, guidance and strategic direction to inform land use decisions for employment lands across the Murray River LGA over the next 20 years. In preparing this ELS, a wide range of factors were considered, including: the key priorities and actions outlined in State, regional, and local plans and strategies; local and regional socio-economic trends; broad market trends; existing land uses and capacity; and stakeholder feedback. This information services as an evidence base, which was used to inform the development of a comprehensive strategy and implementation plan to be actioned by Council and other key stakeholders. Council intends to review the ELS every five years.

1.1 Background

Employment land is broadly defined as land that is zoned to accommodate employment-generating activities. In this ELS, employment land includes land within the Murray River LGA that is zoned:

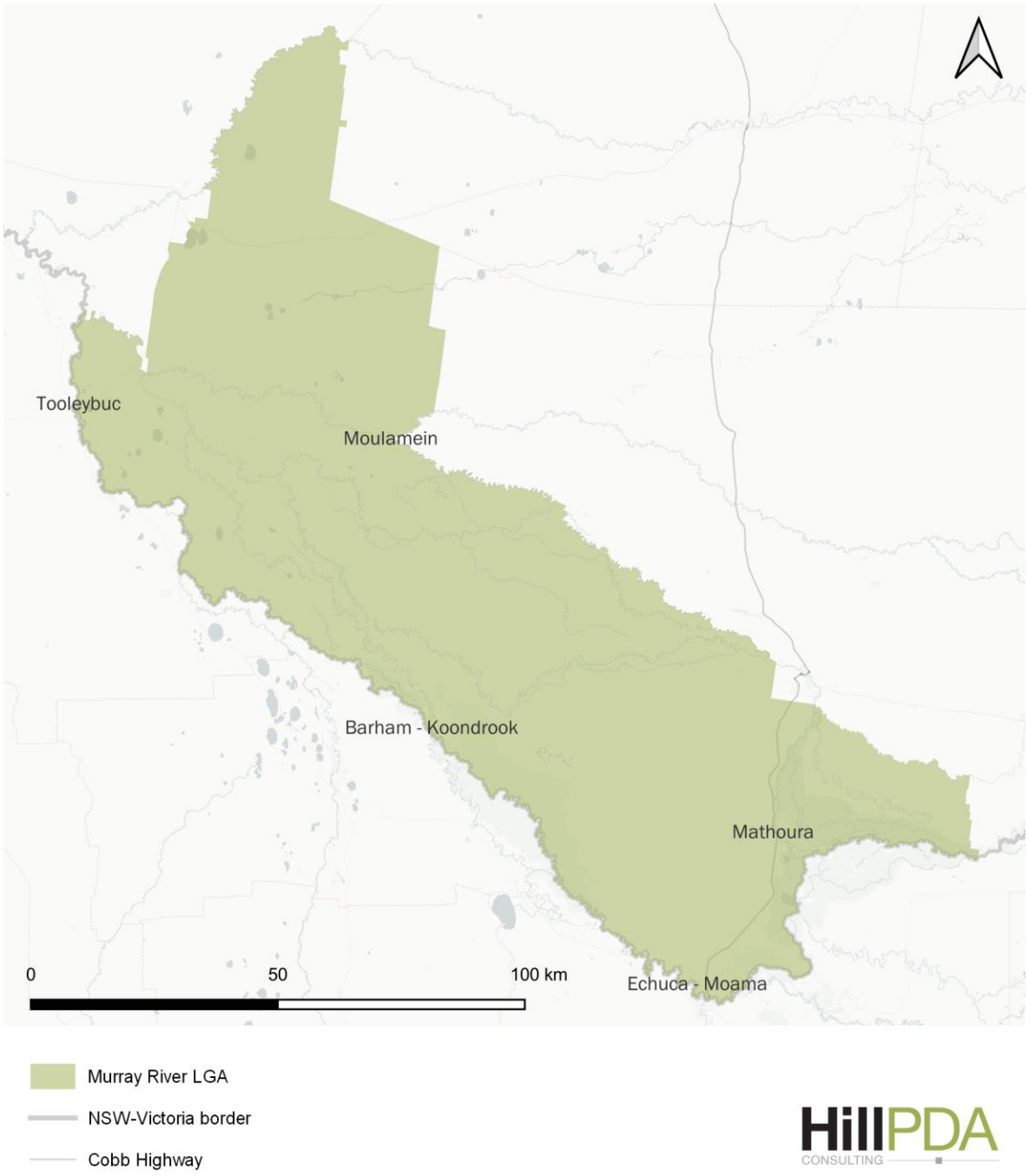
- E1 Local Centre
- E2 Commercial Centre
- E3 Productivity Support
- E4 General Industrial.

It is noted that DPHI implemented the state-wide 'employment zones reforms' on 26 April 2023. As a result of the reforms, the Murray Local Environmental Plan 2011 and the Wakool Local Environmental Plan 2013 now adopt the above zones instead of the former B2 Local Centre, B2 Local Centre, B6 Enterprise Corridor, and IN1 General Industrial zones.

1.2 Study area

This ELS applies to the Murray River LGA, which encompasses the traditional lands of the *Yorta Yorta, Baraba Baraba, Wemba Wemba, Wadi Wadi,* and *Madi Madi* peoples. The Murray River LGA is located in NSW, just north of the Victoria border. The LGA shares several cross-border 'twin towns', including Echuca-Moama and Barham-Koondrook. The largest town in the Murray River LGA is Moama, followed by Barham and Mathoura. The closest major city is Bendigo in Victoria, located approximately 80 kilometres to the south of the LGA's nearest point. The closest state capital is Greater Melbourne, approximately 115 kilometres away. The Murray River LGA was formed in 2016 after the merging of Murray and Wakool LGAs. Due to this, the local planning framework is provided by both the Murray and Wakool LEPs. The study area is shown in shown in Figure 1.

Figure 1: Murray River LGA



Source: CARTO; HillPDA.

The geography and economic history of the Murray River LGA are strongly influenced by the Murray River (*Yorta Yorta*: *Dunghala*). The area's traditional owners have long-standing spiritual connections to the river. Post-colonisation, Moama was established as a river crossing site in the 1840s, after which Echuca was founded across the NSW-Victorian border, which traces the Murray River. These towns facilitated a river navigation industry, which grew over following decades. During this time, several other border towns were established, including Barham-Koondrook and Murray Downs near Swan Hill. Early industries for the area included cattle farming, grain growing, and river boating. The Port of Echuca facilitated growth in the region, although Moama's growth was impacted by cattle industry decline and initial relocation due to flooding. Agriculture and related manufacturing

continued to support the region throughout the following 100 years. More recent growth has been facilitated by a burgeoning tourism industry and investments in commercial development.[1]

The Murray River LGA contains significant natural and cultural landscapes. In addition to the Murray River, the LGA contains and/or borders parts of the Murrumbidgee, Edward, Niemur, and Wakool Rivers. The NSW Central Murray Forests are a set of Ramsar-listed wetlands situated along the Murray, Edward, and Niemur Rivers. Within the LGA, these wetlands include the Koondrook Perricoota Forest Group, Werai Forests, and Millewa Forest Group, the latter of which are located within the Murray Valley National Park. Some of these wetlands are also located within the Murray Valley Regional Park, closer to Moama. Outside of Moama, the LGA tends to comprise predominantly rural landscapes, which contain farming activities, and small towns and settlements.

Transport plays an important historical and current role in the Murray River LGA's economy. The construction of bridges and railway lines in the late 19th century connected multiple communities in the LGA to places across the border. Cross-border movements continue to play an important role for the LGA, with the Victorian Government recently funding a new bridge between Echuca and Moama. Within NSW, the Cobb Highway connects Moama and Mathoura to the town of Deniliquin, north of the LGA. The Sturt Highway also runs through the northern tip of the LGA, between Balranald and Hay. In Victoria, highways and rail connect the LGA's cross-border settlements to regional cities of Shepparton-Mooroopna and Bendigo, and further southwards to Melbourne.

Smaller towns and rural communities are spread throughout most of the Murray River LGA, with Moama comprising its major commercial centre, with approximately 7,200 residents. About 15,000 people live in the adjacent town of Echuca. While Moama and Echuca have recently been affected by flooding, together they continue to support a growing cross-border economy.

[1] Heritage NSW, *Moama Historic Precinct*

STRATEGIC CONTEXT

2.0 STRATEGIC CONTEXT

Planning for employment lands in the Murray River LGA is guided by government policies at State, regional, and local levels. Table 1 discusses relevant strategic planning policies for NSW and Victoria, the Murray River LGA, the wider Murray Region, and connected regions and areas across the NSW-Victorian border.

Table 1: Policy context

Relevant plans and strategies	Relevance for ELS
Riverina Murray Regional Plan 2041 The Regional Plan aligns State and local strategic planning for the Riverina Murray Region, which includes the Murray River LGA. **Part 2: Communities and places** • Objective 10: Improve connections between Murray River communities • Objective 11: Plan for integrated and resilient utility infrastructure **Part 3: Economy** • Objective 14: Protecting and promoting industrial and manufacturing land • Objective 15: Support the economic vitality of CBDs and main streets • Objective 17: Strategically plan for health and education precincts • Objective 18: Integrate transport and land use planning.	The ELS responds to the strategies and actions of the Regional Plan by doing the following: • Considering cross-border employment lands markets, interrelationships, constraints, and opportunities for the Murray River LGA, due to its strong relationships to areas south of the NSW-Victorian border • Assessing general infrastructure accessibility and requirements for employment land precincts • Quantifying the extent of industrial and manufacturing land required in the LGA, and advocating for planning controls that deliver it accordingly • Planning for commercial land in town centres and main streets • Considering opportunities for expanded health and education services to support a growing population • Considering freight infrastructure and supply chains in the planning of employment lands.
Riverina Murray Destination Management Plan 2022-2030 This DMP provides tourism strategies for the Riverina Murray Region, divided into Strategic Pillars as established in the NSW 2030 Visitor Economy Strategy. **Strategic Pillars** • 3.0: Showcase our Strengths • 5.0: Facilitate Growth	This ELS considers the Strategic Pillars and Actions of the DMP as they relate to employment land. While most Actions relate to other tourism-related tasks, the ELS responds to the DMP by doing the following: • Considering the DMP's emphasis on developing Produce, Food and Drink industries to strengthen the region's character • Considering the DMP's emphasis on funding projects and leveraging transport opportunities in the region.
Murray Regional Economic Development Strategy 2018-2022 This REDS seeks to support investment for the development of the Murray Functional Economic Region (FER), which includes LGAs from both NSW and Victoria.	The REDS does not specifically provide guidance regarding employment lands. However, this ELS has been framed by the REDS in its broad employment sector strategy, which focuses on Food Product Manufacturing and Tourism opportunities.
Regional Development Australia Murray Strategic Regional Plan 2022-2025 This SRP provides short-term planning for the RDA Murray Region, divided into three sub-regions. The Central sub-region contains the NSW LGAs from the Murray FER, with the addition of Murrumbidgee LGA. It accordingly includes the Murray River LGA. **National Priority Foundation 1. Connectivity & Infrastructure** • Develop multi-modal links and hubs to drive freight transport, visitation and tourism, logistics and warehousing **National Priority Foundation 4. Regional Employment & Business** • Accelerate capacity building and economic diversification	The ELS is guided by the priorities of the SRP, by doing the following: • Planning for industries that are supported by freight networks in the surrounding region • Considering the SRP's emphases on primary production processing industries and on the need for systems to engage and develop the workforce participation of marginalised groups.
Riverina Murray Enabling Regional Innovation report The Riverina Murray region report for Enabling Regional Innovation was developed by AdaptNSW in response to	The ELS is prepared in a context of supporting the region's resilience through industries including those related to agriculture and renewable energy. Its Actions consider the

climate change risks in the region. It outlines 'future-casts', which include the following future priorities as relevant to the ELS: • Community resilience and connectedness • River-based tourism.	importance of strengthening local communities and tourism through the functioning of commercial centres.
Murray River Local Strategic Planning Statement 2020-2040 The LSPS is a local-level document that provides guidance for planning in the LGA for the coming decades. **Theme 1: A robust, growing and innovative economy** • Planning Priority 2: Grow and strengthen tourism • Planning Priority 3: Create an 'open-for-business' identity	The ELS responds to the LSPS by doing the following: • Supporting town centres in accordance with the LSPS's goals for commercial growth in relation to tourism • Providing an employment lands strategy that considers sites identified in the LSPS for possible employment land expansion.
Murray River Economic Development & Tourism Strategy The Economic Development & Tourism Strategy seeks to promote the ongoing economic wellbeing of the Murray River LGA. It also contains an employment target of 6,400 by 2032. **Strategic Theme 1. Support Existing Businesses and Communities** • Supporting local businesses through running workshops, programs and engaging with business • Supporting local communities through investments into place improvement projects, hosting events and engaging with communities **Strategic Theme 2. Promotion and Investment Attraction** • Promoting the area as a business destination • Attracting investment into the region through facilitation and support • Invest in catalytic infrastructure and planning to attract investment • Engage in talent attraction initiatives to grow workforce **Strategic Theme 3. Growing Tourism** • Promoting the area as a tourism destination through targeted campaigns and activities • Exploring opportunities for new events and experiences • Encouraging new tourism infrastructure and product development **Strategic Theme 4. Advocacy & Partnerships** • Advocating for infrastructure investment • Partner with the private sector to develop surplus Council land • Partnering with industry groups and State and Commonwealth to support marketing, investment and job creation	The ELS connects to the strategic themes and initiatives of the Economic Development & Tourism Strategy by identifying how employment land can be used to support businesses, communities, investment, tourism, and partnerships across the Murray River LGA. In particular, the ELS supports new opportunities discussed by the Economic Development & Tourism Strategy, such as the use of industrial and commercial land in relation to renewable energy, circular economy, and tourism development. It also seeks to attract and foster local and external business investment by facilitating the LGA's related employment land needs.
Murray River Council Community Strategic Plan 2022-2032 The Community Strategic Plan applies to a range of areas in Murray River Council's remit, identifying tasks to help meet community needs over a 10-year timeframe. **Theme 5: A place of prosperity and resilience** • 5.1 Development of Business Parks / industrial expansion • 5.3 Economic development / attraction of businesses • 5.4 Alternative and renewable energy investment opportunities • 5.7 Development of a resilient economy • 5.9 Promote advantages to visit, live, work and invest • 5.10 Growing tourism across the LGA • 5.11 Innovation **Theme 6: Connected communities** • 6.1 Cycle, foot and other pathways	The ELS corresponds to the CSP's themes through the following aspects of its short-to-medium-term strategic planning: • Identifying future land opportunities for business park and/or industrial expansion • Outlining strategies for developing the local economy and attracting businesses • Seeking to leverage growing renewable energy opportunities through activating employment lands • Identifying tools for promoting the LGA as a place to live, visit, work and do business • Identifying means of supporting local tourism • Supporting innovative employment land opportunities • Supporting local active infrastructure investment • Supporting advocacy for state-based infrastructure upgrades

• 6.10 Major road upgrades **Theme 7: Tomorrow's technologies** • 7.6 Promote advanced technologies • 7.8 Waste to energy • 7.12 Be prepared to leverage emerging technologies for Economic & Community Development	• Identifying land opportunities that may facilitate technology hubs • Recognising the employment and economic potential of waste-to-energy and other circular economy opportunities • Identifying technological innovations that impact commercial and industrial land needs and opportunities.
Draft Murray River Council Local Housing Strategy Council has developed a draft Murray River Council Local Housing Strategy to manage the supply of housing within the region over the next 20 years. Objective 3: Reinforce commercial centres Objective 5: Conserve primary industry land Objective 8: Maintain efficient services Objective 9: Consolidate urban centres	The ELS connects to the strategic themes and initiatives of the Local Housing Strategy by planning for commercial land in town centres and main streets, and by identifying employment opportunities in existing precincts. Increased density and infill housing development can be leveraged to improve the economic vitality of main streets, and in particular create greater commercial appeal within Moama CBD.
Loddon Mallee North Regional Growth Plan Loddon Mallee North is the region of Victoria adjacent to Murray River LGA across the NSW-Victorian border. This Regional Growth Plan applies to the five LGAs that constitute this region. **Theme: Living in the region** • 6. Develop a living network of towns: Improve linkages within and between Loddon Mallee North's five communities of interest.	The ELS has been informed by the ways in which the Regional Growth Plan deals with the need to facilitate connections across the NSW-Victorian border: • The Regional Growth Plan situates Moama within the Campaspe Community of Interest and calls for the strengthening of cross-border connections. The ELS supports employment lands to meet demand across both Moama and Echuca.
Shire of Campaspe Economic Development Strategy This EDS applies to the Shire of Campaspe, which contains Echuca, a 'twin-town' together with Moama. **5.1: Agriculture and Food Processing** • Priority Project 2: Support Existing and Attract Specialised Food Manufacturing Businesses **5.4: Transport and Logistics** • Priority Project 1: Support Growth of the Freight and Logistics Supply Chain	The EDS indicates several Industry Initiatives and Priority Projects that apply to the general cross-border area, which includes Echuca-Moama. The ELS considers these, where relevant to the Murray River LGA, by doing the following: • Planning for industrial precincts that can facilitate Food Product Manufacturing, also recognising the industry's contribution to tourism in Echuca-Moama as identified in the EDS • Noting the existence of freight network links to surrounding areas, which may support local businesses to access wider markets.
Gannawarra Shire Council Economic Development Strategy 2019-2024 This EDS applies to the Gannawarra Shire, which contains Koondrook, a 'twin-town' together with Barham. **Strategy 3 Facilitate the development of Gannawarra as an environmental leader** 3.6: Work with energy companies to develop waste projects that add value to the local economy and enhance the environment. **Strategy 4 Develop the tourism sector through improvements in product and infrastructure** 4.2: Participate in the establishment of the local stages of the Murray River Adventure Trail.	The EDS puts forward a vision for the Gannawarra LGA based around agriculture, lifestyle, energy, and tourism. This vision may contribute to opportunities for the Murray River LGA regarding the circular economy, as well as tourism, as the Murray River Adventure Trail would bring tourists into the vicinity of the LGA. The ELS considers these opportunities as part of the Murray River LGA's regional context.
Swan Hill Region Economic Development Strategy 2017-2022 This EDS applied to the Swan Hill LGA, which is situated adjacent to the Murray River LGA near Murray Downs. • In partnership with Murray River Council, Vicroads progress the Swan Hill Bridge.	The EDS seeks to create growth in Swan Hill. The ELS considers this as creating potential opportunities for employment land in Murray Downs. • The future upgrade of the Swan Hill Bridge would be of economic benefit to both the Swan Hill and Murray River LGAs.
Murray Shire Strategic Land Use Plan 2010-2030 The SLUP provides for the land use planning needs of the former Murray Shire, which covers the south-eastern portion of the Murray River LGA. It identifies areas in Moama for future employment land development.	The ELS discusses future land opportunities, including those identified in the SLUP.
Wakool Shire LEP Review: Land Use Strategy Report April 2009	The ELS discusses future land opportunities, including those identified in the LUSR.

This LUSR comprises part of an LEP review that informed the most recent Wakool LEP. It includes a Strategic Framework for Barham that indicates potential new employment sites.

2.1 Key insights

The following insights can be observed across relevant strategic planning throughout the Murray River LGA and the wider region.

- Focus on retail and business investment
- New bridge/transport link through Moama provides an opportunity to reinvigorate the main street
- Certain towns such as Moama are experiencing pressure from residential expansion; other smaller townships lack connectivity and have relatively low demand for tourism and housing
- There is an emphasis on maintaining and strengthening cross-border relationships. These can provide opportunities for employment through the development of industries related to or supporting those operating in neighbouring LGAs
- Strategic documents frequently highlight the regional importance or potential growth for food and fibre manufacturing, freight and logistics, and renewable energy industries
- Improving the economic vitality of the region is prioritised through attracting investment from businesses and growing tourism
- Attracting specialised food manufacturing businesses has been seen as a way to strengthen the region's character
- Deficiencies in utility infrastructure and their impact on attracting businesses and new residents have been identified. Coordinating cost-effective infrastructure provision is a priority.

BACKGROUND ANALYSIS

3.0 SOCIO-ECONOMIC ANALYSIS

Employment land demand is directly impacted by socio-economic trends including demographic changes, population growth, industry changes, and the local business environment. This section undertakes a review of the current and historic socio-economic trends in the Murray River LGA, incorporating recent and projected population change, working population trends, and employment/economic trends.

Information has been sourced from the Australian Bureau of Statistics (ABS), DPHI, Transport for NSW (TfNSW), and REMPLAN. Where relevant, economic performance indicators of the Murray River LGA have been benchmarked against the Murray Functional Economic Region (FER) to identify industry specialisation trends and/or opportunities. The Murray FER is an economically connected region encompassing the LGAs of Murray River, Edward River, and Berrigan Shire in NSW; and Gannawarra Shire, Campaspe Shire, and Moira Shire in Victoria. Comparing the Murray River LGA to its surrounding region allows for its socio-economic data to be compared and its economic links to surrounding areas to be explored.

3.1 Population trends

This section discusses trends in the resident population of the Murray River LGA. The resident working population refers to persons living in the Murray River LGA, regardless of where they travel to work.

3.1.1 Population growth

Over a 20-year period to 2021, the ABS estimate that the resident population in the Murray River LGA increased by around 1,785 persons or 16 per cent. This represented a compound annual growth rate (CAGR) of 0.75 per cent, which was comparable to that recorded for Regional NSW in total over the period (0.78 per cent). The LGA's population has generally increased each year over the time period, although negative growth was experienced between 2001 and 2004, as shown in Figure 2.

It is noted that, over the 20-year period, a quarter of the Murray River's population growth occurred over the last two years (2020-21). If this trend continues, the LGA will experience high demand for additional employment opportunities and commercial services over that it has historically experienced.

Figure 2: Murray River LGA - resident population estimates 2001-21

Source: ABS Regional population 2021-22 financial year, 20/04/2023 release

The town of Moama experienced particularly high growth rates between 2001 and 2021. The Moama SA2 area grew by approximately 2,900 people or 72.6 per cent over this time period, representing a CAGR of 2.8 per cent. As seen in Figure 3, this growth was largely steady, with Moama never experiencing growth lower that 1 per cent over this time period.

Figure 3: Moama SA2 - resident population estimates 2001-21

Source: ABS Regional population 2021-22 financial year, 20/04/2023 release

Within the Murray FER, the Murray River LGA comprised 30% of growth between 2001 and 2021. Its annual compound growth rate was higher than other LGAs in the FER, almost 2.7 times the rate experienced across the total FER. Despite Murray River's net population growth being the third highest, behind that of Moira and Campaspe, its proportional growth was the highest. Table 2 shows population change between 2001 and 2021 across the Murray FER.

Table 2: FER and individual LGA population growth 2001-21

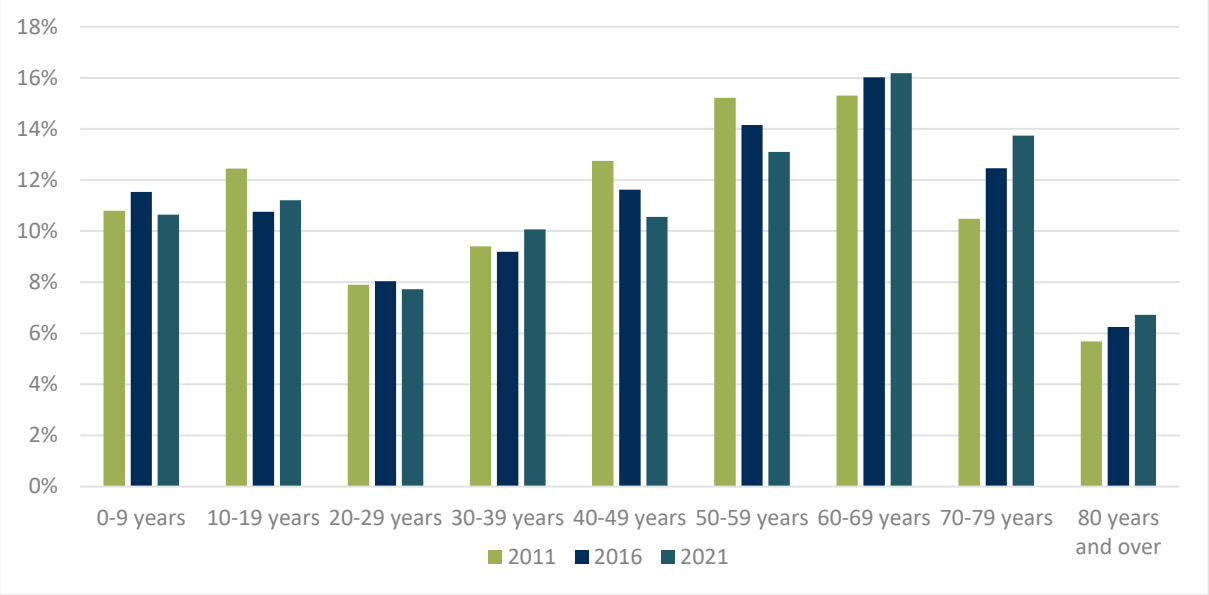
Area	2001	2021	Net change	% change	CAGR
Berrigan	8,075	8,612	537	7%	0.32%
Campaspe	36,011	38,545	2,534	7%	0.34%
Edward River	10,074	8,437	-1,637	-16%	-0.88%
Gannawarra	11,873	10,612	-1,261	-11%	-0.56%
Moira	26,404	30,351	3,947	15%	0.70%
Murray River	10,997	12,780	1,783	16%	0.75%
FER total	**103,434**	**109,337**	**5,903**	**6%**	**0.28%**

Source: ABS Regional population 2021-22 financial year, 20/04/2023 release

3.1.2 Age composition 2011-21

The Murray River LGA has an ageing population, similarly to the wider Murray FER. Between 2011 and 2021, residents of the Murray River LGA aged 60 years and over increased in proportion. This also occurred throughout the wider FER.

Figure 4: Age composition 2011-21, Murray River LGA



Source: ABS, *2021 Time Series Profiles*

Figure 4 illustrates the proportion of Murray River LGA residents by age range between 2011 and 2021. It shows an ageing population, in which young adults are relatively less represented, particularly those aged between 20 and 29.

More broadly, residents who are of working age are defined as being between 15 and 64 years old. The working-age population is an important consideration for employment land needs, due to determining demand for jobs. Between 2011 and 2021, the LGA's working-age population declined in proportion, from 59.2 per cent to 54.6 per cent. Such a decline contributes to a larger 'dependency ratio' (the ratio between non-working-age residents to working-age residents). A rising dependency ratio may impose costs on an area, due to a larger number of residents being supported by fewer total incomes. Despite these changes, the LGA's working-age population still increased by 557 people between 2011 and 2021. This suggests that employment opportunities are needed to support a greater number of working-aged residents the region, although this demographic has declined as a share of the population.

Changes in the number of residents at different life stages can be understood by analysing data for 'service age groups'. Service age groups divide the population into 10 broad phases of life that align generally with the needs of the population. Table 3 lists the 10 service age groups in the population of the Murray River LGA, indicating changes between 2011 and 2021. This highlights that different segments of the population are all increasing in number, albeit at different rates.

Table 3: Net change in service age groups, Murray River LGA, 2011-21

Service age group	2011	2021	2011-21 change
Babies and pre-schoolers (0 to 4)	539	665	+126
Primary schoolers (5 to 11)	892	1,029	+137
Secondary schoolers (12 to 17)	864	899	+35
Tertiary education and independence (18 to 24)	662	679	+17
Young workforce (25 to 34)	894	1,190	+296
Parents and homebuilders (35 to 49)	1,984	2,001	+17
Older workers and pre-retirees (50 to 59)	1,653	1,680	+27
Empty nesters and retirees (60 to 69)	1,685	2,083	+398
Seniors (70 to 84)	1,529	2,232	+703
Elderly aged (85 and over)	249	401	+152
Total	**10,919**	**12,850**	**+1,931**

Source: ABS, *2021 Time Series Profiles*

As Table 3 indicates, the three age groups with most significant increases between 2011 and 2021 were seniors, aged between 70 and 84 (+703); empty nesters and retirees, aged between 60 and 69 (+398); and the young workforce, aged between 25 and 34 (+296). Analysing service age groups aids in considering the population's working and consumption needs. Growth in the young workforce demographic is likely to drive demand for employment land, as such residents are likely to work for multiple decades into the future. Employment land should therefore facilitate adequate job opportunities in order to retain this population in the area.

Age compositions also differ throughout the LGA. For example, in 2021, the median ages of towns ranged between 40 (Tooleybuc) and 58 (Barham).[2] Through upholding employment and the availability of goods and services, employment lands can help to support balanced age structures in regional towns.

3.1.3 Population projections

Two population projection datasets have been initially analysed for this study, these being:

- DPHI *Common Planning Assumptions* data, released in 2022
- REMPLAN data, most recently updated in March 2024.

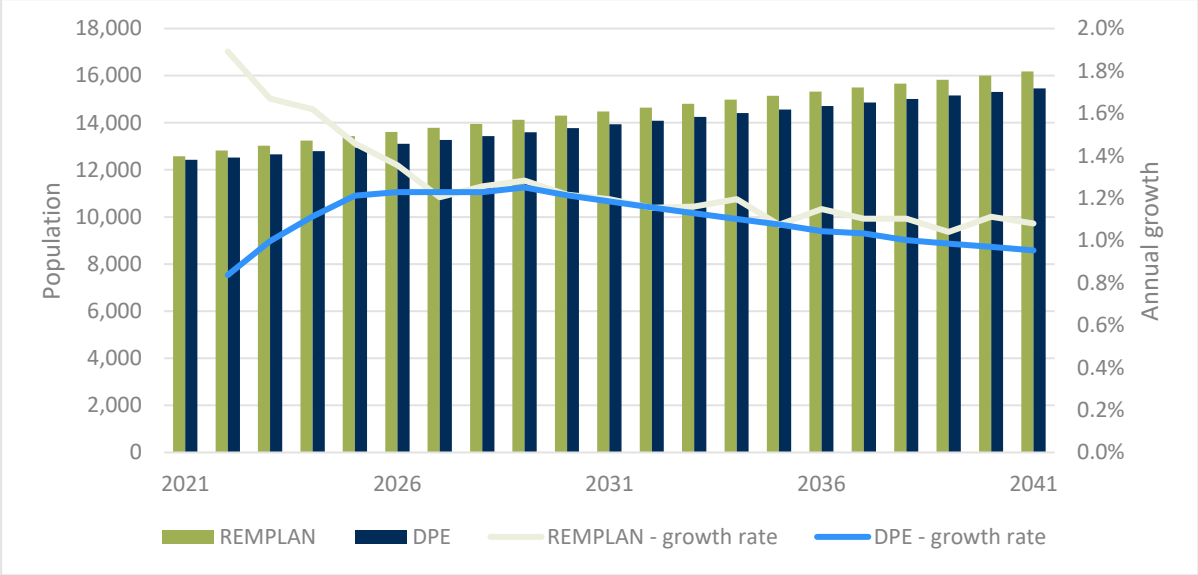
The two datasets differ in several ways:

- Both record a slight undercount in 2021 population compared to ABS Census data, although the DPHI dataset records a larger undercount than the REMPLAN data (424 and 271 persons, respectively)
- The REMPLAN dataset projects a higher annual growth rate between 2021 and 2041, contributing to a larger forecasted population by 2041 (1.27% and 1.10% annual compound growth rate, respectively).

The two population forecasts and their projected annual growth rates are illustrated in Figure 5. As the figure shows, both growth rate forecasts are broadly congruent from 2027 onwards. Following discussions with Murray River Council, HillPDA has adopted the REMPLAN dataset for the purposes of this report, as it reflects the stronger growth that has been observed in Moama.

[2] ABS, *2021 Census All persons QuickStats*

Figure 5: REMPLAN and DPHI projections for population and growth rates, Murray River LGA, 2021-41



Source: DPHI, *2022 NSW Common Planning Assumptions*; REMPLAN, *Forecast Population*

Table 4 indicates key population projections as forecasted by REMPLAN for the Murray River LGA between 2021 and 2041. As it shows, the LGA's population is forecasted to increase significantly, by approximately 3,598 people or 28.6 per cent. This represents a compound annual growth rate of 1.27 per cent, a significant increase compared to the years prior to 2021.

