PORT PIRIE

RETAIL ANALYSIS

PREPARED FOR PORT PIRIE REGIONAL COUNCIL
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1. INTRODUCTION

Connor Holmes has been engaged by the Port Pirie Regional Council to provide it with an analysis of retail activities within the City. This study will underpin the development of other strategic planning and policy initiatives.

Port Pirie is located 219 km to the north of Adelaide and can be reached by car in around 2 - 2.5 hours.

Port Pirie is the largest City in the State's Mid-North Region, which in addition to the Port Pirie Regional Council, takes in the local government areas of Clare and Gilbert Valleys, the District Council of Mount Remarkable, the District Council of Orroroo Carrieton, the Northern Areas Council, and the Regional Council of Goyder.

Within this Region, Port Pirie is the major commercial and service centre, providing the bulk of services and facilities including health, aged care, education, emergency, retail and commercial.

Port Pirie had a population of 17,142 at the 2006 census. This grew to 17,333 at the 2011 census. State Government projections are for this population to increase to 18,404 by 2026.

It is easily accessible to the north, south and east in particular by road and to the west by rail providing locational advantages for logistics, the port and potentially the airport.

The area is home to the world's largest integrated lead and zinc smelter. Primary production in the form of cropping, viticulture, and livestock, is also important to the local economy along with industries and businesses supporting the smelting activities. The other key area of employment is service industries.

This report reviews the current and prospective future demand for retail development to assist the Council to plan for a vibrant community and to ensure Port Pirie maintains its position as the key service centre of the region.

2. STRATEGIC CONTEXT

2.1 South Australia’s Strategic Plan, 2011

South Australia’s Strategic Plan was first published in 2004 and has been updated regularly since that time. The most recent update is September 2011.

The Plan outlines a medium to long-term vision for the whole of South Australia and is designed to drive the State’s prosperity, assist in achieving sustainability, fostered creativity and innovation and to share these State successes with all South Australians to improve wellbeing, expand opportunities and develop stronger communities.

The Plan has two important and complementary roles. Firstly, it provides a framework for the activities of the South Australian Government, business and the entire South Australian community. Secondly, it is a means for tracking progress state-wide, with the targets acting as points of reference that can be assessed periodically.

The Plan is based on three foundations of a sustainable society: Our Community, Our Prosperity and Our Environment. These are the three drivers of the *South Australia Strategic Plan*. These are supported by six theme areas, as are set out below:

> *“Our Community*
>
> *We come from all walks of life but we all walk together. Inspiring one another by our diversity. Strengthening each other in adversity. Leaving the tapestry of South Australia with the threads of all our cultures. Giving the next generation a solid foundation from which to launch. This is who we are. This is Our Community.*
>
> *Our Prosperity*
>
> *A strong and diverse economy. Attractive employment opportunities. Jobs for our kids. The ability to retain the best talent. This is what our state needs. Balancing our growth in harmony with our natural environment. This is what will transform South Australia into an economic powerhouse. These are the keys to Our Prosperity.*
>
> *Our Environment*
>
> *If we want a cleaner Earth, it’s no surprise where the effort begins. We’re wiping away our carbon footprint – harvesting the power of wind, sun and waves. We’ve learned to reuse and recycle, to carry our shopping without wasteful plastic and to grow our own greens. This is the legacy we’re creating for our children and our children’s children. After all, this is Our Environment.*
>
> *Our Health*
>
> *Good health is everything. Ensuring that our bodies are well-nourished, well-exercised and well-prepared to deal with any situation. At any age we want to be well enough to live our lives to the fullest. This is how we invest in our own health and the health of our families. This is Our Health.*
>
> *Our Education*
>
> *Let’s grow our knowledge and encourage kids to love learning. In fact, let’s all learn a bit more than we ought to. Whether it’s a new trade, a new skill, or a new way of doing things, growing our knowledge will benefit us in the long run. Our kids will be smarter. Our workers will be more productive. Our industries will be more competitive. This is the future that awaits each one of us. This is what we can achieve with Our Education.*

Our Ideas

Living at the frontiers of our imaginations. Upturning conventions instead of being led by them. Challenging the present so that the future is more refreshing than we ever thought it could be. Always seeking to improve. Never ceasing to innovate. Not pursuing change merely for its own sake, but to revolutionise the way we work and play and live. This is the essence of South Australian creativity. These are Our Ideas."

2.2 Mid-North Region Plan, Government of South Australia, 2011

The Mid-North Region Plan is a volume of the Planning Strategy and as such is a statutory plan. This plan is designed to set the directions and framework for the future of the region with implementation occurring at the local level largely via Local Government and its strategic and statutory plans.

This Plan identifies Port Pirie as the major commercial and service centre within the region containing approximately 33% of the total population.

The Mid-North Region Plan seeks to encourage population growth of 13787 by 2036. The South Australia Strategic Plan (SASP) Target 46 to grow regional populations to 320,000 or more by 2020. Seeking population growth is generally in line with this target which has been refined over time.

Employment opportunities will be a key to facilitating this growth.

Key goals for the Mid-North Region identified in the Plan include:

- Valuing the Region's strong sense of community;
- Positioning the Region to capitalise the opportunities arising from the mining activities occurring across the State; and
- Supporting the development and maintenance of social and community facilities, including sporting, education, health and other facilities to service the local population.

The vision for the Mid-North is to allow for communities to grow and develop, and encourage initiatives that retain the special qualities of the Mid-North, fostering vibrant distinctive towns that support a range of lifestyles. Activities that support a range of lifestyles that benefit the local and regional economy, provide local employment and attract people to the region.

2.3 Mid North and Yorke Regional Road Map, Regional Development Australia, 2011

Regional Development Australia Yorke and Mid North (RDAYMN) was formed on 1 February 2010 and is a partnership between the Australian Government, the South Australian Government and the following Local Governments:

- District Council of Barunga West;
- Clare and Gilbert Valleys Council;
- District Council of the Copper Coast;
- Regional Council of Goyder;
- District Council of Mount Remarkable;

- Northern Areas Council;
- District Council of Orroroo Carrieton;
- District Council of Peterborough;
- Port Pirie Regional Council;
- Wakefield Regional Council; and
- District Council of Yorke Peninsula.

This road map identifies the challenges and opportunities facing the region and establishes a set of priorities for its future development.

Priorities established for the region include:

- Strengthening Regional Partnerships and Leadership
- Targeted population growth (notionally growth of 25,000 by 2036)

The RDAYMN has identified four key market segments likely to be attracted to the Region including Tree and Sea Changers, Returning Locals, Opportunity Seekers and Following Partners.

The lifestyle advantages offered by Port Pirie in this regard include a broad range of services and facilities, good proximity to Adelaide, and affordable housing. Increasing employment opportunities in the region will be an important attraction for the returning locals, opportunity seekers and the following partners segments in particular.

In relation to Port Pirie this plan specifically identifies the need for refurbishment of the retail precinct in the CBD; and the development of Port Pirie as a regional centre for health, social and education services, government administration and retail outlets.

The plan also highlights the need for Port Pirie to attract investment in retail.

2.4 Port Pirie Strategic Plan, Port Pirie Regional Council

The Rural City of Port Pirie Strategic Plan 2010 – 2019 is consistent with the plans of these other spheres of government.

