Toowoomba – Inner City Economy

An economic and resident analysis of Toowoomba's CBD

Report prepared by .id for Toowoomba Regional Council

March 2020. Note: this report was completed using data pre the COVID 19 pandemic.

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This report was produced prior to the COVID 19 pandemic and the subsequent economic and community impact.

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Terminology

The following terms and acronyms are used in this report:

ABS

Australian Bureau of Statistics.

City Centre/CBD

Geographic area outlined in the Toowoomba City Centre Master Plan 2010 and detailed on page 9. Area incorporates a much larger land parcel than what would typically referred to as a central business district. Equivalent areas have been identified in benchmark cities.

DZNs

Destination Zones are ABS Journey to Work small area geographies. They are the spatial unit used to code Place of Work (POWP) counts for regions across Australia. In 2016, DZN boundaries have been designed by the ABS following consultation with each State/Territory Transport Authority.

Income brackets

High income refers to those earning $1,500 or more per week (≥$78,000 p.a.), low income refers to those earning less than $650 per week (<$33,800 p.a.)

LGA

Local Government Area.

Location Quotient

This is a way of demonstrating a particular specialisation of an area, or lack thereof. It is simply the share of jobs/value added provided by an industry locally divided by its share within the benchmark region.

NIEIR

National Institute of Economic and Industry Research (National Economics) – the leading provider of small area economic data in Australia.

Over/under represented

This highlights whether Toowoomba Region has a higher or lower share of residents/workers/economic value characterised by a specific feature.

Residents

This refers to those people who live in Toowoomba's CBD, regardless of where they work.

SA2s

ABS Statistical Areas Level 2 small area geographies. They are medium-sized general purpose areas designed to represent a community that interacts together socially and economically.

TRA

Tourism Research Australia.

Value Added

Value added is the value of sales generated by each industry, minus the cost of its inputs.

Workforce

This refers to those people who work in Toowoomba's CBD, regardless of where they live.

Executive Summary

Executive Summary

In 2018/19, the city centre (CBD) of Toowoomba supported almost 19,000 workers which represented 22% of the Region's entire workforce and generated approximately $2.26B in value added. Just over 1,200 businesses were registered there.

Toowoomba's CBD job numbers and density are relatively similar to other benchmark cities. Amongst the benchmarks, Townsville is an outlier largely due to the fact that its major hospital is not located in the central area of the city.

In 2016, the CBD was home to around 2,300 residents. This represented less than 2% of the Region's total population. The share of total Region's population living in Toowoomba's CBD was the lowest out of all benchmark cities. Dwelling numbers were also the lowest with a dwelling mix skewed towards low rise dwellings.

In the five years to 2018/19, the CBD of Toowoomba attracted an estimated 2.25 million visitors, the large majority being domestic visitors. International visitation was low compared to other benchmark cities of its size.

Compared to the benchmark average of other regional cities, Toowoomba CBD's workforce is younger, less likely to be university educated, less likely to be managers and/or professionals, and less likely to be earning high incomes.

In 2016, almost 400 workers lived in Central Toowoomba which equates to only 2.5% of the workforce, the lowest amongst all benchmark cities.

Compared to the benchmark cities, Toowoomba CBD's resident base is older than average, lower educated, less likely to be in the labour force, less likely to be studying and less likely to be born overseas.

The dwelling stock in the CBD is cheaper than all other benchmark cities and aligns with the existing lower income resident base. It would appear there is opportunity to improve the stock to make it attractive to the higher income CBD workers.

In 2016, the CBD supported just over 1,200 less jobs than in 2011. This is possibly due to the redevelopment of Grand Central at the time which would have caused disruption to retail and a redevelopment of the hospital boosting 2011 construction numbers.

Even with the return of retail and food services post development, there have been job losses in retail, telecommunications and manufacturing and it is estimated the number of jobs in 2018/19 is therefore still slightly below what it was in 2010/11.

However, in recent years job numbers have been steadily on the rise and the value generated by the CBD has increased due to growth in high value sectors such as Mining.

The number of GST registered businesses in Central Toowoomba has increased by just under 100 in the last nine years, a growth rate of 1.3% p.a., above the LGA average but below Queenslan's. However, growth is returning after some weak years and in 2018/19 it was 2.4%, well above the state's level of 2.0%.

The CBD would benefit from potentially moving some USQ activities to the CBD, increased modern high quality residential development, improving its recreational offer, attracting the relocated administrative offices of a large public sector authority or high value mining (or even agriculture) related companies, transforming vacant retail premises to new uses and increasing events and tourist destinations.

The proposed relocation of the hospital to the Baillie Henderson site could impact employment and flow on complementary services in the CBD, impacting job density and agglomeration benefits. Sufficient planning needs to be given to alternative uses for the site that generate ongoing employment opportunities, not solely residential growth that can be supported in other locations.

If inner city residential development is not encouraged in strategic locations, local retail and hospitality industries may not reach their growth potential.

01 Introduction

Introduction

Toowoomba city centre[1] (CBD) is the largest agglomeration of business service workers in the Darling Downs and South West Region. It houses numerous businesses, major retail and community assets that allow it to be a major destination for the regional population.

The area has received unprecedented recent public and private sector investment, including accommodation, retail and public realm improvements. The recent application by the Bernoth Property Group for a 12-storey tower suggests there is increasing interest in higher density residential development in the CBD.

Toowoomba Regional Council has identified the Toowoomba CBD as a major opportunity to increase economic activity in the Region. The second phase of the Inner City Living project is aimed at doing this by creating more opportunities for residents to live and work in the CBD/PDA. The Toowoomba Railway Parklands Priority Development Area (PDA) also provides a major opportunity to expand the CBD offer.

Understanding the economic and demographic processes at work in the Toowoomba CBD provides a framework for understanding what role the industries, workforce and community play in the context of SEQ, Queensland and beyond. This can guide what policy responses and investment may be appropriate to support the growth of businesses and maintenance of a vibrant economy in the future.

This report provides a narrative about the scale, recent change, and competitive advantages of the Toowoomba CBD backed by analytical evidence which can help support growth planning and investment priorities.

Purpose

The purpose of this report is to:

- provide a profile of the current economic significance of the CBD
- profile the existing workforce and resident base in the CBD
- explore change over time in recent years in terms of economic characteristics and industry growth
- analyse the competitive industries and factors influencing their change over time
- benchmark the Toowoomba CBD to other locations in Australia where possible, to highlight strengths/weaknesses.

[1] See next page for geography being profiled.

Introduction

Toowoomba CBD geography

The geography of analysis refers to the CBD area outlined in the Toowoomba City Centre Master Plan 2010. It encompasses the following Australian Bureau of Statistics (ABS) Destination Zones (DZNs):

- 314561467,
- 314561468,
- 314561469, and
- 314561988.

Note on data and time period

This report relies primarily on 2019 National Institute of Economic and Industry Research (NIEIR) estimates and 2016 ABS Census of Population and Housing data at the small area level (DZNs or SA2s).

For headline economic and employment estimates for Toowoomba's CBD we have attempted to estimate 2018/19 figures using modelling and the assumption that the city centre supports similar shares of LGA jobs in each sector as in 2016. Therefore, these estimates should be used with some caution.

For benchmark comparisons and more detailed industry estimates, the report presents 2016 estimates. This is due to:

- limitations in accurately extrapolating 2018/19 estimates for small areas in all LGAs. Small area (SA2s/DZNs) geography sizes differ across LGAs;
- limitations in accessing 2018/19 industry estimates for all LGAs (some benchmark cities are not currently .id clients and therefore lack annual economic data estimates).

Study area

02 CBD size and importance

Central Toowoomba supports more than 1 in 5 of the Region's jobs

- In 2016, the CBD of Toowoomba supported almost 18,000 workers representing 22% of the Region's entire workforce.
- It generated just over $2b in value added, also 22% of the Region's total. This highlights the mix of high (e.g. Finance) and low productivity (e.g. Retail) sectors located there.
- Just over 1,200 businesses were registered there. This is only 9.3% of the LGAs total reflecting the size of businesses and prominence of the public sector employing organisations.

Size of Central Toowoomba

$2,259m in value (2018/19)

18,724 workers (2018/19)

1,225 businesses (2019)

Source: NIEIR 2019 and ABS Census 2016. Data based on assumption that city centre supports same share of LGA jobs in each sector as in 2016. Refer to Data Notes (page 9)

- The share of the total Region's jobs in Toowoomba's CBD in 2016[1] was roughly inline with other large regional cities with populations over 150,000. Smaller cities such as Bendigo and Ballarat had city centres that supported more jobs.
- Job density in the CBD generally increases in line with city size.
- The clear outlier is Townsville, largely due to the fact that its major hospital is not located in the central area of the city. This reduces its job numbers by roughly 5,000.

Benchmark comparison, job numbers in city centres, 2016[1]

	Jobs	Jobs per sqkm	Share of LGA Jobs
Geelong	24,386	7,240	24%
Newcastle	23,699	7,376	21%
Wollongong	20,377	6,805	23%
Cairns	18,928	5,874	25%
Toowoomba	17,739	5,607	22%
Bendigo	15,147	4,704	31%
Ballarat	14,655	4,749	30%
Townsville	11,832	4,017	13%

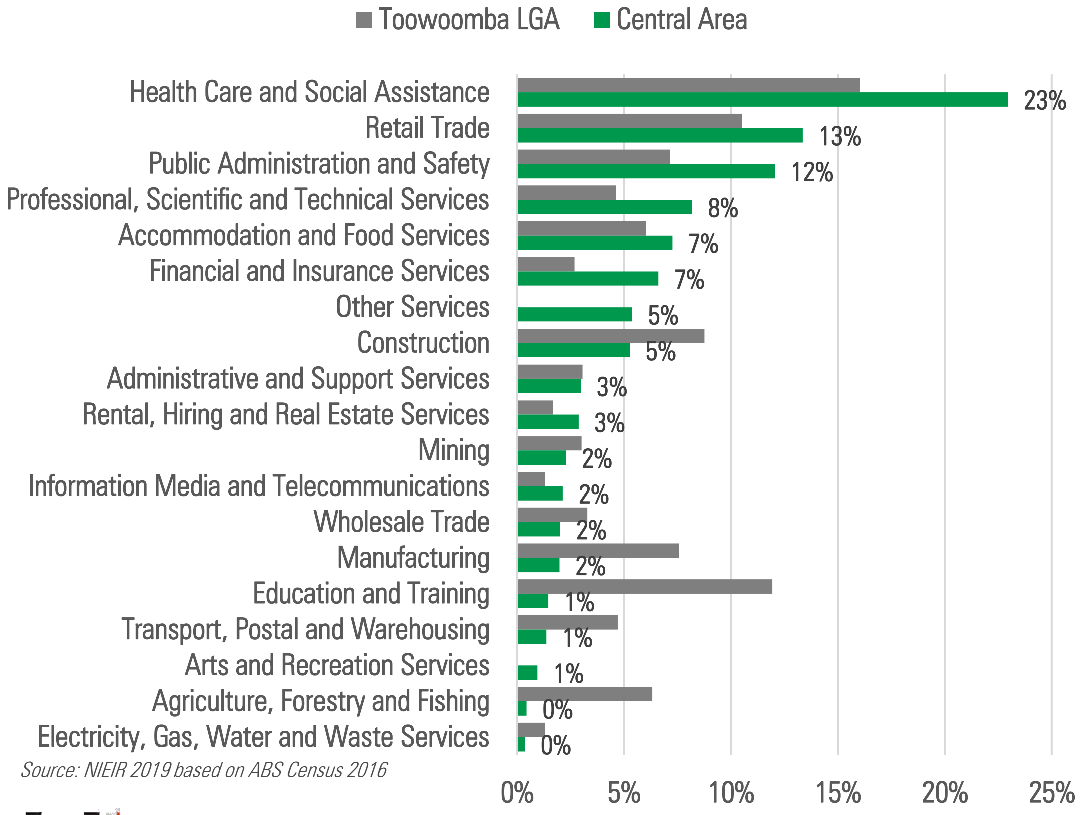
[1] An approximate equivalent geographic area has been taken for each city to generate a relevant comparison. 2016 data is used for comparison due to greater reliability of estimating and comparing sub LGA data in Census years. Refer to Data Notes (page 9)

Health care supports almost a quarter of all jobs in central Toowoomba

- The largest sector by employment in Toowoomba's CBD is overwhelmingly Health Care and Social Assistance, supporting almost a quarter (23%) of all jobs in 2015/16.
- The other main job providers are retail (13%) and Public Administration and Safety (12%).

- The economic structure of Toowoomba's CBD in terms of large employing sectors is relatively similar to other cities with the top three sectors – Health, Retail, Public Administration - appearing as key sectors in other city centres.