Table 4: Projected 2021-41 population, change, and compound annual growth rate, Murray River LGA

LGA	2021	2041	2021-41 change	2021-41 change (%)	2021-41 ACGR (%)
REMPLAN	12,579	16,177	3,598	28.6%	1.27%
NSW DPHI	12,426	15,456	3,030	24.4%	1.10%

Source: REMPLAN, Forecast Population (April 2022)

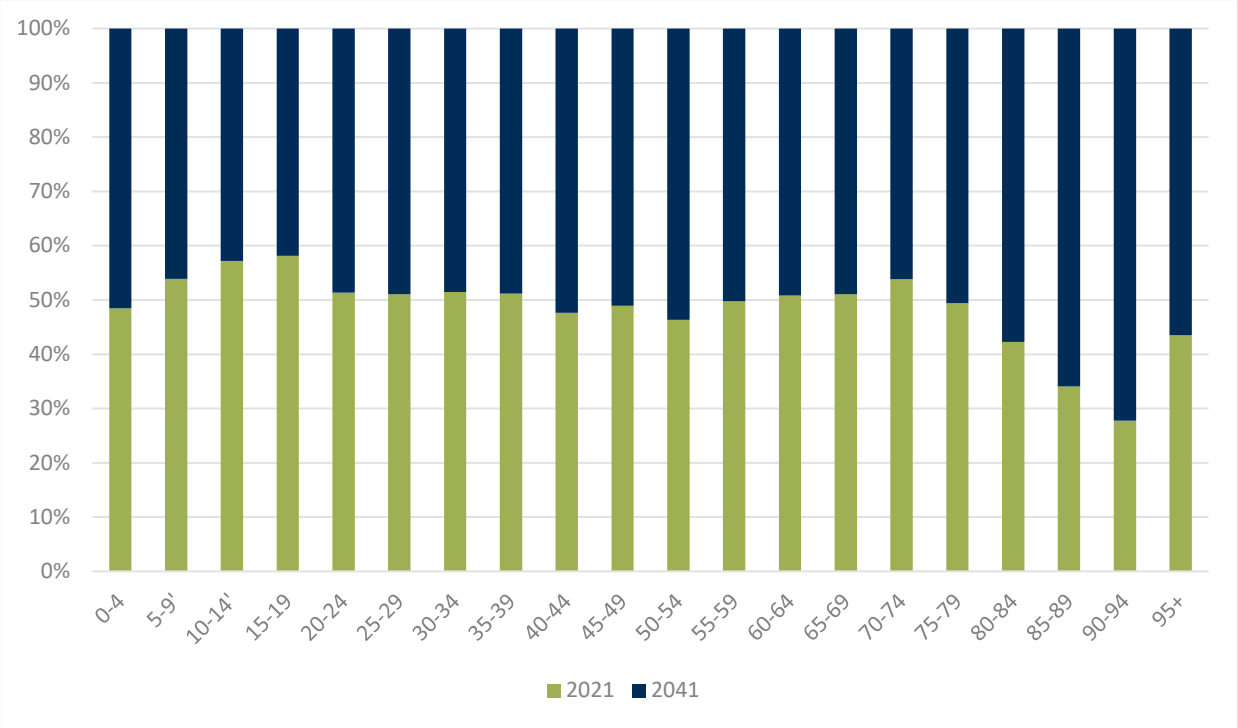
Population growth would be expected to increase demand for employment land and services. However, such an increase would also depend on trends in terms of the working population and local industries, which will be discussed in the following sections.

3.1.4 Age composition projections

Overall, the age composition of the Murray River LGA is forecast to remain relatively stable over the next two decades. However, the following points are noted:

1. The population is projected to age, with persons over 60 years increasing by 917 (or 112 per cent). Residents in this age cohort would likely generate demand for medical and health services near where they live, such as in the LGA's commercial centres, to facilitate ageing-in-place
2. Prime working-age residents (20-49 years) are forecast to increase by 1,020, or 28 per cent (a similar proportion of the total net growth of all residents). Increased employment opportunities, such as those provided in the LGA's employment precincts, will be required for these residents
3. Overall, persons aged 15 years and over are forecast to increase by 3,320 persons. Applying the 2021 labour force participation rate, it is estimated that this growth would result in an additional 1,815 residents entering the labour force. Providing employment opportunities, such as those supported by employment precincts, would help to ensure that the Murray River LGA captures and retains the economic and social benefits associated with this growth.

Figure 6: Murray River age composition 2021-41



Source: REMPLAN, Forecast Population (April 2022)

3.1.5 Labour force status

The labour force of a given area refers to its population who are either engaged in economic work, or actively looking for and available to start work. This can be divided into categories of employed and unemployed people respectively. Table 5 shows the populations of the Murray River LGA and Murray FER by labour force status.

Table 5: Count of residents aged 15+ by labour force status, Murray River LGA and Murray FER, 2011-21

Labour force status	Murray River LGA			Murray FER		
	2011	2021	2011-21 change	2011	2021	2011-21 change
Employed	4,816	5,654	+838	44,057	47,513	+3,456
Unemployed	217	187	-30	2,044	1,707	-337
Labour force total	5,033	5,841	+808	46,101	49,220	+3,119
Not in the labour force	3,499	3,970	+471	32,176	34,989	+2,813

Source: ABS, *Census TableBuilder Pro*. Note: Totals exclude not stated.

As the table shows, the number of Murray River LGA residents both in and out of the labour force has increased between 2011 and 2021. Simultaneously, the number of unemployed residents has declined. This has led to a declining unemployment rate, shown in Table 6 for both the Murray River LGA and wider Murray FER. The unemployment rate is determined by the proportion of residents in the labour force who are unemployed, which has been lower in the Murray River LGA than in the wider FER in both 2011 and 2021.

Increased labour force participation and corresponding lowering unemployment levels increase the demand for local employment. In turn, this feeds demand for employment land and space to accommodate growth in businesses and their requirements.

Table 6: Unemployment rate, Murray River LGA and Murray FER, 2011-21

Area	2011	2021
Murray River LGA	4.3%	3.2%
Murray FER	4.4%	3.5%

Source: ABS, *Census TableBuilder Pro*

3.1.6 Major resident employment industries

At the 2021 Census, the most common industries of employment for residents in the Murray River LGA reflected those across the wider Murray FER.

The five most common industries of employment for Murray River LGA residents as of 2021 were:

- Agriculture, Forestry and Fishing – 1,008 or 17.8 per cent of employed residents
- Health Care and Social Assistance – 675 or 11.9 per cent of employed residents
- Construction – 563 or 10.0 per cent of employed residents
- Accommodation and Food Services – 526 or 9.3 of employed residents
- Education and Training – 431 or 7.6 per cent of employed residents.

Agriculture, Forestry and Fishing is the LGA's most common employer, comprising the only industry to employ over 1,000 residents. Its significance for residents also extends beyond direct employment. Agriculture, Forestry and Fishing supports a range of related industries, such as tourism and food- and fibre-related manufacturing. Some of these industries contribute directly to employment land demand in both industrial and commercial precincts.

Industry changes

While Agriculture, Forestry and Fishing performs an important role in employing residents of Murray River LGA, other industries grew significantly faster between 2011 and 2021.

The top five growth industries for employed residents over the 2011-21 period were:

- Health Care and Social Assistance – 241 additional jobs
- Construction – 220 additional jobs
- Education and Training – 129 additional jobs
- Public Administration and Safety – 91 additional jobs
- Administration and Support Services – 71 additional jobs.

Conversely, several industries experienced small reductions in employed residents. These were:

- Retail Trade – 52 fewer jobs
- Manufacturing – 22 fewer jobs
- Wholesale Trade – 18 fewer jobs
- Accommodation and Food Services – 9 fewer jobs
- Electricity, Gas, Water and Waste Services – 8 fewer jobs.

Overall, in 2021, the Murray River LGA nonetheless had a higher proportion of residents employed in Agriculture, Forestry and Fishing (17.8 per cent) compared to the wider FER (15.6 per cent).

Table 7 shows employed residents by industry in 2011 and 2021, including as proportions of employed residents for both the Murray River LGA and Murray FER in 2021. As this shows, both Agriculture, Forestry and Fishing and Health Care and Social Assistance are strong employers for residents in the Murray River LGA, as well as in the Murray FER.

Table 7: Resident employment and net change by industry, Murray River LGA and Murray FER, 2011-21

Industry	LGA employed residents		LGA change	LGA (%)	FER (%)
	2011	2021	2011-21	2021	2021
Agriculture, Forestry and Fishing	996	1,008	+12	17.8	15.6
Mining	17	20	+3	0.4	0.4
Manufacturing	391	369	-22	6.5	9.2
Electricity, Gas, Water and Waste Services	62	54	-8	1.0	1.4
Construction	343	563	+220	10.0	9.0
Wholesale Trade	150	132	-18	2.3	2.1
Retail Trade	474	422	-52	7.5	9.1
Accommodation and Food Services	535	526	-9	9.3	6.9
Transport, Postal and Warehousing	162	175	+13	3.1	3.9
Information Media and Telecommunications	29	24	-5	0.4	0.4
Financial and Insurance Services	78	80	+2	1.4	1.2
Rental, Hiring and Real Estate Services	47	56	+9	1.0	0.8
Professional, Scientific and Technical Services	143	155	+12	2.7	3.1
Administrative and Support Services	69	140	+71	2.5	2.3
Public Administration and Safety	225	316	+91	5.6	4.2
Education and Training	302	431	+129	7.6	7.1
Health Care and Social Assistance	434	675	+241	11.9	14.0
Arts and Recreation Services	89	101	+12	1.8	1.2
Other Services	132	165	+33	2.9	3.8
Inadequately described/not stated	128	235	+107	4.2	4.2
Total	**4,810**	**5,651**	**+841**	**100.0**	**100.0**

Source: ABS, *Census TableBuilder Pro*. Note: Total and proportions exclude not applicable.

This reveals that the Murray River LGA and its surrounding region are reliant upon Agriculture, Forestry and Fishing for the employment of residents. Although agriculture does not typically exist within traditional employment land precincts, it also facilitates a range of other industries that rely upon both commercial and industrial land to function.

Employment by ANZSIC 3-Digit level

1-Digit Australian and New Zealand Standard Industrial Classification (ANZSIC) categories can be divided further into ANZSIC 3-Digit categories to show more particular fields of employment. Table 8 indicates all 3-Digit level industries that employ at least 100 Murray River LGA residents, along with corresponding 1-Digit level industries. As it indicates, key local specific industries include Sheep, Beef Cattle and Grain Farming; Clubs (Hospitality); and School Education.

Table 8: Murray River LGA resident workers by ANZSIC 3-Digit level industry code

3-Digit level industry code	1-Digit level industry code	Employed residents	
		2021	2021 (%)
Sheep, Beef Cattle and Grain Farming	Agriculture, Forestry and Fishing	595	12.8
Clubs (Hospitality)	Accommodation and Food Services	336	7.2
School Education	Education and Training	251	5.4
Local Government Administration	Public Administration and Safety	207	4.5
Accommodation	Accommodation and Food Services	185	4.0
Residential Care Services	Health Care and Social Assistance	179	3.9
Sports and Physical Recreation Activities	Arts and Recreation Services	149	3.2
Road Freight Transport	Transport, Postal and Warehousing	135	2.9
Supermarket and Grocery Stores	Retail Trade	132	2.8
Agriculture, nfd	Agriculture, Forestry and Fishing	125	2.7
Cafes, Restaurants and Takeaway Food Services	Accommodation and Food Services	109	2.3

Source: ABS, *Census TableBuilder Pro*. Note: Proportions exclude not applicable.

3.1.7 Resident employment by occupation

In 2021, of the employed residents in the Murray River LGA, 36.6 per cent had a Manager or Professional occupation. This was higher than the 32.1 per cent of employed residents across the Murray FER with such occupations. It nonetheless represented a decline from 2011, shown in Table 9.

In 2021, 32.3 per cent of the LGA's population had occupations as Technicians and Trades Workers, Machinery Operators and Drivers, or Labourers. This proportion has increased slightly from 32.0 per cent in 2011. Employment in these occupations has strong linkages to industrial precincts, either directly or from a supportive role (such as through providing materials and repair services). Table 9 shows the change in residents' occupations over time, compared to across the Murray FER in 2021.

Table 9: Resident employment by occupation, Murray River LGA and Murray FER, 2011-21

Occupation	Murray River LGA		Murray FER 2021 (%)
	2011 (%)	2021 (%)	
Managers	26.9	22.2	18.5
Professionals	12.5	14.4	13.6
Technicians and Trades Workers	12.9	13.6	14.2
Community and Personal Service Workers	9.0	10.8	11.8
Clerical and Administrative Workers	10.0	10.8	9.9
Sales Workers	8.1	7.4	8.2
Machinery Operators and Drivers	7.1	6.2	7.2
Labourers	12.0	12.5	14.6
Inadequately described / not stated	1.7	1.9	2.0
Total	**100.0**	**100.0**	**100.0**

Source: ABS, *Census TableBuilder Pro*. Note: Proportions exclude not applicable.

3.1.8 Where residents work and self-containment rate

An area's self-containment rate refers to the proportion of its working residents who work inside the area. At the 2021 Census, the Murray River LGA had a self-containment rate of 45.6 per cent, with 2,579 residents working inside the LGA. In comparison, the Murray FER had an overall self-containment rate of 80.8 per cent.

Although easier said than done, increasing self-containment rates would have a corresponding growth in the economic activity generated and demand for employment land and space. For example, if Murray River had a self-containment rate comparable to that of the wider FER in 2021, there would be almost 1,990 or 77 per cent more residents working in the LGA. Table 10 shows the self-containment rates of the Murray River LGA and Murray FER at the 2021 Census.

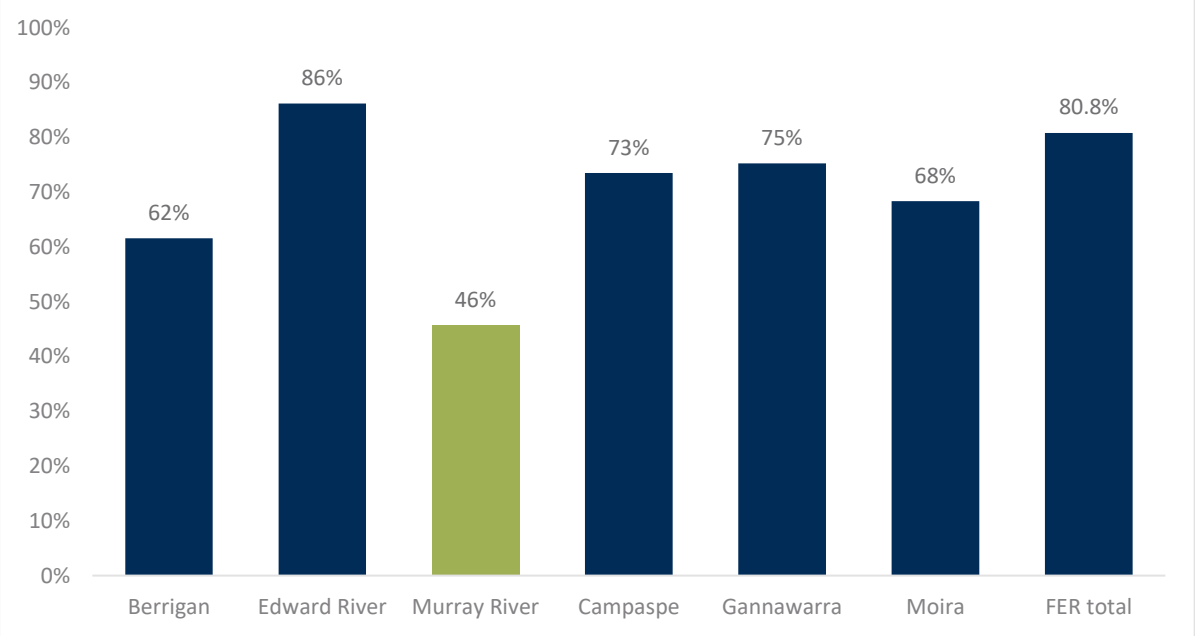
Table 10: Self-containment rate, Murray River LGA and Murray FER, 2021

Category	LGA 2021	LGA 2021 (%)	FER 2021	FER 2021 (%)
Live and work in the area	2,579	45.6	38,393	80.8
Live in the area, but work outside	3,072	54.4	9,117	19.2
Total employed residents in the area	**5,651**	**100.0**	**47,510**	**100.0**

Source: ABS, *Census TableBuilder Pro*. Note: Total and proportions exclude not applicable.

The Murray River LGA has the lowest self-containment rate when compared to the LGAs that comprise the FER. Figure 7 illustrates the self-containment rates of individual LGAs within the Murray FER.

Figure 7: Self-containment rate by LGA, Murray FER, 2021



Source: ABS, *Census TableBuilder Pro*

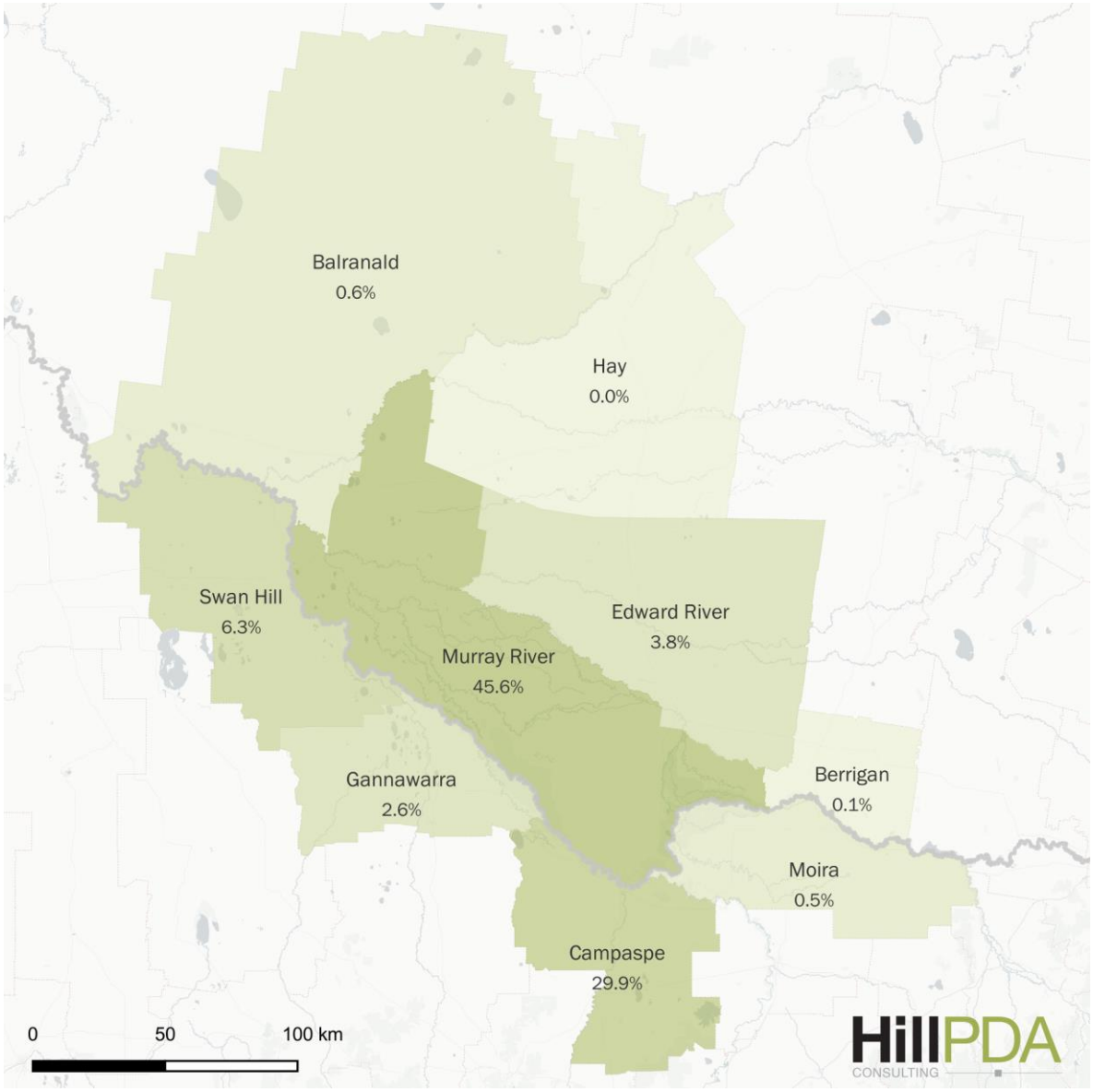
The Murray River LGA's relatively low self-containment rate is largely a result of residents working in Echuca. At the 2021 Census, 1,689 (or 29.9 per cent) of the LGA's employed residents worked in Campaspe LGA, mostly within Echuca. Table 11 lists the most common areas for Murray River LGA residents to work in. As it shows, Murray River LGA residents are split between being employed in NSW and Victoria, with the majority tending to work in either Murray River or Campaspe LGAs. The employment of LGA residents in terms of neighbouring LGAs is illustrated in Figure 8.

Table 11: Most common places of work for Murray River LGA residents, 2021

LGA	State	Total Murray River LGA residents working in area	
		#	%
Murray River	NSW	2,579	45.6
Campaspe	Victoria	1,689	29.9
Swan Hill	Victoria	358	6.3
No Fixed Address (NSW)	NSW	281	5.0
Edward River	NSW	215	3.8

Source: ABS, *Census TableBuilder Pro*.

Figure 8: Murray River LGA resident workers by LGA of employment (Murray River and surrounding LGAs), 2021



Source: ABS, *Census TableBuilder Pro*. Imagery: CARTO

Self-containment rates are an important consideration for the Murray River LGA. While cross-border communities perform an important economic role in the region, residents travelling elsewhere to work can also contribute to potential losses of expenditure in businesses within towns like Moama. Chapter 4.3.1 discusses commuting patterns across the region in more detail.

Self-containment rates by industry

Self-containment rates tend to differ between sectors of the economy. Table 12 divides the LGA's self-containment rate by the four broad industry codes (BICs) of knowledge intensive, health and education, population serving, and industrial sectors (for an explanation of BICs, refer to Chapter 3.2.1). As the table shows, the industrial BIC has a significantly higher self-containment rate than all other sectors, at 60.8 per cent. This means that residents who perform work in the industrial sector are more likely to work within the Murray River LGA compared to residents in other lines of work. However, the industrial BIC includes the industry of Agriculture, Forestry and Fishing; when this is excluded from analysis, the self-containment rate of the industrial BIC is lower, at 36.8 per cent. This implies that, for industries other than Agriculture, Forestry and Fishing, residents commonly travel outside of the LGA to access work.

Table 12: Murray River LGA self-containment rate by BIC, 2021

BIC	Live and work in the area		Live in the area, but work outside		Total
	#	%	#	%	
Knowledge intensive	217	34.4	414	65.6	631
Health and education	346	31.3	760	68.7	1,106
Population serving	842	43.9	1,075	56.1	1,917
Industrial	1,068	60.8	690	39.2	1,758
Inadequately described/not stated	106	45.1	129	54.9	235
Total	**2,579**	**45.6**	**3,072**	**54.4**	**5,651**

Source: ABS, *Census TableBuilder Pro*. Note: Totals and proportions exclude not applicable.

Self-containment rates and journeys to work are important metrics for assessing an area's employment land needs. For instance, residents of the Murray River LGA may be travelling further to find work due to unmet employment land needs. Within the Murray River LGA, residents most commonly work within Moama itself. Other sites for employment include Barham and the Wakool area. It is relatively uncommon for residents to work in Tooleybuc.

As mentioned in Chapter 2.0, strategic planning for the LGA and surrounding areas tends to emphasise cross-border linkages, particularly in the 'twin' border towns such as Echuca-Moama. Patterns for working inside and out of the LGA are analysed more thoroughly in Chapter 4.3.1.

3.2 Employment and economic trends

This section discusses employment and economic trends, based on persons aged 15 years and over working in the Murray River LGA, regardless of their place of usual residence.

3.2.1 Terminology

The following sections discuss resident employment in industries at varying levels of specificity. In line with the Greater Cities Commission's employment categories, some proceeding chapters aggregate employment industries into four BICs. These are based on the ANZSIC 1-Digit categories.[3] The four BICs are as follows:

- **Knowledge intensive:** Information, Media and Telecommunications; Financial and Insurance Services; Rental, Hiring and Real Estate Services; Professional, Scientific and Technical Services; and Public Administration and Safety
- **Health and education:** Education and Training; and Health Care and Social Assistance
- **Population serving**: Retail Trade; Accommodation and Food Services; Arts and Recreation Services; Construction; Administrative and Support Services; and Other Services
- **Industrial:** Agriculture, Forestry and Fishing; Mining; Manufacturing; Electricity, Gas, Water and Waste Services; Wholesale Trade; and Transport, Postal and Warehousing.

3.2.2 Employment growth

Over a 10-year period to 2021, the total jobs generated across the Murray River LGA increased by around 1,087 (or 30.6 per cent), reaching a total of around 4,643 jobs. This represented an average annual compounded growth rate of 2.7 per cent over the period, which was significantly higher than the rate experienced across the wider Murray FER (1.8 per cent).

As of 2021, the top five industries by total employment were:

- Agriculture, Forestry and Fishing – 1,047 jobs (22.6 per cent of employment)
- Accommodation and Food Services – 709 jobs (15.3 per cent of employment)
- Health Care and Social Assistance – 365 jobs (7.9 per cent of employment)
- Construction – 328 jobs (7.1 per cent of employment)
- Education and Training – 309 jobs (6.7 per cent of employment).

These industries differed somewhat to those across the wider Murray FER. While jobs in the Murray FER were most commonly in Agriculture, Forestry and Fishing, these comprised a smaller proportion of jobs (16.9 per cent). Other industries such as Retail Trade and Manufacturing comprised greater proportions of jobs in the FER (9.6 per cent and 9.3 per cent respectively), with employment in Accommodation and Food Services less common (7.3 per cent) than in the LGA.

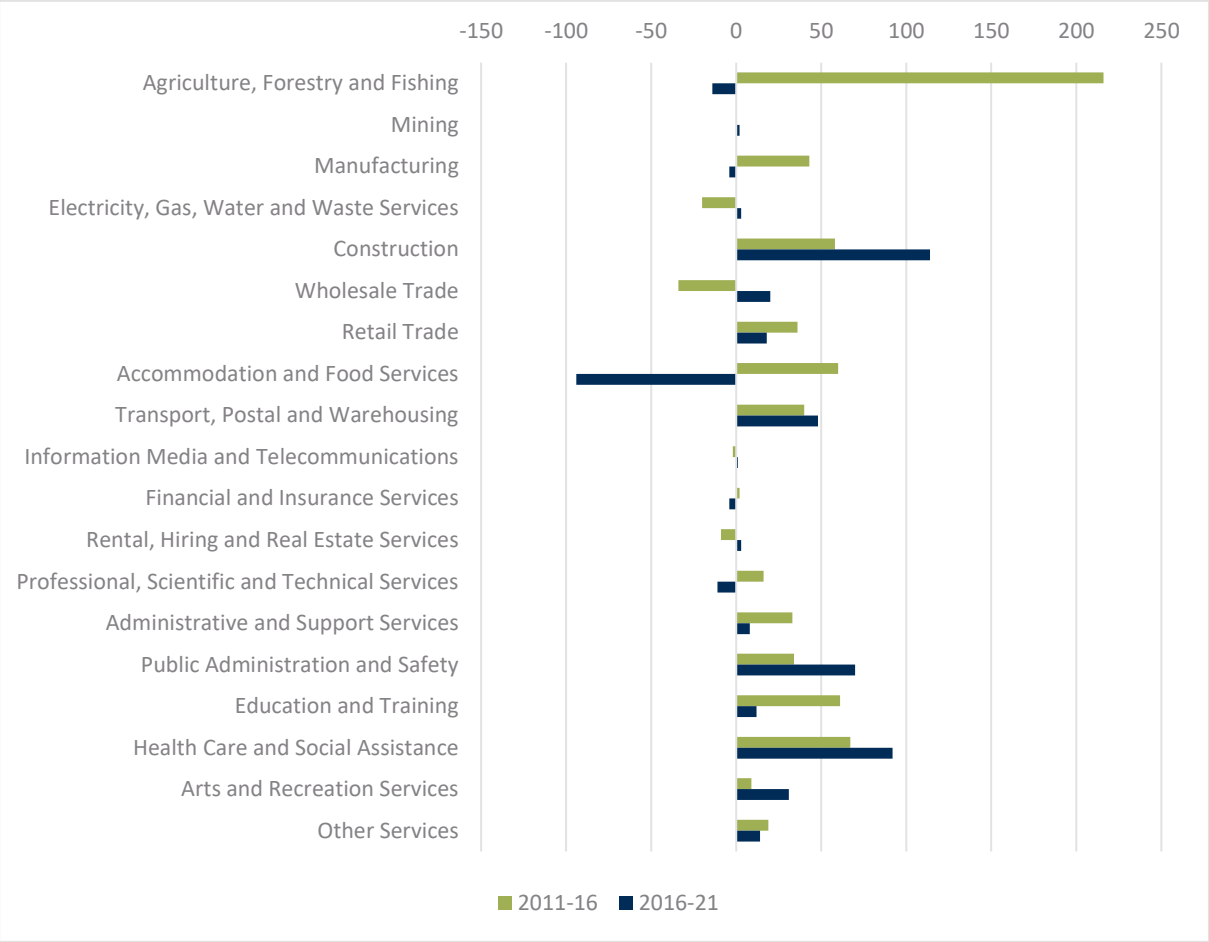
Jobs grew in the majority of industries in the Murray River LGA between 2011 and 2021, particularly in the following five industries:

- Agriculture, Forestry and Fishing – 202 additional jobs (23.9 per cent)
- Construction – 172 additional jobs (110.3 per cent)
- Health Care and Social Assistance – 159 additional jobs (77.2 per cent)
- Public Administration and Safety – 104 additional jobs (71.7 per cent)
- Transport, Postal and Warehousing – 88 additional jobs (58.3 per cent).

[3] The Australian and New Zealand Standard Industrial Classification (ANZSIC) 1-Digit industry system classifies entities based on their main business activity and is used to collect and analyse data across 19 industries.

Jobs in Construction grew by the highest proportion over this time (110.3 per cent), an indication of continued housing growth over the decade. Although Agriculture, Forestry and Fishing grew by the most jobs between 2011 and 2021, this growth only occurred over the first half of the decade, having slightly declined in total jobs between 2016 and 2021. The other industries listed above grew throughout the entire decade. Figure 9 illustrates job changes by industry in Murray River LGA during the time periods of 2011-16 and 2016-21. As it indicates, most industries experienced either positive growth or minor negative growth over this time. The most significant decline of jobs was in Accommodation and Food Services between 2016 and 2021, partly a result of the impacts of the COVID-19 pandemic on the tourism industry.

Figure 9: Net change in workers employed in Murray River LGA by industry and Census period, 2011-21



Source: ABS, *Census TableBuilder Pro*

Key drivers of industrial precincts

Key drivers of industrial precincts include the industries of Manufacturing; Wholesale Trade; and Transport, Postal and Warehousing. While Transport, Postal and Warehousing grew in jobs overall between 2011 and 2021, growth in other industries has been less consistent, with Wholesale Trade employment declining before increasing in 2016-21, and Manufacturing only growing between 2011 and 2016. Transport, Postal and Warehousing employment has risen in the LGA despite fewer residents working in this industry (see Chapter 3.1.6). This suggests that there are growing opportunities for external residents to work in Transport, Postal and Warehousing in the LGA.

Key drivers of commercial precincts

Key drivers of commercial precincts include the industries of Retail Trade, Accommodation and Food Services, Education and Training, and Health Care and Social Assistance. Employment growth has differed between these industries. Retail Trade has experienced mild growth between 2011 and 2021; by comparison, stronger growth has occurred in the industries of Education and Training and Health Care and Social Assistance. Although Accommodation and Food Services grew at a similar rate to these industries between 2011 and 2016, it has since declined by approximately 94 jobs between 2016 and 2021, likely due to impacts of the COVID-19 pandemic. If Accommodation and Food Services recovers to match its former growth rate, it will likely contribute to more demand for commercial land over time.

Industries by BIC

Categorising industries into four BICs helps to reveal broader trends in the types of employment available in the Murray River LGA. At the 2021 Census, the industrial BIC contained the most jobs in the LGA (1,723 jobs), followed by the population serving (1,383 jobs), health and education (674 jobs), and knowledge intensive (352 jobs) BICs. This indicates that the majority of employment in the LGA is concentrated in industries pertaining either to serving the population or to industrial activity. This suggests an ongoing need for commercial as well as industrial land.

Table 13 indicates employment trends according to the four BICs between 2011 and 2021. As it shows, jobs in all BICs increased between both 2011-16 and 2016-21, with the exception of the population serving sector, which declined slightly by approximately 23 jobs between 2016 and 2021.

Table 13: Workers employed in Murray River LGA by BICs, 2011-21

BIC	Count of workers			Net change	
	2011	2016	2021	2011-16	2016-21
Knowledge intensive	252	293	352	+41	+59
Health and education	442	570	674	+128	+104
Population serving	1,249	1,406	1383	+157	-23
Industrial	1,423	1,668	1723	+245	+55
Inadequately/not stated	32	187	190	+155	+3
Total industries	**3,556**	**4,333**	**4643**	**+777**	**+310**

Source: ABS, *Census TableBuilder Pro*

3.2.3 Location quotient analysis

Location quotient analysis is a method of calculating an area's level of industrial specialisation. It involves comparing an area's ratio of industries with those of a comparable area, to calculate a location quotient (LQ) value per industry. A brief explanation of LQ values is below:

- Where LQ is equal to 1, the identified industry is as prevalent as in the comparable area
- Where LQ is greater than 1.2, there is a significant specialisation of the industry in the study area, indicating a possible key economic strength. Higher numbers indicate a greater specialisation, with anything exceeding 2 being a major specialisation
- Where LQ is between 0.8 and 1.2, the industry has a similar importance in the study area relative to the comparison region
- An LQ under 0.8 indicates an industry which is relatively less important the study area, and may represent an economic weakness or opportunity for growth.

This analysis has been undertaken for the Murray River LGA, using the Murray FER as a comparison region. This allows the LGA's industries of employment to be compared to those in its surrounding areas. Table 14 indicates the location quotient by industry for the Murray River LGA.