This Plan identifies attracting businesses and new residents as an opportunity, as well as the potential to further exploit the area as the gateway to the Southern Flinders Ranges.

To assist in the realisation of these opportunities the plan includes a number of key outcomes. In addition to outcomes supporting the Quality Lifestyle Goal, such as strengthen the community and establishing the City as providing a quality lifestyle choice, there are specific outcomes pertaining to economic prosperity. These include:

- Grow the regional economy by attracting new businesses through a diversified base. This includes facilitating the development of Port Pirie as a regional centre for health, administration and retail outlets;
- Develop and support tourism and promotional initiatives;
- Ensure Council's regulatory framework supports sustainable economic growth;
- Ensure that regional population grows; and
- Ensure that Council planning policy and regulatory framework supports sustainable economic growth.

Council plans to achieve these outcomes, by taking advantage of the mining boom, improving the attractiveness of the City as a place to live, assisting businesses to find appropriate sites, developing appropriate community infrastructure, and facilitating the development of Port Pirie as a regional centre for health, education and services and retail.

Through this Plan the Council will also actively seek to pursue support from other spheres of Government for strategic transport opportunities, and infrastructure development projects.

2.5 Current Policy Framework

The Development Plan for Port Pirie as consolidated 12 January 2012, includes Council wide provisions that guide the development of centres and shops that is supported by Regional, Neighbourhood and Local Centre Zones.

The plan foreshadows a hierarchy of centre development with the Port Pirie CBD being the main integrated District Centre supported by neighbourhood centres and then local centres.

New development is expected to expand the retail service offer.

The Centres hierarchy should guide the function of each type of centre with the widest product offering and comparison goods shopping being provided at the district level. This centre will also provide a wide range of services such as offices and banks and the main administration centre for the area.

The neighbourhood centres are designed to provide mainly for the day to day convenience needs of the local community with a limited range of comparison goods and some facilities. Anticipated land uses, amongst others, include banks, branch libraries, consulting rooms, churches, restaurants, parks, pre-schools, specialty shops, restaurants and supermarkets.

The Local Centre is to include shopping and local community facilities to serve the daily needs of the community.

Beyond the centre zones, retail (sometimes limited in floor area) is generally a merit use in the commercially based zones such as the commercial zones, tourist accommodation zone, Waterfront (Solomontown) Zone and residential zone.

3. EXISTING CENTRES

3.1 Port Pirie

Port Pirie Township contains the following zoned centres and retail precincts:

- Regional Centre Zone (the historic town centre focussed on Ellen Street / Florence Street environs);
- Commercial Zone (Centro Port Pirie, Grey Terrace);
- Commercial Zone (Esmond Road / Wandearah Road);
- Neighbourhood Centre Zone (Main Road, Solomontown);
- Local Centre (Esmond Road, Risdon Park);
- Local Centre (Balmoral Road, Risdon Park); and
- Local Centre (Kingston Road, Risdon Park).

In addition, there are a few minor retail facilities in other non-centre or non-commercial zones.

The key characteristics of each centre are summarised as follows.

3.1.1 Town Centre

The Town Centre comprises a broad range of services and facilities typical of a large country town / small city, and including a wide range of community facilities, commercial operations, offices, medical services, automotive services, short term accommodation and personal services, as well as substantial retail floorspace. The estimated floorspace in the area bounded by Ellen Street, David Street, Gertrude Street and Mary Ellie Street, including businesses fronting both sides of the aforementioned streets, is as follows:

Land Use Category	Floor area (m^2)	% of Total Floor Area
Vacant	8,100	10.7
Food Retailing	6,300	8.3
Non Food Retailing	18,200	24.1
Total Retailing	24,500	32.4
Personal Services	800	1.1
Community Facilities	12,300	16.3
Commercial Premises	2,500	3.3
Offices	13,200	17.5
Motels	2,300	3.0
Hotels	5,400	7.1
Medical Services	3,600	4.8
Automotive	2,900	3.8
Total	**75,600**	**100.0**

Note that some first floor space has been excluded from this table due to its under-utilisation (rather than vacancy).

These findings are notable for a number of reasons. Firstly, the centre itself is quite substantial, at around 75,000 m^2 and containing a wide mix of services and facilities. Secondly, retailing represents only about a third of the total floorspace in the Town Centre, albeit that it makes a substantial contribution of over 25,000 m^2 of floorspace.

Much of the recorded vacant space is unoccupied retail floorspace and under-utilised space is evident in the upper level of the older two storey buildings facing Ellen Street (and elsewhere).

There is a strong representation of community services and facilities in the Town Centre (over 12,000 m^2) and this excludes the Hospital (which is outside of the Regional Centre Zone). Key facilities include:

- Performing Arts Centre;
- Arts & Tourism Centre;
- Museum;
- Recreation Centre;
- Churches / Mission; and
- RSL / Clubs / Halls.

Major office users include the following:

- Council;
- Government Agencies;
- Not for Profit Service Providers; and
- Private Offices.

Commercial space includes 5 banks and the post office.

Occupied retail floorspace can be summarised as follows:

- Food Shopping

➢ Supermarket	3,160 m^2
➢ Food specialties (including liquor)	550 m^2
➢ Cafes / restaurants	2,310 m^2
➢ General merchandise stores (food component only)	270 m^2
➢ **Total**	**6,290 m^2**

- Non Food Shopping

➢ Electrical	2,890 m^2
➢ Furniture / Furnishings	5,010 m^2
➢ Hardware	380 m^2
➢ Clothing	4,250 m^2
➢ Florist / Books / Music / Jewellery / Recreation	2,340 m^2
➢ Newsagents	270 m^2
➢ Chemists	830 m^2
➢ Office supplies	250 m^2
➢ Secondhand goods	880 m^2
➢ Pet store	30 m^2
➢ General merchandise stores (non-food component only)	1,090 m^2
• **Total**	**18,220 m^2**

- Personal Services
  - Hair / Beauty / Tattoos 560 m²
  - Video 280 m²
  - **Total 840 m²**

- **Grand Total 25,330 m²**

The supermarket is a full line Woolworths supermarket in a small mall with associated specialty outlets and served by an at grade car park, around which are located a number of other groupings of shops and offices.

The Woolworths Centre is in need of modernisation.

Much of the building stock in the town centre is old, including a number of heritage listed buildings. Ellen Street, in particular, provides a largely intact late 19th / early 20th century streetscape. However, much of the space is inefficient and in need of considerable upgrade if it is to attract quality, modern tenancies. On the other hand, the nature of the existing floorspace provides low rental accommodation which actually allows many of the current tenancies to survive.

Modern fast food outlets (McDonalds, Subway, Pizza Hut) a sports / clothing warehouse and an electrical discounter are located on Ellen Street, south of Mary Ellie Street. Two vacant land parcels in this locality provide potential for the further development of fast food and bulky goods outlets.

3.1.2 Centro Port Pirie

Centro Port Pirie is a modern shopping centre located outside of the Port Pirie Town Centre but close to the geographic centre of Port Pirie. It was constructed in 1981 and refurbished and expanded in 2007. It is a stand alone enclosed mall anchored by a Coles Supermarket and a small K Mart Discount Department Store. The centre includes a Shell petrol filling station and is abutted by a KFC fast food outlet. The centre is well served by at grade car parking and is the most modern retail offer in the whole region.