Share of all employment, 2015/16



Source: NIEIR 2019 based on ABS Census 2016

Benchmark comparison, largest employing sectors, 2016[1]

	Largest	2nd Largest	3rd Largest
Toowoomba	Health Care and Social Assistance	Retail Trade	Public Administration and Safety
Townsville	Public Administration and Safety	Accommodation and Food Services	Professional, Scientific and Technical Services
Cairns	Accommodation and Food Services	Public Administration and Safety	Health Care and Social Assistance
Wollongong	Health Care and Social Assistance	Public Administration and Safety	Retail Trade
Newcastle	Public Administration and Safety	Professional, Scientific and Technical Services	Financial and Insurance Services
Geelong	Health Care and Social Assistance	Public Administration and Safety	Retail Trade
Bendigo	Health Care and Social Assistance	Retail Trade	Financial and Insurance Services
Ballarat	Health Care and Social Assistance	Retail Trade	Accommodation and Food Services

Central Toowoomba also competitive in Resources and Agriculture

- In terms of which sectors are over-represented, Toowoomba's specialisation in Agriculture and Resources is clear
- Cairns and Townsville's tourism focus can be seen in the importance of Arts and Recreation and Accommodation and Food Services.
- Financial Services appears prominently in Newcastle and Bendigo (Bendigo Bank HQ)
- Wollongong houses a number of decentralised State and Federal Government agencies as well as other admin support services.

Benchmark comparison, most over-represented employment sectors, 2016[1]

Toowoomba	Mining	Agriculture, Forestry and Fishing	Wholesale Trade
Townsville	Agriculture, Forestry and Fishing	Electricity, Gas, Water and Waste Services	Information Media and Telecommunications
Cairns	Arts and Recreation Services	Transport, Postal and Warehousing	Accommodation and Food Services
Wollongong	Public Administration and Safety	Health Care and Social Assistance	Administrative and Support Services
Newcastle	Mining	Financial and Insurance Services	Transport, Postal and Warehousing
Geelong	Education and Training	Health Care and Social Assistance	Electricity, Gas, Water and Waste Services
Bendigo	Financial and Insurance Services	Education and Training	Health Care and Social Assistance
Ballarat	Health Care and Social Assistance	Retail Trade	Manufacturing

Source: NIEIR 2019 based on ABS Census 2016

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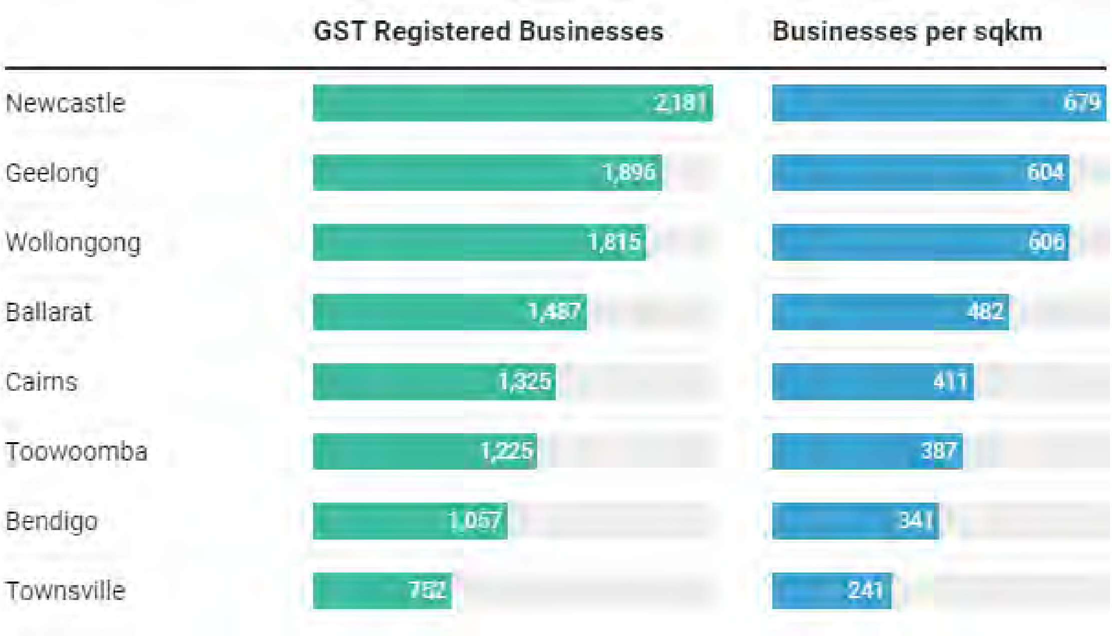
[1]Over-representation relies on LQ analysis. A Location Quotient (LQ) is a way of demonstrating a particular specialisation of an area, or lack thereof. It is simply the share of jobs provided by that industry locally divided by its share within a benchmark region. For example, Resources share of total local jobs in the CBD is 4 times greater than that Sector's share of employment in the benchmark cities' CBDs.

Toowoomba businesses over-represented in Agriculture Sector

- The number of businesses in regional city centres generally matches the job/population size of the city, however, Ballarat had a substantially higher number of businesses and Townsville lower given their respective sizes.
- The three sectors providing the most number of GST registered businesses in Toowoomba were: Rental, Hiring and Real Estate; Professional, Scientific and Technical Services; and Other Services.
- Looking at benchmark cities, all cities had Professional, Scientific and Technical Services and Rental, Hiring and Real Estate amongst their top 3 sectors. Five had Health Care and Social Assistance.
- When looking at which sectors were over-represented compared to benchmark averages, the Agriculture, Forestry and Fishing Sector appeared prominently in Toowoomba.

Benchmark comparison, business numbers in city centres, 2019[1]



Benchmark comparison, over-represented business sectors, 2019[1]

Toowoomba	Agriculture, Forestry and Fishing	Other Services	Wholesale Trade
Townsville	Agriculture, Forestry and Fishing	Construction	Rental, Hiring and Real Estate Services
Cairns	Transport, Postal and Warehousing	Administrative and Support Services	Accommodation and Food Services
Wollongong	Arts and Recreation Services	Transport, Postal and Warehousing	Health Care and Social Assistance
Newcastle	Professional, Scientific and Technical Services	Administrative and Support Services	Information Media and Telecommunications
Geelong	Health Care and Social Assistance	Information Media and Telecommunications	Manufacturing
Bendigo	Public Administration and Safety	Retail Trade	Information Media and Telecommunications
Ballarat	Agriculture, Forestry and Fishing	Wholesale Trade	Construction

Source: ABR, 2019

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[1] Sectors with more than 10 businesses

Central Toowoomba only houses 1.4% of the Region's resident base

- In 2016, the CBD of Toowoomba was home to around 2,300 usual residents. This represented less than 2% of the Region's total population.
- There were 1,180 dwellings (habitable structures e.g. house, unit, apartment, caravan) of which half were medium to high density.[1]

Size of Central Toowoomba, 2016

2,325 residents

1,180 dwellings

50.2% of dwellings are houses; 44.5% medium density; 3.9% high-rise

Source: ABS Census 2016

[1] High density refers to three or more storeys, medium density refers to townhouses and apartments up to two storeys

- The share of the total Region's population living in Toowoomba's CBD was the lowest out of all benchmark cities.
- The largest is Wollongong, which had over 12,000 people living in its city centre in 2016, just over 6% of the LGA's total population.
- Newcastle's population was also high, but the urban area of Newcastle is actually much larger than other LGA boundaries.

Benchmark comparison, resident numbers in city centres, 2016[1]

	Population	Pop per sqkm	Share of LGA's pop
Wollongong	12,429	4,151	6.1%
Newcastle	8,214	2,557	5.3%
Townsville	5,159	1,651	2.8%
Geelong	4,918	1,568	2.1%
Cairns	4,720	1,465	3.0%
Ballarat	3,762	1,219	3.7%
Bendigo	2,416	780	2.2%
Toowoomba	2,325	735	1.4%

[1] An approximate equivalent geographic area has been taken for each city to generate a relevant comparison

Significant opportunity to increase dwelling numbers and high density share in Central Toowoomba

- In 2016, the CBD of Toowoomba supported almost 1,200 dwellings, well below other benchmark cities.
- In contrast to Toowoomba, cities with high dwelling (and population counts) in their CBDs had a much higher share of high density dwellings. For example, in Wollongong, the dominant dwelling type was high density (71% of all dwellings), compared to only 4% of this type in Toowoomba.

Benchmark comparison, dwelling numbers and type in city centres, 2016[1]

	Total Dwellings	Houses	Medium Density	High Density
Wollongong	7,137	11%	18%	71%
Newcastle	5,230	12%	35%	52%
Townsville	3,093	15%	16%	65%
Geelong	2,585	51%	29%	17%
Ballarat	2,433	73%	23%	3%
Cairns	2,120	18%	24%	50%
Bendigo	1,906	77%	21%	1%
Toowoomba	1,179	50%	45%	4%

Source: ABS Census 2016

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Central Toowoomba is a strong market for domestic visitation, however, increasing international visitation is an opportunity

- In the five years to 2018/19, the CBD of Toowoomba attracted an estimated 2.25 million visitors, the large majority domestic visitors.

- Cairns and Townsville's role as tourism destinations is clear from the benchmark data.
- Toowoomba's number of international visitors is possibly lower than expected given the city's size. However, attracting overseas tourists to inland destinations is also a challenge and is viewed as an opportunity.

Visitation to Central Toowoomba, five year annual average to 2018/19

1.5 million day-trippers

750k domestic visitors

24k international visitors

Source: Tourism Research Australia, 2020

Benchmark comparison, five year annual average to 2018/19[1]

	Daytrippers	Domestic Overnight	International Overnight
Toowoomba	1,571,600	749,800	23,700
Townsville	680,800	5,402,800	95,633
Cairns	817,400	903,800	751,277
Newcastle	2,487,400	1,200,800	94,245
Wollongong	2,251,000	580,200	52,887
Ballarat	1,872,800	612,800	22,690
Geelong	2,277,200	610,000	40,021

[1] Note: TRA data is not as accurate at small area levels, so estimates should be used with some caution. Bendigo data is unreliable in current data and therefore has been excluded. SA2 geographies are used therefore sizes may differ. For example, Ballarat SA2 is much larger than other locations.

Most visitors to Toowoomba are visiting friends and family. Increasing holiday based visitation is also an opportunity reflected in the increase in investment in short stay accommodation.

- The majority of visitors to Toowoomba are there to visit friends and family.
- The share of visitors travelling to Toowoomba for holiday reasons is lower than other benchmark areas.
- Domestic visitation for medical reasons is over-represented reflecting Toowoomba's catchment for health services that extends to the NT border, north Qld and Northern NSW.
- Overseas visitation for business and employment reasons is over-represented (2). This is generally economically favourable due to the higher spend per visitor in these cohorts.

Benchmark comparison, domestic overnight visitation reason[1]

	Visiting relatives	Holiday	Business	Visiting friends	Medical reasons	To attend an event, sport or cultural or festival
Toowoomba	35%	15%	19%	12%	5%	2%
Townsville	22%	18%	28%	8%	6%	3%
Cairns	15%	42%	22%	7%	3%	1%
Newcastle	31%	17%	21%	14%	3%	2%
Wollongong	32%	23%	11%	17%	2%	3%
Ballarat	31%	23%	15%	11%	2%	3%
Geelong	35%	18%	13%	16%	3%	2%

Source: Tourism Research Australia, 2020

Benchmark comparison, international overnight visitation reason[1]

	Holiday	Visiting relatives	Visiting friends	Business	Employment	Education
Toowoomba	22%	33%	13%	12%	6%	6%
Townsville	71%	12%	5%	3%	2%	3%
Cairns	88%	2%	1%	1%	0%	1%
Newcastle	47%	21%	12%	8%	2%	5%
Wollongong	44%	22%	9%	5%	2%	11%
Ballarat	52%	19%	17%	3%	1%	4%
Geelong	46%	22%	10%	8%	4%	4%

[1] Five year average to 2018/19. Only top six reasons (benchmark averages) are shown, therefore percentages do not add to 100. Bendigo data is unreliable in current data and therefore has been excluded.

2 Over-representation relies on LQ analysis. A Location Quotient (LQ) is a way of demonstrating a particular specialisation of an area, or lack thereof. It is simply the share of jobs provided by that industry locally divided by its share within a benchmark region. For example, Resources share of total local jobs in the CBD is 4 times greater than that sector's share of employment in the benchmark cities' CBDs.

03a Profile - workforce

Toowoomba's CBD workers more likely to be in full time employment

- Compared to the benchmark average of other regional cities, Toowoomba CBD's workforce is:
  - ➢ Younger than average
  - ➢ Slightly less likely to be earning high incomes[1]
  - ➢ Less likely to be managers and/or professionals
  - ➢ Less likely to live and work in the CBD
  - Less likely to ➢ niversity educated
  - ➢ More likely to be working full-time
  - ➢ Less likely to be born overseas.
- Rates of higher education seem to be highly correlated to occupations, however, they do not necessarily impact income levels. For example, Newcastle has a much higher share of high income earners than Geelong, but a lower share of university educated workers and managers/professionals. This is most likely due to the fact that the majority of professionals working in Geelong are in the health care sector (more likely to be casual / part-time workers) whereas in Newcastle they are in public administration, business or finance related roles.