Table 14: Count of jobs and location quotient analysis, Murray River LGA vs Murray FER, 2021

	Murray River LGA	Murray River LGA (%)	Murray FER (%)	Murray River LGA LQ	LQ change 2011-21
Agriculture, Forestry and Fishing	1,047	23%	17%	1.33	1.0%
Mining	5	0%	0%	0.42	16.1%
Manufacturing	304	7%	9%	0.71	12.9%
Electricity, Gas, Water and Waste Services	45	1%	1%	0.81	-42.7%
Construction	328	7%	8%	0.94	26.0%
Wholesale Trade	83	2%	2%	0.90	-8.9%
Retail Trade	304	7%	10%	0.68	14.9%
Accommodation and Food Services	709	15%	7%	2.09	-22.3%
Transport, Postal and Warehousing	239	5%	4%	1.29	13.1%
Information Media and Telecommunications	11	0%	0%	0.66	13.5%
Financial and Insurance Services	7	0%	1%	0.13	-10.0%
Rental, Hiring and Real Estate Services	24	1%	1%	0.65	-28.7%
Professional, Scientific and Technical Services	61	1%	3%	0.46	-13.8%
Administrative and Support Services	86	2%	2%	0.98	13.4%
Public Administration and Safety	249	5%	4%	1.37	31.5%
Education and Training	309	7%	8%	0.88	-4.7%
Health Care and Social Assistance	365	8%	14%	0.55	14.6%
Arts and Recreation Services	188	4%	1%	3.54	-1.0%
Other Services	96	2%	4%	0.54	13.7%

Source: ABS, *Census TableBuilder Pro*. Note: Proportions exclude not applicable

As indicated in the table, compared to the Murray FER, the Murray River LGA has major specialisations in the industries of Arts and Recreation Services and Accommodation and Food Services; significant specialisations in the industries of Agriculture, Forestry and Fishing; Transport, Postal and Warehousing; and Public Administration and Safety; and economic weaknesses or opportunities for growth in the majority of other industries. Overall, all specialisations relative to the FER are notably population-serving, with the exception of Agriculture, Forestry and Fishing.

This analysis reveals Accommodation and Food Services as a strong industry for the Murray River LGA relative to the FER. It employs 709 workers in the LGA, with an LQ value of 2.09. However, this industry has declined in jobs from 2011 to 2021, potentially threatening its status as a specialisation for the LGA. The COVID-19 pandemic has impacted this industry, which may have been a temporary impact. Continual support for Accommodation and Food Services may help to maintain this as a specialisation of the Murray River LGA.

Another strong local specialisation is the Arts and Recreation Services industry. Although the industry has an LQ value of 3.54, this value has declined slightly between 2011 and 2021, with other industries growing more quickly relative to across the rest of the FER. As discussed in Chapter 3.1.6, this industry employs a number of workers in the sub-sector of Sports and Physical Recreation Activities. These jobs pertain largely to the operation of sports facilities, many of which are located to the west of Moama. As with Accommodation and Food Services, these jobs may have been impacted by the COVID-19 pandemic, with the potential to rebound over the following years.

Agriculture, Forestry and Fishing is a specialisation of the Murray River LGA compared to the Murray FER, which also has significant agricultural strengths. Other strong local industries include Public Administration and Safety and Transport, Postal and Warehousing, although these employ relatively fewer workers. Potential emerging industries for the LGA also include Public Administration and Safety, as well as Construction.

It is worth noting that some local industries are mutually supportive. In particular, Agriculture, Forestry and Fishing; Accommodation and Food Services; and Arts and Recreation Services are all local specialisations that may together support a strong tourism sector. With regard to land uses, other sets of industries may support industrial and/or commercial agglomerations. The ability for different industries to complement each other is considered later in this report for employment land planning.

The Murray River LGA has an LQ of 0.71 for manufacturing. Higher concentrations of manufacturing industries are found in surrounding LGAs (Moira, Campaspe and Berrigan).

3.2.4 Employment projections

In November 2022, TfNSW released *Travel Zone Projections 2022* (TZP22), which indicate forecasted changes in employment in NSW between 2016 and 2061. According to the projections, jobs in most industries in the Murray River LGA will grow between 2021 and 2041, albeit at a far slower rate than between 2011 and 2021. Table 15 indicates the current and future projected jobs in the Murray River LGA according to the projections.

Table 15: Projected workers employed in Murray River LGA by industry, 2021-41

Industry	2021 workers	2041 workers	2021-41 change	
			#	%
Agriculture, Forestry and Fishing	1,059	1,257	+198	+18.7
Mining	0	0	0	0.0
Manufacturing	330	377	+47	+14.2
Electricity, Gas, Water and Waste Services	44	53	+8	+18.5
Construction	335	356	+22	+6.5
Wholesale Trade	42	47	+5	+12.1
Retail Trade	343	355	+12	+3.5
Accommodation and Food Services	884	870	-14	-1.6
Transport, Postal and Warehousing	237	230	-7	-3.1
Information Media and Telecommunications	5	5	0	0.0
Financial and Insurance Services	4	6	+1	+32.8
Rental, Hiring and Real Estate Services	32	39	+7	+23.4
Professional, Scientific and Technical Services	110	141	+31	+28.5
Administrative and Support Services	97	119	+22	+22.7
Public Administration and Safety	157	169	+11	+7.2
Education and Training	362	403	+41	+11.2
Health Care and Social Assistance	359	382	+23	+6.4
Arts and Recreation Services	227	289	+61	+27.0
Other Services	103	123	+20	+19.1
Total	**4,732**	**5,220**	**+489**	**+10.3**

Source: TfNSW, *TZP22*

As the table indicates, Agriculture, Forestry and Fishing is projected to have the largest increase in jobs within the LGA between 2021 and 2041, followed by Arts and Recreation Services and Manufacturing.

Out of the four BICs, the industrial sector is projected to increase by the most jobs between 2021 and 2041, due to growth in Agriculture, Forestry and Fishing employment. The knowledge intensive sector, while projected to grow by a smaller number of jobs, is simultaneously expected to more than double in employment. Table 16

shows the projected growth in employment within the Murray River LGA, with industries categorised into the four BICs.

Table 16: Projected workers employed in Murray River LGA by BIC, 2021-41

BIC	2021 workers	2041 workers	2021-41 change	
			#	%
Industrial	1,712	1,963	+251	60.5
Population serving	1,892	1,993	+100	54.5
Knowledge intensive	405	479	+74	122.5
Health and education	722	785	+64	17.6

Source: TfNSW, *TZP22*

3.2.5 Gross regional product (industry)

Gross Regional Product (GRP) is a measure of the wealth generated by a local economy. The Murray River LGA GRP is currently estimated at around $779.798 million. Industries present within the LGA contributed approximately $731.846 million (or 93.9 per cent) of this amount.

3.2.6 Industry value added and worker productivity

Industry value added (IVA) refers to the value of outputs less the costs of inputs. IVA measures the contribution that industries make to an area's GRP. The top five industries by value added in 2022 were:

- Agriculture, Forestry and Fishing – $190 million
- Rental, Hiring and Real Estate Services – $107 million
- Construction – $67 million
- Manufacturing – $51 million
- Accommodation and Food Services – $49 million.

Categorising industries into four BICs, the highest economic contribution in the Murray River LGA in 2021 was provided by the industrial sector ($312 million). This was followed by the population serving ($217 million), knowledge intensive ($127 million), and health and education ($76 million) sectors.

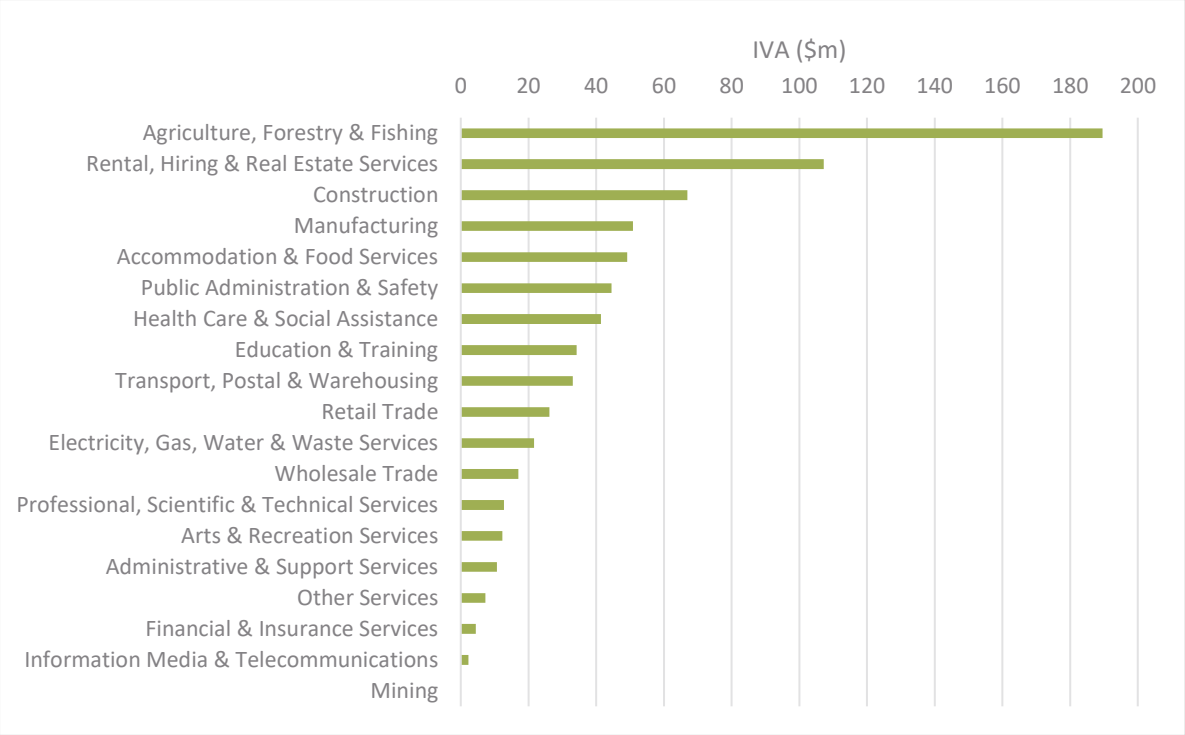
Worker productivity is a measure of the value that each worker contributes to the local economy or GRP. Worker productivity is calculated by dividing the IVA by the number of persons employed in that industry. In 2021, the worker productivity rates for each of the four broad industry sectors in the Murray River LGA were as follows:

- Knowledge intensive – $364,609/worker
- Industrial – $165,956/worker
- Health and education – $105,644/worker
- Population serving – $91,853/worker.

As this indicates, there was a very high productivity per worker in the knowledge intensive sector in the Murray River LGA in 2022. However, as Chapter 3.2.2 indicates, this sector employs relatively few residents of the LGA. Consequently, while the sector is highly productive, it does not necessarily showcase significant capacity as a major employer in the area.

The second most productive sector in 2021 was the industrial BIC, followed by the population serving BIC. The value added by Agriculture, Forestry and Fishing contributes to the productivity of this sector. Even so, when Agriculture, Forestry and Fishing employees and value added are excluded from the industrial BIC, its employee productivity grows further, to $171,594 per worker. Particular contributors to this are the productivity of Electricity, Gas, Water and Waste Services and Wholesale Trade industries. The latter is a key driver of industrial precincts.

Figure 10: Industry value added by industry, Murray River LGA, 2022

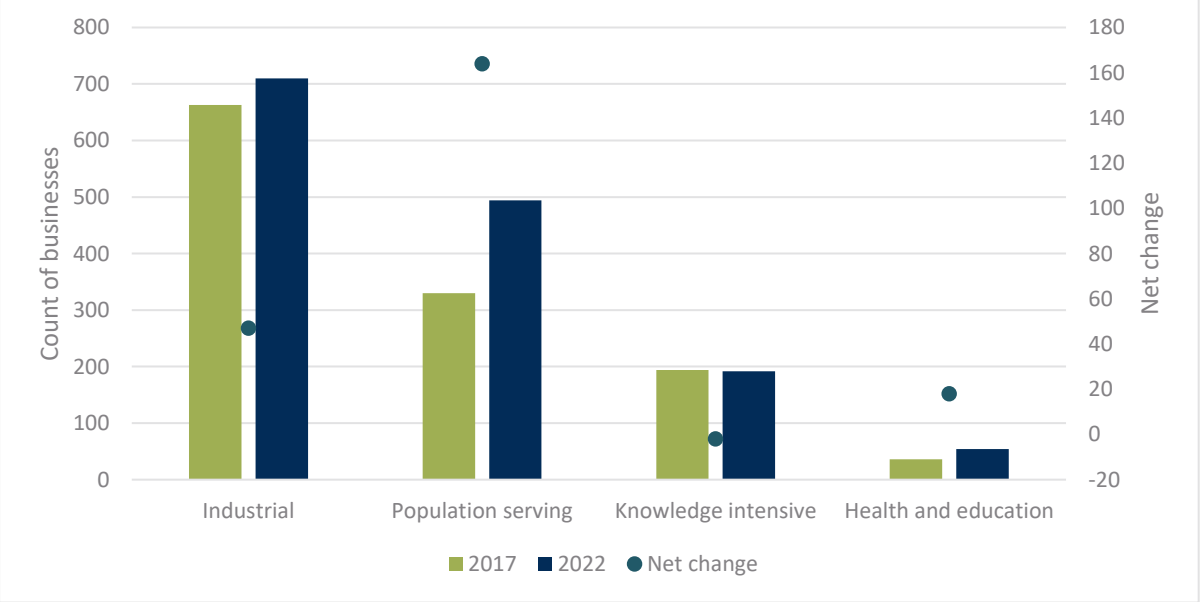


Source: REMPLAN, *REMPLAN Economy*

3.2.7 Change in number of businesses by sector

Between 2017 and 2022, the number of businesses in the Murray River LGA increased by 227, or 18.6 per cent. Over half of this growth was in population-serving businesses, particularly those relating to the Construction industry. Figure 11 illustrates changes in the number of local businesses by the four BIC sectors. As it indicates, the industrial sector contained the most businesses in the five years to 2022. Over this time, businesses in every BIC increased, with the exception of the knowledge-intensive sector, which declined by two businesses.

Figure 11: Change in number of businesses, Murray River LGA, 2017-22



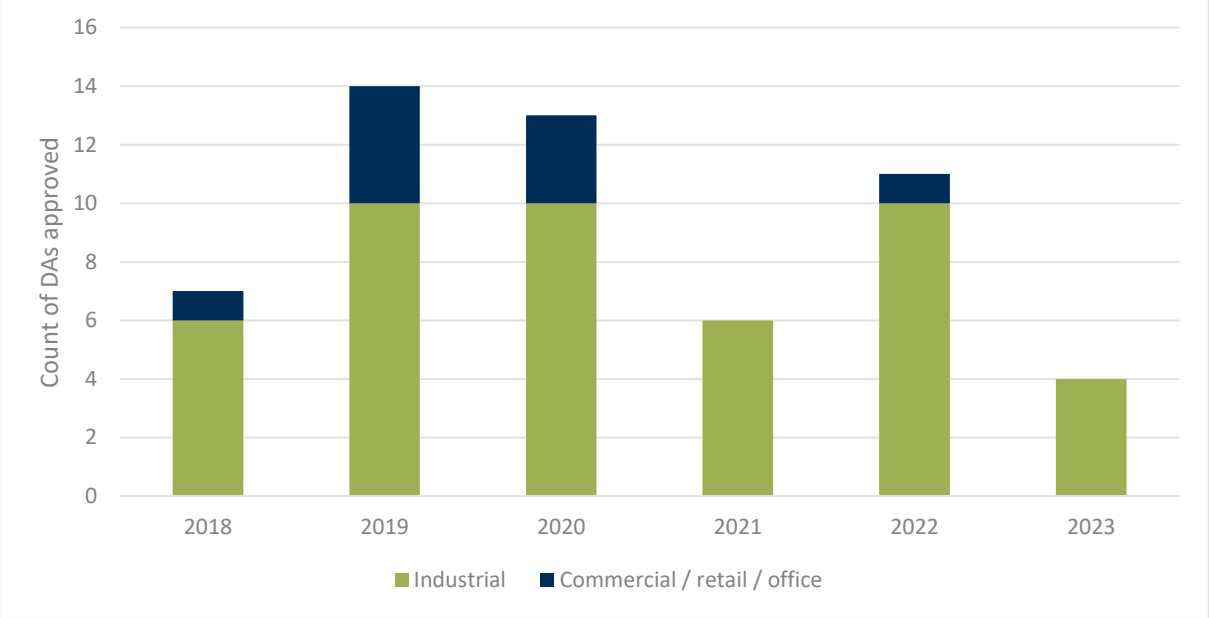
Source: ABS, *Counts of Australian Businesses, including Entries and Exits*

Figure 11 indicates strong business growth in industrial and population-serving sectors, which is likely to increase demand for both commercial and industrial land in the LGA.

3.2.8 Development application numbers and value of works

Figure 12 shows that, in the six years between January 2018 and December 2023, Council approved a total of 55 development applications involving employment uses. Of these, 46 (or 84 per cent) involved industrial land uses and 9 (or 16 per cent) involved commercial/retail/office land uses. It is noted that in 2021 and 2023, there was a marked decline in approved industrial developments and no approved commercial/retail office developments. Later sections of this report consider various factors that may have accounted for the decline in approvals during this time, which include a range of supply and demand factors and planning requirements.

Figure 12: Development Applications (DAs) by year in Murray River LGA, January 2018 to December 2023



Source: Murray River Council

4.0 COMPARATIVE ANALYSIS

The following section undertakes a comparative analysis of the local government areas (LGAs) that surround Murray River LGA. The analysis reviews key socio-economic and spatial data that may influence the demand for commercial and employment lands within the Murray River LGA. Key metrics analysed include:

- Supply of zoned employment land
- Top 5 industries
- Resident population
- Worker (POW) population
- Employment containment and participation rates
- Number of registered businesses
- Registered businesses by industry type.

4.1 Employment trends

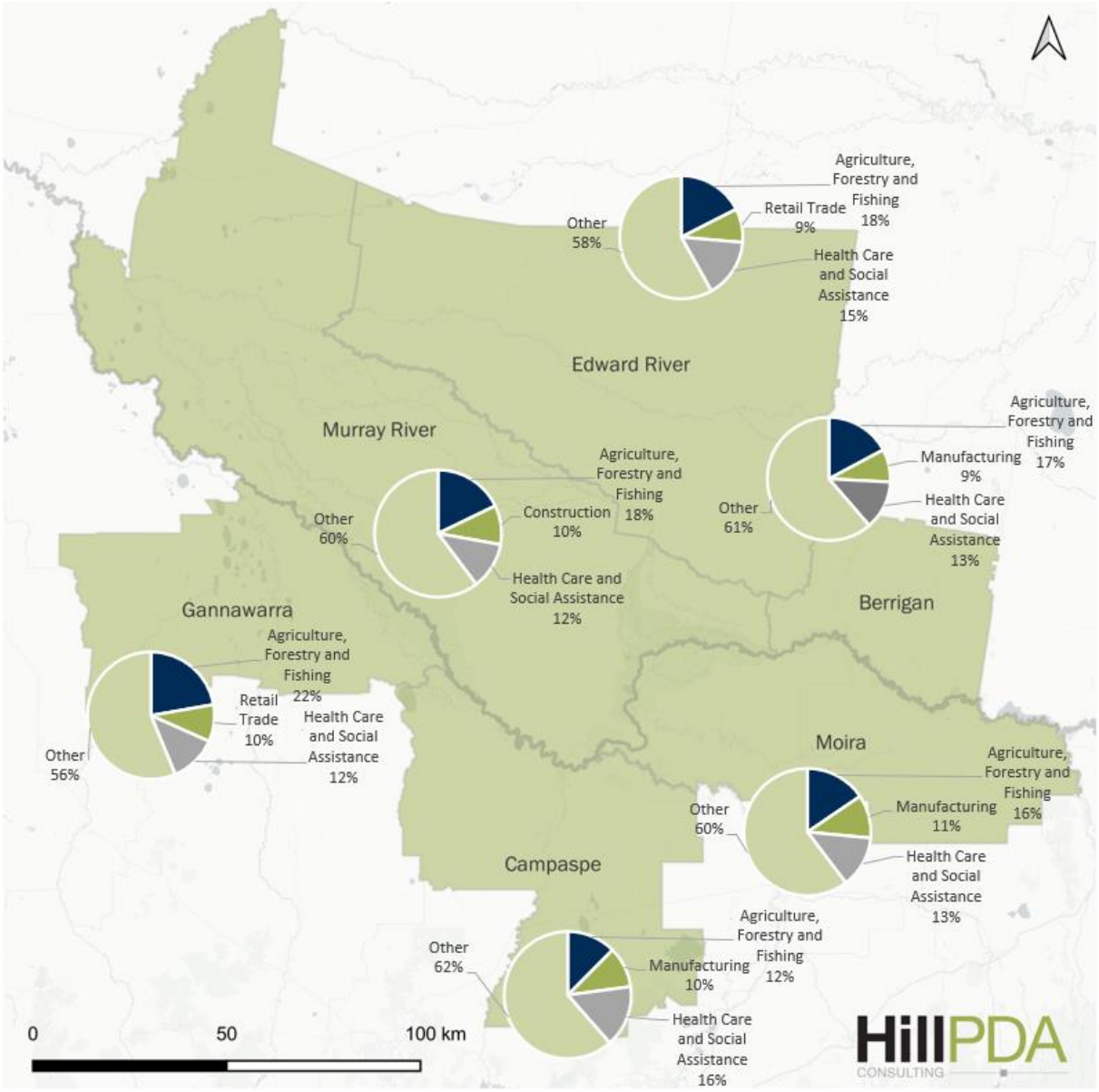
4.1.1 Major industries

Agriculture, Forestry and Fishing is a strong employer across the Murray FER, including in the Murray River LGA. At the 2021 Census, the industry employed 15.6 per cent of the FER's residents and 17.8 per cent of the LGA's residents.

Figure 13 shows significant industries for residents across the FER. As it shows, Agriculture, Forestry and Fishing employs the most residents in every LGA, with the exception of Campaspe, where more people are employed in Health Care and Social Assistance. This likely reflects the presence of regional healthcare clusters in Echuca. Notably, however, these do not provide extensive employment for adjacent Murray River LGA residents, with the Murray River LGA still having the FER's lowest rate of employment in the industry (11.9 per cent).

While the Swan Hill LGA is not part of the Murray FER, it borders part of Murray River LGA including the towns of Murray Downs and Tooleybuc, and as such is economically connected to the Murray River region. Similar to LGAs in the FER, Swan Hill's biggest industry is Agriculture, Forestry and Fishing, employing 21 per cent of residents. The next top industries in the LGA are Health Care and Social Assistance (12 per cent of employed residents) and Retail Trade (8.2 per cent).

Figure 13: Murray FER and top industries of resident employment by LGA, 2021

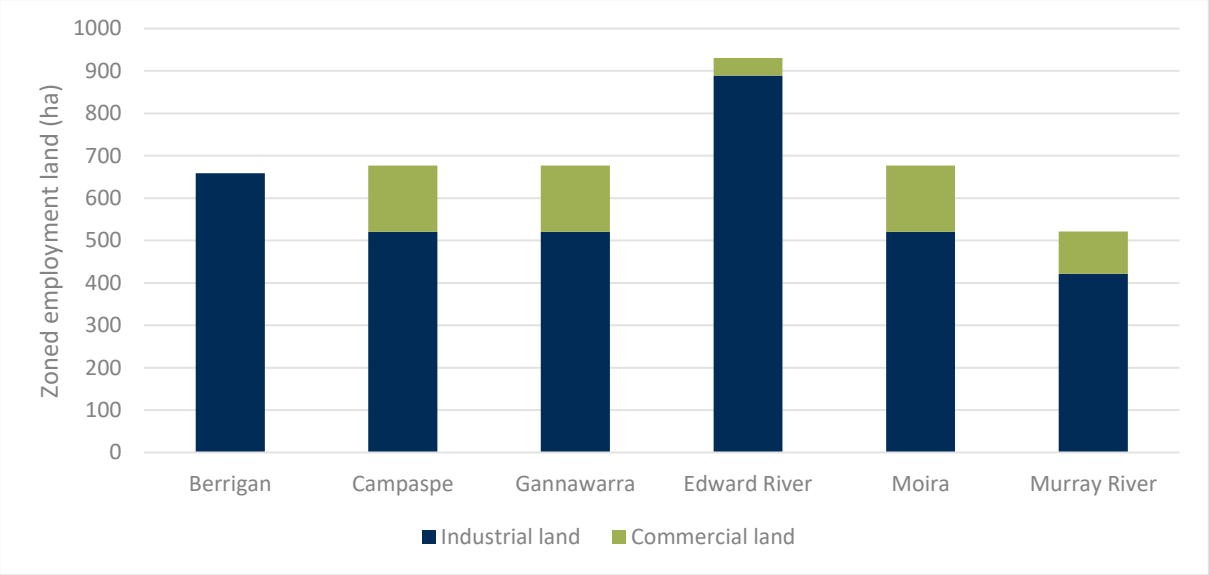


Source: ABS, *Census TableBuilder Pro*; HillPDA

4.1.2 Employment land supply

The Murray River LGA has a small supply of employment land compared to surrounding areas. Despite the LGA having a rapidly growing population and labour force, it has the lowest quantity of employment lands in the Murray FER. Figure 19 illustrates employment land by LGA across the FER.

Figure 13: Employment land by LGA, Murray FER



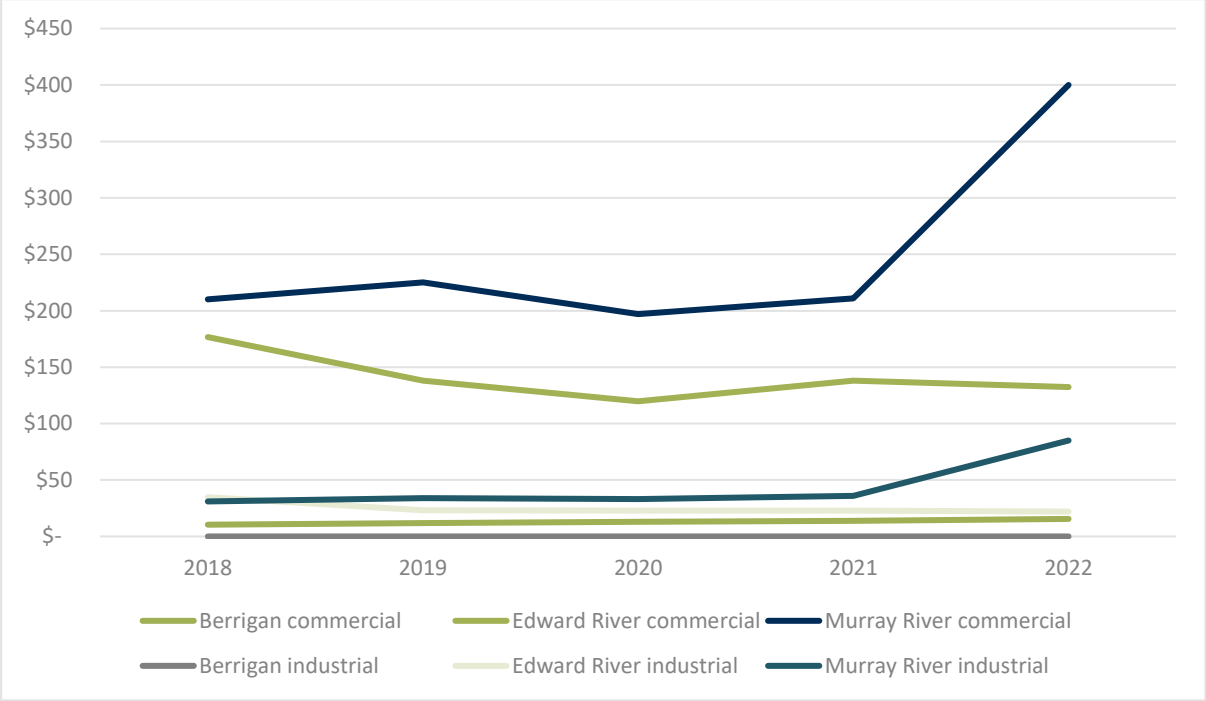
Source: DPHI; Data Vic; HillPDA

As Figure 19 indicates, the Murray River LGA has less overall employment land than Berrigan, Edward River, Campaspe, and Moira LGAs. The LGA also has the lowest quantity of industrial land in the FER. This may increase industrial land costs and/or lead industrial businesses to become established in areas outside of the LGA in cases of high demand.

4.1.3 Land value trends

Industrial land values are rising rapidly in the Murray River LGA relative to neighbouring areas. Figure 14 compares prices per square metre of employment land between Berrigan, Edward River, and Murray River (as NSW LGAs within the Murray FER). As it indicates, the price of such land has recently increased in the Murray River LGA far more rapidly than in other areas.

Figure 14: $/ha price of employment land at end of financial year, 2018-22, Murray FER (NSW LGAs)



Source: Valuer General NSW, October 2023

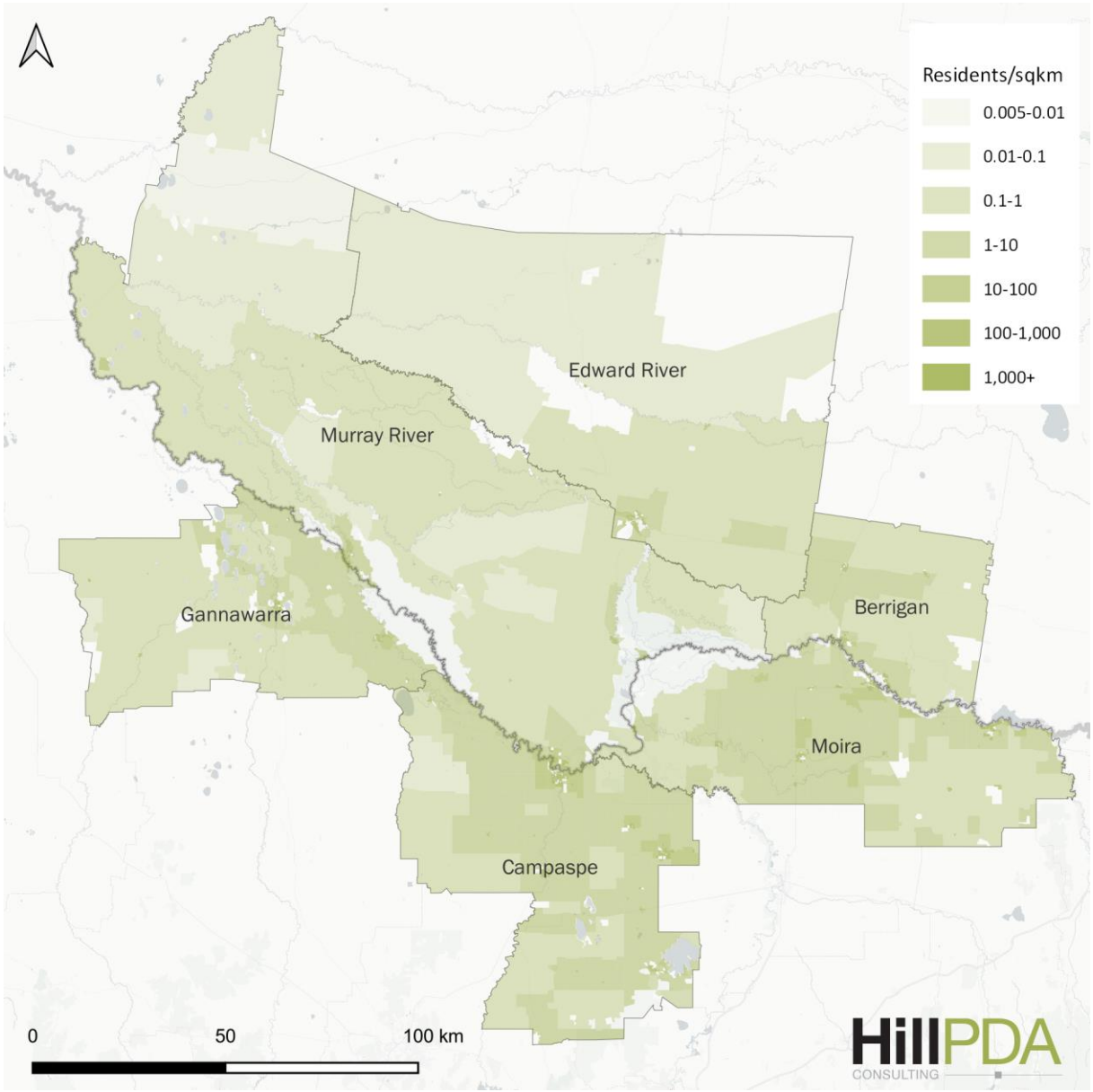
Gaps in data and zoning systems across the NSW-Victorian border make comparisons with Victorian LGAs difficult. However, preliminary analysis indicates that the growth in land prices within the Murray River LGA is occurring rapidly compared to such LGAs.

4.2 Population trends

4.2.1 Population density

The Murray River LGA is relatively sparse compared to the remainder of the Murray FER. Figure 15 illustrates population density across the FER. As it shows, the Murray River LGA has denser areas near borders with surrounding LGAs. However, Campaspe, Moira, Gannawarra, and Berrigan LGAs are all generally more densely populated than the Murray River LGA.