There is a minor accumulation of additional facilities along Grey Terrace, including a Butcher at the corner of Grey Terrace and The Terrace. The ABC, Fire Brigade and emergency services are all located in this area.

The retail composition of the precinct is as follows:

- Food Shopping
  - Supermarket 2,900 m²
  - Food specialties (including liquor) 670 m²
  - Cafes / restaurants 540 m²
  - **Total 4,110 m²**

- Non Food Shopping
  - Discount Department Store (K Mart) 4,900 m²
  - Non Food Specialties 1,000 m²
  - Best & Less 800 m²
  - **Total 6,700 m²**

- Personal Services
  - ➢ Travel Agent (now temporary occupation) 140 m^2
- Automotive
  - ➢ K Mart Auto 200 m^2
- Vacant 310 m^2
- **Grand Total 11,460 m^2**

In total, Centro Port Pirie comprises around 11,000 m^2 of retail floor area, with the remaining floor area being provided by adjacent development.

3.1.3 Commercial Zone (Esmond Road / Wandearah Road)

This precinct is in close proximity to Centro Port Pirie and may assist in mutual support of that centre. The precinct contains only two significant stand alone outlets, a hardware and timber supply centre of 1,640 m^2 and a Cheap as Chips of around 1,260 m^2 with an assumed split of food / non-food floorspace of 260 m^2 / 1,000 m^2. Accordingly, the retail composition can be summarised as follows:

- Food Shopping 260 m^2
- Non Food Shopping 2,640 m^2
- **Total 2,900 m^2**

3.1.4 Neighbourhood Centre, Solomontown

This centre is a strip centre located along a length of Main Road, Solomontown. It is predominantly small scale older tenancies and comprises the following:

- Food Shopping 1,240 m^2
- Non Food Shopping 800 m^2
- Personal services 150 m^2
- **Total 2,190 m^2**

The food shopping includes café / restaurant floorspace of about 400 m^2. A further additional 550 m^2 is identified as vacant floorspace. Other significant floor area occupants include medical services (340 m^2), commercial (180 m^2) and offices (700 m^2).

The area includes building supplies outlets totalling some 3,300 m^2 as well as automotive and marine outlets.

3.1.5 Local Centres

The size and composition of the local centres is as follows:

- Esmond Road Local Centre
  - ➢ Food 210 m^2
  - ➢ Non-Food 860 m^2
  - ➢ Personal Services 420 m^2
  - ➢ Office 110 m^2
  - ➢ **Total 1,600 m^2**

- Balmoral Road Local Centre
  - Food nil
  - Non-Food 240 m^2
  - Medical 240 m^2
  - **Total** **480 m^2**
- Kingston Road Local Centre
  - Food 400 m^2
  - Non-Food 200 m^2
  - Commercial 100 m^2
  - **Total** **700 m^2**

Out of centre floorspace is estimated as follows:

- Food Shopping 400 m^2
- Non-Food Shopping 200 m^2
- **Total** **600 m^2**

3.1.6 Summary of Port Pirie Township Retail Floorspace

Total retail floorspace in the wider township of Port Pirie is estimated as follows:

- Food Shopping
  - Supermarkets (Coles, Woolworths, Minimart) 6,260 m^2
  - Specialties 3,030 m^2
  - Cafes (including take away) 2,400 m^2
  - Fast Food 950 m^2
  - General Merchandise Stores (Food component only) 530 m^2
  - **Total** **13,070m^2**
- Non Food Shopping
  - Discount Department Stores (K Mart) Country Target) 6,400 m^2
  - General Merchandise Stores (Cheap as Chips, Go Lo, Reject Store, Best & Less) – non-food component 2,890 m^2
  - Specialties 11,190 m^2
  - Mini Majors (Sports Clothing + Adj. Electrical Furniture, Hardware) 9,700 m^2
  - Secondhand 880 m^2
  - **Total** **31,060 m^2**
- **Total Retail Floorspace** **44,130 m^2**

As a regional city, Port Pirie is relatively well served by retail facilities, having a total floorspace provision that is of a scale that recognises its servicing of both the city itself and a surrounding hinterland for occasional food shopping and relatively frequent comparison shopping.

Current floorspace provision equates with approximately 2.72 m^2 per person within Port Pirie itself and 2.59 m^2 per person within the wider Port Pirie Catchment. This compares with a current average floorspace provision per person for Australia as a whole of around 2.1 m^2 per person. The higher levels of floorspace provision are a reflection of the lower levels of turnover demanded and achieved in a regional location.

Port Pirie includes 2 full line supermarkets, however, both are of a floorspace smaller than the latest desired supermarket modules (2900 m^2 and 3160 m^2 versus a current ideal floorspace of 3,500 – 4,000 m^2). The township includes two discount department stores (K-Mart and Country Target), again of a smaller than optimum format, a number of general merchandise stores and some large format retailers.

These major retailers are supported by specialty shopping often provided in lower cost, older tenancies.

The township contains considerable areas of vacant floorspace and it is assumed that many of the older tenancies are provided at lower rentals which permit the survival of tenancies at relatively low floorspace turnover levels.

3.2 Metropolitan Adelaide

Metropolitan Adelaide provides a full range of retail services and facilities, with the regional and major district centres of Elizabeth and Munno Para within about 2 hours' drive of Port Pirie and the CBD within 2½ hours drive. While the use of Adelaide as a food shopping destination is likely to be sporadic, Adelaide represents an opportunity for price comparisons and major non-food purchases and as a destination for limited availability retail items. It can be expected that there will be very little food expenditure leakage from Port Pirie to Adelaide, but more substantial leakage on more expensive 'comparison' items.

3.3 Surrounding Townships

The towns of Port Augusta, Clare and Kadina provide a substantial (in the case of Port Augusta) to moderate (in the case of Clare and Kadina) range of retail services and facilities, including both convenience and comparison goods. By virtue of this range of shopping options, these centres effectively define the extent of Port Pirie's retail catchment, which is discussed in Section 6.

The key retail outlets available in each of these centres are as follows:

- Port Augusta
  - Woolworths
  - Coles Supermarket
  - Foodland IGA
  - Country Target
  - Big W
  - Go-Lo
  - Liquorland
  - Home Hardware
  - Mitre 10
  - Morrison's Hardware

- Clare
  - Woolworths
  - Foodland IGA
  - Country Target
  - Cheap As Chips
  - Home Hardware
  - Mitre 10

- Kadina
  - Woolworths
  - Country Target
  - Stratco Kadina Home Improvement Store
  - Cheap as Chips
  - Home Timber and Hardware
  - IGA
  - Kennetts of Kadina (Outdoor Living & Home Renovation)

Towns offering a smaller scale of retail range and floorspace, but likely to be within the wider catchment of Port Pirie, include the following:

Township	Key Retailers	Total Retail Floor Area	Other Facilities
Melrose	Lucky 7 General Store (300 m^2)	800 m^2	2 Hotels Small range of minor outlets
Gladstone	IGA Supermarket (400 m^2)	1000 m^2	2 Hotels Post Office Bank Pharmacy
Crystal Brook	IGA Supermarket (1000 m^2)	3000 m^2	2 Hotels 2 Banks Electrical Store Pharmacy SA Water Depot John Deare
Port Germein	General Store (200 m^2)	500 m^2	Hotel
Wirrabara	Friendly Grocer (300 m^2)	800 m^2	Hotel
Booleroo Centre	IGA Supermarket (300 m^2)	600 m^2	Hotel Post Office 2 Banks
Jamestown	Foodland Supermarket (2000 m^2) Johnsons IGA Supermarket (400 m^2) Retravision (150 m^2) Furniture / furnishings (500 m^2) Home Hardware (500 m^2) Smithy's Mitre 10 (1000 m^2) United Supermarket (200 m^2)	7500 m^2	4 Hotels Post Office Pharmacy Banks
Laura	IGA Supermarket (400 m^2)	3500 m^2	Hotel Post Office
Peterborough	Foodland Supermarket (1100 m^2) Home Hardware (1500 m^2) Flavels Hardware (250 m^2)	6000 m^2	Hotels Post office Banks
Port Broughton	IGA Supermarket (400 m^2)	1000 m^2	

4. RETAIL SURVEY

In order to understand the spending preferences of the Port Pirie and surrounding population, a survey of 167 households has been undertaken. This information has then been used to inform catchment areas and penetration levels used later in this report.

The following table summarises the location of respondents to the survey.

Place of Residence	Number of People Surveyed	2006 Population	Ratio of Survey Participants to Population
Booleroo Centre	5	331	1:66
Crystal Brook	10	1,184	1:118
Gladstone	5	625	1:125
Jamestown	10	1,405	1:140
Laura	5	571	1:114
Melrose	5	156	1:31
Napperby	5	249	1:50
Peterborough	10	1,690	1:169
Port Broughton	6	726	1:121
Port Germein	6	249	1:42
Port Pirie (incl. Warnertown	95	17,142	1:180
Wirrabara	5	251	1:50
Total	**167**	**24,579**	**1:150**

The responses to the questions are summarised in the following paragraphs.

From which centre do you usually buy most of your groceries?

Place of Residence	Respondents			
	Local Supermarket	Port Pirie	Other Town	Total
Booleroo Centre	4	1		5
Crystal Brook	9	1		10
Gladstone	1.5	3.5		5
Jamestown	10			10
Laura	4	1	1 Clare	6
Melrose	1	3	1 Port Augusta	5
Napperby		5		5
Peterborough	8	1	1 Jamestown	10
Port Broughton	2.3	2.3	1 Wallaroo 0.3 Kadina	6
Port Germein	5			5
Port Pirie	91			91
Warnertown		4		4
Wirrabara	1.5	2.5	0.5 Jamestown 0.5 Laura	5
Total	**137.3**	**24.3**	**5.3**	**167**

The key findings from this question are as follows:

- 100% of Port Pirie residents' primary grocery shop occurs in Port Pirie
- Of the respondents living outside of Port Pirie, the primary grocery shop occurs in the local centre for 66%, in Port Pirie for 27% and in other towns for 7% of respondents.

The same information is repeated in the following table but using percentages of respondents rather than numbers of respondents.

	Percentage of Respondents from Each Town of Residence			
Place of Residence	**Local Supermarket**	**Port Pirie**	**Other Town**	**Total**
Booleroo Centre	80%	20%		100%
Crystal Brook	90%	10%		100%
Gladstone	30%	70%		100%
Jamestown	100%			100%
Laura	80%	10%	10% Clare	100%
Melrose	20%	60%	20% Port Augusta	100%
Napperby		100%		100%
Peterborough	80%	10%	10% Jamestown	100%
Port Broughton	39%	39%	16% Wallaroo 6% Kadina	100%
Port Germein	100%			100%
Port Pirie	100%			100%
Warnertown		100%		100%
Wirrabara	30%	50%	10% Jamestown 10% Laura	100%
Total	**82.2%**	**14.6%**	**3.2%**	**100%**

From which other centres do you buy your groceries?

Place of Residence	Number of Respondents				
	Local Supermarket	**Port Pirie**	**Other Town**	**No Other Centre**	**Total**
Booleroo Centre		1.5	1.5 Jamestown 1 Pt Augusta	1	5
Crystal Brook		7		3	10
Gladstone	2	2		1	5
Jamestown		4		6	10
Laura		4	0.5 Jamestown 0.5 Laura		5
Melrose	1	1	2 Booleroo Centre	1	5
Napperby				5	5
Peterborough	2	4		4	10
Port Broughton	1	1	1 Adelaide	3	6
Port Germein	1			5	6
Port Pirie			1 Adelaide	90	91
Warnertown			1 Crystal Brook	3	4
Wirrabara	1.5		0.5 Jamestown	3	5
Total	**8.5**	**28.5**	**9**	**121**	**167**

Key findings from this question including the following:

- 99% of Port Pirie residents do not shop for groceries outside of Port Pirie.
- Of the residents living outside Port Pirie, the secondary centre for buying groceries is: 38% at Port Pirie, 11% at the local centre, 11% at other towns. Forty percent do not utilize a secondary shopping centre at all.

The same information is repeated in percentage terms.

Place of Residence	Percentage of Respondents				
	Local Supermarket	Port Pirie	Other Town	No Other Centre	Total
Booleroo Centre		30%	30% Jamestown 20% Pt Augusta	20%	100%
Crystal Brook		70%		30%	100%
Gladstone	40%	40%		20%	100%
Jamestown		40%		60%	100%
Laura		80%	10% Jamestown 10% Laura		100%
Melrose	20%	20%	40%	20%	100%
Napperby		100%			100%
Peterborough	20%	40%		40%	100%
Port Broughton	16.6%	16.6%	16.6% Adelaide	50%	100%
Port Germein	20%			80%	100%
Port Pirie			1% Adelaide	99%	100%
Warnertown			25%	75%	100%
Wirrabara	30%		10%	60%	100%
Total	**5.1%**	**17.1%**	**5.4%**	**72.5%**	**100%**

The following table combines visitation to both the preferred grocery shopping location and any secondary grocery shopping choice.

Place of Residence	Estimated Grocery Expenditure of Respondents by Place of Residence											
	Local Super-market	Port Pirie	Port Augusta	Jamestown	Clare	Adelaide	Booleroo Centre	Crystal Brook	Wallaroo	Kadina	Laura	Total
Booleroo Centre	60%	26%	6%	8%								100%
Crystal Brook	70%	30%										100%
Gladstone	48%	52%										100%
Jamestown	85%	15%										100%
Laura	64%	26%		3%	7%							100%
Melrose	18%	54%	12%				16%					100%
Napperby		100%										100%
Peterborough	74%	19%		6%		1%						100%
Port Broughton	37%	39%				1%			17%	6%		100%
Port Germein	3%	97%										100%

Place of Residence	Estimated Grocery Expenditure of Respondents by Place of Residence											
	Local Super-market	Port Pirie	Port Augusta	Jamestown	Clare	Adelaide	Booleroo Centre	Crystal Brook	Wallaroo	Kadina	Laura	Total
Port Pirie		99.7%				0.3%						100%
Warnertown		95%						5%				100%
Wirrabara	38%	37%		15%							10%	100%

It is apparent from this table that:

- The vast majority of food expenditure derived from Port Pirie and the surrounding towns of Warnertown, Napperby and Port Germein is spent in Port Pirie
- The better served country towns of Crystal Brook, Jamestown and Peterborough capture a high proportion of local grocery spending
- Port Broughton represents the southern extent of the Port Pirie catchment, with considerable expenditure leaking to the upper Yorke Peninsula
- Melrose represents the northern extent of the Port Pirie catchment, with considerable expenditure leaking to Port Augusta.