Benchmark comparison, workforce characteristics, 2016[1]

	Median Age	Bachelor Degree or Above	High Income earners	Full-time employment	Managers or Professionals	Born Overseas	Female:Male	Live in central area
Toowoomba	38	29%	24%	67	35%	14%	1.4	2%
Townsville	39	31%	30%	72	36%	18%	1.3	8%
Cairns	40	29%	23%	67	34%	32%	1.4	7%
Newcastle	39	36%	33%	68	41%	12%	1.3	9%
Wollongong	39	36%	27%	62	40%	20%	1.7	11%
Ballarat	41	36%	21%	55	41%	11%	1.8	7%
Bendigo	40	36%	23%	58	42%	10%	1.6	5%
Geelong	41	42%	26%	58	45%	17%	1.9	4%
Benchmark average	40	35%	26%	63	39%	17%	1.5	7%

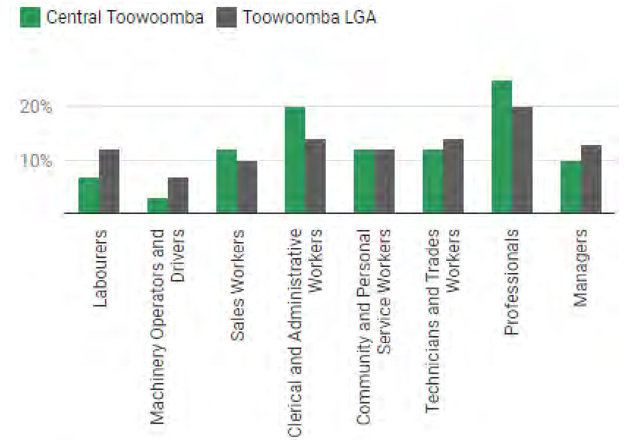
Source: ABS Census 2016

[1] High income refers to those earning $1,500 or more per week ($78,000+ p.a.), low income refers to those earning less than $650 per week (<$33,800 p.a.)

High shares of Professionals and Clerical / Administrative workers

- A quarter (25%) of all workers in the Toowoomba CBD are employed in professional occupations, this compares to 20% for the LGA as a whole. As expected, the share of workers in clerical /administration roles (20%) is also over-represented.
- The level of professionals is heavily influenced by the Health Care sector where just over half the workers are professionals and also naturally the Professional, Scientific and Technical Services Sector.
- Clerical and Administrative workers are the third largest employing sector – Public Administration and Safety.

[1]Over-representation relies on LQ analysis. A Location Quotient (LQ) is a way of demonstrating a particular specialisation of an area, or lack thereof. It is simply the share of jobs provided by that industry locally divided by its share within a benchmark region. For example, Resources share of total local jobs in the CBD is 4 times greater than that sector's share of employment in the benchmark cities' CBDs.



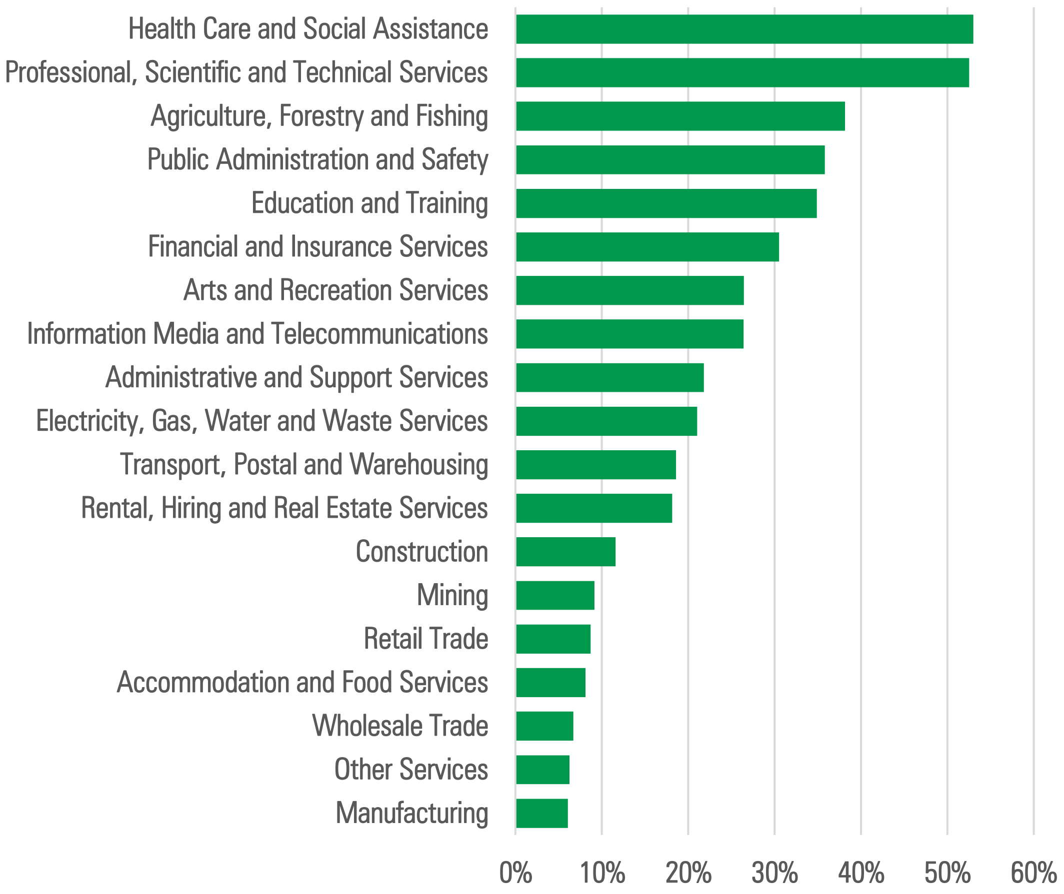
	Agriculture, Forestry and Fishing	Mining	Manufacturing	Electricity, Gas, Water and Waste Services	Construction	Wholesale Trade	Retail Trade	Accommodation and Food Services	Transport, Postal and Warehousing	Information Media and Telecommunications	Financial and Insurance Services	Rental, Hiring and Real Estate Services	Professional, Scientific and Technical Services	Administrative and Support Services	Public Administration and Safety	Education and Training	Health Care and Social Assistance	Arts and Recreation Services	Other Services
Managers	14%	12%	10%	7%	16%	16%	16%	17%	15%	14%	13%	10%	5%	7%	9%	5%	4%	19%	7%
Professionals	21%	11%	3%	19%	5%	1%	2%	0%	6%	29%	29%	9%	52%	25%	22%	50%	51%	16%	3%
Technicians and Trades Workers	14%	14%	29%	26%	45%	8%	8%	16%	14%	10%	1%	1%	9%	5%	8%	4%	4%	11%	53%
Community and Personal Service Workers	5%	0%	1%	0%	1%	0%	1%	32%	0%	0%	1%	4%	0%	18%	20%	18%	22%	26%	12%
Clerical and Administrative Workers	29%	12%	12%	10%	14%	14%	7%	3%	19%	14%	53%	23%	32%	20%	36%	21%	14%	13%	13%
Sales Workers	4%	0%	14%	0%	1%	38%	57%	12%	6%	27%	3%	46%	0%	2%	0%	0%	1%	11%	2%
Machinery Operators and Drivers	0%	36%	5%	19%	6%	13%	3%	2%	29%	2%	0%	3%	0%	2%	2%	0%	0%	0%	1%
Labourers	12%	15%	25%	19%	13%	10%	6%	18%	11%	3%	0%	5%	1%	21%	3%	3%	3%	5%	9%

Source: ABS Census 2016

Health Care and Professional Services sectors are by far the most educated

- 53% of the Health Care and Social Assistance Services Sector and Professional, Scientific and Technical Service Sector workforces hold a Bachelor degree or above
- In contrast, six sectors had workforces with less than 10% of workers having a degree. However, some of these have high rates of Certificate Level education e.g. the Resource sector with 57.2%
- The sectors with the highest share of workforce with no qualification at all were:
  - Wholesale Trade – 58%
  - Retail trade – 57%
  - Accommodation and Food Services – 55%

Share of workforce with University degree, 2016



Source: ABS Census 2016

Health Professional's is the top occupation

- The most common occupation of Toowoomba CBD's workforce is Health Professionals, no surprise given the importance of the Health Care Sector.
- Nearly all benchmark cities with hospitals in their city centre, have Health Professionals as the number one occupation. The outlier is Cairns, which has its large tourism role reflected in the abundance of retail and hospitality related occupations.
- Newcastle and Townsville reflect locations without a hospital in the city centre and therefore have a focus primarily on professional business service occupations.
- To identify competitive advantages of each city, occupation shares of the total workforce can be compared to the benchmark average (see next page).
- This reveals the over-representation (1) of technical trades in Toowoomba's CBD – automotive engineering, construction, technicians.
- Other cities over-represented occupations also reflect niches:
  - Townsville – Defence and Engineering
  - Cairns – Tourism and Hospitality
  - Newcastle – Arts/Design and Engineering
  - Wollongong – ICT
  - Bendigo - Education
  - Geelong – Health and ICT.

Top occupations of workforce, 2016

Toowoomba	Health Professionals	Sales Assistants and Salespersons	Business, Human Resource and Marketing Professionals	Hospitality, Retail and Service Managers	Numerical Clerks
Townsville	Business, Human Resource and Marketing Professionals	Specialist Managers	Hospitality Workers	Inquiry Clerks and Receptionists	Design, Engineering, Science and Transport Professionals
Cairns	Sales Assistants and Salespersons	Hospitality, Retail and Service Managers	Business, Human Resource and Marketing Professionals	Hospitality Workers	Health Professionals
Newcastle	Business, Human Resource and Marketing Professionals	Specialist Managers	Numerical Clerks	Inquiry Clerks and Receptionists	Design, Engineering, Science and Transport Professionals
Wollongong	Health Professionals	Sales Assistants and Salespersons	Inquiry Clerks and Receptionists	Business, Human Resource and Marketing Professionals	General Clerical Workers
Ballarat	Health Professionals	Sales Assistants and Salespersons	Business, Human Resource and Marketing Professionals	Carers and Aides	Hospitality, Retail and Service Managers
Bendigo	Health Professionals	Sales Assistants and Salespersons	Business, Human Resource and Marketing Professionals	Specialist Managers	Hospitality, Retail and Service Managers
Geelong	Health Professionals	Sales Assistants and Salespersons	Business, Human Resource and Marketing Professionals	Inquiry Clerks and Receptionists	Specialist Managers

Source: ABS Census 2016

[1]Over-representation relies on LQ analysis. A Location Quotient (LQ) is a way of demonstrating a particular specialisation of an area, or lack thereof. It is simply the share of jobs provided by that industry locally divided by its share within a benchmark region. For example, Resources share of total local jobs in the CBD is 4 times greater than that Sector's share of employment in the benchmark cities' CBDs.

Most over-represented occupations of workforce, 2016[1]

Toowoomba	Automotive and Engineering Trades Workers	Construction Trades Workers	Other Technicians and Trades Workers	Sales Assistants and Salespersons	Carers and Aides
Townsville	Protective Service Workers	Design, Engineering, Science and Transport Professionals	Hospitality Workers	Other Clerical and Administrative Workers	Engineering, ICT and Science Technicians
Cairns	Sports and Personal Service Workers	Cleaners and Laundry Workers	Food Trades Workers	Sales Support Workers	Protective Service Workers
Newcastle	Arts and Media Professionals	Design, Engineering, Science and Transport Professionals	Numerical Clerks	Personal Assistants and Secretaries	Specialist Managers
Wollongong	ICT Professionals	Inquiry Clerks and Receptionists	Health Professionals	General Clerical Workers	Other Clerical and Administrative Workers
Ballarat	Carers and Aides	Health Professionals	Health and Welfare Support Workers	Food Preparation Assistants	Sales Assistants and Salespersons
Bendigo	Education Professionals	Food Preparation Assistants	Health and Welfare Support Workers	ICT Professionals	Health Professionals
Geelong	Health Professionals	ICT Professionals	Carers and Aides	Engineering, ICT and Science Technicians	Health and Welfare Support Workers

Source: ABS Census 2016

[1] Compared to benchmark average, includes only occupations with over 200 workers.
Over-representation relies on LQ analysis. A Location Quotient (LQ) is a way of demonstrating a particular specialisation of an area, or lack thereof. It is simply the share of jobs provided by that industry locally divided by its share within a benchmark region. For example, Resources share of total local jobs in the CBD is 4 times greater than that sector's share of employment in the benchmark cities' CBDs.

Business and Health are top qualification fields

- The most common study field of qualification of Toowoomba CBD's workforce is Business and Management, followed by Nursing.
- All benchmark cities have Business and Management qualifications in their top two and most of those with hospitals in their city centre also have Nursing.
- Newcastle and Townsville have Accounting and Law qualifications in their top five reflecting the more business focus and lack of a hospital in their city centres.
- Once again, to identify competitive advantages of each city, qualification field of study shares of the total workforce can be compared to the benchmark average (see next page).
- This reveals the over-representation (1) of Engineering, Construction and Agriculture related qualifications in Toowoomba's CBD, aligning with occupations.
- Other cities over-represented qualification fields include:
  - Townsville – Marine & Environmental Science
  - Cairns – Marine Engineering / Operations, Tourism and Hospitality
  - Newcastle – Environmental Science and Engineering, Law
  - Wollongong – ICT
  - Ballarat – Health and Agriculture
  - Bendigo - Education
  - Geelong – Health and Information Management.