Figure 15: Murray FER by population density per SA1

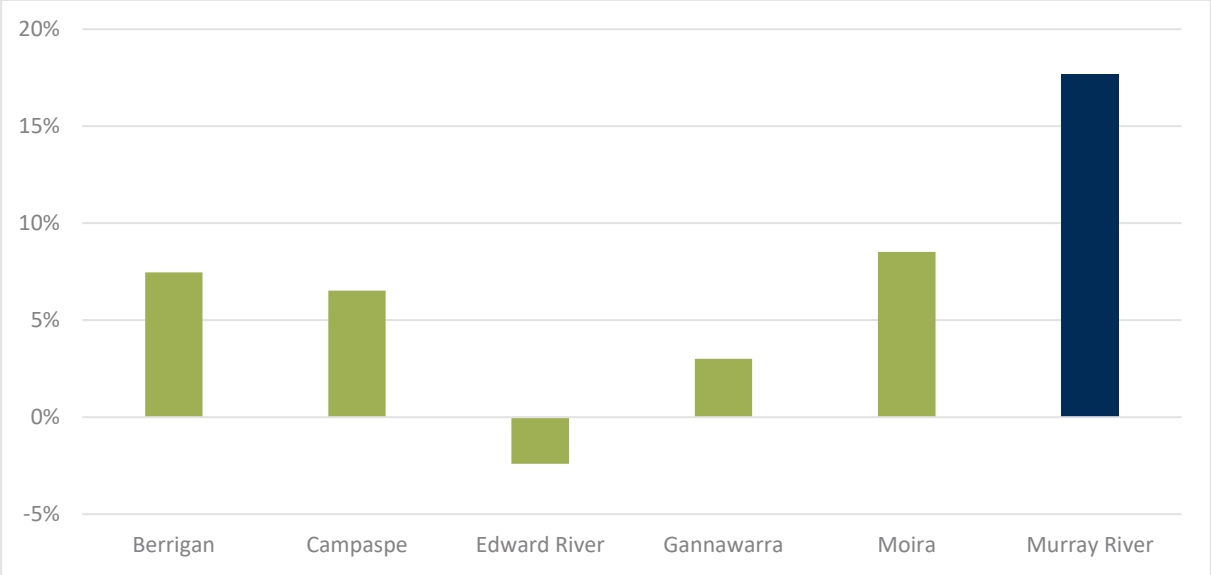


Source: ABS, *Census TableBuilder Pro*; HillPDA

4.2.2 Population change

Between 2011 and 2021, Murray River has been the FER's fastest-growing LGA, having increased by 1,931 residents (or 17.7 per cent). This is more than twice the proportional growth of any other LGA, although Campaspe and Moira LGAs have grown by more residents, at 2,396 and 2,372 people respectively. Figure 16 illustrates the rate of population change across the FER between 2011 and 2021.

Figure 16: Proportional population change across Murray FER, 2011-21



Source: ABS, *2021 Time Series Profiles*

If relative population growth continues within the Murray River LGA, it will result in an increasingly concentrated population relative to the wider FER.

4.3 Economic trends

Table 17 provides a snapshot of key economic trends for the Murray River LGA, compared to the remainder of the Murray FER. As it indicates, household incomes are high and unemployment is low in the LGA relative to the FER, while its labour force and number of businesses are closer to the FER average.

Table 17: Key economic indicators for Murray FER by LGA

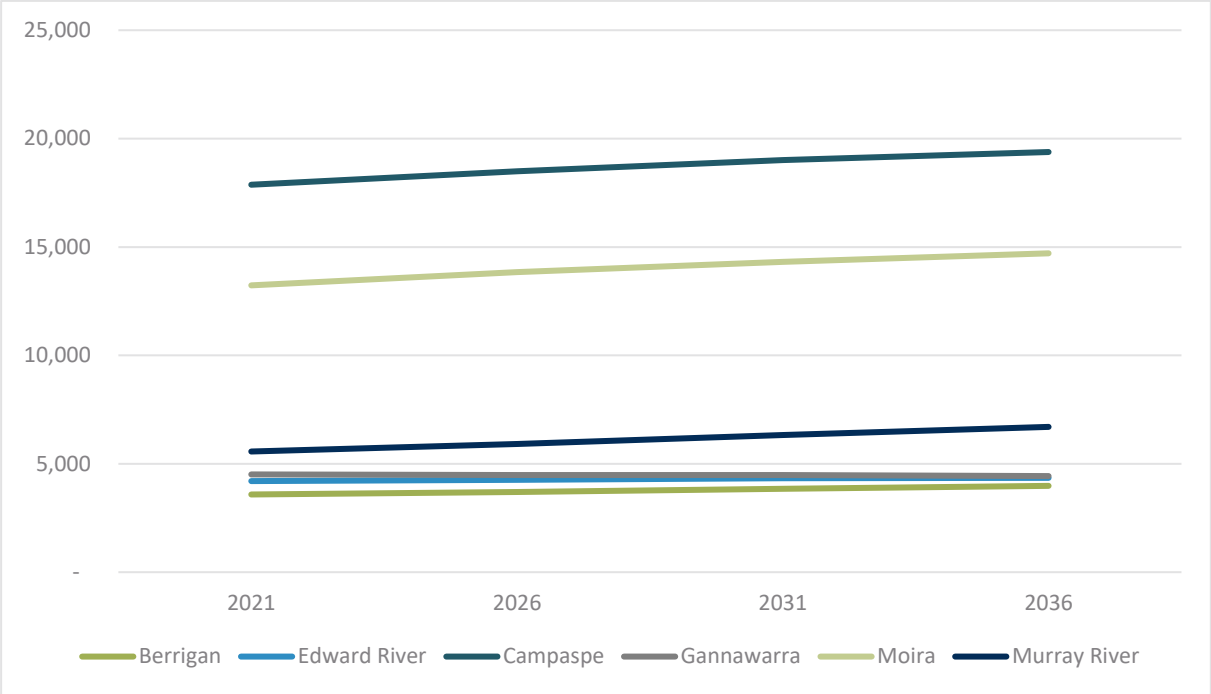
Indicator	Berrigan	Campaspe	Edward River	Gannawarra	Moira	Murray River
Median weekly household income ($)	1,128	1,264	1,240	1,071	1,192	1,260
Count of businesses, 2022	903	4,437	1,014	1,330	3,280	1,454
Share of population (15+) in labour force	48.7%	56.1%	56.2%	50.5%	52.4%	54.6%
Unemployment rate within labour force	3.1%	3.5%	3.6%	3.5%	3.5%	3.2%

Source: ABS, *General Community Profile*; *Counts of Australian Businesses, including Entries and Exits*

The continual development of business within the LGA would help to maintain economic growth, providing access to employment for a growing and changing population, while reducing movements out of the LGA to access work.

The Murray River LGA is projected to continue to grow significantly over following decades. This will result in a growing labour force. Figure 17 illustrates projected labour forces across the Murray FER between 2021 and 2036, calculated by applying 2021 labour force rates to forecasts from DPHI for NSW LGAs, DTP for Victorian LGAs, and REMPLAN for the Murray River LGA.

Figure 17: Projected labour force by LGA, Murray FER, 2021-36



Source: REMPLAN; DPHI (NSW); DTP (Vic)

4.3.1 Places of work

The Murray River LGA is connected to surrounding areas, including through cross-border 'twin towns'. Its economic relationships with surrounding LGAs can be important determinants of economic outcomes, and as such are discussed in this section.

Echuca-Moama

As discussed in Chapter 3.1.8, it is common for residents of the Murray River LGA to travel to Campaspe Shire for work. Although Echuca-Moama has been identified as a key cross-border community, it exhibits disproportionate movements of people away from the Murray River LGA. As Table 18 shows, 29.9 per cent of Murray River residents travel to Campaspe Shire LGA for work, whereas only 6.3 per cent of Campaspe Shire residents travel to the Murray River LGA for work.

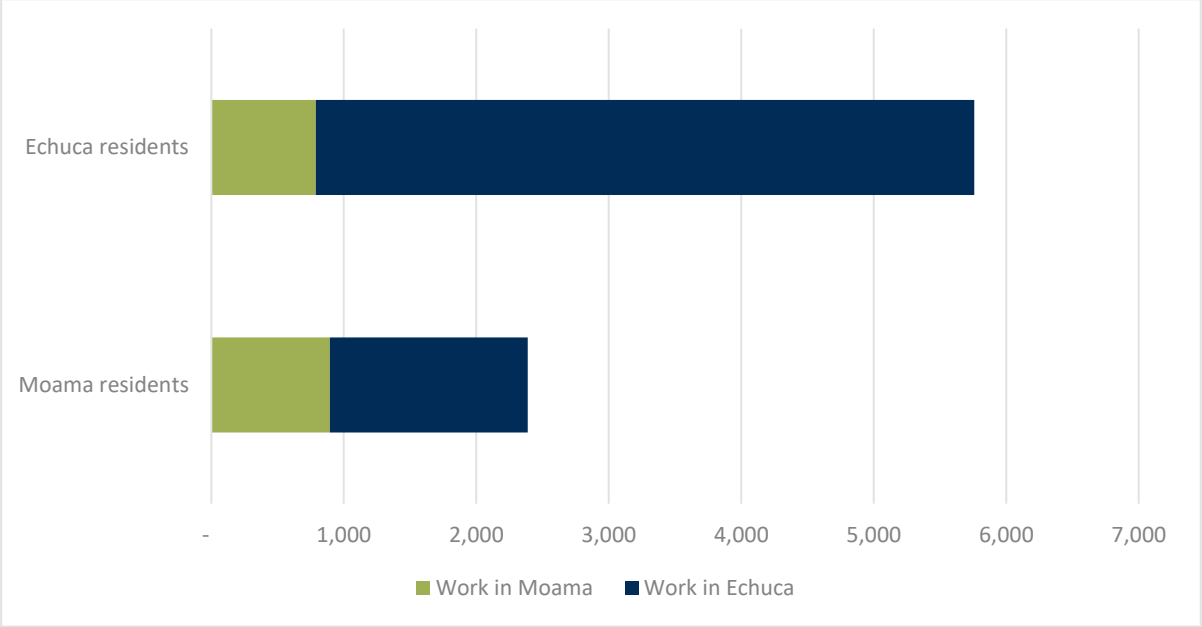
Table 18: Murray River and Campaspe LGA by place of work, 2021

	Murray River residents		Campaspe residents	
	#	%	#	%
Employed in Murray River	2,579	45.6	1,088	6.3
Employed in Campaspe	1,689	29.9	12,768	73.5
Employed elsewhere	1,383	24.5	3,518	20.2
Total	**5,651**	**100.0**	**17,374**	**100.0**

Source: ABS, *Census TableBuilder Pro*. Note: Proportions exclude not applicable

In addition, of the total residents who both live and work within Echuca-Moama specifically, nearly 80 per cent work in Echuca only, as shown in Figure 18.

Figure 18: Count of Echuca-Moama residents by place of work within Echuca-Moama, 2021



Source: ABS, *Census TableBuilder Pro*

As this indicates, the vast majority of working opportunities in and near Echuca-Moama are located specifically in Echuca. By contrast, there is likely scope to expand employment land supply in Moama to facilitate a more balanced and connected cross-border economy.

Barham-Koondrook

The towns of Barham and Koondrook form another cross-border community on the border of the Murray River and Gannawarra LGAs. Preliminary data analysis indicates that the slim majority of Barham-Koondrook's working residents are employed in Barham, at 50.4 per cent, shown in Table 19. Remaining residents work either in Koondrook or further-away areas.

Table 19: Working residents of Barham and Koondrook by place of work, based on SA1s and destination zones

	Barham working residents		Koondrook working residents		Total Barham-Koondrook working residents	
	#	%	#	%	#	%
Work in Barham	212	61.1	116	38.2	328	50.4
Work elsewhere	135	38.9	188	61.8	323	49.6
Total	**347**	**100.0**	**304**	**100.0**	**651**	**100.0**

Source: ABS, *Census TableBuilder Pro*. Note: Total and proportions exclude not applicable

Swan Hill and Murray Downs

Swan Hill comprises a city and surrounding LGA that are located in Victoria, immediately west of Murray Downs in the Murray River LGA. Swan Hill is a significantly larger settlement and employs relatively more people, as shown in Table 20. Murray Downs nonetheless contains several tracts of employment land, which also provide some employment within the locality.

Table 20: Working residents of Swan Hill and Murray Downs by place of work, 2021

	Swan Hill (SAL) working residents		Murray Downs (SAL) working residents	
	#	%	#	%
Work in Swan Hill	4,303	82.5	109	69.9
Work elsewhere	913	17.5	47	30.1
Total	5,216	100.0	156	100.0

Source: ABS, *Census TableBuilder Pro*. Note: Total and proportions exclude not applicable

External towns

There are several additional towns near the border of the Murray River LGA, such as Deniliquin in the Edward River LGA, Balranald in the Balranald LGA, and Barmah in the Moira LGA. However, such towns employ relatively few residents of the Murray River LGA, and as such do not strongly impact its economic trends. The aforementioned cross-border communities are therefore the key considerations for the LGA's development with regard to surrounding areas.

4.4 Strategic planning

As identified in the *Echuca South East Industrial and Commercial Growth Corridor Land Strategy 2011*, there will be a limited supply of zoned industrial land in Echuca in the medium- to long-term. In particular, limited opportunities exist in the areas currently zoned for industrial development for industries that require buffers of more than 500 metres to residential areas. As such new heavy industry or industries with adverse amenity potential will be discouraged from developing on industrial land located close to residential zones. The Echuca Commercial Strategy 2017 also cites limited vacant and appropriately zoned land in the Echuca CBD to accommodate the development of additional retail and commercial floorspace, particularly the development of uses that may require large floor areas, such as a discount department store or regional office development. In contrast, Moama has a large amount of vacant land suitable for both commercial development and for heavy industry such as the Hillside Road precinct.

Strategic planning in the Campaspe Shire in Victoria has consistently advocated for the continued support of the food product manufacturing industry. In particular, the *Loddon Campaspe Economic Growth Strategy 2019* suggested stronger links between research and the manufacturing and agriculture sectors to produce exports for Asia and the Middle East. The *Echuca Economic Development Strategy 2014* also identified that there is scope to grow boutique, specialised and gourmet food sectors. Similarly, there is potential for the Murray River LGA to develop a larger food manufacturing industry, which would have the benefits of increased employment, increased value-adding of local agriculture products, and increased branding and awareness for the wider region. This could also have flow-on benefits to the tourism and hospitality sectors in the Echuca-Moama area, of which Echuca's recent commercial performance is an example. As shown in the 2018 *Echuca CBD & Historic Port Precinct Parking Strategy*, commercial vacancy rates have declined to around 5 per cent in recent years, indicating a healthy regional CBD boosted by food manufacturing and tourism.

The *Echuca Economic Development Strategy* has also prioritised the growth of the freight and logistics supply chain. Opportunities exist through relationships between the Murray River LGA and communities south of the NSW-Victorian border to strengthen the local freight and logistics industry.

There is currently considerable investment in alternative energy projects in the Murray River region. An increase in manufacturing in the Echuca-Moama area could be supported by the development of alternative energy production facilities to provide energy to businesses in the food manufacturing precinct or other nearby industries.

5.0 MARKET TRENDS

The following section discusses the emerging broader industry trends and potential implications on employment lands across the Murray River LGA.

5.1 Industrial market trends and considerations

5.1.1 Macro-economic context

Globalisation

Automation

Information technology

The demand for industrial floorspace in Australia continues to be influenced by the globalisation of trade, labour and production costs, the increasing dominance of information technology in production processes, and access to primary goods.

5.1.2 Globalisation

The demand for industrial floorspace is influenced by trends such as globalisation and the use of information technology. The globalised economy involves sophisticated linkages between businesses, which are adept in the efficient sharing of information and the delivery of goods through a global supply chain. This supply chain, once thought of as the flow of goods through production to the end user, is now seen as an alignment of firms that design, develop, market, and produce goods and services, and deliver them to the customer when needed.

Globalisation and the free movement of people, goods and services have increased global competition, resulting in a decline in the proportion of jobs within manufacturing industries.

Industrial floorspace used primarily for business-related storage is in decline, whereas space built for the transferral of goods is increasing. This 'high throughput distribution' space is essentially designed to facilitate the rapid movement of goods through the supply chain.

Businesses with low inventory turnover are gravitating to inexpensive land and low-cost buildings. In contrast, businesses that have high inventory turnover and high-value products, and that typically provide value added functions (including product customisation, packaging, and customs), are more prepared to pay a premium for access to a large customer base and proximity to roads, ports, and airports.

As a result of the industrial trends described above, over the last 38 years (1985-2023), the development of industrial land and floorspace in NSW has generally occurred at a rate slower than overall employment growth. However, this has varied considerably between specific sectors of industrial activity. Employment in manufacturing and wholesale trade has steadily decreased in NSW over the period (overall employment down 33 per cent and 23 per cent respectively). By contrast, transport and storage has shown strong growth, with a 77,380-job or (52 per cent) increase in employment. This is partly a result of increased demand for 'last mile' delivery and storage spaces close to where customers reside.

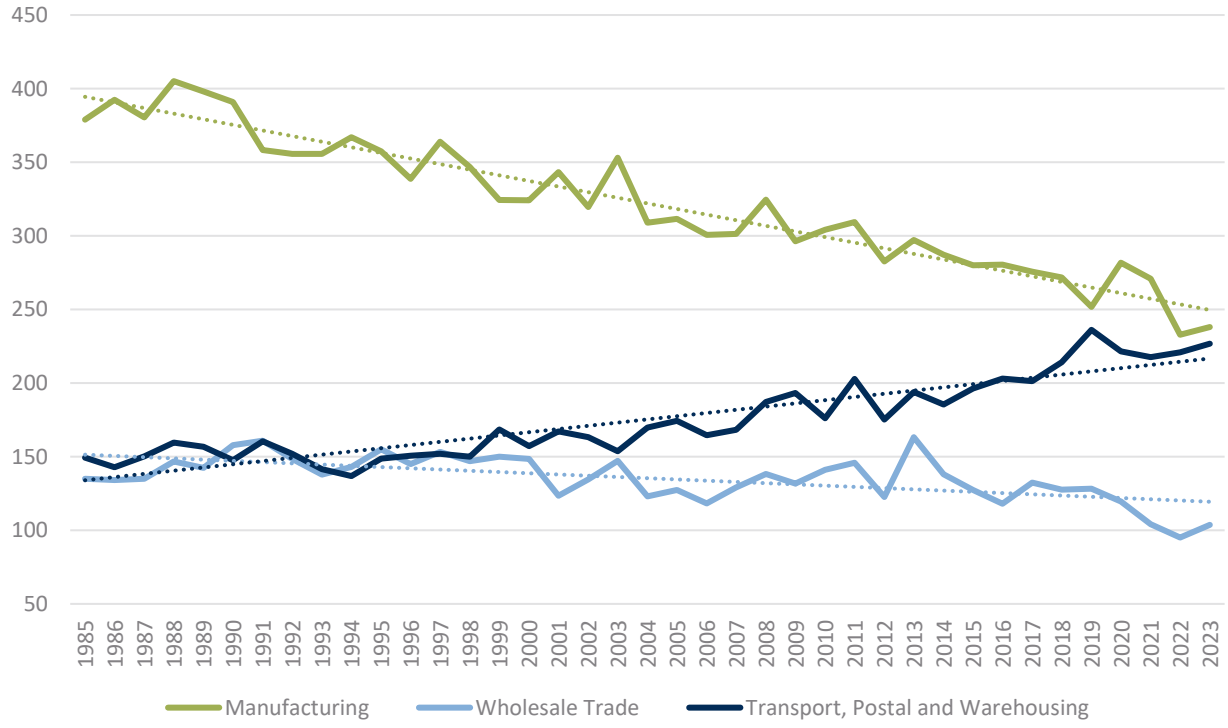
These economic trends may be summarised by the fact that traditional manufacturing is changing and becoming more efficient in its processes due to the use of new technologies and equipment. In many cases, these

efficiencies have not resulted in a decline in output or the need for floorspace, but rather a reduction in the number of employees required.

The COVID-19 pandemic also disrupted global supply chains, which resulted in a renewed focus on locally manufactured goods. This is reflected in NSW's growth in manufacturing between August 2019 and August 2021 (+27,553 jobs); assuming an occupancy rate of 80sqm per employee, this could have resulted in just over 2.2 million additional square metres of industrial floorspace being occupied over this period. These gains, however, seem to have been lost, with manufacturing recording 37,291 fewer jobs between August 2021 and February 2023.

Conversely, employment in wholesale trade and transport/warehousing decreased between August 2019 and August 2021 (-26,298 and -15,765 jobs respectively), likely in anticipation of reduced demand and subsequent sales. However, over the recent two years, the rate of employment loss has since slowed in wholesale trade and rebounded in transport/warehousing. These industries have recorded 795 fewer jobs and 14,023 additional jobs respectively between August 2021 and February 2023, as illustrated in the figure below.

Figure 19: Employed persons by select industries, NSW (,000)



Source: Collated by HillPDA 2023 from Australian Bureau of Statistics, *Labour Force, Australia, Detailed*

5.1.3 Non-traditional uses within industrial precincts

In addition to traditional industrial and urban service uses, industrial precincts are increasingly being occupied by other non-traditional uses such as knowledge intensive businesses, large format retailers and factory outlets and education or health services.

This was evident in HillPDA's land use surveys for Clarence Valley in 2022, Hornsby LGA in 2019, and Byron Bay LGA in 2017, which showed that between 20 and 40 per cent of the occupied employment floorspace in industrial-zoned precincts was being attributed to non-traditional uses. Typically, these uses are attracted to industrial precincts given their relatively lower land values and market rents compared to commercial centres, and the need for large lots with good access to the local road network. However, the presence of these uses can

increase market rents and land values in industrial precincts, due to space becoming limited and the typical willingness and capability of non-traditional industrial land users to pay higher rent.

5.1.4 Highway accessibility

The proximity of industrial precincts to key transport routes has recently emerged as a key priority for industrial occupiers. The preference for industrial tenants to be located close to a motorway is evident in CBRE research that finds that every additional minute drive closer to a motorway equated to a 2.1 per spike in rent. Occupants near motorways pay on average $3 per square metre more than those further away.[4]

The reason for this locational preference stems from transport costs typically comprising a large share of an industrial business's operational cost base compared to its rent. As such, industrial businesses save costs by being located nearer to key infrastructure. With the rise of e-commerce and the need for 'last mile' and other distribution services, this preference to have good road access has increased, becoming a major consideration for businesses.

The Murray River LGA contains several industrial precincts that have proximal access to the Cobb Highway. The locational attributes of these current and potential precincts increase their attractiveness to potential occupiers, particularly those occupiers that require transportation of goods, equipment, or supplies. It also allows for visual marketing, which attracts highway traffic and generates awareness of rural businesses.

5.1.5 An increasingly automated workplace

The impacts of automation and artificial intelligence (AI) is an increasingly controversial topic for industry. The potential impacts of automation and AI are varyingly interpreted as causing mass unemployment; evolving employment, with employees being 'upskilled' into more complex jobs; or creating new employment-generating industries that cannot be imagined/conceived of today.

'Upskilling', or the transference of employment into more complex or knowledge-based industries, can be seen in the agricultural industry. At the start of the twentieth century, agriculture comprised a significant proportion of employment. However, with increased mechanisation of farm equipment, large numbers of people transitioned from agricultural to other forms of employment. Employment in other industries such as retail or professional and financial services grew as a result. This trend has continued further with the creation of new employment industries that did not exist 40 years ago, such as IT services, coding, web design, and application development.

Trends of automation and 'upskilling' may be navigated by employees, companies, and institutions remaining agile and embracing life-long learning and continued education to stay competitive and skilled. Industries associated with manufacturing, transport, warehousing, and distribution are currently at the forefront of this change. It is important to note that the impacts of automation on employment do not directly translate into a reduction in the amount of floorspace or land required. Although these industries may require fewer people for their operation needs, they still require appropriate floorspace and land for their increasingly automated factories and warehouses. It is therefore prudent to appropriately plan for the future land needs of these industries, even if their projected employment levels decline.

What this means for the Murray River LGA is that, as automated processes and practices increase, there may be a corresponding decrease in industrial-related employment. However, there would not be a corresponding decrease in the demand for appropriate employment land or space; such demand would rather increase over the coming decades.

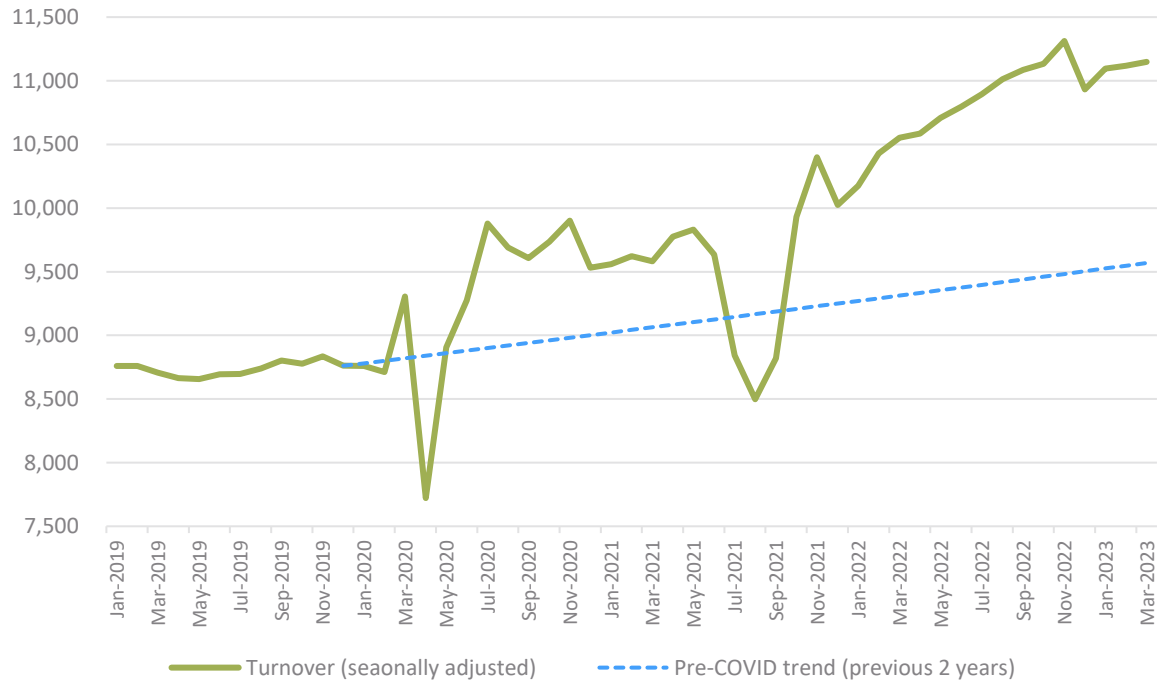
[4] CBRE - Motorway access drives rental shift in Sydney's industrial powerhouse market, Natasha Pierson 2018

5.1.6 Freight and logistics 'last mile' services and e-commerce

The rise of e-commerce has seen significant growth in the demand for freight and logistics industrial space in close proximity to customers, often referred to as 'last mile' customer logistics. Such spaces decrease the delivery time of products, with some companies offering same-day delivery services. With e-commerce's market share growing at a faster rate than traditional retail, there is likely to be a growing demand for industrial space in appropriate locations for 'last mile' services.

The impact of COVID-19 and measures to reduce its spread have overall had little impact on retail spending across NSW. As seen in the figure below, retail expenditure sharply recovered after each lockdown shock to be above pre-lockdown levels. In fact, retail turnover across NSW is above the historic trend before COVID-19. This increased retail expenditure has increased the demand for delivery, storage, and warehousing services, which, in turn, increases the demand for industrial logistics space.

Figure 20: Retail turnover NSW – seasonally adjusted ($m)



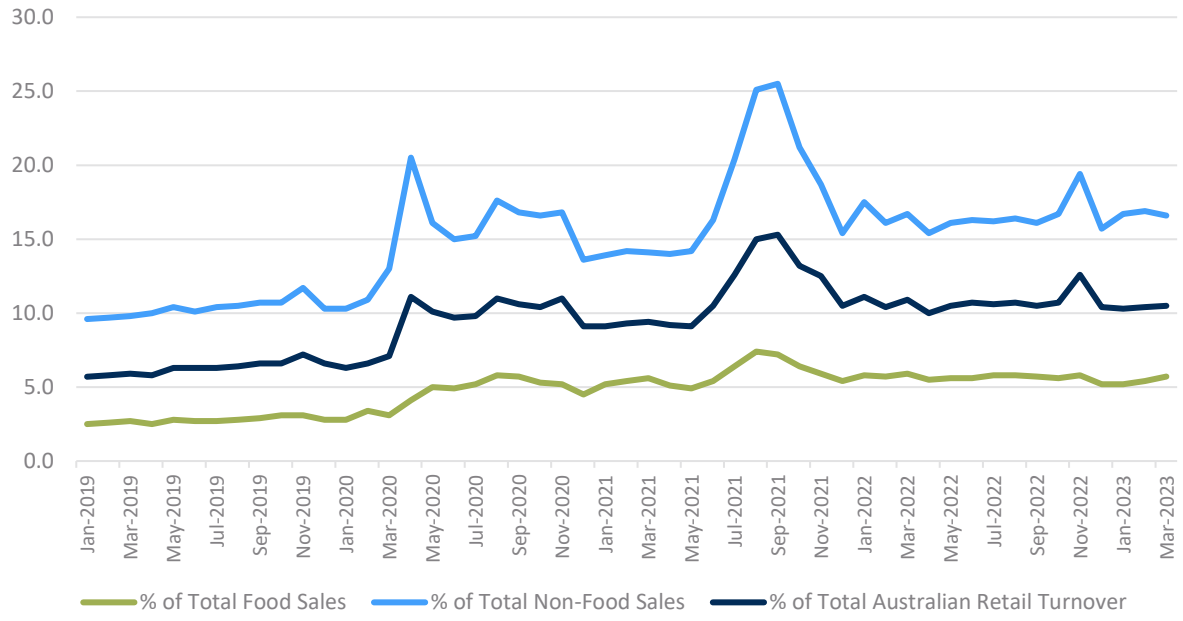
Source: Retail Trade, Australia March 2023, (Table 12) HillPDA

In 2019, a CBRE report estimated that an additional 350,000sqm of distribution space would be required annually to service e-commerce growth across Australia.[5] This was a pre-COVID estimate. As seen in the figure below, the proportion of online retail sales significantly increased from March 2020, peaking at around 15 per cent of all retail sales in September 2021. The proportion of non-food online retail sales peaked at 25.5 per cent in the same month. Despite a reduction being recorded since September 2021, the proportion of online retail sales remains well above pre-COVID levels.

The future growth in online sales would further drive demand for distribution space across Australia. The Murray River LGA is several hours by car from Melbourne, which is growing rapidly to become Australia's largest city. As such, there is capacity for industrial space in the LGA to operate within a wider network of logistics and 'last mile' services.

[5] The Rise of Multistorey Warehousing in Australia, CBRE Research 2019

Figure 21: Proportion of online retail turnover (Australia)



Source: Retail Trade, Australia March 2023

It should be noted that Australian consumer spending is likely affected by recent trends such as inflation and rising interest rates. E-commerce demand may have been impacted by these factors, but it will likely continue to be a significant sector in the Australian economy in the long-term, requiring adequate logistics and distribution spaces to operate.

5.1.7 Land value trends

According to the NSW Valuer General July 2022 report, the cumulative value of unimproved commercial and industrial land in the Murray River LGA has increased rapidly since 2021. In fact, as highlighted in Table 21, the value of unimproved industrial land has more than doubled (+150 per cent), with significant growth in commercial land value also being experienced (+73 per cent).

Table 21: Murray River cumulative industrial property unimproved values trends July 2021 - July 2022

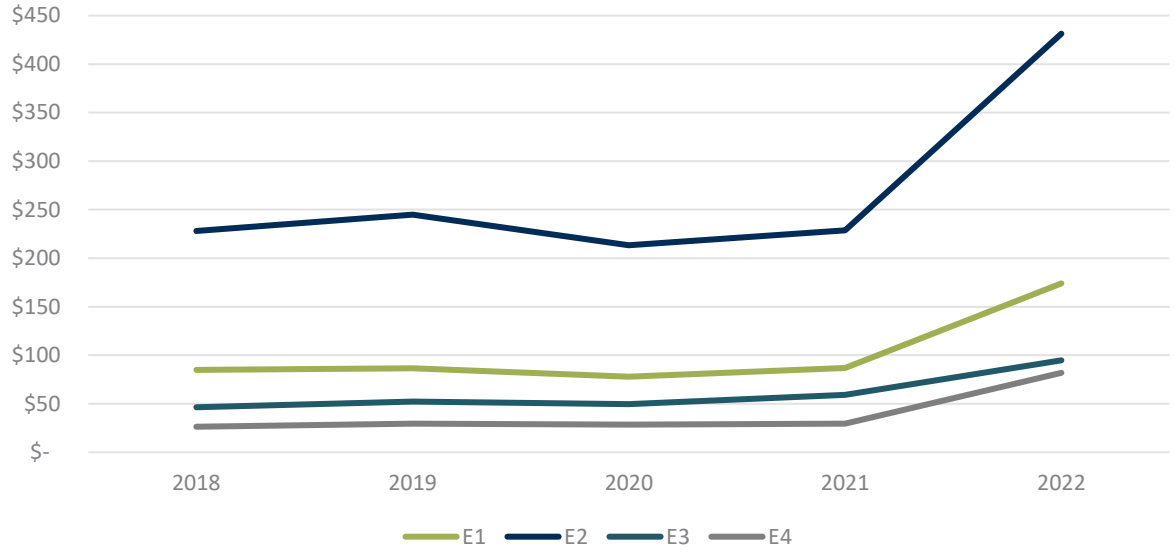
Broad zone class	1-Jul-21	1-Jul-22	% change
Commercial	$47,342,950	$81,994,800	+73.2
Industrial	$26,213,780	$65,747,640	+150.8

Source: NSW Valuer General, July 2022

The NSW Valuer General also publishes data for land value trends by employment land zones. These data indicate that land values have risen steeply for all employment zones within the Murray River LGA. Figure 22 illustrates the price of land per square metre for E1, E2, E3, and E4 zones.