Where in Port Pirie do people shop?

Place of Residence	Number of Respondents								
	Centro/Coles (& Not Woolworths)	Woolworths (& Not Coles)	Coles First, then Woolworths	Woolworths First, then Coles	Either Coles or Woolworths	Also Fruit & Veg, butcher, etc in Main St	Also Foodbarn	Also Kingston Road Shop	Also, Local Service Station
Booleroo Centre	1	1			1				
Crystal Brook	4	3			2				
Gladstone			2	1	2	1			
Jamestown					4				
Laura		2			3				
Melrose		2			2				
Napperby		2	1	1		1			
Peterborough	1				4				
Port Broughton	3	1							
Port Germein	2	2	1	1		1			
Port Pirie	7	11	22	28	20	4	5	2	2
Warnertown	1	1	1		1				
Wirrabara	2	1							
Total	**21**	**26**	**27**	**31**	**39**	**7**	**5**	**2**	**2**

These responses are summarised in percentage terms in the following table.

Shop	Percentage
Centro/Coles (& not Woolworths)	14.6%
Woolworths (& not Coles)	18.1%
Coles first, then Woolworths	18.8%
Woolworths first, then Coles	21.5%
Either Coles or Woolworths	27.1%
Also fruit & veg, butcher, etc in Main St	4.9%
Also Foodbarn	3.5%
Also Kingston Road shop	1.4%
Also, local service station	1.4%

Our observations from these tables are as follows:

On Woolworths / Coles Patronage:

- Many people shopped at both Coles and Woolworths because they wanted to buy items that were "on special" in the catalogues for both supermarkets

Of the 144 people surveyed who shop within Port Pire 15% go to Coles but not Woolworths and 18% go to Woolworths but not Coles. 67% Shop at both centres, with 19% looking at Coles first and then Woolworths and 22% looking at Woolworths first and then Coles. Five percent shop at the Fruit and Vegetable store and the butcher shop on the Main Street and 4% shop at Foodbarn. 1% shop at the Kingston Road centre and 1% shop at the local service station.

Improvements / Shortcomings of Port Pirie retailing suggested by respondents to the questionnaire included the following:

- Many people complained that the shops did not stock a wide variety of products. They were dissatisfied that, although many shops would order items in upon request, there was not a lot of variety on display (that they could look at prior to committing to purchase)
- 12 people complained that Port Pirie did not have a quality hardware store. Many people said they would like to see a Bunnings Warehouse open in Port Pirie
- Many people also said they would like to see more in the way of clothing/shoes/accessories shops, particularly:
  - Higher quality and more formal garments
  - Teenage fashion
  - Children's clothes
  - Larger sizes
  - Older people's styles
- Some people wanted another supermarket i.e. a Foodland to compete with the prices and variety offered by Coles and Woolworths
- Some people wanted cafes to be open on evenings and on weekends, when they said "there's no where to go out"
- Some people wanted a Hungry Jacks
- Some people want a Lincraft or a Spotlight

- Most people who had suggestions for retail improvements wanted to see more variety and better prices. Electrical goods were the main items that they felt were limited in range and over priced
- Some people complained that there were not many special things to buy or special places to eat out and that there were too many “cheap shops” and fast food outlets
- Often these same people also acknowledged that there was high unemployment and that there were a lot of people “doing it tough”
- Those who did not shop elsewhere were either satisfied with the range of retail items on offer and the prices in Port Pirie (though not the price of goods) or “too old” to travel elsewhere.

Other observations made during the survey process are as follows:

- Most of the people who said they went to Adelaide and did shopping whilst there, do not make special trips to Adelaide for shopping. The main purpose of their trips was visiting friends and family and attending specialist appointments.
- Many people bought bulky goods and electrical items locally, in Port Pirie, so that they can return it/get it repaired if faulty
- There were lots of pensioners with no internet access, who did not go outside Port Pirie
- There were lots of residents in Port Pirie of Italian origin

In surrounding towns:

- Many people from surrounding towns did not visit Port Pire especially for shopping, but would buy some items whilst there for other purposes, such as attending medical appointments.
- Many people were committed to shopping locally and supporting their community, even though the prices were higher and the range limited, compared to Woolworths and Coles. This was the case even though some people worked in Port Pire.
- Others were too poor to pay the high prices locally and shopped in Port Pirie where it was cheaper, or were too poor to travel to Port Pirie (some didn’t own a car or if they did, couldn’t afford the petrol) to access cheaper groceries

Where do you go shopping for comparison items / a wider range of products:

Place of Residence	Shopping Destination of Respondents (by Number of Respondents)									
	Port Pirie	Adelaide	Whyalla	Laura	Kadina	Port Augusta	Crystal Brook	Jamestown	Peterborough	Clare
Booleroo Centre	2	2				2				
Crystal Brook	6	4	1			1	1			
Gladstone	2	4				1				
Jamestown	6	1						4		
Laura	2	2								1

Place of Residence	Shopping Destination of Respondents (by Number of Respondents)									
	Port Pirie	Adelaide	Whyalla	Laura	Kadina	Port Augusta	Crystal Brook	Jamestown	Peterborough	Clare
Melrose	3	2				2				
Napperby	4	1				1				
Peterborough	8	3						1	2	
Port Broughton	1	2			2					
Port Germein	6	1				1				
Port Pirie	91	30	1		3	8				
Warnertown	1	3								
Wirrabara	4			1						
Total	**136**	**55**	**2**	**1**	**5**	**16**	**1**	**5**	**2**	**1**

The same table is recorded in terms of percentage of total locations nominated.

Place of Residence	Number of Respondents										
	Port Pirie	Adelaide	Whyalla	Laura	Kadina	Port Augusta	Crystal Brook	Jamestown	Peterborough	Clare	Total
Booleroo Centre	33%	33%				33%					100%
Crystal Brook	46%	31%	8%			8%	8%				100%
Gladstone	29%	57%				14%					100%
Jamestown	55%	9%						36%			100%
Laura	40%	40%								40%	100%
Melrose	43%	29%				29%					100%
Napperby	67%	17%				17%					100%
Peterborough	57%	21%						7%	14%		100%
Port Broughton	20%	40%			40%						100%
Port Germein	75%	13%				13%					100%
Port Pirie	68%	23%	1%		2%	6%					100%
Warnertown	25%	75%									100%
Wirrabara	80%			20%							100%
Total	**51%**	**25%**	**1%**		**2%**	**7%**		**2%**	**1%**		100%

Considering the percentage of respondents who shop at a nominated destination rather than the percentage of all shopping choices occurring at a particular destination, the results are as follows. Note that percentages may exceed 100% because of multiple destinations chosen by some respondents.