Top qualification fields of workforce, 2016

Toowoomba	Business and Management	Nursing	Human Welfare Studies and Services	Food and Hospitality	Accounting
Townsville	Business and Management	Food and Hospitality	Accounting	Law	Human Welfare Studies and Services
Cairns	Business and Management	Food and Hospitality	Teacher Education	Nursing	Human Welfare Studies and Services
Newcastle	Business and Management	Accounting	Law	Teacher Education	Human Welfare Studies and Services
Wollongong	Business and Management	Nursing	Human Welfare Studies and Services	Accounting	Teacher Education
Ballarat	Nursing	Business and Management	Human Welfare Studies and Services	Teacher Education	Food and Hospitality
Bendigo	Nursing	Business and Management	Human Welfare Studies and Services	Teacher Education	Accounting
Geelong	Nursing	Business and Management	Human Welfare Studies and Services	Medical Studies	Teacher Education
Benchmark average	Business and Management	Nursing	Human Welfare Studies and Services	Teacher Education	Accounting

Source: ABS Census 2016

[1]Over-representation relies on LQ analysis. A Location Quotient (LQ) is a way of demonstrating a particular specialisation of an area, or lack thereof. It is simply the share of jobs provided by that industry locally divided by its share within a benchmark region. For example, Resources share of total local jobs in the CBD is 4 times greater than that sector's share of employment in the benchmark cities' CBDs.

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Most over-represented qualification fields of workforce, 2016[1]

Toowoomba	Automotive Engineering and Technology	Agriculture	Process and Resources Engineering	Manufacturing Engineering and Technology	Building
Townsville	Biological Sciences	Other Management and Commerce	Engineering and Related Technologies, nfd[2]	Environmental Studies	Law
Cairns	Maritime Engineering and Technology	Language and Literature	Tourism	Food and Hospitality	Biological Sciences
Newcastle	Maritime Engineering and Technology	Environmental Studies	Office Studies	Law	Civil Engineering
Wollongong	Office Studies	Computer Science	Geomatic Engineering	Medical Studies	Other Natural and Physical Sciences
Ballarat	Nursing	Agriculture	Human Welfare Studies and Services	Dental Studies	Radiography
Bendigo	Philosophy and Religious Studies	Education, nfd	Teacher Education	Health, nfd	Human Welfare Studies and Services
Geelong	Librarianship, Information Management and Curatorial Studies	Radiography	Other Natural and Physical Sciences	Nursing	Health, nfd

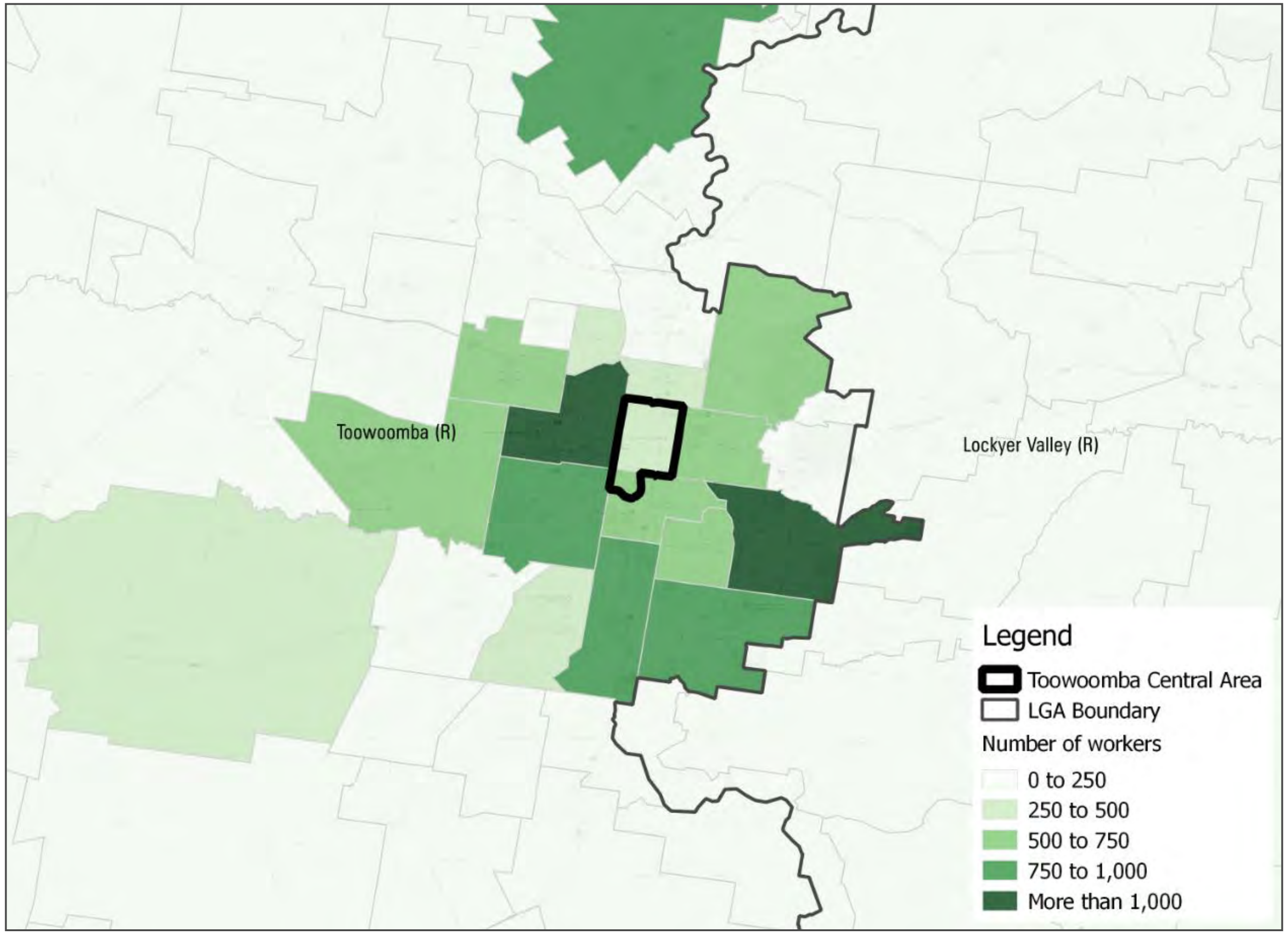
Source: ABS Census 2016

[1] Compared to benchmark average, includes only occupations with over 200 workers.
[2] 'nfd' means 'not further defined' and is used when a Census respondent has not provided adequate information for the response to be put into a category at the most detailed level.
Over-representation relies on LQ analysis. A Location Quotient (LQ) is a way of demonstrating a particular specialisation of an area, or lack thereof. It is simply the share of jobs provided by that industry locally divided by its share within a benchmark region. For example, Resources share of total local jobs in the CBD is 4 times greater than that sector's share of employment in the benchmark cities' CBDs.

Significant opportunity to grow the number of residents who live and work in the CBD

- Workers in Toowoomba's CBD live in multiple locations across the city. However, Newtown (directly east) and Rangeville are particularly popular suburbs.
- In 2016, over 800 workers resided in Highfield's, which is to the north of the CBD.
- Almost 400 workers lived in central Toowoomba, which equates to only 2.5% of the workforce. This is much lower than other benchmark cities and should be targeted as an opportunity to reduce commutes and grow economic activity (especially night-time) in the CBD in the future.
- The sectors with the highest share of workers living and working in the city centre in 2016 were:
  - Accommodation and Food Services (5.8%)
  - Information Media and Telecommunications (5.6%)
  - Administrative and Support Services (4.1%)

Residence of CBD workforce, 2016



Source: ABS Census 2016

03b Profile - Resident base

Opportunity to target young professionals and diversify resident mix in the CBD

- Compared to the benchmark average of other regional cities, Toowoomba CBD's resident base is:
  - Older than average
  - Less likely to be studying
  - Less likely to be born overseas.
  - Less likely to be in the labour force
  - Far less likely to be university educated
  - More likely to be earning low income.
- Townsville and Newcastle have the resident bases with the highest participation and full time employment rates which contributes to higher incomes.
- When compared to other cities, Toowoomba seems to have a gap in young workforce aged residents living in its city centre (see next slide).

Benchmark comparison, resident characteristics, 2016[1]

	Median Age	Participation Rate	Full-time employment Rate	Studying	Bachelor Degree or Above	Born Overseas	Low Income	High Income
Toowoomba	40	59%	66%	21%	17%	15%	55%	12%
Townsville	36	74%	75%	21%	30%	22%	36%	28%
Cairns	35	69%	66%	20%	22%	34%	48%	16%
Newcastle	36	71%	67%	24%	39%	16%	38%	29%
Wollongong	33	60%	63%	32%	31%	33%	53%	17%
Ballarat	39	65%	60%	26%	28%	11%	50%	19%
Bendigo	39	66%	61%	23%	25%	11%	50%	16%
Geelong	40	65%	62%	24%	30%	23%	47%	21%
Benchmark average	36	66%	66%	26%	31%	23%	46%	21%

Source: ABS Census 2016

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Opportunity to attract more young people to live and work in the CBD

Benchmark comparison, resident age breakdown, 2016[1]

	Toowoomba	Townsville	Cairns	Newcastle	Wollongong	Ballarat	Bendigo	Geelong	Benchmark average
Babies and pre-schoolers (0 to 4)	4%	3%	3%	3%	3%	5%	5%	4%	4%
Primary schoolers (5 to 11)	6%	3%	3%	5%	4%	8%	6%	5%	5%
Secondary schoolers (12 to 17)	6%	5%	6%	4%	3%	6%	7%	4%	5%
Tertiary education and independence (18 to 24)	13%	14%	1…	12%	20%	1…	11%	13%	14%
Young workforce (25 to 34)	16%	23%	24%	23%	23%	14%	16%	17%	21%
Parents and homebuilders (35 to 49)	18%	19%	21%	19%	15%	19%	19%	17%	18%
Older workers and pre-retirees (50 to 59)	14%	16%	1…	14%	11%	14%	13%	14%	13%
Empty nesters and retirees (60 to 69)	9%	10%	9%	11%	9%	1…	12%	12%	10%
Seniors (70 to 84)	6%	1%	1%	2%	2%	4%	3%	4%	2%
Elderly aged (85 and over)	9%	6%	7%	8%	10%	9%	8%	10%	8%

Source: ABS Census 2016. Percentages may not add up to 100 due to rounding.

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03c Profile – Dwelling tenure and affordability

Opportunity to improve dwelling stock in the CBD to attract high income workers

- Compared to the benchmark average of other regional cities, Toowoomba CBD has:
  - A much higher share of social housing
  - Much lower housing costs
  - Much higher housing costs to household incomes ratio
  - Lower share wellings owned outright
  - Much lower household incomes (CBD residents)
  - Much lower sing costs to CBD worker income ratio.
- From the dwelling costs alone, it would appear Toowoomba's CBD is made up of highly affordable housing stock - annual rent costs were only 20% of a median worker income in 2016. However, due to the low income of the resident base, this is not actually the case for its residents. Rents were actually 30% of a typical household's annual income, the highest amongst all benchmark cities.
- It would appear there is opportunity to improve the diversity of residential accommodation across the wider CBD frame.

Benchmark comparison, dwelling tenure and affordability characteristics, 2016[1]

	Owned Outright	Owned with Mortgage	Renting - Social housing	Renting - private/ commercial	Median Rental Costs	Median Mortgage Payments	Median Resident Household Income	Median Worker Income	Rent to Resident Houshold Income	Mortgage to Resident Houshold Income	Rent to Worker Income	Mortgage to Worker Income
Toowoomba	17%	18%	9%	53%	$12,641	$18,461	$42,254	$64,412	30%	44%	20...	29%
Townsville	20%	17%	4%	56%	$17,347	$22,577	$99,509	$59,378	17%	23%	29%	38%
Cairns	24%	20%	2%	53%	$16,770	$20,654	$70,599	$43,818	24%	29%	38%	47%
Newcastle	26%	22%	5%	46%	$21,445	$25,207	$92,889	$57,458	23%	27%	37%	44%
Wollongong	24%	16%	7%	52%	$18,982	$22,774	$72,166	$63,801	26%	32%	30%	36%
Ballarat	33%	27%	0%	38%	$13,325	$18,318	$66,434	$47,873	20%	28%	28%	38%
Bendigo	28%	25%	2%	43%	$13,658	$18,890	$74,206	$44,114	18%	25%	31%	43%
Geelong	31%	23%	2%	43%	$16,111	$23,625	$87,035	$64,030	19%	27%	25%	37%

Source: ABS Census 2016; Payments and Incomes are annual

04 Growth and change over time

Central Toowoomba jobs growing strongly in recent years and productivity has been increasing steadily

- Job numbers have increased considerably in the last few years (almost 1,000 since 2016), which is a positive sign. However, even with the return of retail and food services post Grand Central development, some retail outlets have since closed. There have also been job losses in telecommunications and manufacturing and it is estimated the number of jobs in 2018/19 is therefore still slightly below what it was in 2010/11.
- The value generated by the CBD has increased due to growth in high value sectors such as Mining.