As it shows, E2 Commercial Centre land currently has the highest value in the LGA, followed by E1 Local Centre land. Values in all such land use zones have risen significantly between 2021 and 2022, especially for E2 Commercial Centre land, valued at approximately $431 per square metre in July 2022, and E4 General Industrial land, which rose 211 per cent in value between 2018 and 2022.

Figure 22: Employment zone land values ($/sqm), Murray River LGA



Source: Valuer General NSW, September 2023

As Figure 22 indicates, the value of commercial land (E1, E2 zones) is higher than that of industrial land (E3, E4 zones) in the Murray River LGA. Nonetheless, land values have grown strongly across all employment land zones in recent years. This is likely due to increasing demand across the LGA, as well as certain areas having lower supply, particularly in Barham.

5.2 Retail trends

5.2.1 Retail industry trends in brief

The future of retail is shifting strongly towards experience and convenience, with technology driving the change. Demands are also changing due to customers becoming more environmentally conscious, time-poor, and informed on prices. Retailers are being forced to adapt to changing consumer expectations, exhibiting the following trends:

- Hyper-personalisation – retailers are analysing data to deliver hyper-personalised experiences and products
- Reacting to price savvy consumers – prices no longer encompass the product alone, but the whole user experience
- Automation – customers are more accepting of automatic checkouts and technological advancements
- Experiential retailing – the promotion of experience and placemaking through various platforms to drive customers to purchases
- Environmental consciousness – growing sentiment towards environmentally friendly products
- Social currency – social media is a component of the purchasing journey for many customers
- Buying local – growing support for local design and manufactured products to support Australian businesses.

Innovation in the retail industry is driven largely by the need to anticipate and respond to customers' needs and desires and changing demographics and lifestyles. Individual retailers are required constantly to monitor shifts in demand and reposition offers, as well as modes of operation and distribution in some instances.

Some emerging national retail trends include:

- Full-line supermarkets (over 3,000sqm) are increasingly anchoring smaller centres
- Reduced traction for department stores, such as Myer, David Jones, Target, and Big W, due to online competition and reduced demand for physical space
- Bulky goods or traditional out-of-centre retailers transitioning to seek opportunities in local or shopping centres
- Integration of residential and other commercial and community uses above shopping centres
- Strengthening 'retail placemaking' with a stronger focus on community, dining, events, and entertainment
- Greater integration of indoor and outdoor environments
- Continued expansion of new international retailers entering the market
- Pop-up, creative, and market-style uses that generate higher turnover and 'destination' factor
- The emergence of 'dark' and 'last mile' stores for online sales. Dark and last mile stores are warehouses or distribution centres that cater to online shopping, which do not require sales areas and are designed for easy product picking
- Growing online grocery market and specialised food stores
- Reinvestment in shopping centres to reinvent offerings, purposes, and interactions with customers and wider community.

The next section explores some of these emerging trends in more detail.

5.2.2 Changing retail business model

The COVID-19 pandemic and its responses have significantly disrupted the physical retailing paradigm both globally and nationally. The pandemic dramatically increased the adoption and use of online platforms, with many retailers moving towards a more digitalised business model. Many retailers have had to develop capabilities and invest in online fulfillment; omnichannel retailing; home delivery; data analytics; and automation in order to remain trading. This trend will likely continue, with retailers having to stay abreast of the latest technology and digital advancements.

Retailers will likely build their capabilities or partner with other platform companies to help deliver on these requirements. Larger retailers have also capitalised on strategic partnerships; for instance, Myer recently entered into a multi-year agreement with its e-Commerce fulfilment partner, Australia Post, to provide warehousing and online fulfilment services. This agreement will enable a streamlined supply chain for online purchases, click-and-collect, and home delivery to further enhance the company's ability to provide an efficient online experience for customers. Such shifts towards a digitalised platform paradigm will place more pressure on physical stores to be in the right location.[6]

Why this matters

Rapid shifts to more digitalised operational models and partnerships with online platforms have and will continue to raise the competitiveness of certain retailers, engage customers, and improve shopping experiences. Retailers who do not make such switches are at greater risk of store closures and entering administration over the longer term. As retailers invest and build delivery channels and transition to more digitalised business models, this will enable new and wider markets to be targeted and resilience to be built.

The shift to a more digitalised operational model has potential implications on the supply and demand for retail floorspace, including:

- Reductions in demand for brick-and-mortar stores due to increased competition from e-commerce
- Reductions in supply for brick-and-mortar stores as retailers shift focus to building online presence, to leverage the wider catchment and reduce operating costs

[6] KPMG. (2020) Global retail trends 2020.

- Reduced store networks, as retailers opt to consolidate physical assets rather than expand (individual physical stores are able to service significantly wider catchments through online platforms).

5.2.3 Property divestiture and rationalisation by retailers and centres

Declining sales have forced many retail chains globally and nationally to optimise networks either through closing poorly performing stores and redeveloping or through finding new ways to secure value from existing assets.[7]

This strategy of optimising store networks has been implemented by department stores across Australia. For instance, Myer and David Jones are part of a list of national retailers seeking to downsize and close stores. Aside from department stores, other retailers which have announced plans to close stores include H&M, Zara, Noni B, Microsoft, and Accent Group (owner of a range of major retail stores, which also announced it will close 28 stores and focus on online sales).[8]

Despite an average decline in spending of -0.2 per cent between 2015 and 2020, apparel retailers increased their physical footprint by almost 2 per cent. This was likely fuelled by population-led demand. However, the current long-term plans of major retailers will likely lead retailing space to be downsized throughout the current decade.

Why this matters

- As larger retailers and franchise organisations continue to grow their delivery channels and seek new ways to maximise profits, it is anticipated that property divestment and rationalisation will continue, particularly over the short-to-medium term. Retailers will leverage customer data and analytics in order to make informed decisions regarding their footprint and the role of each store moving forward
- Although store closures and downsizing will place pressure on regional centres and strip retailing nationally, this is unlikely to impact Moama significantly, due its anchor tenants comprising grocery stores, service-based businesses, and small-scale boutique retailers, as opposed to department and other large retail stores.

5.2.4 E-commerce

A major topic of debate regarding the future of retail in Australia is the continued growth of online retailing and the likely impacts this may have on 'bricks and mortar' retail stores.

In their latest *Australian Online Shopping* industry report, Australia Post reports that Australians spent a record $353 billion on retail in 2022, $63.8 billion of which was spent on online goods. Although online retail spending grew 1.7 per cent since the previous year, Australia Post reports that this was more subdued than the growth of face-to-face retailed spending. This growth is lower than during the height of the COVID-19 pandemic and its lockdowns, which saw online retail spending increase by 57 per cent during 2020 alone.

At the outset of the COVID-19 pandemic, online shopping was driven by necessity as bricks and mortar stores were temporarily closed, with social distancing and teleworking also contributing to sustained engagement with online shopping. Recent analysis undertaken by Australia Post suggests that sustained engagement over this period has led to permanent changes in consumers' online spending behaviour, as more than half of the 1.3 million new households that entered the market through to December 2020 continued to buy online on a frequent basis afterwards. This suggests that such habits have become somewhat ingrained. Recent surveys also found that more people plan to shop online for a portion of their purchases since before the pandemic,[9] with a third of respondents indicating they prefer to shop online now more than they did prior.[10]

[7] RBA, M Carter (2019).Competition and Profit Margins In the Retail Sector; KPMG. (2021) Australian retail Outlook 2021; David Jones and Myer Annual Reports 2021.
[8] Various media releases
[9] Mckinsey & Company (2020) Covid-19 Australia Consumer Pulse Survey 9-4-2020
[10] ABS Household Impacts of COVID-19 Survey

It should also be noted that online purchases were significantly higher for metropolitan areas compared to regional areas, with metropolitan regions accounting for 70 per cent of all online purchases. The growth of online retail is nevertheless changing the way shoppers interact with physical retail stores in a range of locations. In particular, online shopping has created opportunities for boutique retailers in smaller local centres to access larger customer markets. This has the potential to support the utility of commercial spaces in the Moama town centre. However, it also creates some potential challenges for retailers in these spaces. Despite the growth of e-commerce, a number of barriers are preventing some business owners from fully leveraging this market to the greatest potential. These include:

- Slow or limited internet connectivity
- Unfamiliarity with the internet or web design
- Limited vacancy in warehouse and distribution space
- Consumer preferences to view and touch commodities before purchasing.

The emergence of online retailing has also affected land use and building requirements. Regional areas are seeing a growing demand for warehousing and distribution facilities, including in both inner and fringe locations. These locations ensure that consumers can access rapid delivery.

The growth in online retailing will affect physical stores to some degree. However, traditional retailing will not become obsolete. A high proportion of online sales will continue to be made through physical stores. The need for people to touch and experience products and offerings cannot be underestimated and has been emphasised by most stakeholders. Due to this, online sales can be as much a complementary channel as a competing channel.

Why this matters

- While online shopping will continue to strengthen, it will not replace traditional brick-and-mortar retail. Brick-and-mortar retail will instead need to adapt to provide more experiences and retail placemaking elements to maintain customer patronage.
- The current strength of online retailing is likely a long-term result of responses to the COVID-19 pandemic.
- Online shopping may influence passing trade in business centres if more people opt to utilise online deliveries for weekly goods, rather than travel to a centre or main street. Centres will need to adapt and integrate more placemaking outcomes that encourage people to travel for shopping.
- Increasing rates of home-based deliveries and package distributions may impact the efficiency of the road network and demand for loading zones.
- 'Click-and-collect' and kerbside pickup options may have impacts for areas adjacent to pick-up locations, being either centres or in external warehousing areas.
- Increased online sales could reduce some retailers' space requirements, due to less in-store storage/display space being required, more back-of-store space being required, and cafés and restaurants shifting towards increased takeaway and delivery services.

5.2.5 Increase in 'retailtainment' and in-store experiences

To compete with the online shopping experience, brick-and-mortar stores became increasingly more experiential over the last decade. Retailers have been curating immersive in-store experiences to drive foot traffic and in-store sales. Examples of in-store experiences include hands-on experience of products, frictionless checkouts, automated cashier machines, and the use of virtual reality and augmented reality. Front-line employees will increasingly move from being salespeople to consultants or experts, with many retailers using stores "to educate consumers on product offerings, reinforce their brand's positioning, and support e-commerce sales."[11]

[11] McKinsey & Company. (2020). Adapting to the next normal in retail: The customer experience imperative

Another observed trend in centres is the emergence of retailtainment (i.e., centres combining leisure, entertainment, and retail). Leisure and entertainment have existed in retail centres for decades. However, such offerings (i.e., cinemas, bowling alleys, sociable gaming environments, etc.) are no longer a point of differentiation, somewhat due to becoming displaced by home entertainment such as online streaming and gaming. Due to this, centres and retail strips may need to consider the inclusion of non-traditional forms of leisure and entertainment to drive foot traffic.[12]

Many shopping mall owners throughout Australian have also invested heavily in refurbishing and expanding their centres to provide retail, leisure, entertainment, recreation, and hospitality activities under one roof. This comprises a movement from convenience-based shopping precincts to 'destination' retail precincts. Moama's primary shopping centre, Moama Marketplace, predominantly provides essential goods and services, making such investments less necessary. By contrast, planned developments for Meninya Street and adjacent sites contribute to the town centre potentially having more of a destination status for consumers, through the presence of outdoor dining and a village square.

Why this matters

- Retailing areas may benefit from the integration of entertainment uses. Depending on types of entertainment and leisure anchors, such integrations may have implications for centre design, floorspace requirements, and the types of uses permitted by Council for commercial zones
- Successful destination retail precinct need not only the right mix of retail and entertainment, but also transport accessibility and a high-quality public realm
- Main streets can be renewed through public domain improvements.

5.2.6 New format supermarkets in smaller centres

A recent trend that is likely to continue to influence the retail market, is the demand for larger format retail space and other new format supermarkets in smaller centres (i.e., greater than the traditional retail small centre floor plates of 400-600sqm). This trend would see an increase in proposals seeking to develop supermarkets of around 1,000sqm to 1,500sqm in smaller retail centres where previously smaller supermarkets or convenience stores may have prevailed. It is anticipated that this trend will continue in urbanised areas owing to:

- Growing demand for additional supermarket facilities as a result of urban infill development.
- Accommodating full-line supermarkets is difficult due to site amalgamations and increasing land scarcity.
- Full-line supermarkets implementing their market share growth strategy via targeting smaller centres.
- Consumer habits increasingly favouring multiple smaller convenience shopping trips during the week rather than one large trolley load.
- Increasing desire from consumers for walkable, convenient access to food and grocery shopping reflecting declining vehicle ownership/usage and expectations for access to retail facilities outside of traditional trading hours.
- Strong activity from smaller supermarket operators including ALDI and Harris Farm, with Coles and Woolworths increasingly competing at this end of the market (refer to Case study 3 – Supermarket changing market share).

This trend was accounted for in DPHI's recent amendments to the definition of a neighbourhood supermarket in the Standard Instrument. This change in land use definition permits the development of small-scale supermarkets up to 1,000sqm in size in the previous B1 Neighbourhood Centre zones. The restricted size of a maximum gross floor area (GFA) of 1,000sqm is intended to ensure compatibility with the scale and nature of

[12] AECOM, The Rise of Retailtainment: Convergence of Leisure Entertainment and Retail, 2014

the surrounding, predominately residential, area while also allowing for the development of essential services to serve the needs of people who live and work in the surrounding neighbourhood.

The attraction of larger supermarkets (over 1,000sqm) into smaller centres can have both a negative and positive impact. On the one hand, larger supermarkets directly compete with smaller speciality shops, such as bakeries, butchers and fruit and vegetable shops. On the other hand, the presence of a larger supermarket can increase the attractiveness of a centre to its surrounding community, thereby increasing the number of times they choose to shop there. This increased foot traffic or number of persons visiting the centre has positive effects for other shops in the centre. This is mainly through increased opportunity for capturing passing trade. If a healthy supply of commercial zoned land is not maintained, this could lead to an opportunity loss for future residents, resulting in lower levels of economic self-containment, and reduced levels of commercial services and price competition.

Why this matters

- Supermarkets should be restricted to commercial centres to reduce out of centre retailing impacts.
- Consideration should be given to effects on the retail hierarchy before approving any new supermarket developments.

5.2.7 Bulky goods and out-of-centre retailing

Bulky goods retailing is linked to housing construction. As such, projected population growth and associated housing development will likely drive demand for bulky goods retail floorspace in the Murray River LGA. Continuing demand for floorspace from bulky goods operators (and other retailers such as supermarkets) would likely increase development pressure on out-of-centre employment land, due to centres being constrained. Factors contributing to this include a lack of appropriate and stable sites in established centres and lower land values outside centres.

There is also a trend for home-maker centres to co-locate with large box retail shopping centres, particularly in proximity to major roads to attract trade from passing motorists. These developments increasingly include additional services such as gymnasiums, children's play services, learn-to-swim schools, pet retailers, baby goods retailers, and sports/recreational spaces. However, such developments primarily exist within cities and larger towns, such as Echuca.

The development of out-of-centre retailing, whether involving bulky goods or other trade, has the potential to impact the economic viability of established centres. This has been shown by international studies indicating that out-of-centre retailing can negatively affect retail activity in nearby centres by around 12 per cent.[13] As such, the potential development of trade outside of centres in the Murray River LGA should be weighed up with its potential to impact trading on its established centres.

Service stations have also contributed to increased out-of-centre retailing, as they have expanded offers to include food and convenience retailing. This has been aided by fuel retailers partnering with supermarkets (e.g., Caltex and Woolworths opening their first new 'supermarket-servo' in North Ryde) and with other major retailers (e.g. BP's partnerships with David Jones to provide high-end convenience stores with ready-made meals). Increased spend on convenience items at fuel retailers has coincided with (and most likely contributed to) the decline in annual sales revenue of convenience stores (a 0.7 per cent decline).[14] However, most service stations in the Murray River LGA are in fact located within its towns. While their food and other offerings may prevent passing motorists from spending in other local businesses, they may also encourage drivers to stop for longer in the LGA's towns, with the potential to add to local retail expenditure, depending on consumers' choices.

[13] Land Use Policy, The impact of out-of-town shopping centres on town-centre retailers and employment: The case of the Region of Murcia. Armando Ortuño Padillaa; Antonia Alarcón Hermosillab; and Olga Tomás Ozoresc 2017

[14] SGS (2020). Liverpool Centres and Corridors Study; IBISWorld (2016) Convenience Stores in Australia; HillPDA Research

Although new centres should be allowed to form and develop, especially in areas of high growth and where demand is shown, existing centres should be the primary location for new commercial and retail floorspace. This could be achieved by tightening the sequential approach assessment, reducing barriers to in-centre development such as development contribution levels; relaxing certain design, impact assessment, and retail demand requirements; and providing disincentives for out-of-centre investment (e.g. instituting contributions towards infrastructure for development outside of centres).

Why this matters

Where insufficient land is available to meet demand in centres over the longer term, consider:

- Identifying additional land within centres (e.g., council car parks or additional levels above existing shopping centres) to facilitate new retail development.
- Where retailing/wholesaling is appropriate to service businesses and workers in out-of-centre areas, consider how zone objectives, land use definitions and additional local provisions can help ensure consumer-focused businesses do not draw demand from centres.

5.2.8 Better-designed eating experiences

With the increasing popularity of café culture and food awareness, the eating experience has become increasingly important in Australia. Customers seek experiences about not just food but also the environment they eat in, creating the need for designing venues that excite customers' senses of touch, smell, and sight. Venues that create such points of difference or unique experiences can evoke emotional responses and attachment from customers, which may lead them to refer friends and family. The Murray River LGA's tourism market is conducive to this culture, with opportunities to expand outdoor dining offers.

Such trends have seen increased demand for comfortable outdoor dining options, requiring centres to provide improved amenity. This is one of the intentions of the Meninya Street redevelopment, which will create a more pedestrian-oriented environment and implement innovative streetscape designs to enhance the experience of users, including diners. Venues can also harness such trends by extending trading hours, providing natural theming, or taking advantage of existing natural assets or open space. Venues that open onto scenic views or green spaces can also create a connection to land and enhance dining experiences.

Providing certainty for venues over the long term is important, particularly when venues utilise public spaces such as footpaths for dining. Permitting processes for these uses can be complex, with time limits, trial periods, bonds, and fees. These processes are managed by Council and subject to local policy. However, these spaces enhance centres by providing room to congregate rather than just transact, and are increasingly used to drive foot traffic.

Why this matters

- Effective integration and encouragement of outdoor dining and indoor-outdoor dining opportunities can improve experiences and senses of place and experience.
- Outdoor dining has implications for the physical layouts of precincts, including a need for wider footpaths, and a focus on urban amenity, including elements such as trees, street furniture, and safe pedestrian navigation.
- Cafés and restaurants can become local gathering places in local centres. By bringing people to local centres, these businesses can also increase spending in other nearby retailers.

Cafés and restaurants can also be strategically located in fringe locations of centres, near recreational spaces; parks; and sporting fields or courts, to service the users of these facilities.

EMPLYOMENT LAND STUDY

6.0 LAND USE AUDIT

The following section overviews the land characteristics of the existing employment precincts located in the Murray River LGA. These characteristics have been determined using the following methods:

- Desktop land use audit, to identify total quantities of developed/undeveloped employment land (including in villages)
- Desktop analysis of existing employment precincts, to identify the functioning and opportunities of each industrial and commercial precinct
- Physical land use audit, to identify the performance of industrial precincts by industry and zone.

6.1 Desktop land use audit methodology and data sources

A desktop land use audit was undertaken, informed by the following information sources:

1. NSW Department of Planning, Housing and Infrastructure (DPHI) land use zones
2. Department of Spatial Services, SIX Maps Clip and Ship cadastral layer (property lots)
3. MetroMap aerial imagery, Google aerial imagery, Council-provided images.

Employment land estimate methodology

To determine the amount of employment land, the following steps were undertaken:

1. Murray River's cadastral or property lot layer was clipped against NSW DPHI land zones
2. Each lot was assigned its corresponding land zone and land area (sqm) calculated
3. All land zones, except for employment land zonings as described in Section 1.1, were excluded
4. Road, laneways and/or foot paths were excluded from land area calculations, where possible
5. Resulting property lot land areas were determined.

Land status definitions and methodology

To determine the status of employment land stocks, the following steps were undertaken:

1. Each individual employment cadastral or property lot was assessed using aerial imagery
2. Each lot was assigned the status of developed or vacant.

Two land use status definitions have been applied in this assessment, these being:

- **Developed**: this refers to employment land stocks which are being used or which are considered to have limited to no capacity to contribute to future development. Developed land predominantly was identified by having a pre-existing building (commercial or residential) on the lot. In some cases, developed land includes land which is being used for ancillary operational businesses purposes, including storage. This category also includes railway land which is zoned as employment land. These corridors, if inactive, are too narrow to be used for future supply.
- **Vacant:** this refers to employment land stocks which are vacant; that is, they do not contain a pre-existing building, have no building under construction, or have limited storage use. This land is available for development.

6.2 Recent NSW employment zone reforms

NSW has implemented employment zone reforms in April 2023. These reforms replaced 12 commercial and industrial zones with five new employment zones and three supporting zones. The intent of these new zones is to support business productivity and jobs growth.

The table below provides a summary of the new zones against the previous planning framework.

Table 22: NSW employment zone reforms

Previous zone	New zone	Broad category
RU5 – Rural Village	RU5 – Rural Village	Commercial centre
B1 – Neighbourhood Centre B2 – Local Centre	E1 – Local Centre	Commercial centre
B3 – Commercial Core	E2 – Commercial Centre	Commercial centre
B5 – Business Development	E3 – Productivity	Employment
B6 – Enterprise Corridor		
B7 – Business Park		
IN1 – General Industrial IN2 – Light industrial	E4 – General Industrial	Employment

The following sections summarise the current supply of employment land across the study area under the revised zones.

6.3 Existing employment land characteristics

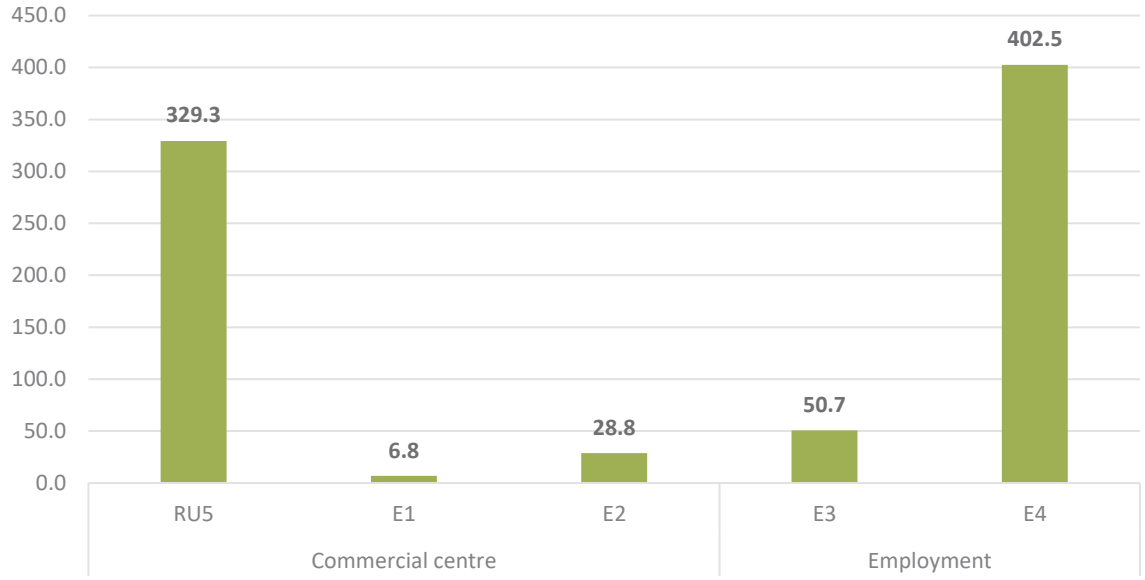
The following section overviews the land characteristics of the existing employment precincts across the LGA.

6.3.1 Total zoned employment land stocks by zone

As of 2023, there was around 818 hectares of zoned employment land across the LGA. Of this:

- 403 hectares or 49 per cent was zoned E4 – General Industrial
- 329 hectares or 40 per cent was zoned RU5 – Rural Village
- 51 hectares or 6 per cent was zoned E3 – Productivity
- 29 hectares or 4 per cent was zoned E2 – Commercial Centre
- 7 hectares or 0.8 per cent was zoned E1 – Local Centre.

Table 23: Total employment land stocks by zone (hectares)



Source: HillPDA

The following table provides a summary of the amount of employment land by zone and precinct.

Table 24: Total employment land stocks by zone and precinct (hectares)

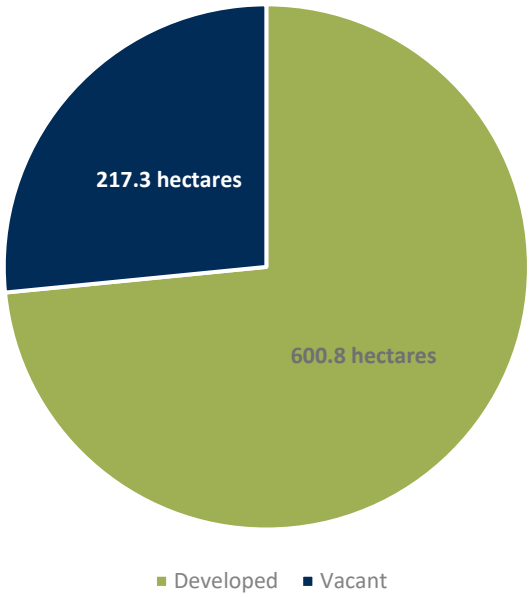
Board category	Precinct	RU5	E1	E2	E3	E4	Total
Commercial centre	Barham Town Centre	0.0	6.8	0.0	0.0	0.0	**6.8**
	Bunnaloo Village	33.2	0.0	0.0	0.0	0.0	**33.2**
	Koraleigh Village	4.7	0.0	0.0	0.0	0.0	**4.7**
	Mathoura Village	120.7	0.0	0.0	0.0	0.0	**120.7**
	Moama Town Centre	0.0	0.0	28.8	0.0	0.0	**28.8**
	Moulamein Village	45.1	0.0	0.0	0.0	0.0	**45.1**
	Tooleybuc Village	40.5	0.0	0.0	0.0	0.0	**40.5**
	Wakool Village	64.8	0.0	0.0	0.0	0.0	**64.8**
	Womboota Village	20.2	0.0	0.0	0.0	0.0	**20.2**
	Sub-total	**329.3**	**6.8**	**28.8**	**0.0**	**0.0**	**364.9**
Employment	Barham E	0.0	0.0	0.0	14.2	14.2	**28.4**
	Moama E	0.0	0.0	0.0	0.0	43.4	**43.4**
	Moama, Cobb Hwy E	0.0	0.0	0.0	36.4	27.4	**63.8**
	Moama, Hillside Road E	0.0	0.0	0.0	0.0	301.5	**301.5**
	Murray Downs E	0.0	0.0	0.0	0.0	16.0	**16.0**
	Sub-total	**0.0**	**0.0**	**0.0**	**50.7**	**402.5**	**453.2**
Total		**329.3**	**6.8**	**28.8**	**50.7**	**402.5**	**818.1**

Source: HillPDA

6.3.2 Employment land stocks by development status

Of the 818 hectares of zoned employment land across the LGA, around 601 hectares or 73 per cent was considered developed or being used for business operations. The remaining 217.3 hectares or 27 per cent was vacant and considered available for development.

Figure 23: Development status total employment land stocks



Source: HillPDA

The development status across each zone is provided in the below table. Developed land includes all developed sites, even if wholly used for employment purposes. This reflects the presence of possible home-based businesses in E1 and E2 zones, and farm-related and other buildings in RU5 zones.

Table 25: Development status by zone (hectares)

Zone	Developed	Vacant	Total	% vacant
RU5	213.4	115.8	329.3	35%
E1	6.4	0.4	6.8	6%
E2	20.3	8.6	28.8	30%
E3	38.3	12.4	50.7	24%
E4	322.4	80.1	402.5	20%
Total	**600.8**	**217.3**	**818.1**	**27%**

Source: HillPDA

The following table provides an overview of the amount of zoned employment land by development status across each precinct.

Table 26: Development status by precinct (hectares)

Broad category	Precinct	Developed	Vacant	Total	% vacant
Commercial centre	Barham Town Centre	6.4	0.4	6.8	6%
	Bunnaloo Village	26.7	6.6	33.2	20%
	Koraleigh Village	3.7	1.0	4.7	21%
	Mathoura Village	84.4	36.4	120.7	30%

	Moama Town Centre	20.3	8.6	28.8	30%
	Moulamein Village	31.6	13.5	45.1	30%
	Tooleybuc Village	21.0	19.5	40.5	48%
	Wakool Village	39.2	25.6	64.8	39%
	Womboota Village	6.9	13.3	20.2	66%
	Sub-total	**240.1**	**124.8**	**364.9**	**34%**
Employment	Barham E	16.4	12.0	28.4	42%
	Moama E	36.3	7.1	43.4	16%
	Moama, Cobb Hwy E	43.9	19.9	63.8	31%
	Moama, Hillside Road E	252.3	49.2	301.5	16%
	Murray Downs E	11.7	4.3	16.0	27%
	sub-total	**360.7**	**92.5**	**453.2**	**20%**
Total		**600.8**	**217.3**	**818.1**	**27%**

Source: HillPDA

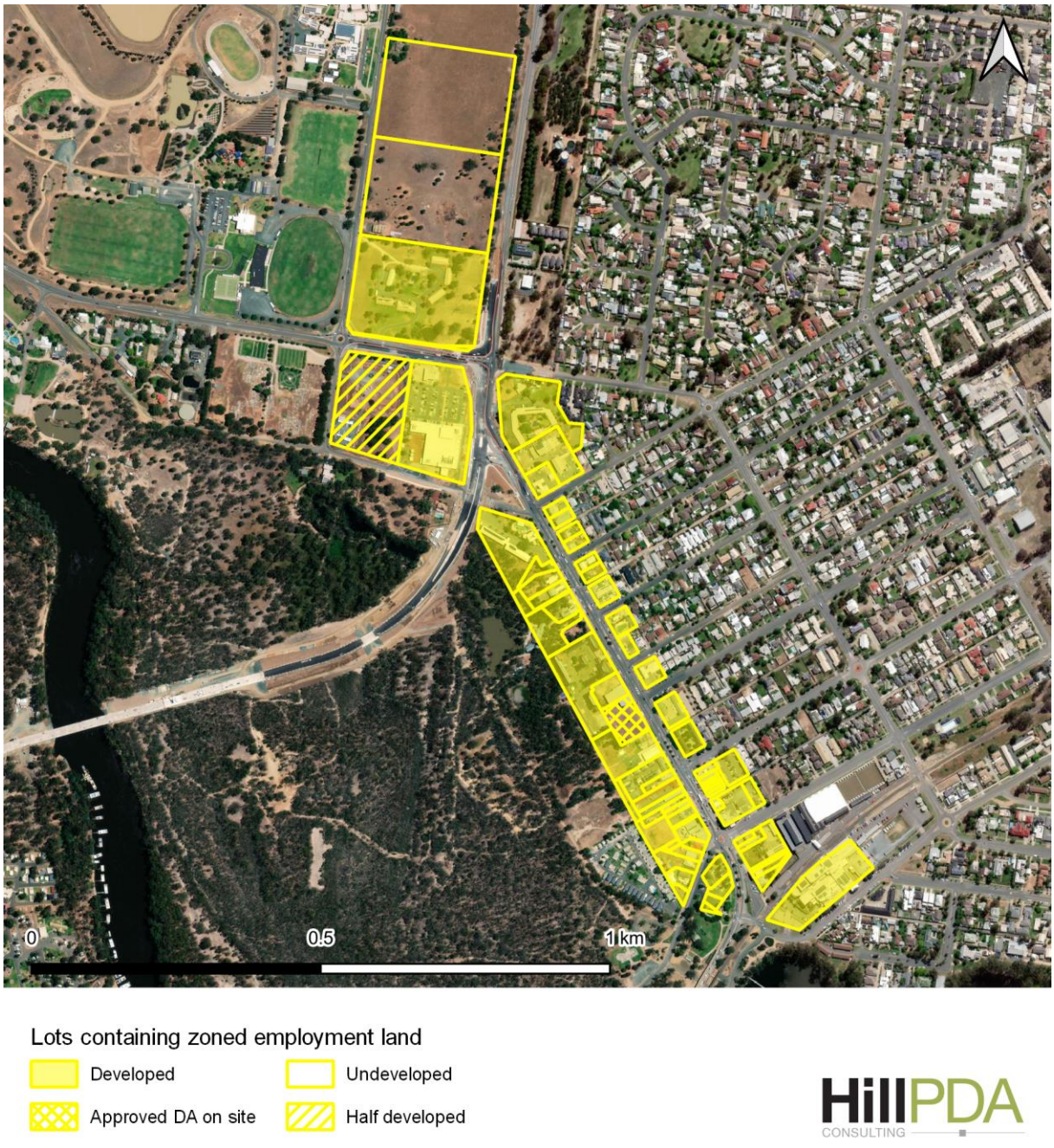
6.4 Existing employment precincts

Understanding the employment land needs of the Murray River LGA requires an understanding of employment opportunities in land currently zoned for such uses. The following sections identify land across the LGA's employment precincts according to developed land, undeveloped land, and undeveloped land with development applications (DAs) that have been approved during 2023. The development status of such land has been determined through site visits and aerial imagery and judged according to the intended land uses of each zoning. This section only discusses precincts with major potential employment land, excluding RU5 – Rural Village zonings.