Place of Residence	Shopping Destination of Respondents (by percentage of total respondents from a particular township origin)									
	Port Pirie	Adelaide	Whyalla	Laura	Kadina	Port Augusta	Crystal Brook	Jamestown	Peterborough	Clare
Booleroo Centre	40%	40%				40%				
Crystal Brook	60%	40%	10%			10%	10%			
Gladstone	40%	80%				20%				
Jamestown	60%	10%						40%		
Laura	20%	20%								20%
Melrose	60%	40%				20%				
Napperby	80%	10%				10%				
Peterborough	80%	30%						10%	20%	
Port Broughton	10%	20%			20%					
Port Germein	100%	17%				17%				
Port Pirie	100%	33%	1%		3%	9%				
Warnertown	25%	75%								
Wirrabara	80%			20%						
Total	**81%**	**33%**	**1%**	**<1%**	**3%**	**10%**	**<1%**	**3%**	**1%**	**4%**

The key findings from this question are as follows:

- Port Pirie is the primary destination for comparison goods shopping both for residents of Port Pirie and for the residents of the nearest surrounding towns, with 100% of Port Pirie residents shopping in Port Pirie for such items and 73% of nearby township residents doing the same;
- Some 55% of residents from the remaining townships shop for comparison goods at Port Pirie on some occasions; and
- As a percentage of all comparison goods shopping destinations, Port Pirie residents nominated Port Pirie 68% of the total, Adelaide 23%, Port Augusta 6% and other centres 3%, residents of townships surrounding Port Pirie nominated Port Pirie as 61% of the total, while residents of the remaining towns nominated Port Pirie 47% of the total.

Do you buy items through the internet?

Place of Residence	Yes	No
Booleroo Centre	2	3
Crystal Brook	3	7
Gladstone	2	3
Jamestown	3	7
Laura	2	3
Melrose	1	4
Napperby	3	2
Peterborough	3	7

Place of Residence	Yes	No
Port Broughton	1	5
Port Germein	0	6
Port Pirie	30	61
Warnertown	2	2
Wirrabara	1	4
Total	**53**	**114**

Based upon the survey results, 32% of respondents engage in internet shopping and 68% do not. The proportion of Port Pirie residents using on-line shopping services was almost identical at 33% of respondents.

The most common items purchased online, in order of popularity were:

- Clothes and shoes;
- Small electrical appliances/gadgets/household;
- DVDs and video games;
- Collectable items, hobby/craft;
- Machinery parts i.e. computer, car & bike;
- Toys;
- Books;
- Makeup;
- Specialist business supplies; and
- Food.

Other observations made by respondents include the following:

- There is an online fruit and vegetable delivery business, but no one surveyed uses it;
- There are lots of empty shops in Port Pirie, making the town look tired. One respondent wanted there to be more excitement in Port Pirie with these vacant shops “renewed” by providing space for crafty/artistic people;
- The entrance to Port Pirie needs upgrading as slogan is “City of Opportunity” yet is positioned next to a vacant block on Solomontown Road; and
- Ripped and torn flags in the Main Street, infrastructure (ie street benches) do not present well and give the impression that Port Pirie is not cared for and that people are not proud of their community. It feels tired and depressing.

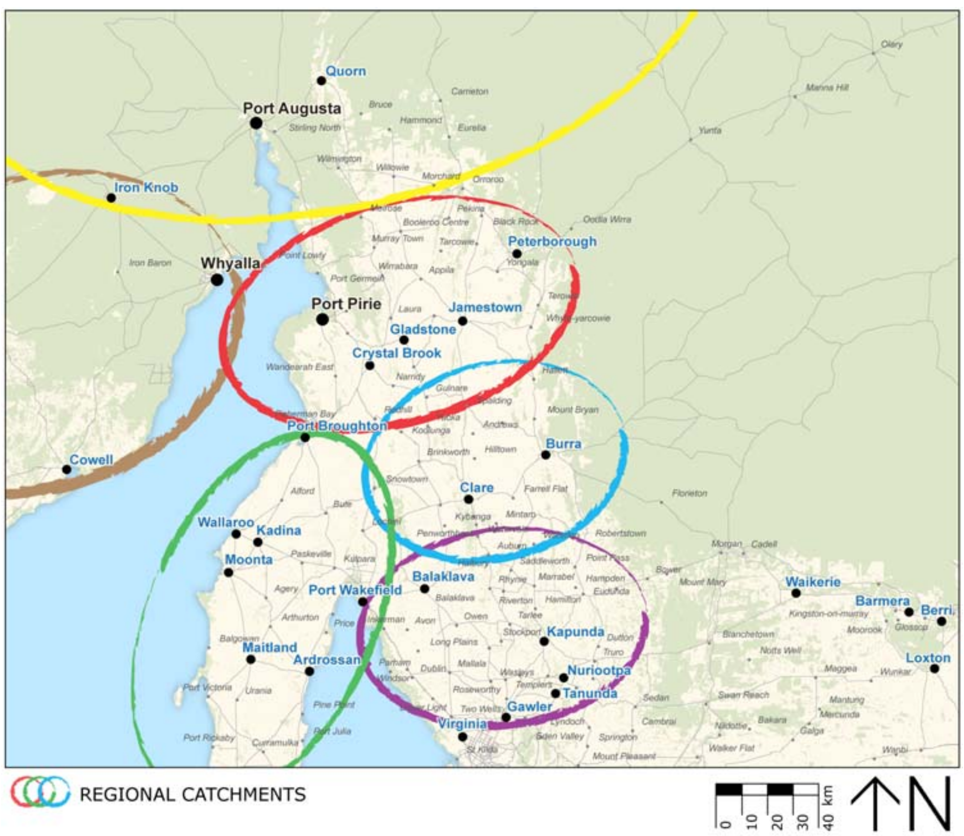
5. CATCHMENT AREAS

5.1 Port Pirie Retail Catchment

The Port Pirie trade catchment area is a function of the quality and range of services and facilities available in Port Pirie and the level of competition provided by surrounding centres. The major regional facilities of Port Augusta, Clare and Kadina influence the definition of the Port Pirie broader catchment area, especially for comparison goods, while the smaller townships in the near vicinity of Port Pirie typically cater for emergency purchases and often for the main periodic grocery shopping trip. However, it is apparent from the survey that many people within a radius of about 50-70 km of Port Pirie utilise the centre for comparison shopping purchases as well as occasional food shopping.