Size of Central Toowoomba

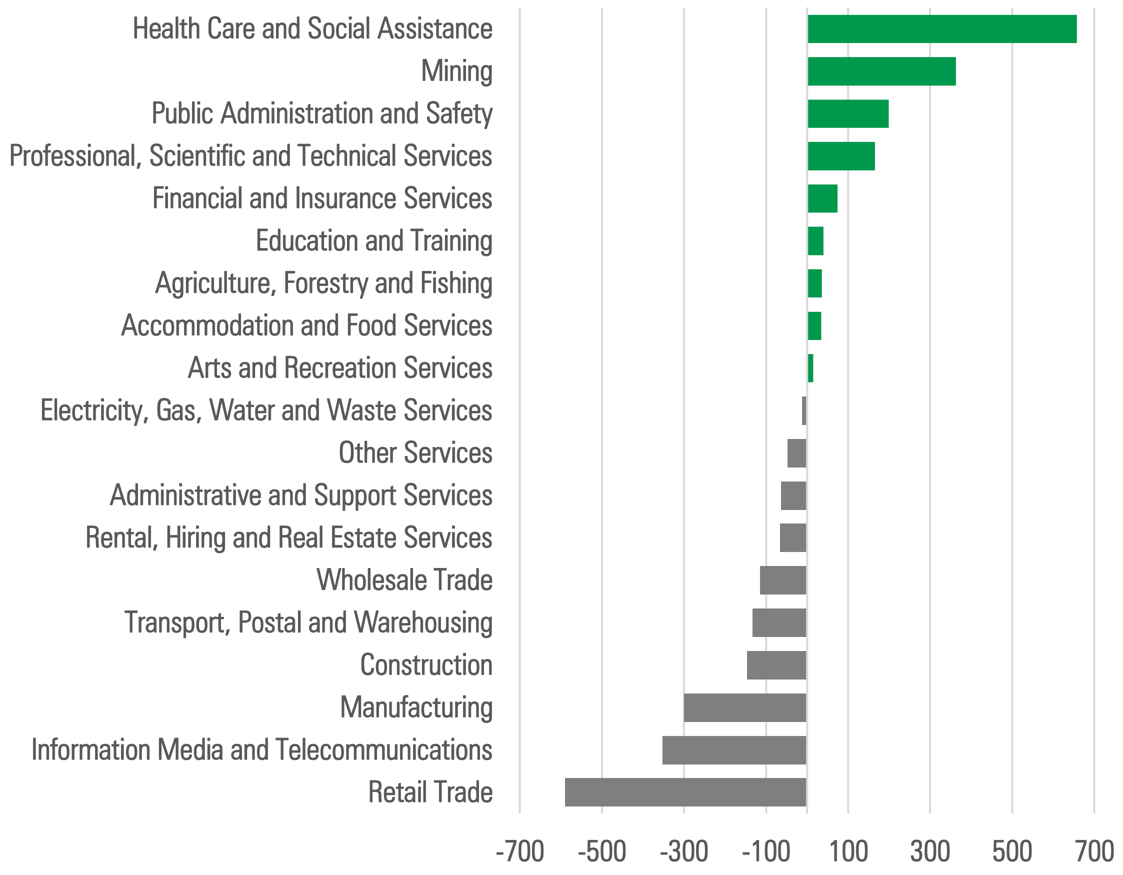
2010/11 18,964 worker
$1,755m value added

2015/16 17,739 workers
$2,023m value added

2018/19[1] 18,724 workers
$2,259m value added

Source: NIEIR 2019 based on ABS Census 2011 and 2016

Change in job numbers in city centre by sector, 2010/11 to 2018/19[1]



[1] Based on assumption that city centre supports same share of LGA jobs in each sector as in 2016

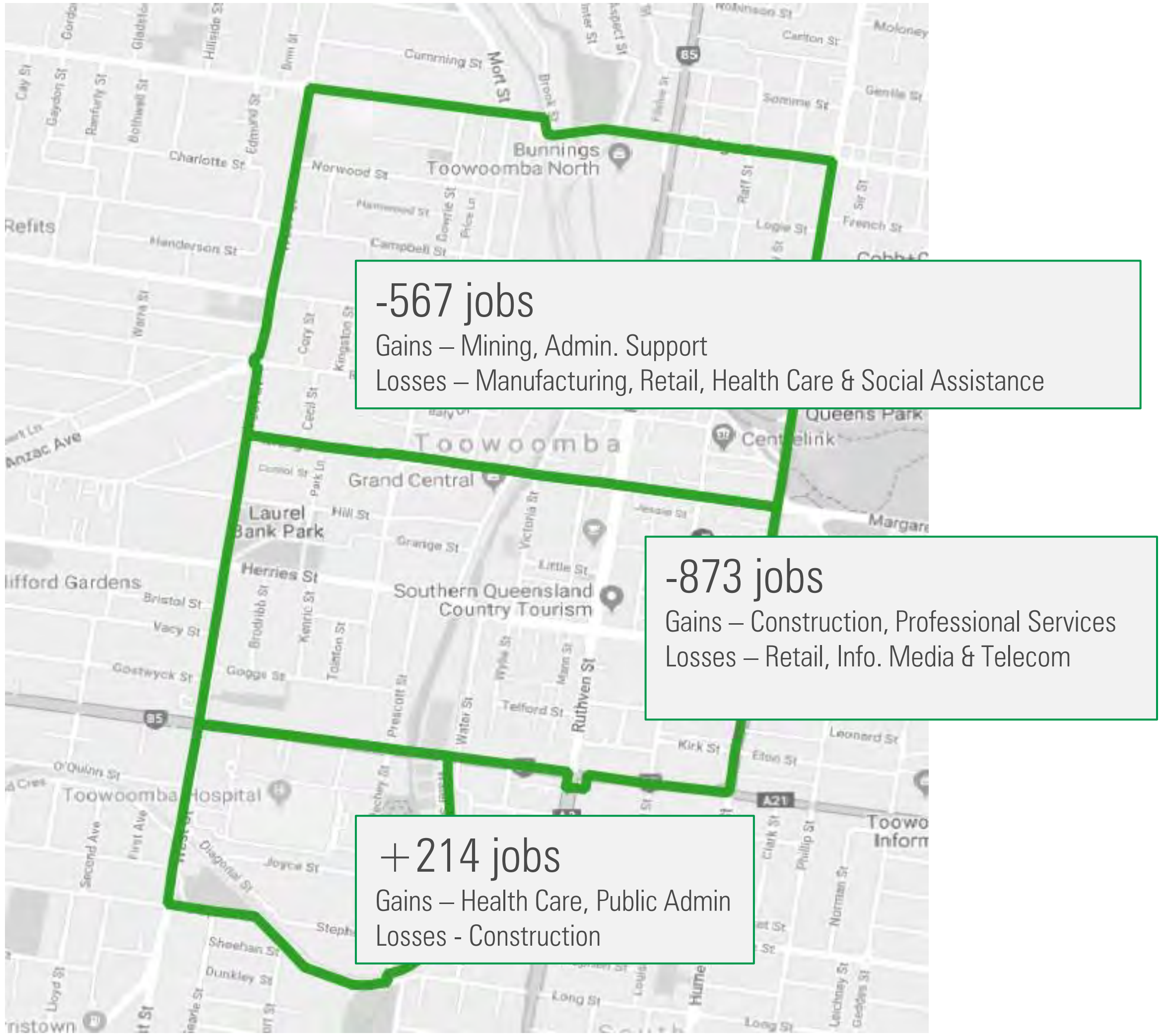
Central Toowoomba jobs growing strongly in recent years and productivity has been increasing steadily

Looking spatially at change over the 2011 to 2016 period, key insights include:

- Central Toowoomba North – Mining Sector (Oil and Gas) related employment has grown strongly and Manufacturing (Automotive Parts) and Social Assistance Services declined.
- Central Toowoomba Centre – Professional Services (Legal and Accounting) related employment has grown strongly and Telecommunications declined. The development of Grand Central still being finished in 2016 saw construction jobs increase and retail fall.
- Central Toowoomba South – Health Care naturally increased post hospital upgrade, which also saw Construction related employment decline from 2011.

Source: NIEIR 2019 based on ABS Census 2011 and 2016

Change in job numbers in city centre by location, 2011 to 2016



[1] An approximate equivalent geographic area has been taken for each city to generate a relevant comparison

Business numbers in Toowoomba's CBD are growing

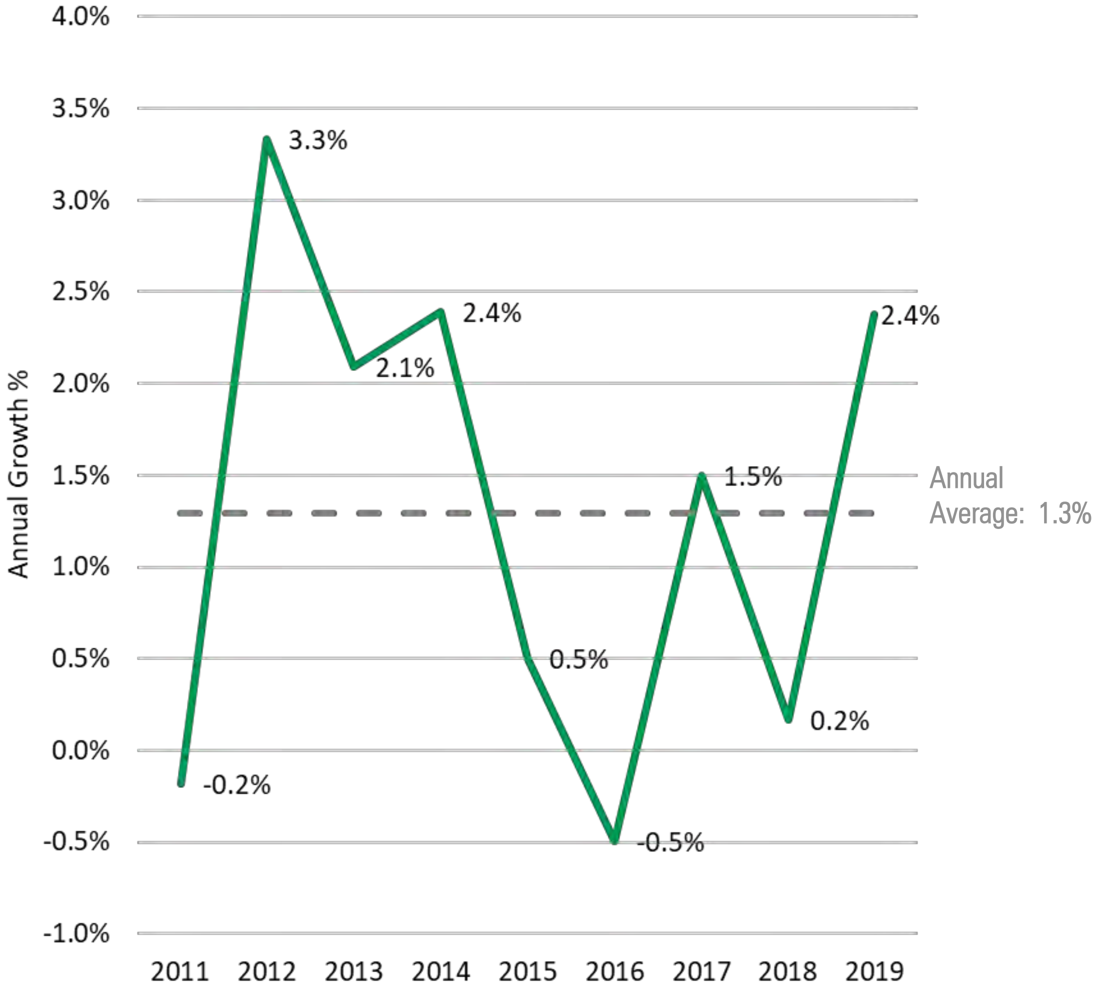
- The number of GST registered businesses in Central Toowoomba has increased by just under 100 (96) in the last nine years, a growth rate of 1.3% p.a.
- Growth in the four years to June 2019 was also 1.3% p.a., above the LGA average of only 1.1% p.a., but well below the Queensland (1.8% p.a.) and Australian average (2.9% p.a.) in the same period.
- In a positive sign, growth in the 2018/19 financial year was 2.4%, above the state average (2.0%).

Size of Central Toowoomba – number of GST registered businesses

June 2011	1,110 businesses
June 2016	1,199 businesses
June 2019	1,206 businesses

Source: ABR, 2019; ABS Cat: 8165.0 Counts of Australian Businesses, including Entries and Exits, 2016 to 2018

Change in registered business numbers in city centre, 2011 to 2019



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Business Services and Accommodation and Food driving business growth

- Business number growth was strongest amongst the sectors of Accommodation and Food Services, Rental, Hiring and Real Estate Services and Professional Scientific and Technical Services, both adding 20 or more businesses in the period since June 2011.
- The strong growth in Accommodation and Food Services businesses contrasts with weak jobs growth, which suggests there is a trend towards a higher number of smaller hospitality providers.