6.4.1 Moama town centre

Moama town centre contains four E2-zoned lots that could provide future employment opportunities. This includes three relatively large sites to the north-west of the town centre.

Figure 24: Future opportunities in current employment zones, Moama town centre



Source: Murray River Council; HillPDA

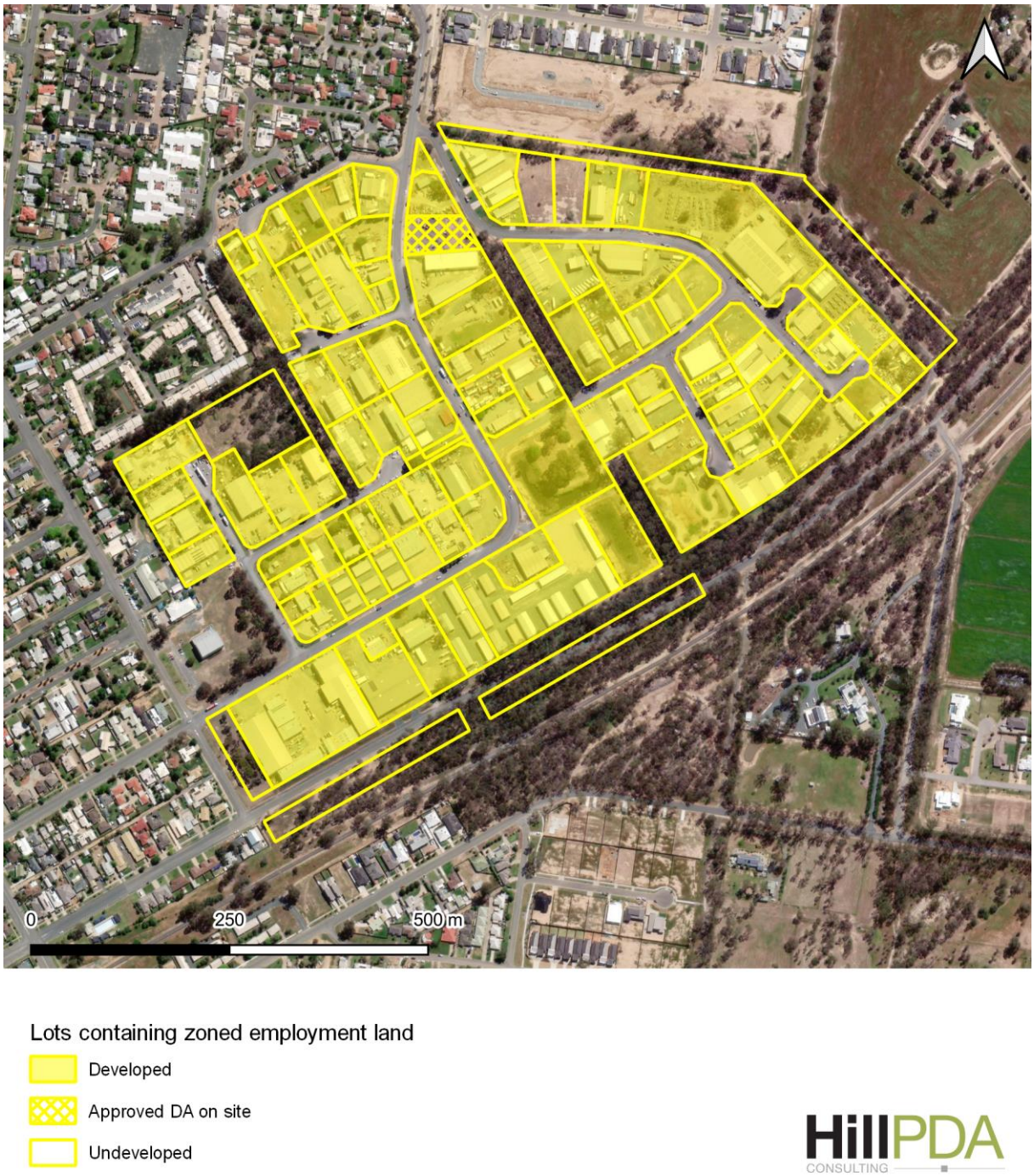
Some developed sites have potential for commercial development opportunities. This includes several Meninya Street sites with currently vacant buildings, and a site fronting the Cobb Highway on which a hotel may be replaced with commercial land uses. The Meninya Street Concept Design may also change the businesses that operate along Meninya Street, seeking to facilitate more dining and retail businesses, which may displace larger or vacant service-based business sites. In addition, the site labelled as half developed on Pericoota Road has recently undergone the development of a McDonalds fast food outlet. The southern portion of this site, however, may also accommodate commercial development after a subdivision occurs, according to Council.

Consultation with Murray River Council has noted that there is a lack of deep sewer access for the undeveloped lots in the north of the precinct. The land's future development may require a new pump station.

6.4.2 Moama industrial estate

Moama industrial estate contains three undeveloped lots of appropriate size and shape that could be used for future employment land opportunities. In addition, there is one lot for which an industrial DA was approved on 14 September 2023.

Figure 25: Future opportunities in current employment zones, Moama industrial estate



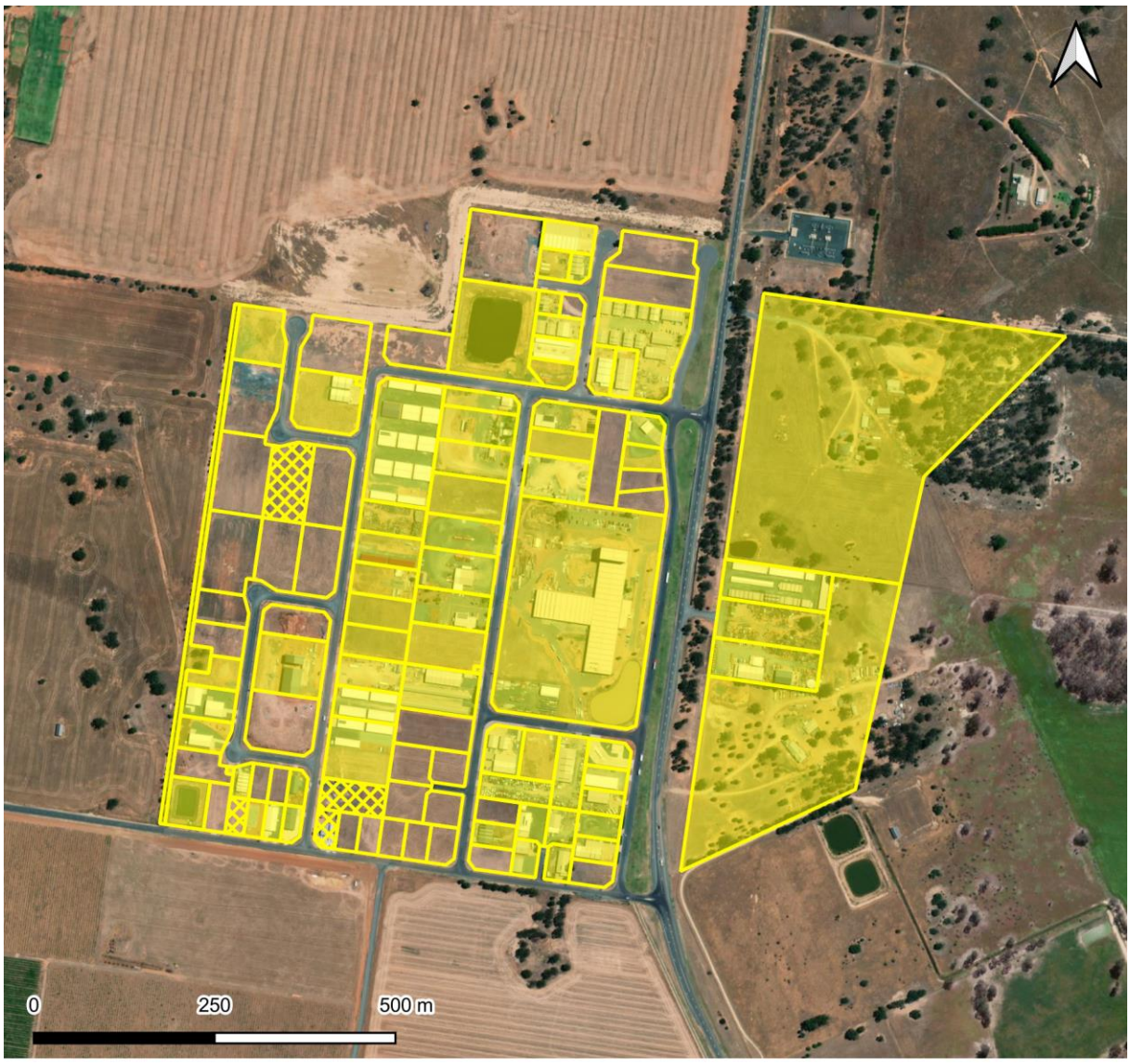
Source: Murray River Council; HillPDA

As the industrial estate is mostly developed, future growth opportunities would primarily relate to changing types of businesses, rather than to outright new development.

6.4.3 Moama Business Park

Moama Business Park is experiencing development on multiple sites. As Figure 26 shows, there are multiple vacant lots west of the Cobb Highway, containing land zoned for both industrial and business park uses. Four lots in particular have had DAs approved in 2023, with development likely to occur in the near-to-medium term. Three such DAs are for industrial development, with one DA for infrastructure development. Murray River Council is acting as the agent and owners of the infrastructure development, which relates to the activation of blocks throughout Moama Business Park.

Figure 26: Future opportunities in current employment zones, Moama Business Park

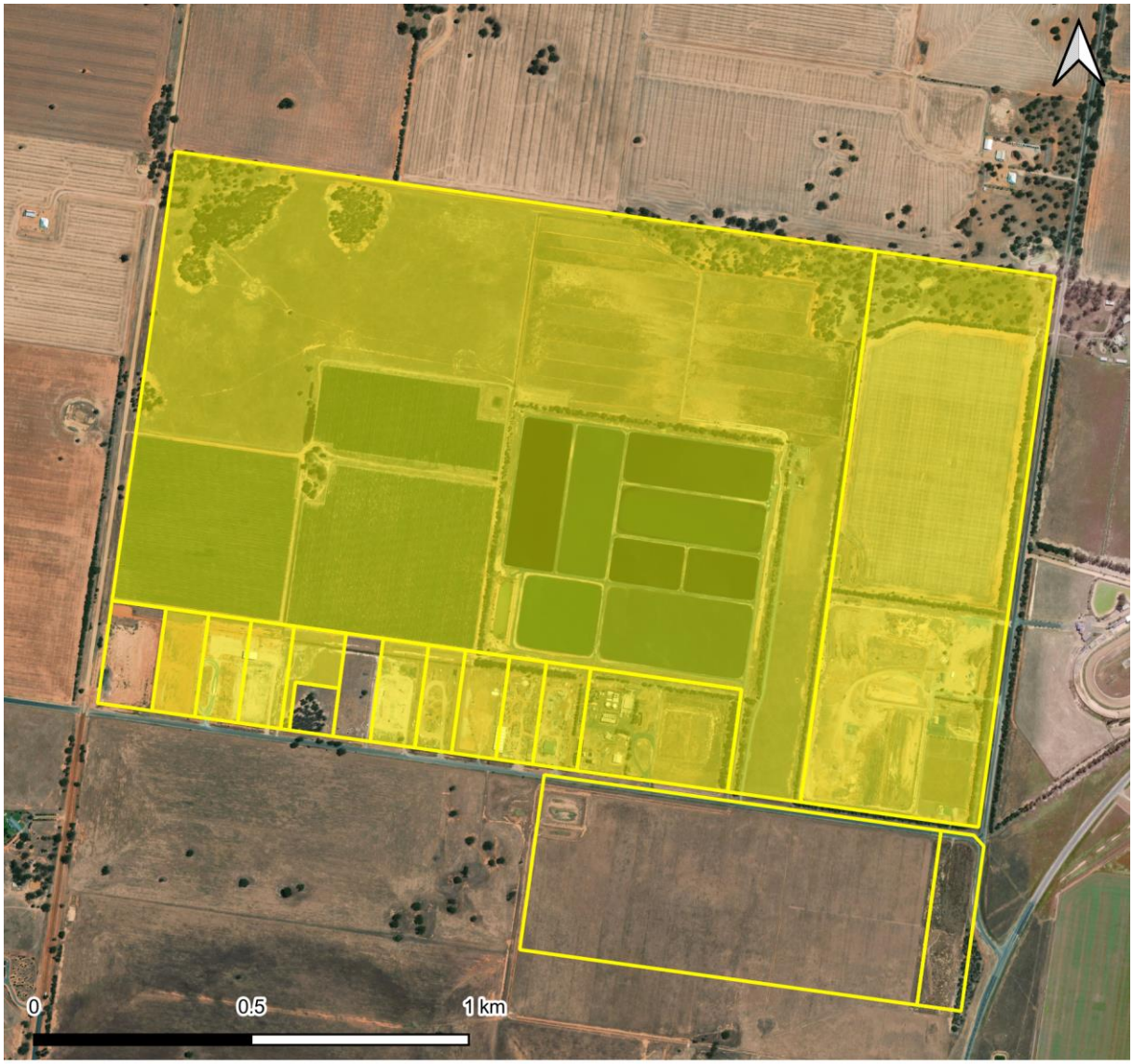


Source: Murray River Council; HillPDA

6.4.4 Hillside Road, Moama

The majority of land at the Hillside Road industrial precinct north of Moama has been developed. However, several lots remain undeveloped, with further development theoretically possible with the subdivision of large sites in the precinct. In addition, there is a large amount of rural disconnected land adjoining this area, leaving open the possibility of expanding the precinct in the future. Murray River Council has also noted that Moama landfill is to be expanded within the next five years; this may decrease land availability surrounding Hillside Road.

Figure 27: Future opportunities in current employment zones, Hillside Road, Moama

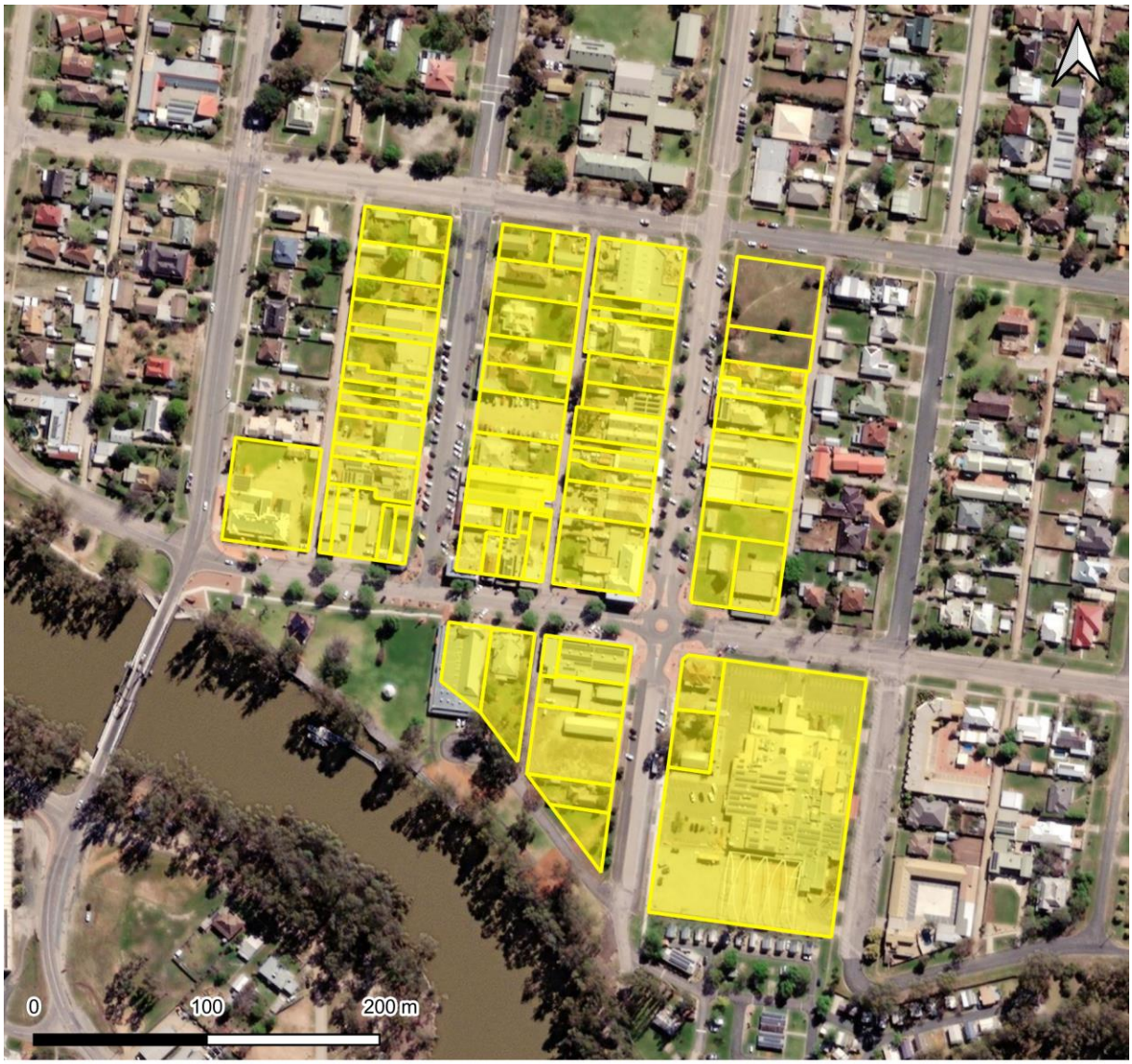


Source: Murray River Council; HillPDA

6.4.5 Barham town centre

There are relatively few lots for future opportunities with employment land zonings in Barham town centre. This is with the exception of two lots on the north-eastern corner of the local centre. Murray River Council has noted that there are constraints to further development/expansion of the Barham town centre precinct, which already draws steady retail activity.

Figure 28: Future opportunities in current employment zones, Barham town centre



Source: Murray River Council; HillPDA

6.4.6 Barham industrial area

The industrial area north of Barham contains several undeveloped sites that could be used for future employment land opportunities. This includes land in both E3 and E4 zones. Murray River Council has stated that low-lying land, waterways, and stormwater issues may challenge the expansion of employment land around this area.

Figure 29: Future opportunities in current employment zones, Barham industrial area

Source: Murray River Council; HillPDA

6.4.7 Murray Downs

Murray Downs contains two sections of industrial land, most of which has already facilitated employment land development. Nonetheless, two lots near the eastern end of Cygnet Lane remain undeveloped, and thus could be used for future employment opportunities. Murray River Council has stated that the operator on the employment land to the south-west has the potential to relocate to an industrial park, which may free up potential employment land.

Figure 30: Future opportunities in current employment zones, Murray Downs

Source: Murray River Council; HillPDA

6.5 Physical land use audit

To identify the functioning of the Murray River LGA's industrial precincts, Council staff undertook a physical audit of E3 and E4 land during September 2024. Key land uses were identified for each lot within such land across the LGA.

Table 27 indicates the results of this audit.

Table 27: Count and area of land uses by industry/function and relevant industrial zone, Murray River LGA

Industry	Count of land uses			Area (ha)		
	E3	E4	Total	E3	E4	Total
Agriculture, Forestry and Fishing	2	4	**6**	0.4	41.8	**42.1**
Mining	-	-	**-**	-	-	**-**
Manufacturing	5	25	**30**	7.2	10.4	**17.6**
Electricity, Gas, Water and Waste Services	-	14	**14**	-	247.8	**247.8**
Construction	3	13	**16**	0.5	4.4	**4.9**
Wholesale Trade	3	10	**13**	0.5	5.3	**5.9**
Retail Trade	6	2	**8**	7.5	0.8	**8.2**
Accommodation and Food Services	-	1	**1**	-	0.5	**0.5**
Transport, Postal and Warehousing	12	62	**74**	2.8	34.7	**37.5**
Information Media and Telecommunications	-	-	**-**	-	-	**-**
Financial and Insurance Services	-	-	**-**	-	-	**-**
Rental, Hiring and Real Estate Services	-	3	**3**	-	0.8	**0.8**
Professional, Scientific and Technical Services	-	1	**1**	-	0.5	**0.5**
Administrative and Support Services	1	1	**2**	0.2	0.7	**0.9**
Public Administration and Safety	1	-	**1**	0.2	-	**0.2**
Education and Training	-	-	**-**	-	-	**-**
Health Care and Social Assistance	-	-	**-**	-	-	**-**
Arts and Recreation Services	-	2	**2**	-	1.2	**1.2**
Other Services	10	19	**29**	3.6	7.5	**11.0**
Dwelling	13	1	**14**	22.2	0.7	**22.9**
Vacant or other	21	83	**104**	5.5	47.6	**53.1**
Total	**77**	**241**	**318**	**50.4**	**404.6**	**455.0**

Source: Murray River Council; HillPDA

As the above table shows, Transport, Postal and Warehousing land uses were the most numerous employment-generating activity within the LGA's E3- and E4-zoned land, with Electricity, Gas, Water and Waste Services situated on the most extensive land area. Notably, land measurements reflect total lot area, not building footprints on site. The space occupied by Electricity, Gas, Water and Waste Services is largely a result of a large lot containing water treatment facilities at Hillside Road, Moama.

Employment-generating land uses on E3 and E4 land are mostly located in and around Moama. Although Barham contains several dozen employment-generating businesses on such land, it also contains a range of dwellings.

Table 28 indicates the distribution of land uses and businesses by industry across the LGA.

Table 28: Count of land uses/functions by industrial precinct, Murray River LGA

Industry	Moama industrial estate	Moama Business Park	Hillside Road, Moama	Barham industrial area	Murray Downs
Agriculture, Forestry and Fishing	2	1	2	1	-
Mining	-	-	-	-	-
Manufacturing	17	5	-	8	-
Electricity, Gas, Water & Waste Services	3	-	9	1	1
Construction	8	5	-	1	2
Wholesale Trade	8	3	1	1	-
Retail Trade	1	1	-	6	-
Accommodation and Food Services	-	1	-	-	-
Transport, Postal and Warehousing	29	32	1	9	3
Information Media & Telecom.	-	-	-	-	-
Financial and Insurance Services	-	-	-	-	-
Rental, Hiring and Real Estate Services	3	-	-	-	-
Professional, Scientific & Technical Serv.	-	1	-	-	-
Administrative and Support Services	-	2	-	-	-
Public Administration and Safety	-	1	-	-	-
Education and Training	-	-	-	-	-
Health Care and Social Assistance	-	-	-	-	-
Arts and Recreation Services	1	1	-	-	-
Other Services	8	14	-	7	-
Dwelling	-	1	-	13	-
Vacant or other	26	51	4	12	11
Total	**106**	**119**	**17**	**59**	**17**

Source: Murray River Council; HillPDA

Land uses take up different areas across the LGA's industrial precincts. Table 29 shows the extent of land containing various land uses/businesses across the LGA. As it shows, more land-intensive businesses (e.g. Agriculture, Forestry and Fishing) take up more of this area and a range of other land uses are distributed more evenly throughout precincts, with a particular diversity of land uses in Moama Business Park.

The LGA's industrial precincts also have significant areas that are vacant or being used for other purposes. Although some of these sites are being used for other means (e.g. parking), this indicates that there is likely scope to develop, and that existing precincts should be consolidated and supported before new ones are developed.

Table 29: Area (ha) of lots containing land uses/functions by industrial precinct, Murray River LGA

Industry	Moama industrial estate	Moama Business Park	Hillside Road, Moama	Barham industrial area	Murray Downs
Agriculture, Forestry and Fishing	0.5	0.2	41.3	0.2	-
Mining	-	-	-	-	-
Manufacturing	7.2	7.6	-	2.8	-
Electricity, Gas, Water and Waste Serv.	1.3	-	245.7	0.4	0.4
Construction	2.6	1.4	-	0.1	0.9
Wholesale Trade	2.9	0.5	2.4	0.1	-
Retail Trade	0.3	5.9	-	2.0	-

Industry	Moama industrial estate	Moama Business Park	Hillside Road, Moama	Barham industrial area	Murray Downs
Accommodation and Food Services	-	0.5	-	-	-
Transport, Postal and Warehousing	10.2	13.7	2.0	4.5	7.1
Information Media and Telecom.	-	-	-	-	-
Financial and Insurance Services	-	-	-	-	-
Rental, Hiring and Real Estate Services	0.8	-	-	-	-
Professional, Scientific & Technical Ser.	-	0.5	-	-	-
Administrative and Support Services	-	0.9	-	-	-
Public Administration and Safety	-	0.2	-	-	-
Education and Training	-	-	-	-	-
Health Care and Social Assistance	-	-	-	-	-
Arts and Recreation Services	0.9	0.3	-	-	-
Other Services	3.6	5.2	-	2.3	-
Dwelling	-	11.2	-	11.6	-
Vacant or other	13.2	17.6	10.1	4.5	7.7
Total	**43.4**	**65.7**	**301.5**	**28.4**	**16.0**

Source: Murray River Council; HillPDA

7.0 STAKEHOLDER ENGAGEMENT

This chapter summarises the stakeholder engagement findings from engagement undertaken by HillPDA. The purpose of engagement was to:

- Gain local input to the project to inform understanding of existing barriers, synergies, capability, and desired outcomes for each employment area
- Initiate discussion around strategies and ideas for implementation.

7.1 Stakeholder engagement feedback

Consultation has been undertaken with businesses, industries, agencies, and peak organisations to inform this Strategy. The purpose of the consultation was to identify view on current issues, opportunities, and future priorities for providing employment land in the LGA. The consultation included:

- Focused sessions with the Murray River Council
- Interviews with a sample of businesses and industries currently operating in Murray River LGA
- Community submissions and feedback on the draft ELS.

Feedback from the stakeholder engagement, coupled with our other analysis and findings in this report, have informed the Employment Land Strategy.

On 6 September and 7 September 2023, HillPDA attended meetings with representatives from the Murray River Council and surrounding LGAs, and an industry workshop. Between December 2023 and February 2024, HillPDA also approached local property and real estate services, and conducted four phone interviews. The ELS was also placed on public exhibition in August 2024. Key issues raised at these times are presented in Table 26.

Table 30: Engagement findings

Strengths	Weaknesses
• Murray River LGA is experiencing new/unique residential development activity • Council is strong at promoting cooperation • Land prices are cheaper in Moama than in Echuca • There is development interest in Moama, primarily from tradespeople and small operators • The LGA has a strong and diverse agricultural sector • There are nearby educational institutions, including TAFE campuses in Echuca and Shepparton, and La Trobe University in Bendigo • New residents and businesses are interested in moving to Barham due to its rural amenity and appeal • Council is perceived as having become increasingly effective at accommodating development.	• There is essentially no industrial land currently available in Moama or Barham • There is a shortage of housing, which contributes to a lack of skilled labour, and creates a need for seasonal, on-site housing • Some conditions frustrate local developers, including need for accessibility, requirement to have infrastructure despite not needing it, smaller primary production lots not having a dwelling, and development contributions • Timeline of Council implementing strategies, especially in terms of supplying adequately zoned land, discourages business. The amount of documentation needed is also burdensome • Planning controls are restrictive – there have been cases where tenants cannot be found for industrial shed on large lot residential due to lack of permissibility. Minimum lot size for primary production also discourages people from getting into the industry. Buffers around the river and residential encroaching on previously approved industrial land also blocks development • There can be issues of Council allowing residential development to encroach upon previously-approved industrial land • Businesses in smaller towns are struggling for customers and workforces, due to small local populations • There is a lack of in-between lot sizes – lots are either too large or too small. 2,000-3,000sqm lots are important.

Opportunities	Threats
• Council is currently looking at privately-owned options to see if there is any appetite for Council to be a lead on a project • Agriculture, renewable energy, and advanced manufacturing are growing industries. In particular, Moama has opportunities for solar panel recycling, which has been expanding into Albury recently. This could also potentially support future industries such as renewable aircraft fuel • Tanks and storage manufacturing for the agriculture industry is expanding in the Swan Hill area. Smaller manufacturers are moving out of Swan Hill to surrounding areas as industrial land runs out and land prices increase • The new Echuca-Moama bridge could indirectly facilitate the redevelopment of Meninya Street, and entice renewable energy companies in the future • A business case has been undertaken to explore developing hemp production in Murray Downs • Potential forthcoming developments within the LGA include a circular economy precinct, biomass to bioenergy plant and solar farm. There are also opportunities to further leverage the LGA's circular economy, biomass and renewable energy strengths in the future • If Echuca reaches capacity, commercial/retail stakeholders could theoretically establish in Moama • The Murray River LGA has opportunities for value-added production related to industrial hemp and almond production • Expanded employment opportunities, including in value-added production, can assist the LGA to navigate economic adjustments related to agricultural trends, water sources and related policies.	• There is smaller commercial land demand in Moama than in Echuca. There is a lack of commercial activity in town and unclear town centre • Internet connectivity and phone service can be significant issues for places throughout the LGA – this can slow down the uptake of new technologies and industries, and is a significant problem for primary production and processing • Water and sewerage are at capacity in the LGA and can be exceeded in tourist seasons. Water and sewerage expansion has to come from Victoria to Murray Downs, while gas comes from Victoria to Moama • Often, proponents driving projects would not have the capacity to solve issues such as connecting water supply and fire safety • Often developers come from Victoria and have difficulty navigating the NSW planning system. Additionally, the cost of hiring a planning consultant can be prohibitive • Agriculture and other industries are impacted by policies concerning natural resources, as well as by natural disasters including drought and flooding. This shapes the LGA's economy, potentially affecting the functioning of its employment lands.

7.2 Murray River Business Survey feedback

In May 2023, Murray River Council surveyed local businesses as part of the development of the Economic Development & Tourism Strategy. There were 58 respondents to the survey. Relevant feedback is highlighted below.

- For the majority of respondents (58.6 per cent), business had been stronger over the past year (2022-2023) compared to the year before (2021-2022). There was a general optimism about the future – 51.7 per cent expected stronger activity in next 12 months, 84.5 per cent expected similar or higher revenue, and 77.6 per cent expected similar or higher levels of profit
- The largest barriers to business growth were labour/staff availability (65.5 per cent), followed by increasing energy costs (43.5 per cent)
- The least important barriers to growth were lack of land/premises (8.6 per cent), followed by broadband and IT access (10.3 per cent). These issues are likely more applicable to businesses looking to establish in the region rather than ones already operating
- The vast majority of respondents believed tourism and events were key opportunities for future economic growth (81 per cent and 79.3 per cent respectively). Some industries that are frequently brought up in local and regional strategies had less enthusiasm, such as food processing (29.3 per cent), renewable energy (25.9 per cent), and advanced manufacturing (20.7 per cent)

- The majority of respondents think Council's role in the economy should include promoting the Murray River area for tourism (74.1 per cent) and business/investment (62.1 per cent)
- When asked about regional infrastructure required to support local economic development, the most common issue brought up by respondents was transport. This included improving roads, providing an airport, better-equipping ports, increasing rail efficiency, providing better public transport connection to Melbourne, and constructing a new bridge at Swan Hill/Murray Downs. Housing availability was also brought up in several responses. Another frequently mentioned topic was tourism services, including a refreshed compendium for accommodation providers, a Barham visitor hub, more events, better connections to Murray River, a strong website and facilities such as a multi-purpose hall and conference centre.

Overall, tourism was seen as key to growth in the region. Businesses were generally hoping for more promotion, investment, and infrastructure to attract tourism. About half of all respondents were in tourism or accommodation and food services. Less than 9 per cent of responders were from Industrial businesses such as manufacturing, wholesale trade or transport, postal and warehousing, despite making up the largest number of businesses in the LGA. Representatives of these kinds of businesses may have different opinions in terms of their experience in Murray River and what Council's role in the local economy should be. However, the largest barriers to growth that were identified - labour availability and costs - are likely to be felt across all types of businesses.

8.0 EMPLOYMENT LAND DEMAND MODELLING

The following section projects the amount of additional employment land required to support the Murray River's resident, worker, and visitor communities. For modelling purposes, employment land has been defined as land specifically zoned as E3 – Productivity and E4 – General Industrial.

8.1 Employment land demand methodology

The methodology for projecting the demand for employment land is as follows:

1. Analyse State Government employment projections (released in November 2022) at the local government level
2. Pro-rata State employment projections against REMPLAN population projections (population 15 years and over)
3. Estimate the amount of employment directed towards employment precincts, based on the industry type, land zonings, previous land use audits.