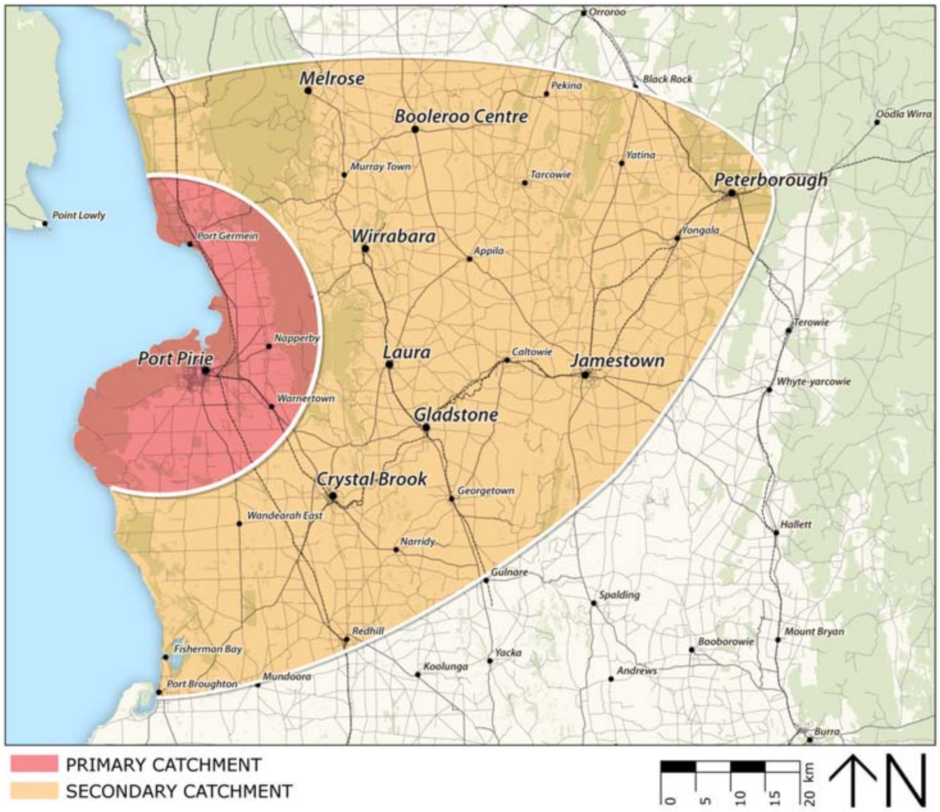
The following map identifies Port Pirie's catchment in the context of surrounding regional catchments. Adelaide exerts an influence over the whole of the State, particularly in terms of high value comparison purchases and specialist items. Little food expenditure is likely to escape from the Port Pirie catchment.

Regional Catchments



Within the Port Pirie Catchment there are two distinct catchments, the Primary Catchment, in which virtually all grocery shopping and a high level of comparison shopping is directed to Port Pirie, and the Secondary Catchment, where residents typically use their local township as their first choice for grocery shopping but undertake some grocery shopping and comparison shopping in Port Pirie. These catchments are defined on the following map.

Port Pirie Primary and Secondary Catchments



5.2 Individual Centre Catchments

Within Port Pirie township, there are two major supermarket based centres, the Ellen Street Woolworths anchored traditional town centre and the Coles anchored Centro Port Pirie in Grey Terrace. Respondents to the survey have been drawn to both centres from across Port Pirie township and, indeed, from the wider catchment area. There is no obvious geographic grouping of respondents towards one centre or the other. This is significant in that it suggests Port Pirie is of a size that residents will travel to either of the major centres based upon particular sales and product opportunities. This further implies flexibility in the location of future retail growth.

5.3 Escape Expenditure

Based upon the results of the survey, the following comments can be made about escape expenditure:

- Very little food expenditure escapes from the primary catchment of Port Pirie. Additionally, Port Pirie would appear to capture around 30-40% of food expenditure from within its secondary catchment;
- Port Pirie would appear to capture around 70% of non-food expenditure (ie. around 30% of non-food expenditure escapes from the township, primarily to Adelaide), however, Port Pirie captures around 40-50% of non-food expenditure from its secondary catchment; and
- Port Pirie is likely to capture a small percentage of expenditure from areas outside of the nominated primary and secondary catchment areas, including a very modest amount of passing trade.

6. POPULATION GROWTH & CHANGE

6.1 Current Population

Estimated residential population data is not available at a collection district or suburb level. The smallest level at which this is published is Statistical Local Areas. The following tables provide 2006 and 2011 population figures for the individual townships and for the wider Local Government Areas.

Population of Port Pirie and Proximate Town Centres

Town Centre[1]	2006 Census[2]	2011 Census[3]
Port Pirie	13,610	13,825
Gladstone	625	610
Melrose	156	NA
Crystal Brook	1,184	1,282
Booleroo Centre	331	328
Peterborough	1,690	1,485
Wirrabara	251	218
Laura	571	499
Jamestown	1,405	1,411
Port Broughton	726	1,114
Napperby	NA	300
Port Germein	NA	295

1 Boundaries have changed between 2006 and 2011 Censuses, therefore comparison is approximate, not exact
2 Source: ABS, Census Quick Stats [for Urban Centre / Locality], Australia, 2006
3 Source: ABS, Census Quick Stats [for SA1], Australia, 2011

LGA Forecast Population Growth

LGA	2006 Census	ERP at 30 June 2011	# Change 2006-2011	% Change 2006-2011
Port Pirie	17,142	18,169	1,027	6.0%
Barunga West	2,546	2,581	35	1.4%
Northern Areas	4,650	4,827	177	3.8%
Peterborough	1,904	1,964	60	3.2%
Orroroo/Carrieton	935	932	-3	-0.3%
Mount Remarkable	2,842	2,998	156	5.5%
Wakefield	6,372	6,908	536	8.4%
Clare and Gilbert Valleys	8,143	8,962	819	10.1%
Goyder	4,185	4,256	71	1.7%

Source: ABS, Regional Population Growth, Australia, 2010-11 (cat. no. 3218.0)

LGA Actual Population Growth

LGA	2006 Census	2011 Census	# Change 2006-2011	% Change 2006-2011
Port Pirie	17,142	17,333	191	1.1%
Barunga West	2,546	2,456	-90	-3.5%
Northern Areas	4,650	4,504	-146	-3.1%
Peterborough	1,904	1,731	-173	-9.1%
Orroroo/Carrieton	935	875	-60	-6.4%
Mount Remarkable	2,842	2,873	31	1.1%
Wakefield	6,372	6,662	290	4.6%
Clare and Gilbert Valleys	8,143	8,749	606	7.4%
Goyder	4,185	4,162	-23	-0.5%

Source: ABS, Census QuickStats and Connor Holmes

It is significant that Port Pirie LGA has grown over the intercensal period, but not nearly as rapidly as predicted by the ABS. On the other hand, some other LGAs in the region have experienced substantial population decline during this same period.

Based upon the catchment areas established for Port Pirie, it is apparent from the following table that some modest population growth has occurred in the primary catchment area but this has been offset by population decline in the secondary catchment area.

Catchment Population

Catchment	2006 Census	2011 Census
Primary	15,623	15,946
Secondary	11,140	10,318

Source: ABS, Census QuickStats and Connor Holmes

6.2 Demographic Characteristics

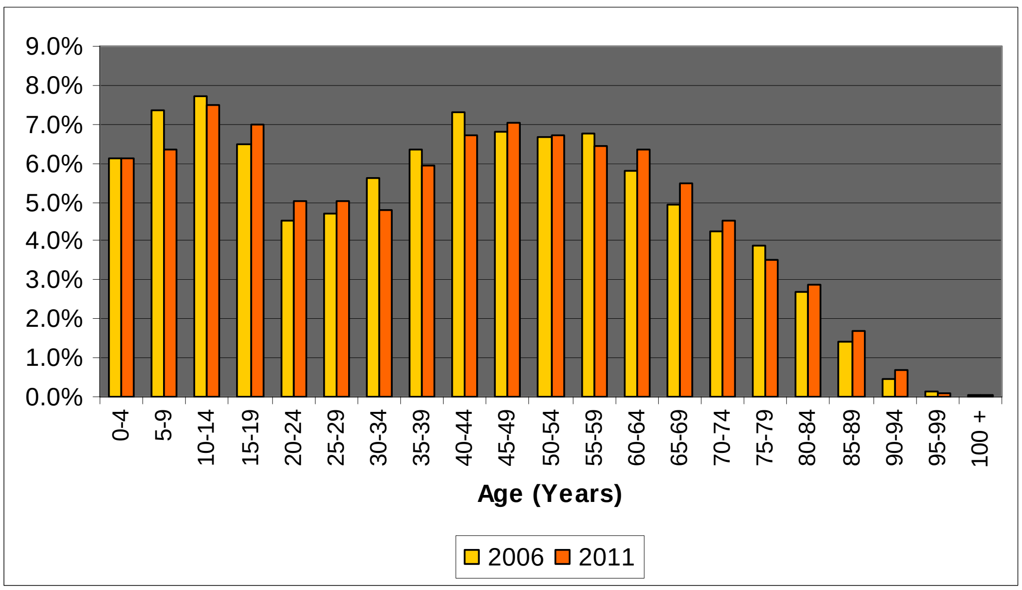
Household size, age characteristics and income levels all have a bearing on the type and amount of retail expenditure occurring in an area. The following tables provide information on those key characteristics.