Change in registered business numbers in city centre by sector, 2011 to 2019

	2011	2019	Change
Accommodation and Food Services	55	86	31
Rental, Hiring and Real Estate Services	153	176	23
Professional, Scientific and Technical Services	145	166	21
Agriculture, Forestry and Fishing	31	49	18
Health Care and Social Assistance	98	110	12
Other Services	130	141	11
Financial and Insurance Services	90	100	10
Arts and Recreation Services	15	23	8
Education and Training	18	24	6
Transport, Postal and Warehousing	14	20	6
Administrative and Support Services	27	32	5
Mining	2	4	2
Manufacturing	34	35	1
Public Administration and Safety	7	8	1
Electricity, Gas, Water and Waste Services	2	2	0
Information Media and Telecommunications	11	11	0
Construction	99	96	-3
Wholesale Trade	38	34	-4
Retail Trade	141	131	-10

Source: ABR, 2019

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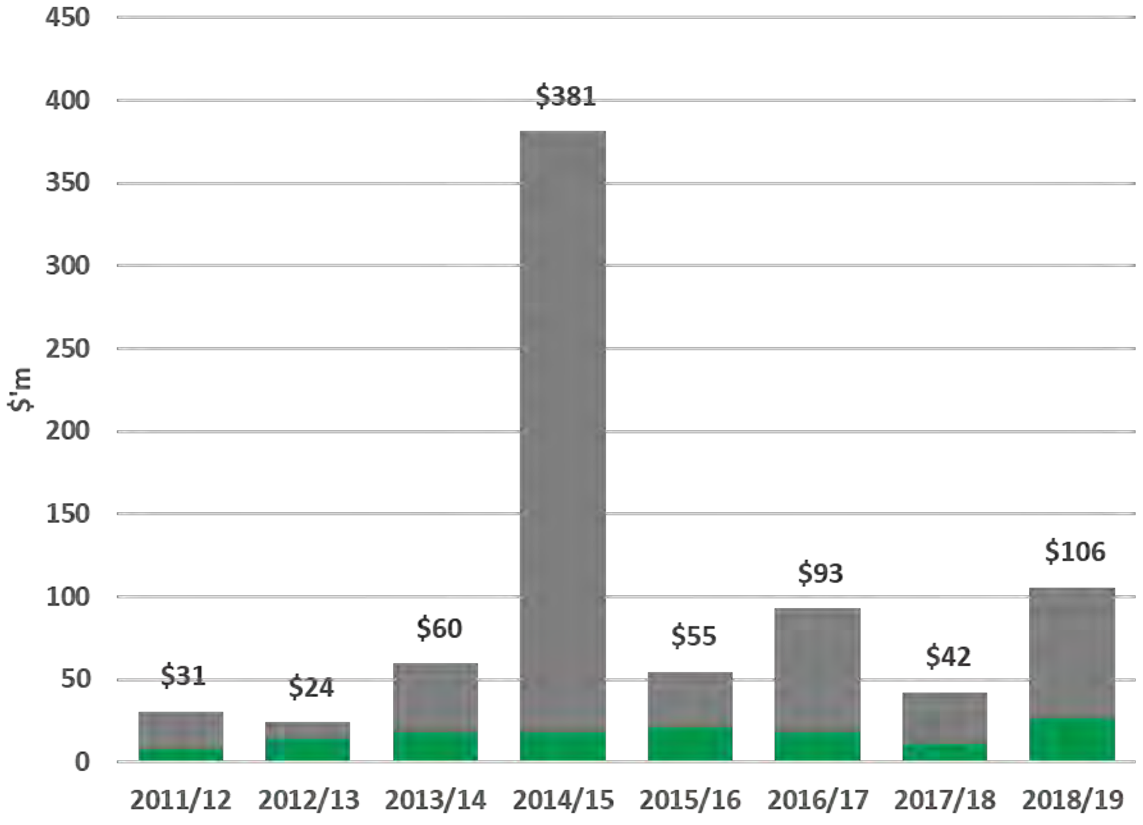
The value of building approvals has increased over time, dominated by non-residential developments

- The value of development in Toowoomba's CBD has grown in recent years, dominated by the Grand Central redevelopment approved in 2014/15.
- The value of residential developments has only averaged $17m p.a. during the period since 2011/12. In contrast, non-residential has averaged $82m p.a. ($42m in non-Grand Central approval years).

Value of Toowoomba Central SA2 building approvals, 2011/12 to 2018/19

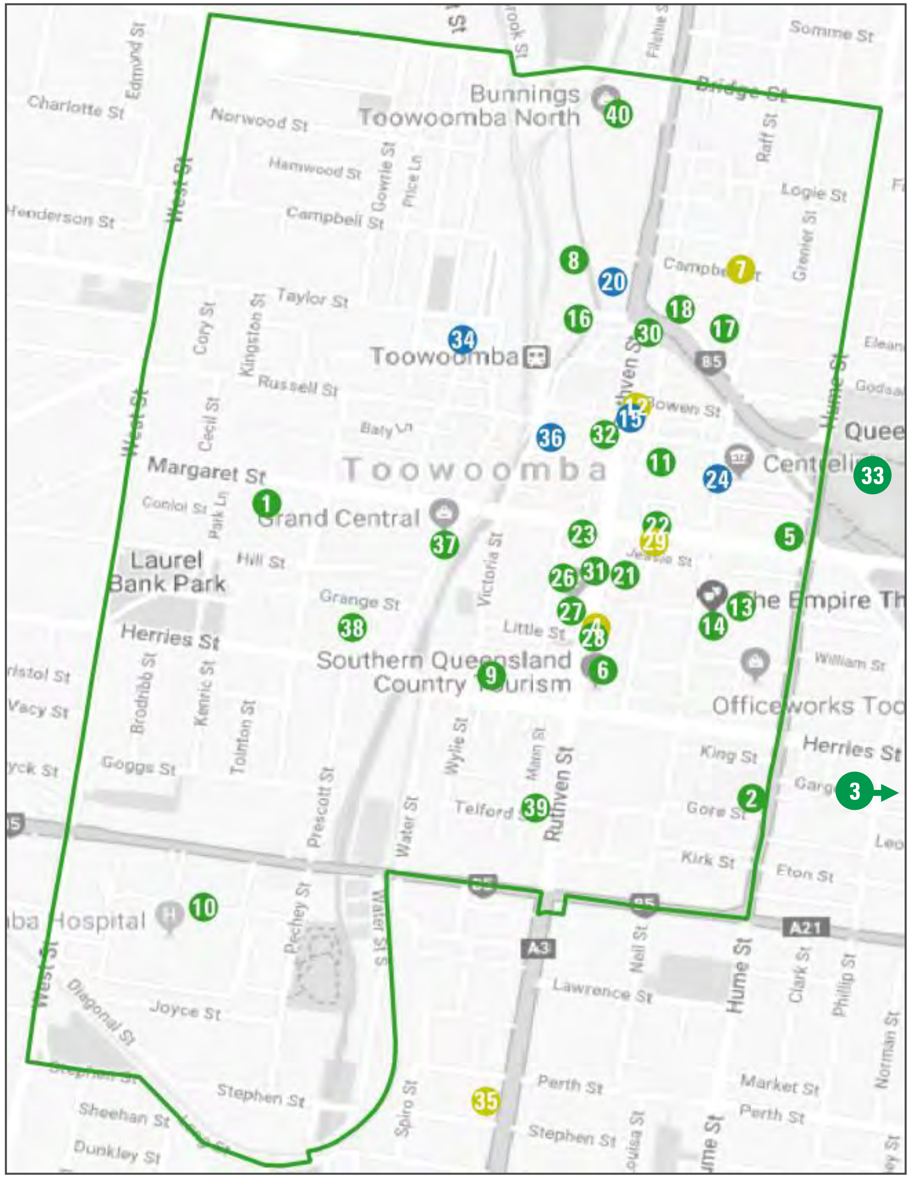


Source: ABS Building Approvals, 2019

Recent city centre developments

- **Completed**
- **Under construction**
- **Proposed**

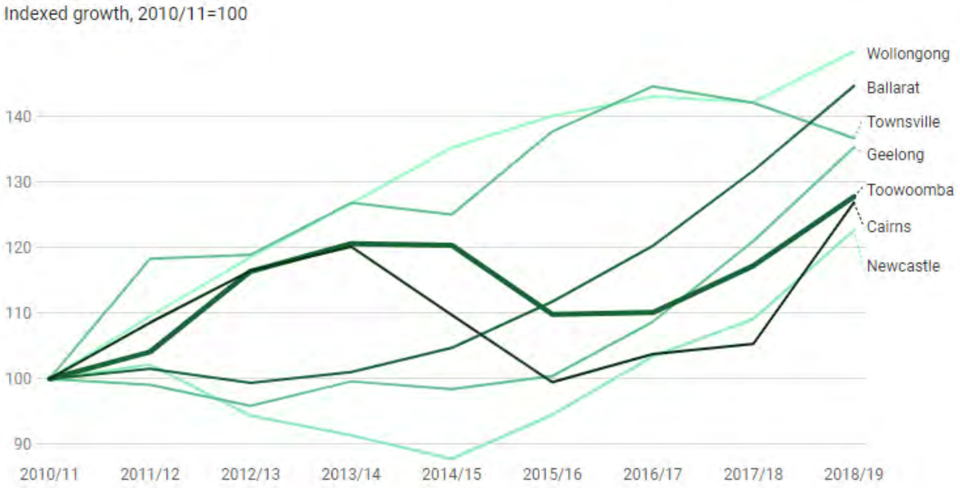
1	Potters Boutique Hotel Toowoomba	Accommodation
2	Laguna Apartments Hotel	Accommodation
3	The Arbour Boutique Apartments	Accommodation
4	Oaks Hotel	Accommodation
5	Quest Toowoomba	Accommodation
6	Burke And Wills Hotel	Accommodation
7	Raff Campbell development	Commercial
8	Goods Shed Toowoomba	Community
9	Toowoomba City Library & Civic Square	Community
10	Toowoomba Hospital Upgrades	Community
11	Muller Bros	Dining
12	Metropole Hotel	Entertainment
13	Armitage Centre	Entertainment
14	The Empire Theatre	Entertainment
15	Toowoomba Sports Club	Entertainment
16	Outer Circulating Road	Infrastructure
17	Gasworks Site decontamination	Mixed use
18	Knights Laundry Building	Mixed use
19	Foundry site	Mixed use
20	The Mills Precinct	Mixed use
21	Walton Stores	Mixed use
22	Longs Quarter	Mixed use
23	The Bank incl. George Banks Bar and Bistro	Mixed use
24	Mixed use tower	Mixed use
25	Toowoomba Railway Parklands	Public realm
26	Saba Building	Public realm
27	Searles Walk	Public realm
28	Kwong Sang Walk	Public realm
29	Carnival Lane	Public realm
30	Cathro Park Railway Parklands Linkage Project	Public realm
31	Ruthven Street Revitalisation	Public realm
32	Russell Street Revitalisation	Public realm
33	Queens Park Renewal	Public realm
34	Bowery Residences	Residential
35	Inspire South Central	Residential
36	Rowes Store Redevelopment	Retail
37	Grand Central	Retail
38	Wippells Autos	Retail
39	Lexus Of Toowoomba	Retail
40	Bunnings Toowoomba North	Retail



Visitation numbers have increased in recent years, but growth still not as fast as some other benchmark areas

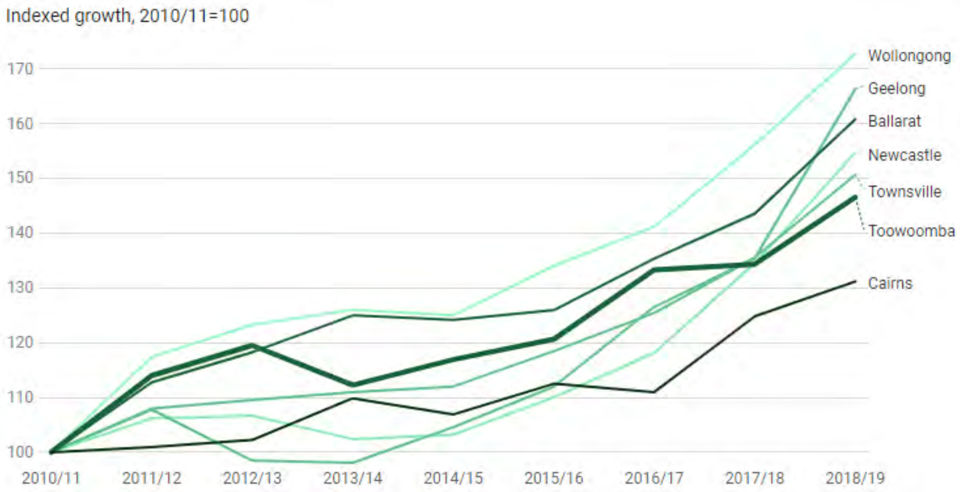
- Daytripper visits have returned to growth after dipping a few years ago.
- Domestic overnight visitation to Toowoomba's city centre has picked up in the last few years after experiencing slower growth previously.
- International visitation has also increased after basically being flat for a decade.
- Wollongong has experienced strong growth in international visitation off the back of education and visiting relatives trips.