   This step is achieved by applying a distribution proportion to the net growth/decline in employment at the industry level. For example, 90% of manufacturing would be expected to be directed towards employment precincts, compared to 10-20% of retail
4. Convert net growth in employment directed towards employment precincts to floorspace by applying industry standard employment densities (the amount of floorspace required per worker) to the net growth/decline by industry type
5. Convert floorspace requirements into demand for land by applying typical Floor Space Ratios (FSRs) for developments in employment precincts.

8.2 Employment projections by scenario

Employment projections are sourced from the TPA'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 Government Common Planning Assumptions.

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

The exclusion of ABS Census data is reflected in the 2021 base population assumptions being lower than the Census estimate (11,258 persons versus 12,850 persons). This small discrepancy may compound over time, resulting in a noticeable underestimate of employment over the 20-year forecast period.

For these reasons, this study estimates the demand for employment land under two alternative growth scenarios, these being:

- **Scenario 1**: TPA employment estimates, adjusted to match revised REMPLAN population projections.
- **Scenario 2**: It was noticed that the proportion of residents aged 15 years and over to total employment in the LGA was 51 per cent in 2023. As estimated by the TPA, this was forecast to decrease to 45 per cent by 2041. Scenario 2 assumes that this only decreases slightly to 48 per cent. The resulting total employment was pro-rated against the TPA's 2041 employment composition.

Both scenarios involve adjusting State Government employment projections to REMPLAN forecasts, as consultation has indicated that REMPLAN projections have historically been more accurate for the LGA.

Using this methodology, it is projected that over the 18-year period to 2041, employment across Murray River LGA is forecast to increase by between 670 and 1,052 jobs. The highest growth industry under each scenario is forecast to be Agriculture, Forestry and Fishing, with around 480 to 570 additional jobs.

The following table provides a summary of the forecast growth in employment for each scenario by industry type.

Table 31: Employment projections 2023-41

Industry type	Scenario 1			Scenario 2		
	2023	2041	Change	2023	2041	Change
Agriculture, Forestry and Fishing	1,012	1,491	479	1,012	1,583	571
Mining	0	0	0	0	0	0
Manufacturing	380	447	67	380	475	94
Electricity, Gas, Water and Waste Services	54	62	9	54	66	13
Construction	386	423	37	386	449	63
Wholesale Trade	50	56	6	50	59	9
Retail Trade	412	421	9	412	447	35
Accommodation and Food Services	949	1,032	83	949	1,095	147
Transport, Postal and Warehousing	273	273	0	273	289	16
Information Media and Telecommunications	5	6	1	5	7	2
Financial and Insurance Services	5	7	1	5	7	2
Rental, Hiring and Real Estate Services	39	47	7	39	49	10
Professional, Scientific and Technical Services	152	168	16	152	178	26
Administrative and Support Services	119	141	21	119	149	30
Public Administration and Safety	197	200	4	197	213	16
Education and Training	450	478	28	450	508	58
Health Care and Social Assistance	436	454	17	436	482	45
Arts and Recreation Services	290	342	53	290	364	74
Other Services	126	146	20	126	155	29
Total	**5,523**	**6,193**	**670**	**5,523**	**6,575**	**1,052**

Source: Transport for NSW employment projections, November 2022 release

8.3 Employment directed towards employment precincts

The number and type of jobs directed and accommodated within the Murray River's employment precincts has been estimated. This is achieved by applying a distribution proportion to the net growth/decline in employment at the industry level. For example, 90 per cent of manufacturing would be expected to be directed towards employment precincts, while 10-20 per cent of retail would be directed to employment precincts.

HillPDA has undertaken numerous employment land field audits for local government areas across NSW and VIC. Specifically, HillPDA has undertaken audits of employment precincts in Ballina, Byron, Clarence Valley, and Coffs Harbour, Ballarat, and Dandenong LGAs.

From these audits, it has been found that employment precincts contain a range of land uses, with all broad industry sectors being represented (reflecting a trend of non-traditional uses within industrial precincts as previously discussed). As such, forecasting demand based solely on changes in "traditional industrial uses" such as manufacturing, wholesale trade, and/or storage/warehousing/logistics employment would result in an underestimate of a location's future employment land needs.

The table below provides the proportion of employment that is estimated to be accommodated/directed to the Murray River LGA's employment precincts.

Table 32: Proportion of industry employment directed towards employment precincts

Industry type	% of employment accommodated/directed towards employment precincts
Agriculture, Forestry and Fishing	5%
Mining	5%
Manufacturing	90%
Electricity, Gas, Water and Waste Services	60%
Construction	20%
Wholesale Trade	90%
Retail Trade	30%
Accommodation and Food Services	25%
Transport, Postal and Warehousing	60%
Information Media and Telecommunications	10%
Financial and Insurance Services	10%
Rental, Hiring and Real Estate Services	40%
Professional, Scientific and Technical Services	20%
Administrative and Support Services	20%
Public Administration and Safety	10%
Education and Training	10%
Health Care and Social Assistance	10%
Arts and Recreation Services	25%
Other Services	55%

Based on these assumptions and current land uses present, it is estimated that the Murray River LGA's employment precincts:

- Under Scenario 1 would accommodate around 165 additional jobs over the 18-years to 2041. In total, precincts would increase from an estimated 1,390 jobs in 2023 to around 1,565 jobs by 2041
- Under Scenario 2 would accommodate almost 261 additional jobs over the 18-years to 2041. In total, precincts would increase from an estimated 1,390 jobs in 2023 to around 1,655 jobs by 2041.

The table following provides a summary of the estimated employment directed to the employment precincts across the LGA.

Table 33: Estimated employment accommodated in employment precincts 2021-41

Industry type	Scenario 1			Scenario 2		
	2023	2041	Change	2023	2041	Change
Agriculture, Forestry and Fishing	51	75	24	51	79	29
Mining	0	0	0	0	0	0
Manufacturing	342	402	60	342	427	85
Electricity, Gas, Water and Waste Services	32	37	5	32	40	8
Construction	77	85	7	77	90	13
Wholesale Trade	45	50	5	45	53	8
Retail Trade	124	126	3	124	134	10
Accommodation and Food Services	237	258	21	237	274	37
Transport, Postal and Warehousing	164	164	0	164	174	10
Information Media and Telecommunications	1	1	0	1	1	0
Financial and Insurance Services	1	1	0	1	1	0
Rental, Hiring and Real Estate Services	16	19	3	16	20	4
Professional, Scientific and Technical Services	30	34	3	30	36	5
Administrative and Support Services	24	28	4	24	30	6
Public Administration and Safety	20	20	0	20	21	2
Education and Training	45	48	3	45	51	6
Health Care and Social Assistance	44	45	2	44	48	5
Arts and Recreation Services	72	86	13	72	91	19
Other Services	69	80	11	69	85	16
Total	**1,392**	**1,557**	**165**	**1,392**	**1,654**	**261**

Source: HillPDA

8.4 Net employment floorspace requirements 2021-41

Employment is converted into floorspace needs by applying industry standard employment densities (the amount of floorspace required per worker) to the amount of employment directed towards employment precincts in 2023 and 2041.

Employment densities for the industries of manufacturing, wholesale and warehousing have considered changing business practices and technologies, such as increased automation. These trends may decrease the amount of employment required for business operations but do not necessarily translate into decreased floorspace requirements. To address changing employment densities, these industries have been adjusted (softened) over the coming decades.

Using this methodology, it is estimated that the growth in employment over the coming decades would require between an additional 31,585sqm to 41,025sqm of occupied space across the Murray River LGA.

Table 34: Additional employment precinct floorspace requirements 2021-41 (sqm)

Industry type	Scenario 1			Scenario 2		
	2023	2041	Change	2023	2041	Change
Agriculture, Forestry and Fishing	1,518	2,236	718	1,518	2,374	857
Mining	0	0	0	0	0	0
Manufacturing	34,235	48,298	14,063	34,235	51,280	17,045
Electricity, Gas, Water and Waste Services	8,047	9,360	1,313	8,047	9,938	1,891
Construction	2,314	2,537	222	2,314	2,693	379
Wholesale Trade	8,059	10,771	2,712	8,059	11,436	3,377
Retail Trade	5,564	5,685	120	5,564	6,036	471
Accommodation and Food Services	9,488	10,318	830	9,488	10,955	1,467
Transport, Postal and Warehousing	32,756	40,888	8,131	32,756	43,412	10,656
Information Media and Telecommunications	16	19	3	16	20	5
Financial and Insurance Services	16	20	4	16	21	5
Rental, Hiring and Real Estate Services	2,837	4,008	1,171	2,837	4,256	1,419
Professional, Scientific and Technical Services	911	1,006	96	911	1,068	158
Administrative and Support Services	836	985	148	836	1,046	209
Public Administration and Safety	590	601	11	590	638	48
Education and Training	1,350	1,435	84	1,350	1,523	173
Health Care and Social Assistance	1,527	1,587	61	1,527	1,685	159
Arts and Recreation Services	4,344	5,137	793	4,344	5,455	1,110
Other Services	6,904	8,006	1,102	6,904	8,500	1,597
Total	**121,313**	**152,897**	**31,584**	**121,313**	**162,337**	**41,024**

Source: HillPDA

8.5 Net employment land demand 2021-41

Net growth in floorspace is converted into land requirements by applying typical Floor Space Ratios (FSRs) for developments in employment precincts.

Typically, the building areas of industrial developments do not encompass the entirety of the land parcels they reside within. This is a result of the specific site requirements of typical industrial occupiers, which require setbacks from property boundaries, turning areas, parking areas, loading and unloading, landscaping etc. In HillPDA's experience, although employment (industrial) precincts typically have an allowable FSR of around 1:1—that is, the amount of floorspace that could be developed is equal to the property's total land area—the actual built FSR ranges from between 0.3:1 to 0.6:1. For this assessment, HillPDA has applied a ratio of 0.3:1 to net growth in floorspace demand.

It is also prudent to allow for some level of vacancy and additional capacity. As such, an additional 20 per cent in floorspace demand has been applied.

Using this methodology, it is estimated that the Murray River LGA would demand between 12.6 and 16.3 hectares of additional employment land between 2021-41. This equates to an annual demand of 0.6 to 1 hectare over the 20-year period.

8.6 Supply and demand gap analysis

In 2023, it was estimated that the Murray River LGA contained 269.8 hectares of zoned and vacant employment land. Over the period to 2041, this amount is sufficient to accommodate the projected demand under each scenario (12.6 to 16.4 hectares) with a surplus of between 76.1 to 79.9 hectares.

From a demand perspective, this analysis indicates that no rezoning of additional land stocks is required. This being said, there are some other factors such as location preferences, serviceability and constraints issues which may reduce the amount and type of employment land stocks available for development.

	Scenario 1	Scenario 2
Total net growth in jobs across LGA	670 jobs	1,052 jobs
New jobs accommodated in employment precincts	165 jobs	261 jobs
Net occupied floorspace required	31,585sqm	41,025sqm
Additional land stocks required to accommodate (demand)	12.6 hectares	16.4 hectares
Vacant employment land (supply)	92.5 hectares	92.5 hectares
GAP (positive surplus – negative deficit)	79.9 hectares	76.1 hectares

9.0 COMMERCIAL DEMAND MODELLING

The following section estimates the quantity of retail and commercial office floorspace likely to be demanded across the Murray River LGA to 2041. Demand in retail floorspace and is primarily based on resident population, visitors and expenditure growth. Commercial space is based on revised TfNSW employment projections for the ANZSIC 1-digit codes of Financial and Insurance Services; Rental, Hiring and Real Estate Services; Professional, Scientific and Technical Services; Administrative and Support Services; Public Administration and Safety; and Health Care and Social Assistance (refer to scenario 2 in section 8.2).

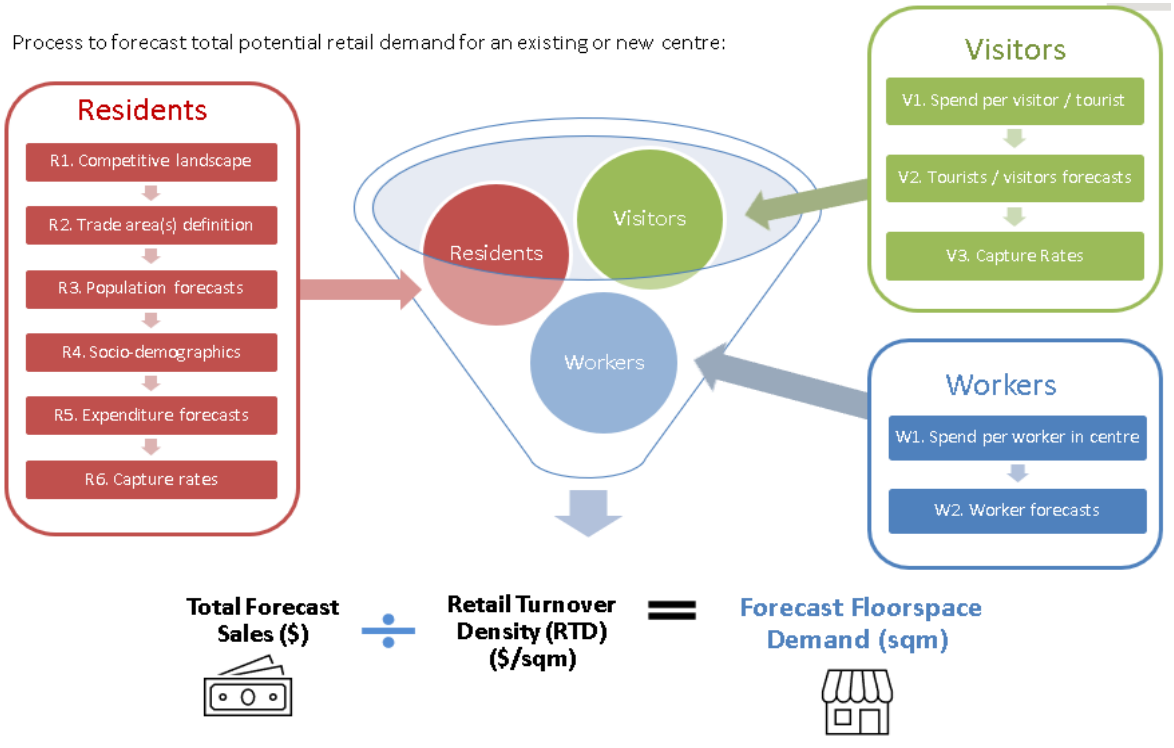
9.1 Retail floorspace demand assessment methodology

HillPDA has utilised its in-house expenditure models (which take 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 by HillPDA to determine the amount and type of retail space that could be supported in the LGA included:

- Analysed the retail environment surrounding the Murray River LGA
- Assessed REMPLAN population forecasts and revised TfNSW employment forecasts
- Determined and forecasted sources of expenditure (residents, workers and visitors)
- Forecasted retail expenditure for each source
- Determined amount of expenditure captured by retailers in the LGA
- Converted captured retail spend into floorspace through applying average turnover densities.

Figure 31: Forecasting retail demand methodology



9.2 Murray River LGA commercial and retail space supply

HillPDA has assessed ABS Journey to Work data at the ANZSIC 3-digit industry level to estimate the amount of retail and commercial floorspace existing across the Murray River LGA. This is achieved through applying workspace ratios (the amount of space a job occupies) to the number of jobs present. Persons working from home have been accounted for in the estimates.

Based on the methodology, it is estimate that the Murray River LGA currently contains around 29,175sqm of retail and commercial space. Of this, around 15,700sqm (or 54 per cent) is retail space, with the remaining 13,460sqm, or 46 per cent, being commercial space.

The table below provides an estimate on the amount and type of commercial and retail space contained within the Murray River LGA.

Table 35: Murray River LGA commercial and retail space supply

Broad retail category	Barham	Moama	Remaining LGA	Total
Supermarkets and grocery stores	1,296	3,604	159	5,059
Specialised food stores	450	450	200	1,100
Bulky goods stores	640	480	0	1,120
Department stores	0	0	0	0
Apparel stores	720	600	0	1,320
Other non-food stores	645	1,890	780	3,315
Restaurants and fast food services	644	1,960	532	3,136
Personal services	0	665	0	665
Total retail	**4,395**	**9,649**	**1,671**	**15,715**
Commercial space*	2,687	7,084	3,687	13,458
Total	**7,082**	**16,733**	**5,358**	**29,173**

Source: HillPDA 2023, * includes the ANZSIC 1-digit codes of Information Media and Telecommunications Financial and Insurance Services Rental, Hiring and Real Estate Services Professional, Scientific and Technical Services Administrative and Support Services; Public Administration and Safety. The category also includes allied health services and education uses (excluding universities, private and public schools)

9.3 Surrounding commercial centres of influence

There are several commercial centres located on or the near the border of the Murray River LGA. These centres likely compete with the LGA's commercial centres, given their proximity and the amount/type of retail and commercial services provided. For example, based on HillPDA's estimate of the amount and type of retail space provided across the Murray River LGA compared to the amount of retail space provided, it is estimated that upwards of 65% of household expenditure generated across the LGA escapes the LGA.

The following sections undertake a high-level review of the surrounding network of commercial centres that are likely have the most influence on the amount and type of retail spend retained in/escaping the Murray River LGA.

Swan Hill township

The *Swan Hill Region Retail Strategy 2014* estimated that Swan Hill township had a Primary Trade Area ("PTA") which included areas within a 30 to 60-minute drive from the township. Meanwhile, a secondary Trade Area ("STA") generally included those areas within a 60 to 90-minute drive from the township.

Overall, Swan Hill's Main Trade Area ("MTA"), the combination of its PTA and STA, contained an estimated population of 37,420 persons in 2014, including 22,540 residents in the PTA and 14,880 residents in the STA. Over the next 20 years (2014-2034) the MTA's population was forecast to increase to 38,000 people.

Swan Hill CBD contained around 40,250sqm, with this being comprised of food retailing (11,020sqm), food catering (4,160sqm), non-food retailing (21,340sqm), and retail services (3,730sqm).

In 2014, total available retail spending by MTA residents was estimated at $468.3 million. Swan Hill retailers capture an estimated 50 per cent or $235 million of the $468.3 million. It was suggested that under existing market share conditions whereby Swan Hill retailers maintain their 50 per cent market share of MTA retail spending, an additional 6,000sqm of retail floorspace could be supported over the next 20 years. A significant increase in market share to 60 per cent would see this increase of 16,000sqm of new retail floorspace.

Echuca township

According to the *Echuca Commercial Strategy 2017*, the retail sector in Echuca-Moama contained a total of 69,000sqm of floorspace and achieved an estimated turnover in 2016 of $388 million at an average of $5,600 per square metre (no breakdown of the floor space is provided).

This average turnover level reflects a well-performing retail sector in a regional Victorian context. In 2016, Echuca's commercial centres achieve an estimated market share of 56% of the $571 million in retail spending by the estimated 44,320 residents in the Main Trade Area (MTA). In 2036, the MTA population is forecast to be approximately 50,040 residents and their retail spending will continue to increase in real terms.

Allowing for population and income growth over the next 20 years, potential demand is expected to support an additional 24,000sqm of retail floorspace, comprising the following:

- Non-food floorspace: 12,600sqm
- Food, groceries and liquor (FGL) floorspace: 6,500sqm
- Food catering floorspace: 3,000sqm
- Retail services: 1,500sqm.

It was also recommended that 6,000sqm of additional office space be planed for over the next 15 years.

Using ABS Journey to Work data, HillPDA has estimated that as of 2021, Echuca could provide up to 72,100sqm of retail floorspace. The breakdown of this floorspace across broad retail categories is provided in Table 36.

Kerang township

Using ABS Journey to Work data, HillPDA has estimated that as of 2021, Kerang township could provide up to 9,700sqm of retail floorspace. Kerang contains a full-line Woolworths and smaller IGA supermarket.

The breakdown of this floorspace across broad retail categories is provided in Table 36.

Cohuna township

Using ABS Journey to Work data, HillPDA has estimated that as of 2021, Cohuna township could provide up to 4,500sqm of retail floorspace. Cohuna contains a super IGA supermarket.

The breakdown of this floorspace across broad retail categories is provided in Table 36.

Deniliquin township

Using ABS Journey to Work data, we have estimated that, as of 2021, Deniliquin township could provide up to 16,700sqm of retail floorspace. Cohuna contains a super IGA supermarket.

The breakdown of this floorspace across broad retail categories is provided in Table 36.

Table 36: Estimated retail floorspace – surrounding centres of influence (2021 estimate)

Broad retail category	Cohuna	Deniliquin	Echuca	Kerang	Swan Hill	Total
Supermarkets and grocery stores	1,260	4,410	10,620	4,000	8,080	28,370
Specialised food stores	225	675	1,825	200	1,075	4,000
Bulky goods stores	1,120	3,520	20,640	2,000	10,960	38,240
Department stores	0	280	3,570	0	1,890	5,740
Apparel stores	120	600	5,520	450	2,340	9,030
Other non-food stores	1,380	3,035	10,390	1,505	6,810	23,120
Restaurants and fast food services	364	3,164	14,420	1,008	7,784	26,740
Personal services	0	990	5,100	570	2,070	8,730
Total	**4,469**	**16,674**	**72,085**	**9,733**	**41,009**	**143,970**

Source: HillPDA, 2023

9.4 Population forecast - Murray River LGA

Demand for retail space in the Murray River LGA is primarily derived from residents (household expenditure), and visitors/tourists. REMPLAN estimates that the Murray River LGA currently has a resident population of around 13,030 residents. This is forecast to increase to just under 16,180 residents by 2041, representing an increase of around 3,145 persons or 24% over the period.

Table 37: Murray River population forecasts 2023-41

	2023	2026	2031	2036	2041	Net change
Population	13,031	13,617	14,476	15,325	16,177	3,146

Source: REMPLAN, Forecast Population (April 2022)

9.5 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
- HillPDA's bespoke retail expenditure model, which is generated by combining and data from the Census and the ABS Household Expenditure Survey (HES).

It is estimated that residents across the Murray River LGA generated $209 million in total household retail expenditure in 2023. This figure is forecast to increase to approximately $298 million by 2041, representing a $89 million or 30 per cent increase over the period.

Table 38: Estimated total household retail expenditure by commodity type ($m)

Broad retail category	2023	2026	2031	2036	2041	Change
Supermarkets and grocery stores	65.6	70.6	78.9	87.7	97.3	31.8
Specialised food stores	14.1	15.1	16.7	18.3	20.1	5.9
Bulky goods stores	33.9	36.1	39.8	43.6	47.7	13.8
Department stores	11.3	11.7	12.1	12.5	12.9	1.5
Apparel stores	19.3	20.6	22.5	24.6	26.7	7.4
Other non-food stores	28.5	30.4	33.5	36.7	40.1	11.6
Restaurants and fast food services	29.1	31.4	35.1	39.2	43.6	14.5
Personal services	6.8	7.3	8.0	8.7	9.5	2.6
Total	**208.7**	**223.1**	**246.5**	**271.3**	**297.8**	**89.2**

Source: HillPDA

In addition to resident spend, the Murray River LGA also captures some tourist and visitor spend. According to Tourism Research Australia's local government profile for the Murray River LGA, in 2019, this was estimated at $70 million in domestic visitor spend. HillPDA has projected this to grow to around $85 million by 2041. This is based on an annual growth rate of around 1.1 per cent, in line with Tourism Research Australia's domestic visitor nights growth forecasts for NSW between 2019-2028.

Based on Tourism Research Australia's National Visitor Survey, around 35 per cent of domestic visitor spend was on retail items. This spend across broad retail types has been accounted for in the subsequent expenditure and demand estimates.

9.6 Retail capture rates by broad store type

The above section identified the total volume of retail expenditure from residents in the LGA. However, not all of this expenditure would be captured by retailers in the study area. Reasons for this include:

- The proximity and size of surrounding shopping centres (Echuca, Kerang and Swan Hill)
- The lack of a major bulky goods cluster and department stores in the main centre
- Residents leaving the locality to undertake discretionary shopping (in department stores, apparel stores and bulky goods stores in larger centres)
- 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 trade catchment visiting stores as they visit the area.

Capture rates (i.e. the proportion of expenditure captured by retailers in the Murray River LGA) have been adopted, considering the above factors. These market shares are outlined in the following table and are indicative of the amount of trade that is likely to be captured from each expenditure source to attain the amount of floorspace estimated to exist in the LGA.

Table 39: Retail capture rates by broad store type and trade segment

Broad retail category	Residents	Visitors
Supermarkets and grocery stores	77%	10%
Specialised food stores	42%	10%
Bulky goods stores	9%	0%
Department stores	0%	0%
Apparel stores	21%	5%
Other non-food stores	25%	25%

Restaurants and fast food services	12%	50%
Personal services	31%	0%
Total	**37%**	**100%**

Source: HillPDA

9.7 Potential retail sales/turnover

Applying the above capture rates, it is estimated that retailers across the LGA could potentially achieve total retail sales of around $101 million in 2023, increasing to $142 million by 2041 (measured in 2023 dollars). This represents an increase of around $41 million or 40 per cent over the period.

Table 40: Potential site's capture of retail trade ($m)

Broad retail category	2023	2031	2036	2041	2041	Change
Supermarkets and grocery stores	53.1	57.1	63.6	70.6	78.2	25.1
Specialised food stores	8.4	8.8	9.6	10.5	11.4	3.0
Bulky goods stores	3.1	3.3	3.7	4.0	4.4	1.3
Department stores	0.0	0.0	0.0	0.0	0.0	0.0
Apparel stores	5.3	5.6	6.1	6.6	7.1	1.8
Other non-food stores	13.3	13.9	15.1	16.3	17.5	4.2
Restaurants and fast food services	15.7	16.4	17.5	18.8	20.1	4.4
Personal services	2.1	2.3	2.5	2.7	2.9	0.8
Total	**101.0**	**107.4**	**118.1**	**129.4**	**141.6**	**40.7**

Source: HillPDA

9.8 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 represent industry averages.

Table 41: Retail floorspace demand (sqm)

Broad retail category	RTD ($/sqm)	2023	2026	2031	2036	2041	Change
Supermarkets and grocery stores	10,500	5,059	5,356	5,823	6,306	6,810	1,751
Specialised food stores	7,600	1,100	1,147	1,219	1,293	1,368	268
Bulky goods stores	2,800	1,120	1,183	1,279	1,378	1,480	360
Apparel stores	4,000	1,320	1,380	1,474	1,569	1,666	346
Other non-food stores	4,000	3,315	3,449	3,663	3,882	4,109	794
Restaurants and fast food services	5,000	3,137	3,224	3,367	3,515	3,669	532
Personal services	3,200	665	701	754	808	864	199
Total occupied space	**6,425**	**15,716**	**16,440**	**17,579**	**18,751**	**19,967**	**4,251**

Source: HillPDA

By applying the above RTDs, it is estimated that by 2041, around 20,000sqm of shop front space could be supported across the Murray River LGA. This represents an increase of 4,250sqm or 27 per cent over the period. Most of this space (1,750sqm) is related to supermarket space.

The table below distributes the current and forecast retail space across the Murray River LGA. This is based on the current distribution of space across the LGA. These localities are based on destination zone boundaries.

Overall, based on current floor space distribution, it is estimated that around 60 per cent of forecast space would be accommodated in Moama, around 30 per cent in Barham, and the LGA's remaining retail localities would accommodate a combined 9-10 per cent of the growth in floorspace.

Table 42:Supply and demand for retail space by broad category and locality 2023-41

Broad retail category	2023				2041			
	Barham	Moama	Remaining LGA	Total	Barham	Moama	Remaining LGA	Total
Supermarkets & grocery	1,296	3,604	159	5,059	1,745	4,852	214	6,810
Specialised food stores	450	450	200	1,100	560	560	249	1,368
Bulky goods stores	640	480	0	1,120	846	634	-	1,480
Apparel stores	720	600	0	1,320	909	757	-	1,666
Other non-food stores	645	1,890	780	3,315	800	2,343	967	4,109
Restaurants & fast food	644	1,960	532	3,136	753	2,292	622	3,668
Personal services	0	665	0	665	-	864	-	864
Total retail	**4,395**	**9,649**	**1,671**	**15,715**	**5,612**	**12,302**	**2,052**	**19,966**

Source: HillPDA

9.9 Non-retail commercial space demand assessment

To estimate the current and future non-retail commercial space needs for the Murray River LGA, the following steps were taken:

Estimating existing non-retail commercial floorspace

1. Assessed ABS 2021 Census Journey to Work data at the Destination Area level (the smallest geographical boundary at which the ABS releases place of work data) to understand the type of employment generated in the destination zone.
2. Assessed employment at the ANZSIC 3-digit level for the industries of Information Media and Telecommunications; Financial and Insurance Services; Rental, Hiring and Real Estate Services; Professional, Scientific and Technical Services; Administrative and Support Services; Public Administration and Safety; Education and Training; Health Care and Social Assistance. This was done to exclude some uses which would not be located within a centre's commercial space.
3. Accounted for people working from home and applied workspace ratios to the remaining employment based on their industry type. Workspace ratio is the amount of floorspace required to support one job.

Forecasting non-retail commercial space

1. Assessed adjusted Transport for NSW 2022 employment projections at the Murray River LGA level (see Scenario 2 in section 8.2). For each industry type identified in Step 2 above (estimating existing non-retail commercial floorspace).
2. Based on 2021 Census proportions, HillPDA accounted for non-commercial centre workers and persons working from home to the forecast years (2023-2041).
3. Applied workspace ratios to the resulting employment by industry type.
4. Distributed space to a broad locality area based on that industry's 2021 proportionate tendency to be in that locality. For example, if 50 per cent of administrative and support space was located in Moama, then 50 per cent of future demand would be allocated to that locality.

Based on the above methodology, it is estimated that the Murray River LGA currently contains almost 13,460sqm of non-retail commercial space. This is forecast to increase to 15,560sqm by 2041, representing an increase of 2,105sqm or 16 per cent over the period.

Table 43: Forecast non-retail commercial space

Industry type	2021	2026	2031	2036	2041	Net change
Information Media & Telecommunications	88	92	97	102	117	29
Financial and Insurance Services	0	0	0	0	0	0
Rental, Hiring and Real Estate Services	54	56	59	62	70	16
Professional, Scientific & Technical Services	1,725	1,787	1,849	1,910	2,096	370
Administrative and Support Services	596	626	655	684	772	175
Public Administration and Safety	4,323	4,409	4,495	4,581	4,839	516
Education and Training	529	544	558	573	618	89
Health Care and Social Assistance	5,903	6,043	6,184	6,324	6,745	842
Other Services	240	251	262	273	306	66
Total	**13,458**	**13,808**	**14,159**	**14,509**	**15,561**	**2,104**

Source: HillPDA

The table below distributes the current and forecast non-retail space across the Murray River LGA. These localities are based on Destination Zone boundaries.

Table 44: Forecast non-retail commercial space by broad locality

Broad locality	2021	2026	2031	2036	2041	Change
Barham	2,687	2,757	2,827	2,897	3,107	420
Moama	7,084	7,268	7,453	7,638	8,191	1,107
Remaining LGA	3,687	3,783	3,879	3,975	4,263	576
Total	**13,458**	**13,808**	**14,159**	**14,509**	**15,561**	**2,104**

Source: HillPDA

9.10 Commercial space demand summary and capacity assessment

The table below summaries the demand for retail and non-retail space across the Murray River LGA and its broad localities. It is important to allow some level of vacancy. For this reason, HillPDA has factored in an additional 5 per cent to the net demand in occupied space.

This increases the overall combined demand to around 6,675sqm across the LGA. This would increase the demand for commercial space from its current estimated supply of 29,175sqm to around 35,845sqm in 2041. The distribution for this space across the Murray River LGA's broad localities is provided below.

Table 45: Commercial space demand (sqm) summary by broad locality 2023-41

Type	Supply/demand year	Barham	Moama	Remaining LGA	Total
Supply (2023)	Retail	4,395	9,649	1,671	15,715
	Non-retail commercial	2,687	7,084	3,687	13,458
	Total	7,082	16,733	5,358	29,173
Net demand (23-41)*	Retail	1,278	2,786	400	4,464
	Non-retail commercial	441	1,162	605	2,209
	Total	1,719	3,948	1,005	6,673
Total demand (2041)*	Retail	5,673	12,435	2,071	20,179
	Non-retail commercial	3,128	8,246	4,292	15,667
	Total	8,801	20,681	6,363	35,846

Source: HillPDA, *Includes an additional 5% vacancy allowance to demand

As identified in Tables 24 and 25, it is estimated that across the Murray River LGA's commercial centres there exists 124.8 hectares of undeveloped land. This is comprised of 115.8 hectares of RU5 land, 0.4 hectares of E1 and 8.6 hectares of E2 zoned land. Based on a developed floorspace ratio of 0.5:1, this E1 and E2 zoned land has the capacity for some additional 45,000sqm of space. Of this, 2,000sqm is in Barham and 43,000sqm is in Moama town centre.

This additional capacity, coupled with some level of existing redevelopment capacity, shows that it is likely that no additional commercial land stocks are required.

PLANNING CONTROL REVIEW

10.0 PLANNING CONTROL REVIEW

This chapter reviews local statutory planning frameworks in the Murray River LGA to identify any controls that may be impeding development. It discusses the LGA's two Local Environmental Plans and two Development Control Plans, as well as considerations relating to land use encroachments, preserving and managing employment land uses, and employment land issues.