Change in day tripper visitation, 2010/11 to 2018/19 (3 year average)

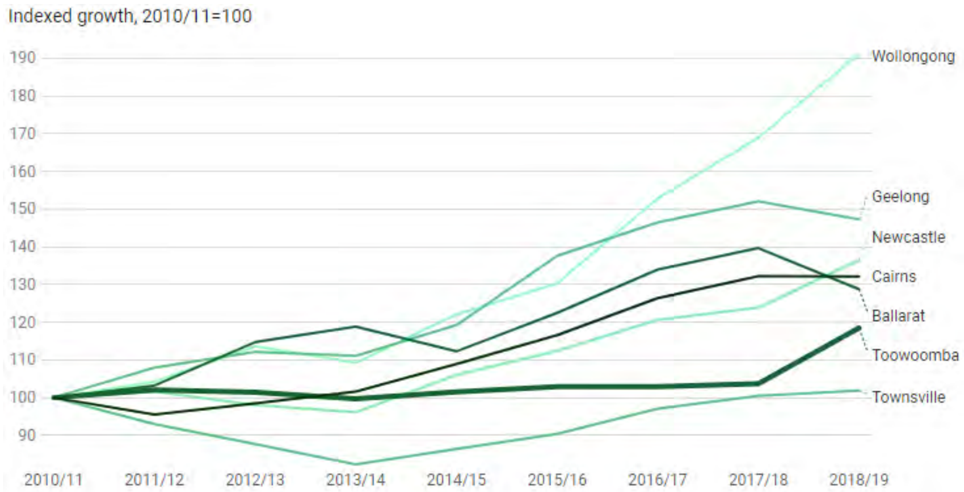


Source: TRA, 2019

Change in domestic overnight visitation, 2010/11 to 2018/19 (3 year average)



Change in international visitation, 2010/11 to 2018/19 (3 year average)



05a Competitive analysis - Economy

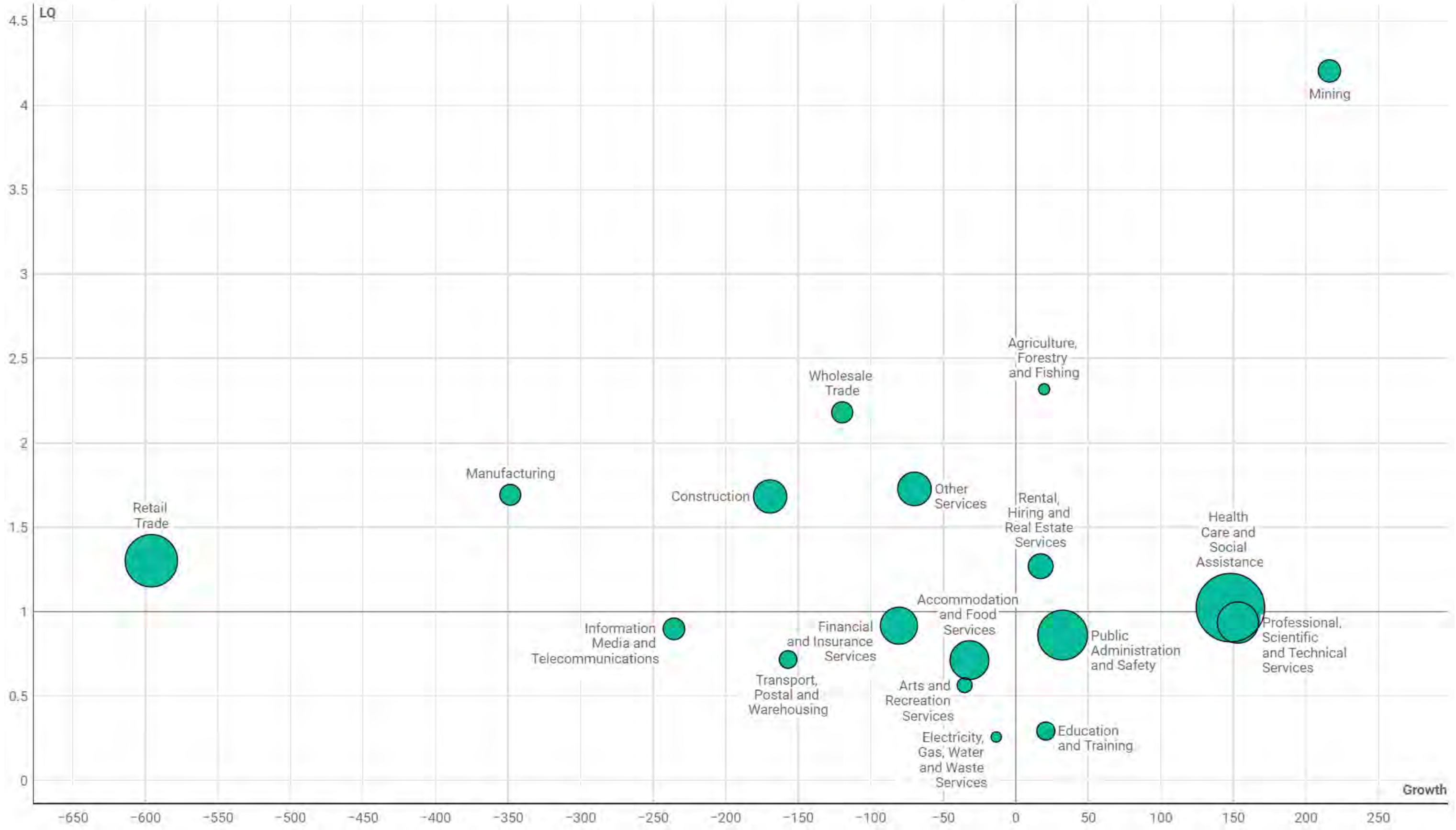
Business Sector Analysis

- Analysing sector's size, recent growth and specialisation (using LQ[1]) can identify growth drivers, emerging sectors and ones facing challenges.
- The chart below shows that Mining, while a small employer, is a specialisation for Toowoomba's CBD (i.e. it employs a higher share of local workers than in other benchmark cities) and has demonstrated strong growth. Health and Professional Services are large employers and grew strongly, but are not necessarily competitive advantages (LQ near 1 which suggest they employ similar shares to other cities).
- Some sectors like Retail, Wholesale Trade, and Manufacturing are actually slight specialisations for Toowoomba's CBD, but decreased in importance in recent years.
- Education and Training experienced some growth recently, but is under-represented in the CBD (employs a lower share than in other benchmark cities). Accommodation and Food Services, typically a strong CBD related sector is also under-represented compared to benchmark cities.

Jobs growth 2011 to 2016 vs specialization against benchmark cities average[1]

Source: NIEIR 2019, ABS Census 2011 and 2016

[1]A Location Quotient (LQ) is a way of demonstrating a particular specialisation of an area, or lack thereof. It is simply the share of jobs provided by that industry locally divided by its share within a benchmark region. For example, Mining's share of total local jobs in the CBD is 4 times greater than that Sector's share of employment in the benchmark cities' CBDs.



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Key sector – Health Care and Social Assistance

- This sector is the largest provider of jobs and third largest generator of value added in Toowoomba's CBD.
- Its workforce is highly professionalised (51% in professional roles) and highly educated (53% have at least a Bachelor Degree).
- The sector experienced the largest growth in jobs between 2011 and 2019.
- Key facilities such as the Toowoomba Hospital also support complementary CBD based activities like education (UQ Rural Clinical School) and accommodation (5% of domestic overnight visitation is driven solely by medical visits).
- There is a plan to move the Toowoomba Hospital to the Baillie Henderson Hospital campus, north of the Toowoomba CBD. This could have a substantial impact on the job density within the CBD and reduce agglomeration benefits in the short to medium term (spill over retail, transport network efficiencies).
- The new site would offer the potential to masterplan the precinct and build dedicated complementary services in close proximity.
- However, the location contrasts with other benchmark cities that have hospitals outside their city centres in the fact that the planned site:
    - is not central to the resident population like Newcastle; and
    - is not co-located with a major university campus like Townsville.

2018/19

- **4,582 jobs**
- **$360m in value added**

Toowoomba Hospital. Source: thechronicle.com.au

Key sector – Professional, Scientific and Technical Services

- This sector is the fourth largest provider of jobs in Toowoomba's CBD and fifth largest generator of value added.
- Similar to Healthcare and Social Services, its workforce is highly professionalised (52% in professional roles) and highly educated (53% have at least a Bachelor Degree).
- The sector experienced growth in jobs between 2011 and 2019.
- Key facilities such as the Toowoomba Hospital also support complementary CBD based activities like education (UQ Rural Clinical School) and accommodation (5% of domestic overnight visitation is driven solely by medical visits).
- The sector has the potential to grow similar to other regional cities if there is investment in upgrading commercial office space to modern A-grade facilities and also providing low rent flexible shared spaces in other mixed use developments.
- Young freelance professionals have shown strong appetite for quality spaces near public transport and lifestyle amenities.

2018/19
- **1,464 jobs**
- **$173m in value added**

Local coworking space. Source: canvascoworking.com.au

Key sector – Resources

- This sector is the second largest generator of value added in Toowoomba's CBD.
- Its workforce is highly professionalised (51% in professional roles) and highly educated (53% have at least a Bachelor Degree.
- The sector experienced strong growth in jobs between 2011 and 2019.
- Large companies such as the Easternwell Group have been supporting growth.
- With innovation in automation and remote services based technology, many resource companies are looking to increase staff at centralised facilities. This provides opportunities for capital and regional based cities to grow technical and professional office based employment in the sector.

2018/19

- **550 jobs**
- **$362m in value added**

Easternwell HQ. Source: qt.com.au

Key sector – Public Administration and Safety

- This sector is the third largest provider of jobs and a high generator of value added in Toowoomba's CBD.
- Its workforce is relatively well educated (36% have at least a Bachelor Degree).
- The sector experienced strong growth in jobs between 2011 and 2019.
- While Toowoomba Regional Council supports most employment in this sector, Federal and Queensland Government agencies and organisations support a large share of clerical / office employment.
- At the moment most Federal and Queensland Government offices are regional offices of respective authorities (e.g. Centrelink, Qbuild). There is potential for strong growth in professional qualified jobs if regionalisation policies are pursued by both levels of government. For example, the NSW Government has moved some finance jobs to Gosford and Victorian Government has moved a number of offices to Geelong (see case studies).

2018/19
- **2,305 jobs**
- **$236m in value added**

Council building. Source: mobile.abc.net.au

Tourism and Hospitality sector requiring support

- Some sectors in Toowoomba's CBD require enhanced support in order to boost future jobs growth and increase economic potential.
- Arts and Recreation, and Accommodation and Food Services sectors are both under-represented in Toowoomba's CBD when compared to other benchmark cities. This is possibly not a surprise given the lower overnight holidaymaker visitation to the CBD compared to other benchmark CBDs. The CBD appears to require a strategic focus on increasing marketable destinations and/or events. However, the recent development of new accommodation facilities is a positive sign.
- Despite the recent Grand Central shopping centre redevelopment, retail trade appears to be stagnating. This is in line with the challenges facing the industry across the country due to the competitive threat of online retail and low wage growth. Retail trade appears to only be growing in outer suburban growth areas of major cities.
- Some places have addressed declining retail by encouraging the transition of vacant spaces to new uses e.g. recreation facilities, restaurants, office space, residential.
- Growth in inner-city residential living would support existing retail and hospitality facilities immensely.

Grand Central shopping centre. Source: strategicspaces.com.au

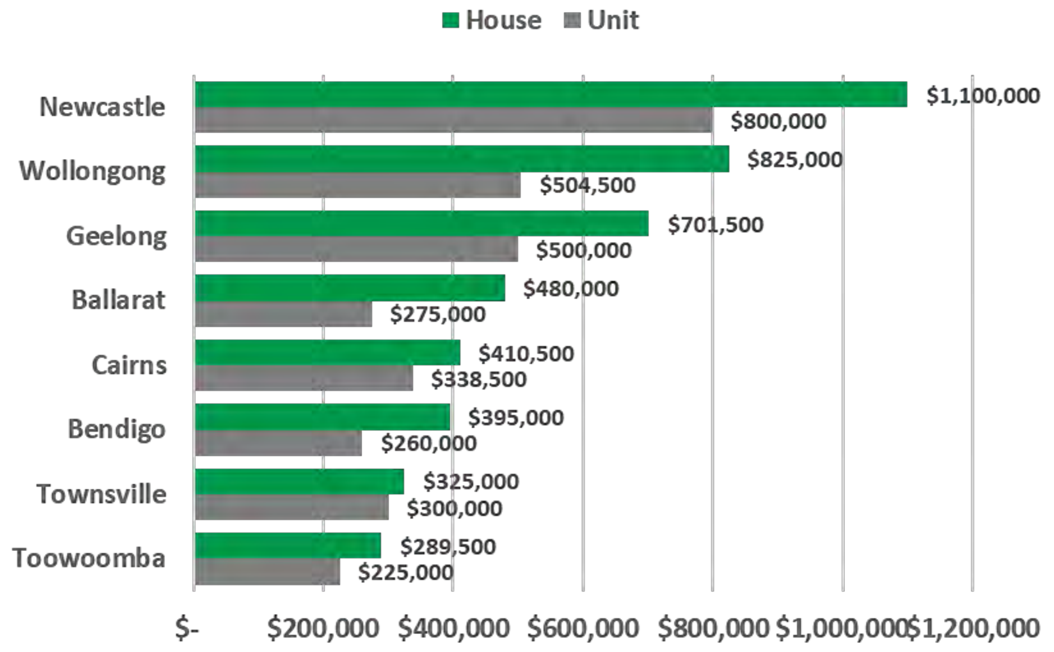
05b Competitive analysis – Resident attraction

Central Toowoomba is still highly affordable

- The median price of houses and units in Toowoomba City (suburb) is well below that experienced in other benchmark cities and, according to realestate.com.au, has experienced negative growth in the last five years.[1]
- Median rentals are also low, with weekly fees being half that experienced in Newcastle.

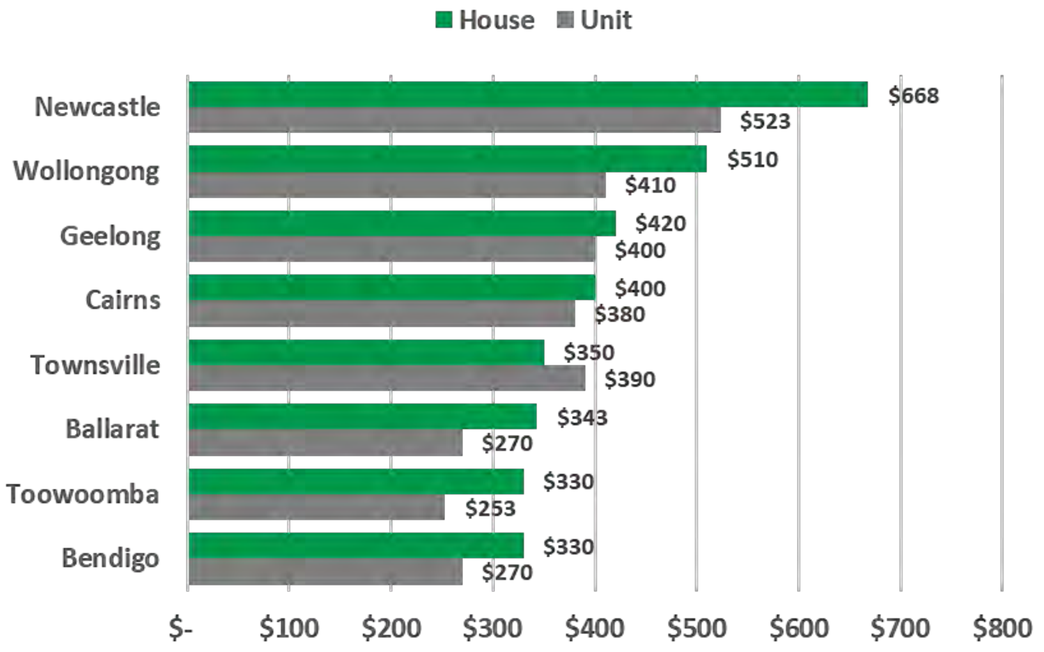
- As shown on page 32, median CBD worker incomes are quite high so housing appears to be more affordable.
- It is likely that the dwelling stock does not merit higher prices due to not being attractive to high income earners (age, condition, amenities).

Median dwelling price, 2020



Source: Realestate.com.au, 2020; based on inner city suburb sales; 3 bedroom house, 2 bedroom unit/apartment

Median weekly rent, 2020



[1]See: https://www.realestate.com.au/neighbourhoods/toowoomba-city-4350-qld

Central Toowoomba has the jobs and retail offer to attract new residents

- A 2018 survey by Ipsos found Toowoomba to be ranked the second most liveable city out of all benchmark cities (behind only Ballarat).[1] Its score for high quality education was the highest amongst all regional cities. The lowest score was for public transport (however, it was above the regional average).
- The city ranked below average for safety, access to the environment, sense of community, and sports viewing/participating.
- Research has shown the top 4 main reasons why residents choose to live in the CBD, and the greatest areas of difference from non-city centre resident's choices, are:
    - to be close to restaurants/leisure/cultural facilities;
    - availability of public transport;
    - to be close to shops; and
    - to be close to work.[2]
- Analysing benchmark city data (using job numbers as a proxy for facilities), we can see:
    - Toowoomba's CBD clearly has the net jobs to attract more residents (although this may change with a planned hospital relocation) and retail is strong
    - Toowoomba's CBD is probably under-represented in restaurants/cafes compared to other cities and transport connections could be improved
    - Toowoomba's CBD appears slightly under-represented in recreational assets (out of the top 5 cities for high resident population, 4 have either: a major stadium (Wollongong, Geelong), an entertainment/convention centre (Wollongong, Townsville, Cairns), or a casino (Townsville, Cairns) in the CBD.

- Geelong's CBD has substantial capacity to attract a higher resident base which it is only just now realising
- Townsville is an anomaly amongst benchmark cities, with a high resident base but low jobs and low hospitality and retail access. It is one of the only cities that does not have a major shopping centre / mall in the CBD. However, it does have a large amount of arts and recreation facilities (including the Casino) which may compensate for low retail. It is possible that the poor transport accessibility of the broader city (rated very low in Ipsos) has actually helped people be drawn to live in the CBD. In 2016, it was also the most affordable CBD for residents based on median rents and household incomes.

2016 Population and Job Numbers and Public Transport access[2]

	Population	Total Jobs	Food and Beverage Services Jobs	Retail Jobs	Arts and Recreation Jobs	PT rating (Ipsos)
Wollongong	12,429	20,377	1,898	2,120	309	5.3
Newcastle	8,214	23,699	1,910	1,705	206	4.6
Townsville	5,159	11,8...	1,156	606	389	3.7
Geelong	4,918	24,386	1,679	2,192	426	4.9
Cairns	4,720	18,928	1,702	2,305	705	4.6
Ballarat	3,762	14,6...	1,294	2,026	134	5.4
Bendigo	2,416	15,1...	1,282	1,762	145	5.7
Toowoomba	2,325	17,739	1,169	2,371	169	4.9

[1]See: https://www.ipsos.com/en-au/life-metropolitan-and-regional-australia
[2] Centre for Cities, 2015, *Why do people live where they do?; Note: PT rating is for entire region not just CBD*

05c Competitive analysis – SWOT

SWOT Analysis of the Toowoomba CBD

Strengths

- Strong professional, technical and financial services; health care and social assistance; resource and government organisation sectors
- Increasing investment in short stay accommodation, and growth in related food and accommodation services, matched with growth in visitation and tourism
- Significant investment across the wider CBD frame – in excess of $850m in recent years from both the public and private sectors
- Redeveloped Grand Central has helped maintain a strong retail presence
- Established hospital that supports complementary activities
- Recently delivered public sector infrastructure, civic amenity, public realm, public art and laneway developments have significantly improved the amenity of the CBD
- Recently upgraded theatre facilities provide a hub for arts activities
- Highly affordable residential stock.

Opportunities

- Moving some USQ activities and / or the attraction of other education institutions to the CBD would enhance the retail and night time economy and help diversification by boosting education
- Increased residential development would improve vibrancy, reduce commutes, and support the night-time economy (see Wollongong case study)
- Attracting the relocated administrative offices of a large public sector authority (see Geelong case study) would boost professional jobs
- Attracting administrative headquarters of other resource related companies would boost value generated by the CBD
- Attracting complementary business, retail, leisure and entertainment activities
- Transforming vacant retail premises to new uses
- Toowoomba Railway Station: Faster Rail, Light Rail and Historic Rail options?
- Recent new accommodation facilities and an increase in events, destinations and packages can boost visitation and expenditure (see Bendigo case study).

Weaknesses

- Lack of high density and / or modern residential developments may be inhibiting diversity in housing market offer and young higher income workforce attraction
- Only 2% of workforce live in the city centre
- Resident base is older and has lower incomes than other benchmark areas impacting potential daytime retail, hospitality and night-time economy expenditure
- Key health facility at capacity and in need of major upgrade
- Low supply of education facilities in the CBD
- Lower holiday based visitation than other benchmarked centres.

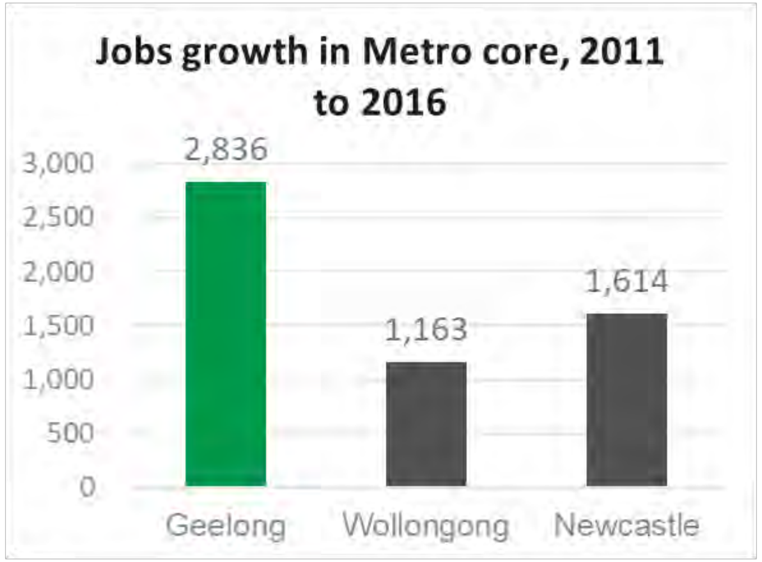
Threats/risks

- Proposed relocation of Toowoomba Hospital to the Baillie Henderson site (in Toowoomba's northern suburbs) could be an employment and flow on complementary services hit to the CBD, impacting job density and agglomeration benefits (e.g. spill-overs and transport network efficiency). Sufficient planning needs to be given to alternative uses for the site that generate ongoing employment opportunities, not solely residential growth that can be supported in other locations
- If modern inner city residential development is not encouraged, local retail and hospitality may not reach growth potential
- Lack of public transport connectivity
- Role and future of the Toowoomba Railway Station
- If recreational and/or visitor destination assets are not improved in the CBD its attractiveness compared to other regional cities may suffer.

06 Case studies

Case study – Government assisted jobs boost in Geelong

- The City of Geelong in Victoria has experienced strong jobs growth in its city centre in recent years.
- One of the key contributors to the growth in business services jobs has been the Victorian state government's commitment to decentralisation. Notable relocations include:
  - The Transport Accident Commission was successfully relocated to Geelong in 2009 supporting 650 employees in a purpose-built building
  - WorkSafe Victoria started relocating in 2016 and in 2018, 700 employees moved into a brand new $120m A-Grade Office building
  - This investment also helped Geelong secure the headquarters of the National Disability Insurance Agency, which currently supports 300 jobs and is expected to rise to over 500 upon completion of a new dedicated office building.
- This investment has also been supported by:
  - Infrastructure upgrades with train connections to Melbourne being improved
  - The opening of the Geelong Ring Road
  - Major upgrades to the local football stadium ($200m since 2006 - $145m from Federal and State Governments)
  - New state of the art library and heritage centre ($45.5m - $25m from Federal and State Governments)
  - Upgraded Geelong Performing Arts Centre ($38.5m largely funded by the State Government).



Worksafe building. Source: built.com.au

Case study – Bendigo Hospital redevelopment

- In 2018, Stage Two of the $630 million Bendigo Hospital redevelopment was completed after Stage 1, the new hospital, was opened in 2017. The new hospital included 372 inpatient beds, 72 same-day beds, 11 new operating theatres, and an integrated cancer centre. There is also a 25-bed maternity unit and an 80-bed mental health unit, along with a childcare centre and affordable accommodation for visitors.
- This represented the largest regional infrastructure development in Victoria's history.
- The redevelopment was planned years in advance and special attention was paid to integrating the site with the Bendigo CBD, supporting the development of complementary services including:
    - a 100-place childcare centre
    - a wellness centre
    - 128 serviced apartments
    - retail shops and cafes
    - 15 short-stay accommodation units
    - a conference facility.
- The new Bendigo Hospital has been identified as an exemplar of how public-private partnerships (PPP) can work. Project partners included the Victorian Health and Human Services Building Authority, Bendigo Health and the Exemplar Health consortium.

Bendigo Hospital. Source: health.vic.gov.au

Case study – Wollongong CBD apartment focus

- The city of Wollongong had the highest amount of residents living in its city centre out of all the benchmark cities – 6.1% of the whole LGA population in 2016.
- This contributed to it having the highest share of city centre workers who also lived in the city centre (11%).
- This resident population has been built off the back of a focus of increasing residential density through apartment developments in the CBD area.
- This resident base supports an enhanced night time economy – retail trade has grown by 4% per annum for the last five years in the LGA.
- The higher density living has supported growth in different demographics with an increase in international students – a third of residents in the city centre were born overseas and a third were studying in 2016.

Proposed Wollongong Apartments Source: dailytelegraph

Case study – Bendigo Art Gallery major exhibitions

- The city of Bendigo is home to one of Australia's premier regional art galleries. The gallery regularly hosts major art exhibitions that draw visitation to the city from Melbourne and beyond.
- Recent major exhibitions include:
  - Grace Kelly: Style Icon exhibition attracted more than 135,000 people, injecting $17m into Bendigo's economy (2012)
  - Marilyn Monroe exhibition estimated to have brought more than $13m into the region with nearly 47,000 beds booked in Bendigo hotels by exhibition attendees (2016)
  - Tudors to Windsors and Balenciaga: Shaping Fashion exhibition (2019).
- The exhibitions are often marketed in combination with accommodation and / or dining packages that help spur flow-on expenditure.

Marilyn Monroe exhibition. Source: Bendigo Advertiser

Case study – Gosford CBD reinvention

- Local community partners and the NSW Government are working together to reinvigorate Gosford's CBD, following years of decline and a focus on the development of suburban retail centres.
- According to the NSW Government, 'Revitalisation of Gosford city centre as the regional capital of a healthy, prosperous and connected Central Coast, is a priority of the Central Coast Regional Plan 2036 and also for the Minister for Planning.'
- Key projects include:
  - The construction of the new Gosford Australian Taxation Office building and associated ongoing professional staff employment
  - Construction of the State Finance Building to house NSW Department of Finance workers
  - $348m major redevelopment of Gosford Hospital delivered via a new 11 storey tower
  - $85m Central Coast Medical School and Research Institute based at Gosford Hospital
  - A proposed new $250m University of Newcastle health and innovation university precinct
  - Transformation of the Leagues Club Field into a nature-inspired water play and sensory space
  - Proposed $300m Gosford Gateway, a three tower education and commercial precinct set to replace the existing Gateway Centre
  - Large scale residential apartment developments including Bonython Tower.

Bonython Tower. Source: Stevens Construction

New ATO building. Source: domagroup.com.au

For more economic and demographic data on hundreds of regions across Australia, visit:

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