10.1 Local Environmental Plans

The Murray River LGA is covered by two Local Environmental Plans (LEPs): the Murray Local Environmental Plan 2011 (Murray LEP) and the Wakool Local Environmental Plan 2013 (Wakool LEP). Figure 32 illustrates the application of each LEP within the LGA.

Figure 32: Local Environmental Plans in Murray River LGA

Both LEPs are structured in accordance with the requirements of Standard Instrument—Principal Local Environmental Plan (Standard Instrument). Land uses are permitted via a land use table with specific requirements for development outlined based on location, use or other triggers.

The LEPs were also both updated in accordance with employment zone reforms finalised in April 2023. Table 46 details each LEP by current employment zones, with considerations for further reviews. It details E3 and E4 zones, which are identical in each LEP, as well as E2 zones in the Murray LEP and E1 zones in the Wakool LEP.

We understand that Murray River Council intends to prepare a single LEP to replace the existing Murray and Wakool LEPs. This would ensure planning controls are consistently applied across the LGA. The suggestions made throughout this chapter could be considered in the preparation of the new comprehensive LEP.

Table 46: Employment zones in Murray and Wakool LEPs

Zone	Objective	Considerations for further reviews
E1 Local Centre (Wakool LEP)	• To provide a range of retail, business and community uses that serve the needs of people who live in, work in or visit the area. • To encourage investment in local commercial development that generates employment opportunities and economic growth. • To enable residential development that contributes to a vibrant and active local centre and is consistent with the Council's strategic planning for residential development in the area. • To encourage business, retail, community and other non-residential land uses on the ground floor of buildings.	The permissibility of uses is largely appropriate to meet the objectives of the zone. Consider allowing artisan food and drink industries and/or creative industries to further enhance the vibrancy of the local centre.
E2 Commercial Centre (Murray LEP)	• To strengthen the role of the commercial centre as the centre of business, retail, community and cultural activity. • To encourage investment in commercial development that generates employment opportunities and economic growth. • To encourage development that has a high level of accessibility and amenity, particularly for pedestrians. • To enable residential development only if it is consistent with the Council's strategic planning for residential development in the area. • To ensure that new development provides diverse and active street frontages to attract pedestrian traffic and to contribute to vibrant, diverse and functional streets and public spaces.	The permissibility of uses is largely appropriate to meet the objectives of the zone.
E3 Productivity Support (Murray LEP, Wakool LEP)	• To provide a range of facilities and services, light industries, warehouses and offices. • To provide for land uses that are compatible with, but do not compete with, land uses in surrounding local and commercial centres. • To maintain the economic viability of local and commercial centres by limiting certain retail and commercial activity. • To provide for land uses that meet the needs of the community, businesses and industries but that are not suited to locations in other employment zones. • To provide opportunities for new and emerging light industries. • To enable other land uses that provide facilities and services to meet the day to day needs of workers, to sell goods of a large size, weight or quantity or to sell goods manufactured on-site.	The permissibility of uses in Murray LEP is largely appropriate to meet the objectives of the zone. Consider restricting permitted uses in Wakool LEP to limit some residential and/or food and drink premises development for more compatibility with the objectives of the zone, either maintaining current residential accommodation as additional permitted uses, or rezoning relevant lots.
E4 General Industrial (Murray LEP, Wakool LEP)	• To provide a range of industrial, warehouse, logistics and related land uses. • To ensure the efficient and viable use of land for industrial uses. • To minimise any adverse effect of industry on other land uses. • To encourage employment opportunities. • To enable limited non-industrial land uses that provide facilities and services to meet the needs of businesses and workers.	The permissibility of uses is largely appropriate to meet the objectives of the zone in both LEPs.

10.2 Development Control Plans

The Murray River LGA is currently covered by two Development Control Plans (DCPs): the Murray River DCP 2012 and Wakool DCP 2013, which support statutory controls contained in the Murray and Wakool LEPs respectively. The DCPs provide guidance for development of certain land uses and within certain precincts. In 2024 both DCPs are expected to be consolidated with a new DCP developed for the entire Murray River LGA.

10.2.1 Murray Development Control Plan 2012

The Murray River DCP identifies four key industrial precincts: an industrial estate in Moama, an industrial area at Hillside Road north of Moama, an industrial area with a rural zoning in Mathoura, and Moama Business Park. DCP provisions apply generally, but not exclusively, to these key areas. Moama Business Park covers both E3- and E4-zoned land and is defined by this Strategy as a combined commercial/industrial area.

The Murray River DCP contains provisions for industrial building setbacks, both generally and particularly in Moama Business Park. Industrial building setbacks consist of a minimum 10 metres from the primary property boundary and 3 metres from the secondary boundary. Within Moama Business Park, however, buildings must also have a minimum 10-metre setback where adjoining future residential land. Moama Business Park also has specific landscaping requirements.

The Murray River DCP supports land uses such as hazardous industry, offensive industry, hazardous storage establishments, and offensive storage establishments in the industrial area at Hillside Road. While these uses are permitted with consent across the E4 General Industrial zone under the Murray River LEP, the DCP does not support these uses in central Moama. These activities may relate to circular economy opportunities discussed in section 10.6.1.

For commercial developments, the Murray River DCP identifies existing centres in Moama and Mathoura. It states that commercial developments should occur at part of Meninya Street in Moama and part of Livingstone Street in Mathoura. There are no setback requirements for such developments, although landscaping and carparking requirements apply. Consultation with Murray River Council indicated that developers sometimes seek to amend car parking requirements or to not comply with landscaping requirements. This was also observed for industrial developments.

The subdivision of industrial and commercial lots under the Murray River DCP is guided by the *Murray Shire Strategic Land Use Plan*. In addition, the DCP establishes a preferred minimum lot size for undeveloped industrial land of 1300 square metres. It also seeks to avoid the subdivision of undeveloped land in Moama Business Park, stating that such subdivisions 'will be considered on their merits'.

10.2.2 Wakool Development Control Plan 2013

The Wakool DCP specifies requirements for general development, as well as for particular areas and land uses. Notable requirements for industrial and/or commercial developments pertain to setbacks/buffers, infrastructure servicing, and parking.

The DCP sets industrial building setbacks as a minimum 10 metres where lots exceed 2,000 square metres with a lot depth of over 50 metres, or otherwise 6 metres where a lack of suitable alternatives is demonstrated. Setback requirements for commercial developments relate to the efficient use of sites and the minimisation of nearby impacts. The DCP also includes landscaping requirements; however, consultation with Council indicated that these requirements are often avoided by developers.

The DCP requires master planning to be undertaken for industrial developments involving site areas larger than 1-hectare, mixed uses, multiple buildings, buildings over 10 metres in height, significant public/recreation/open space areas, several stages with expansion plans, or the potential for accessibility or environmental impacts. Similarly, a master plan must be prepared for tourist and visitor accommodation with buildings/facilities that

exceed 1 hectare or 10 rooms, or include a recreational facility proposal. This requirement may discourage developments. Consultation with Murray River Council indicated that it receives some developer pushback, but is not necessarily a barrier for development.

The DCP also requires developments to provide for infrastructure needs. For instance, where developments may impact the capacity of existing services, a servicing strategy is to be developed. Industrial and commercial developments are also both subject to parking requirements, which differ based on the type of proposed development. It was noted through consultation with Council that developers often seek to alter these requirements.

'Character Statements' identifying future land uses apply to the key towns of Barham, Koraleigh, Moulamein, Murray Downs, Tooleybuc, and Wakool. Industrial zones only exist in Barham and Murray Downs. Of these towns, Barham's industrial area is identified for potential heavy/hazardous/offensive industry uses, subject to adequate management of potential land use conflicts with nearby residential areas. However, it is noted that such industries have not yet been developed. The DCP also requires industrial uses in this area to be able to protect nearby sensitive land uses and to provide a 'high standard of design'. In Murray Downs, the DCP states that small-to-medium lot sizes are likely to attract light and/or rural industrial uses, despite industrial zones providing potential flexibility. It also states that environmental considerations will be important for the potential future expansion of industry.

The Wakool DCP lists commercial opportunities and requirements for Barham and Murray Downs. The DCP seeks to support retail and commercial uses in the B2-zoned centre of Barham, as well as employment-generating health, aged care, and tourism facilities elsewhere in Barham. While business-related land uses operate in Murray Downs, the DCP states that these should be maintained without changing the existing rural land into a commercially zoned area.

Other areas containing commercial or industrial activity are also covered by the Wakool DCP. However, these are all located within rural zones.

10.3 Local infrastructure contributions

Under Division 7.1, Subdivision 3 of the Environmental Planning and Assessment Act 1979 (local infrastructure contributions), Council may recover costs of providing infrastructure and facilities to meet the demands of new developments.

In the Murray River LGA, there are three separate contributions plans: two applying to the Greater Murray and Moama Wards and one that applies to the Greater Wakool Ward. Under these plans, Council may impose conditions of consent requiring development contributions. The funds received under the contributions plans may be directed towards a range of public facilities including open space, community facilities, waste, drainage, roads and car parking, as identified in the contributions plans.

Consultation with Murray River Council indicated that, while developer contributions are a critical source of funding, they may to some degree hinder development by impacting on feasibility. Further, some Victorian developers consider the NSW contributions system to be overly complicated in terms of the methodology for calculating the value of contributions payable, and some consider the total amount payable to be unreasonably high compared with Victoria.

Murray River's contributions plans provide a certain level of flexibility. As an alternative to paying development contributions, a developer may negotiate with Council to enter into a:

- Works-in-kind agreement to deliver identified infrastructure as part of their development, or
- Planning agreement to pay an agreed monetary contribution, dedicate land, carryout works, provide other material public benefits for public purposes, or any combination of these.

There is interest in attracting more investment and business into the LGA. Consultation with Council has identified the potential for supporting or waiving contributions fees to attract non-profit developers to the LGA. It was also noted that such initiatives should not lead larger businesses to be outcompeted in the LGA, going to other areas instead. Council is in the process of developing a new section 7.12 contributions plan, with the aim of facilitating and attracting investment to the area. A new contributions policy may encourage more employment land development in the LGA.

10.4 Land use encroachment impacts

This section considers the impacts of expanding the types of permissible uses in employment areas.

Demand for space in employment zones is primarily driven by feasibility considerations and market conditions. Feasibility refers to whether developers and businesses can achieve a sustainable profit. For development to be feasible, land prices need to be affordable for the expected rate of return. Market conditions such as interest rates and cost of construction also have a strong bearing on development feasibility and viability of businesses.

The land value hierarchy in Figure 33 shows that land that is zoned to accommodate prime retail, residential (low/medium density) local retail, business parks, bulky goods retail is generally worth more than land that is zoned to accommodate industrial uses alone. This is because the 'highest and best use' is greater. Developers are willing to pay a premium for land zoned to accommodate the broader range of uses because they will be able to achieve a greater return on investment.

Figure 33: Land value hierarchy by use

Source: HillPDA

There is a risk that, by allowing higher order uses in industrial zones, the higher value uses may encroach on, or displace, industrial uses. This is because the higher order uses generate more revenue and can therefore afford to pay more rent, which in turn places upward pressure on land values. This can also occur in mixed use zones, where residential uses typically dominate commercial uses.

Encroachment impacts are highly dependent on location and demand. In some cases, lower-value land uses on can successfully coexist with lower value land uses. One example is takeaway food and drink premises within industrial zones or business parks. In this case, the land uses complement one another, with the viability of the takeaway store bolstered by the industrial and business uses (i.e. the higher value land uses generate clientele for the lower-value land use), while the small scale-nature of the takeaway store is unlikely to undermine the viability of industrial/business uses.

Surrounding land uses also influence land values. For example, a certain zone would be more attractive for office uses if it had a wide range of amenities such as retail, recreation facilities and childcare, and would thus have a higher value. When planning zonings, this necessitates an evaluation of whether certain land uses could operate if other uses were abandoned. Another example would be the operation of bulky goods retail in a business park. In this situation, although industrial land uses could disappear, the retail would continue to service a larger residential catchment and thus remain viable. Building heights also influence the mix of land uses in a given area.

This can be seen in areas with shop top housing, where residential and commercial land uses can support each other, without mutually competing.

Considering these relationships between land uses, Table 47 lists the viability effects of allowing potential new uses into employment zones in certain settings in the Murray and Wakool LEPs. Broader impacts are mentioned with regard to achieving the objectives of each zone.

Table 47: Viability of new land use impacts in different settings

Land Use	Retail setting (i.e. an area dominated by retail uses), typically E1/E2 land	Business park setting (i.e. dominated by office uses), typically E3 land	Industrial setting (i.e. dominated by industrial uses), typically E4 land
Business premises (premises that provide non-industrial services to the public on a regular basis)	N/A (already permitted in relevant zones)	N/A (already permitted in relevant zones)	Some such uses are already permitted in relevant zones (funeral homes, goods repair and reuse premises). Allowing all business premises in industrial zones would increase demand for such land if well-located with relatively smaller lots. There may be positive co-location impacts, albeit with potential parking impacts, though the potential for development remains low.
Small-scale, complimentary retail uses	N/A (already permitted in relevant zones)	N/A (already permitted in relevant zones)	N/A (already permitted in relevant zones)
Service industries (non-manufacturing services defined as an industrial use, e.g. mechanics)	N/A (already permitted in relevant zones)	N/A (already permitted in relevant zones)	N/A (already permitted in relevant zones)
Office premises	N/A (already permitted in relevant zones)	N/A (already permitted in relevant zones)	Demand for office space would typically be low, as industrial zones tend to be separated from public transport, retail, and services with large average lot sizes. As such, permitting office premises in industrial zones would likely have negligible impact.
Specialised retail premises (retail for goods requiring large areas and/or direct vehicular access)	N/A (already permitted in relevant zones)	N/A (already permitted in relevant zones)	Specialised retail can pay twice the land value compared with general industrial uses, crowding out traditional industrial uses. Once clustering occurs, land prices could inflate to up to five times the amount, compromising industrial areas and stymying traditional industrial activities. As such, allowing specialised retail premises in industrial settings may carry a high displacement risk.
Storage premises (dedicated premises for storage, not including heavy industrial storage, distribution premises, or warehouse/distribution centres)	Storage premises would likely pay a lower price compared to retail areas and therefore not proliferate. If some premises develop, retail may be impacted through fragmentation.	N/A (already permitted in relevant zones)	N/A (already permitted in relevant zones)

Manufacturing (i.e. manufacturing premises within light, general, and/or heavy industrial development)	Manufacturing is potentially permitted in the form of general industry, creative industry, and artisan food and drink industry developments in Murray LEP E2 zone. Throughout both LEPs, traditional manufacturing would be unlikely to compete for space with retail. By comparison, advanced/smart manufacturing needs less space and could therefore compete with retail premises, particularly as light industry.	Manufacturing is potentially permitted in the form of light industries in both LEPs. If traditional manufacturing within general industries were permitted, it may struggle to contend with office space, although advanced or high-tech manufacturing may use land more efficiently and thus be able to compete.	N/A (already permitted in relevant zones)
Residential (i.e. residential accommodation as defined in the Standard Instrument LEP)	Residential accommodation is permitted in the Wakool LEP E1 Local Centre zone, but not the Murray LEP E2 Commercial Centre zone (with the exception of shop top housing). Residential development (other than on ground floors in mixed use scenarios) tends to involve a higher land price than most retail and would thus outcompete it.	Residential accommodation is not permitted in relevant zones, except for dual occupancies, hostels, semi-detached dwellings, and shop top housing in the Wakool LEP. Residential development can compete with and potentially displace office uses, as shown by the presence of residential housing in E3 zoned land under the Wakool LEP.	Residential accommodation would impact the viability of industrial areas due to land values and amenity conflicts, likely causing displacement.
Retail premises	N/A (already permitted in relevant zones)	Relevant zones do not broadly permit retail premises, albeit with a range of exceptions. Developments specifically prohibited include cellar door premises and neighbourhood supermarkets in both LEPs, and food and drink premises (except for takeaway food and drink) in the Murray LEP. Cellar door premises, food and drink premises, and neighbourhood supermarkets may pay more for land than office land uses, possibly displacing such uses.	Retail premises are prohibited by default in both LEPs, although some retail land uses are still permitted. Retail land uses would pay a premium for land compared to industrial land uses, 'crowding out' the latter if more were permitted.
Warehouses	Permitting warehouses in relevant zones would likely have a negligible effect, due to the ability for retail to pay relatively more for land.	N/A (already permitted in relevant zones)	N/A (already permitted in relevant zones)

10.5 Protecting and encouraging employment uses by area

10.5.1 Distribution of employment land

Most of the Murray River LGA is zoned for rural uses, with employment zones limited to key towns and villages, and industrial areas in Moama, Barham, and Murray Downs. Employment zones are generally applied in or adjacent to the LGA's key population centres, with commercial land generally located in areas with the highest residential populations.

Consultation with Council and local industry indicates that there is an interest in developing employment land throughout the LGA, with a particular need for employment to match population growth in Moama.

Residential and employment-generating areas in the LGA are generally well-delineated, although some areas contain a diversity of land uses with potential for competition and/or land use conflicts between sensitive land uses and employment uses. For example, in the under the Wakool LEP, the E3 Productivity Support permits a range of industrial and residential land uses. The application of the E3 zone may be appropriate as a buffer between more intensive industrial zonings and residential lands. However, it is recommended that Council reconsiders the permissibility of the residential uses in the E3 zone itself to reduce potential for land use conflicts within the zone.

Simultaneously, more development in employment areas could be encouraged through incentivising new developments through streamlined planning requirements and permitting some light industries in the Wakool LEP's E1 zone.

The following sections discuss a variety of specific location and planning considerations impacting potential development across the Murray River LGA.

10.5.1.1 Additional permitted uses

In addition to employment land zonings, the Murray River LGA contains several areas where additional employment-generating uses are permitted, shown in Table 48. These are all listed in the Murray LEP, with the Wakool LEP listing no additional permitted uses.

Table 48: Additional permitted uses in Murray River LGA

Site	Zone	Additional permitted use
Lot 1/DP222761: 75 Meninya St Moama	E2	Vehicle body repair workshop
Crown Reserve R56146 under commercial mooring licence CL6224	W2	Restaurant
Lot 261/DP728943: 52 Perricoota Rd Moama	RE2	Public administration building

Source: Murray LEP 2011

Additional permitted uses are generally seen as extraneous to the main planning frameworks that guide employment land in areas covered by LEPs.

10.5.2 Moama employment land

Moama contains E2-zoned land in the town centre along Meninya Street and the Cobb Highway, E3-zoned land north of the town on the Cobb Highway with some adjacent E4-zoned land, and an E4-zoned industrial precinct further north on Hillside Road.

Private and public sector consultation has indicated that there is strong interest in development within employment precincts north of Moama, usually taking the form of premises for tradespeople and/or small industries. These developments are generally consistent with existing planning controls for the relevant zones.

Council indicated that E2-zoned land in Moama Town Centre has further capacity for development, with a high commercial vacancy rate and some undeveloped sites. However, this was attributed partly to the forthcoming redevelopment of Meninya Street. Although commercial trade may be temporarily impacted during development, it is expected that commercial activity will be boosted in the long term, which may bring new development. Private sector consultation identified issues with the appeal of Moama town centre for retail businesses. Firstly, Echuca is noted as having a stronger retail market, with businesses choosing to locate there instead. Secondly, the flow of traffic along the Cobb Highway leads to stronger retail activation near Moama Marketplace, rather than visitors necessarily being drawn to the Meninya Street precinct.

Employment zones in and around Moama contain a range of businesses based around storage premises, including in prime locations. Although consultation identified storage units as a growing opportunity, they were described as generating relatively low employment. Murray River Council identified that storage premises are occupying space in employment precincts with relatively valuable land, such as Moama Business Park. It was noted that other areas, such as the Hillside Road precinct, would be more appropriate for such land uses. Storage premises could be redirected to this area over the long term by updating DCP provisions and/or LEP permissibility within certain areas and zones respectively.

10.5.3 Barham employment land

Barham contains employment land in the form of E1-zoned land in Barham town centre and an E3-zoned corridor alongside Moulamein Road to the north of the town, surrounded by additional E4-zoned land. Government and private sector consultation indicated several challenges regarding employment land in Barham.

Representatives from the private sector noted that the town centre and industrial precinct of Barham both contain undeveloped sites. This suggests hindered viability for some land uses. Such viability may be limited by a lack of demand and/or industrial and commercial land being outcompeted by other land uses being the 'highest and best use'.

The Barham town centre has a relatively low commercial vacancy rate, albeit with some undeveloped sites. One challenge to commercial development may be the permissibility of residential accommodation, in which a higher price can typically be paid for land. This permissibility may increase commercial rents, limiting retail growth. The E1 Local Centre zoning should nonetheless be maintained to facilitate infill development, as explained by Murray River Council's Draft *Local Housing Strategy*. To maximise retail opportunities, it is suggested that artisan food and drink industries and/or creative industries be permitted with consent in the zone, similar to in the Murray LEP's E2 zone. Consultation with Council has revealed a growing identity for 'slow food', organic farming, and culture surrounding Barham; as such, food and drink/creative industry opportunities may add to the town's branding. Such development would likely be limited in scale and complementary to existing retail. If these uses are permitted, it may aid the viability of surrounding retail.

Private sector stakeholders also noted the encroachment of residential accommodation other employment areas in Barham. This can be seen in the presence of housing in E3-zoned land in the north of Barham. Unlike the Murray LEP, the Wakool LEP allows residential accommodation on E3 land. Restricting housing may prevent further encroachment of sensitive land uses on employment land. Food and drink premises could also potentially be restricted, although these land uses have not yet encroached significantly on the town's employment land.

Despite the impacts of land use conflicts on employment land in Barham, private sector consultation also indicated a lack of land availability as a key challenge. For instance, a local real estate operator stated that the town's amenity is attracting residents who are prospective business owners, but that there is insufficient retail and industrial land to accommodate new growth. Consultation identified a site in central Barham as having good attributes for commercial development, despite its current use as a carpark. However, it was noted that developing the site would remove needed parking from the town centre.

10.5.4 Murray Downs employment land

Consultation with Council identified Murray Downs as an area for potential employment land as well as residential expansion. Murray Downs currently contains two E4-zoned areas, which predominantly provide employment to residents in Swan Hill across the NSW-Victorian border. Council has noted Murray Downs as a key site for residential expansion, albeit requiring infrastructure provision. Murray River Council's Draft *Local Housing Strategy* has developed a full-scale township plan of Murray Downs, and notes that commercial development may become attractive in the town, which may occur with residential servicing and development. This could be provided for with the future provision of an E1 zone under the Murray River LEP, but remains a long-term opportunity. Potential employment land opportunities for Murray Downs are analysed in the ELS main report.

10.6 Employment land issues

10.6.1 Employment land for heavy industry

Consultation with Council and the local private sector has identified circular economy employment opportunities throughout the local area. These relate to the recycling of biomass, as well as renewable energy materials such as solar panels.

Council reported that the Murray River LGA contains the State's second-largest source of biomass. Private sector consultation also identified biomass potential from by-products of local industries such as logging. These sources could be used for bioenergy, as shown by the Department of Primary Industries' *Biomass for Bioenergy Project*, which supports the production of materials such as biochar from biomass. Consultation with Council also revealed the growth of recycling opportunities for renewable energy materials, such as solar panels, which have proliferated from nearby solar farm developments in Swan Hill, Gannawarra, Cohuna, and likely Barham in the future.

Consultation identified the NEXUS Industrial Precinct at Ettamogah Rail Hub near Albury as an exemplar for cutting-edge circular economy initiatives. At its current stage of planning, the Precinct indicates that lot sizes of 2-5 hectares encourage circular economy development, but that heavy industrial zonings are required due to related air quality, odour, and noise impacts.

In the context of the Murray River LGA, local planning frameworks do not include a heavy industrial zone, which would be the most suitable zone for such developments. However, the E4 General industrial zone also provides flexibility for heavy and/or offensive industry to occur. This is noted in the Murray and Wakool DCPs, which state that these industries should occur on industrial land when not limited by nearby sensitive land uses. The DCPs respectively identify Hillside Road in Moama and near Moulamein Road in Barham as sites for such developments, although the potential of the latter site may be impacted by nearby residential land. Through consultation with Council, it was identified that the Hillside Road precinct near Moama is a suitable location for heavy industry, which can occur without needing distance or buffers from the Moama Waste Management Facility.

10.6.2 Additional statutory requirements

Some applicants may be discouraged from developing employment land due to the need to fulfil certain statutory requirements relating to development. An example is the need for engineering standards and technical reports, which may present barriers to development due to the costs of such reports. In particular, studies on traffic and contaminated land impacts may be costly for developers to contract, potentially discouraging development. Private sector stakeholders also noted that other forms of documentation increase development costs in the Murray River LGA relative to other areas, and that there could be room to simplify development requirements in the case of smaller and/or less impactful developments.

More broadly, consultation with Murray River Council has indicated that developers are not always familiar with the NSW planning system, especially if they have more experience in Victoria. Due to this, it is recommended that developers use planning consultants to navigate the development process. However, the cost for doing so can be a barrier, leading developers to navigate the system themselves, which may result in delays if steps or requirements of the assessment process are missed. Consultation identified that having a designated Council planner to assist developers has been discussed but will not be implemented at this time. However, it was also stated that more integration between Council teams may aid proponents in better understanding and navigating the local planning process.

10.6.3 Monitoring employment land

Continually monitoring employment land is an important task in preserving and encouraging employment uses. The Department of Planning currently maintains an Employment Lands Development Monitor (ELDM) that monitors and compares employment land stocks by LGA. However, in addition to the ELDM, Murray River Council could also maintain a database of employment land that collects more specific data on employment land sites. This could aid with a number of tasks:

- Monitoring the supply and release of land within employment precincts
- Coordinating and prioritising the delivery of infrastructure
- Analysing land take-up rates and adjusting land release accordingly
- Providing informed information to interested parties seeking to establish in the LGA
- Enabling the adjustment and review of strategies to respond to market trends
- Enabling the identification of trends in the type and location of employment land, informing future land use planning decisions.

This monitor could include variables such as, but not limited to, the following:

- Property address details
- Services available or requirements
- Constraints register
- Lot size and configuration
- Estimated net developable area
- Stock of vacant land
- Type and condition of building
- Development activity/interest.

Should Council implement this database, it should be regularly maintained and updated through the development application system and as new information becomes available. The database would aid in understanding and comparing employment land trends and needs across the LGA.

APPENDIX A : CONSTRAINTS METHODOLOGY

A.1 Constraints overview

The ELS categorises future employment land opportunities into investigation areas, which have been classed according to 'hard' and 'manageable' constraints.

These two constraint categories are:

- **Hard constraints** | these are restrictions that would reduce the availability and appropriability of land for development. Land identified as being affected by a hard constrained is considered unavailable for development. Hard constraints analysed include:
  - Flooding (high hazard)
  - Heritage
  - Watercourses (Murray River specifically).
- **Manageable constraints** | these are restrictions on the development of land which are considered manageable, that is, with appropriate planning, off-setting, and design concessions the development of land is achievable. Manageable constraints analysed include:
  - Biodiversity
  - Bushfire
  - Flooding (non-high hazard)
  - Native title
  - Slope (>15%)
  - Watercourses (tier 1 and 2 streams; land within 40m of the Murray River)
  - Wetlands.

Council noted that native title would normally be considered a hard constraint (with all crown land subject to potential native title claims); however, the possibility for partnership arrangements with traditional landowners makes it a manageable constraint, due to the potential for development.

It is recommended that future decisions of releasing new employment lands consider the presence of hard and manageable constraints for each investigation area.

Table 49: List of constraints and data sources

Constraints	Source
Hard constraints	
Flooding (high hazard)	• Echuca-Moama-Torrumbarry Flood Study • Barham Floodplain Risk Management Study and Plan • Murray Downs Floodplain Risk Management Study and Plan
Heritage	• NSW Heritage Register • Murray LEP; Wakool LEP
Watercourses (Murray River)	• Murray LEP; Wakool LEP
Manageable constraints	
Biodiversity	• DCCEEW biodiversity data • Murray LEP; Wakool LEP
Bushfire	• NSW Rural Fire Service bushfire prone land
Flooding (not high hazard)	• Echuca-Moama-Torrumbarry Flood Study • Barham Floodplain Risk Management Study and Plan • Murray Downs Floodplain Risk Management Study and Plan
Native title	• National Native Title Tribunal maps
Slope (>15%)	• NSW Elevation Data Service, Spatial Services

Watercourses (tier 1 and 2 streams; land within 40m of the Murray River)	• Water Management (General) Regulation 2018 Hydro Line spatial data
Wetlands	• Murray LEP; Wakool LEP

A full explanation of constraints analysis methodology and how constraints apply to each site is provided below.

A.1.1 Flooding

Flooding may present either a hard or manageable constraint. Flooding data has been gathered from three studies: Moama Floodplain Risk Management Study and Plan (FRMSP) (forthcoming), Barham FRMSP (2017), and Murray Downs FRMSP (2017).

Investigation areas 1-6 are covered in the Moama FRMSP, which indicates no flooding risks for such areas.

The Barham and Murray Downs FRMSPs establish Flood Planning Levels (FPLs) as the minimum floor levels for commercial and industrial development at Council's discretion (unless buildings are flood proofed to such level). This constitutes a manageable constraint, adding potential costs to development. Such constraints have been analysed according to FRMSP maps that indicate relevant Flood Planning Areas (FPAs), which are based on FPLs.

The Barham and Murray Downs FRMSPs also establish 'high hazard' areas. These are areas particularly affected by flooding risk, with development discouraged in high hazard floodway areas more specifically. For the purposes of constraints analysis, high hazard areas have been considered to have hard constraints present.

Due to the differing levels of flood risk, flooding constraints have been analysed qualitatively for each investigation area. While there are no recognised flood constraints for investigation areas 1-6, the remainder of the investigation areas have been analysed with regard to FPAs and/or high hazard areas.

A.1.2 Watercourses

Watercourses can present either a hard or manageable constraint on development. The Murray River itself is a significant watercourse. Several investigation areas overlap slightly with the river, which presents a hard constraint at such sites. As a more manageable constraint, the Murray and Wakool LEPs also place restrictions on developments within 40 metres of the bank of the river.

More broadly, development can impact watercourses, posing risks for fish populations and other forms of life. To aid in assessing such impacts, the Strahler stream classification system classes streams into four categories, which indicate the potential for fish habitats to be present.

The presence of order 1 or 2 streams on a site would present a manageable constraint for development, due to the potential impacts of development on such streams. Drawing upon Water Management (General) Regulation 2018 Hydro Line spatial data, however, it has been determined that such constraints are not present for any of the sites. As such, watercourse constraints have been mapped based on the Murray River and on 40-metre buffers from its banks.

A.1.3 Wetlands

The Murray River LGA contains Ramsar-listed significant wetland areas. However, such wetlands are not in the vicinity of investigation areas.

A.1.4 Heritage

Heritage constraints have been analysed based on three sources: the Murray LEP, Wakool LEP, and NSW Heritage Register. This analysis has indicated that there are no known heritage constraints affecting development in any of the investigation areas.

A.1.5 Biodiversity

The main objective of identifying areas of biodiversity value is to maintain terrestrial biodiversity by protecting native fauna and flora whilst encouraging the conservation of habitats. As such, Biodiversity Values data from the NSW Department of Climate Change, Energy, the Environment and Water (DCCEEW) and the Murray and Wakool LEPs have been analysed. Both LEPs outline biodiversity mapping, placing requirements on developments regarding the avoidance, minimisation, or mitigation of environmental impacts. There are separate requirements for State-listed areas with biodiversity values, requiring a Biodiversity Development Assessment Report to be prepared by an accredited assessor. Biodiversity factors therefore present a potentially manageable constraint to development.

Investigation areas 2, 3, 4, 6, 7, 8, 9, 10, 11, 12, and 13 are all partially affected by biodiversity constraints. Development in each of these areas would require further biodiversity studies.

A.1.6 Bushfire

Investigation areas 1 and 5 are both partially affected by bushfire risk constraints. Investigation area 1 contains Vegetation Category 2 and Vegetation Buffer land, while investigation area 5 only contains the latter. Bushfire risks are not present in any other investigation areas.

A.1.7 Native title

Special circumstances apply to land that is subject to native title. For example, there may be restrictions on development carried out by governments or within the private market. Investigation areas towards the west of the LGA are potentially affected by a large native title claim (Federal Court File Number VID14/2022). The Native Title Register has not accepted the claim, but the Federal Court may still refer it for mediation and/or make a determination.

Any Crown Land can be subject to native title claims. Investigation area 10 comprises Crown Land; as such, native title has been deemed a constraint for 100 per cent of the area. In addition, it is adjacent to the Wamba Wamba reserve, an Aboriginal community. Council has noted that collaboration may be possible with the Wamba Wamba community to develop employment land on-site. As such, native title has been revised to a manageable constraint, despite otherwise precluding development.

A.1.8 Slope

The presence of slope can constrain development, either through making land inappropriate for industrial or commercial floorplates, or through requiring additional costs to address sloping sites.

Investigation areas throughout the Murray River LGA are situated on generally flat land. As such, slope does not present a hard constraint on any of the areas. Slope has been analysed as a manageable constraint where it exceeds 15 per cent. This occurs on small portions of several investigation areas – however, this is often around the banks of constrained waterways, and as such does not form a unique constraint. Slope data have been drawn from the Spatial Services NSW Elevation Data Service for the three zones of Echuca, Cohuna, and Swan Hill, together containing the investigation areas

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