Age Profile Port Pirie LGA

	PORT PIRIE LGA		GREATER ADELAIDE (GCCSA)	
Age (Years)	2006	2011	2006	2011
0-4	6.1%	6.1%	5.7%	6.0%
5-9	7.4%	6.4%	6.0%	5.8%
10-14	7.7%	7.5%	6.4%	6.0%
15-19	6.5%	7.0%	6.8%	6.6%
20-24	4.5%	5.0%	7.2%	7.1%
25-29	4.7%	5.0%	6.2%	7.0%
30-34	5.6%	4.8%	6.6%	6.4%
35-39	6.4%	6.0%	7.2%	6.7%
40-44	7.3%	6.7%	7.4%	7.1%
45-49	6.8%	7.0%	7.4%	7.1%
50-54	6.7%	6.7%	6.8%	6.9%
55-59	6.7%	6.5%	6.4%	6.2%
60-64	5.8%	6.3%	4.8%	5.8%
65-69	4.9%	5.5%	3.8%	4.3%
70-74	4.3%	4.5%	3.3%	3.4%
75-79	3.9%	3.5%	3.2%	2.8%
80-84	2.7%	2.9%	2.6%	2.4%
85 years+	2.0%	2.5%	2.1%	2.4%
Total	**100%**	**100%**	**100%**	**100%**

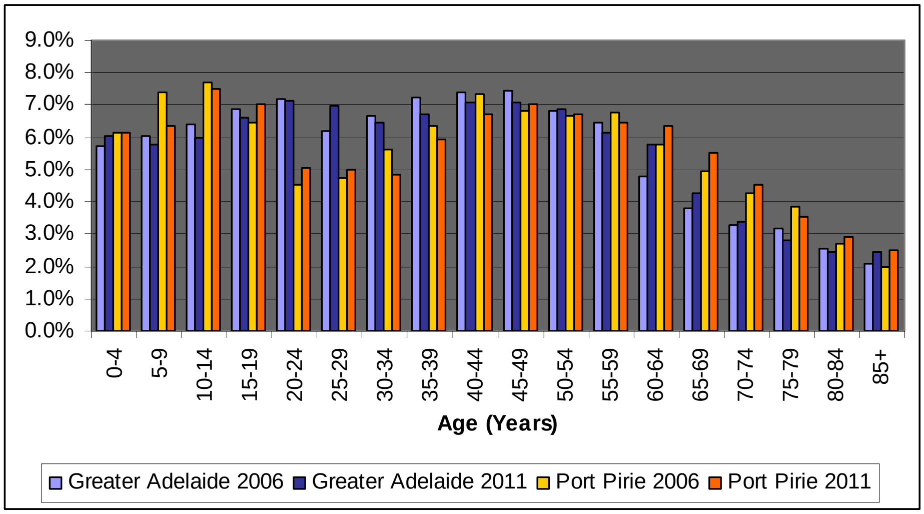
Source: ABS, Basic Community Profile, Australia, 2011 (cat. no. 2001.0) and Connor Holmes

Age Profile Port Pirie LGA



Source: ABS, Basic Community Profile, Australia, 2011 (cat. no. 2001.0) and Connor Holmes

Age Profile Comparing Port Pirie LGA to Greater Adelaide



Source: ABS, Basic Community Profile, Australia, 2011 (cat. no. 2001.0) and Connor Holmes

Annual Average Household Income

LGA	Average Weekly Income (2011 $)	Average Annual Income (2011$)
Greater Adelaide GCCS	1,106	57,512
Port Pirie	771	40,092
Barunga West	714	37,128
Northern Areas	843	43,836
Peterborough	564	29,328
Orroroo/Carrieton	932	48,464
Mount Remarkable	795	41,340
Wakefield	842	43,784
Clare and Gilbert Valleys	945	49,140
Goyder	755	39,260

Source: ABS, Census QuickStats and Connor Holmes

Household Size

LGA	Household Size 2006	Household Size 2011
Greater Adelaide GCCS	2.4	2.4
Port Pirie	2.4	2.3
Barunga West	2.3	2.2
Northern Areas	2.4	2.3
Peterborough	2.1	2.0
Orroroo/Carrieton	2.3	2.3
Mount Remarkable	2.4	2.3
Wakefield	2.4	2.4
Clare and Gilbert Valleys	2.4	2.4
Goyder	2.3	2.3

Source: ABS, Census QuickStats

Mean Household Income of Port Pirie Catchment

Catchment	2006 Mean Household Income	2011 Mean Household Income (2012 $)
Primary	$44,949	$56,765
Secondary	$44,945	$57,369

Source: ABS, Basic Community Profile, Australia, 2011 (cat. no. 2001.0) and Connor Holmes

Mean Household Income of Port Pirie Catchment Compared to Mean Greater Adelaide (2012$)

Catchment	Metro Mean	Mean Annual Household Income	Port Pirie's % of Metro Average
Primary	$74,215	$56,765	76.5%
Secondary	$74,215	$57,369	77.3%

Source: ABS, Basic Community Profile, Australia, 2011 (cat. no. 2001.0) and Connor Holmes

6.3 Population Growth and Change

Fundamental to the expansion of retail services and facilities will be the growth of population in Port Pirie and its surrounding catchment.

The Mid North Region Plan acknowledges the need for each region to achieve an annual average growth rate of just over 1% per annum in order to meet the State's target of maintaining each region's share of overall population.

The draft Structure Plan for Port Pirie identifies a series of growth rates as a basis for testing additional population and dwelling requirements. These growth rates vary from 0.5% per annum to 2.5% per annum.

Recent trends in population change in the region reveal the following:

- Very low growth rates and, in some areas, absolute population decline; and
- A stronger propensity for growth in larger urban centres and coastal locations.

Opportunities identified as potential stimulants of population growth include the following:

- Port Pirie as a domicile for miners and related personnel;
- Growth in services to support the mining population;
- Growth in industries supporting mining activities;
- Expansion / introduction of major industries;
- Tree change / sea change migration to the area;
- Affordable lifestyle attractions; and
- Strategic Government investment in services and / or infrastructure.

These opportunities are discussed in greater detail in the accompanying Employment Study.

Having regard to the foregoing, we anticipate the following possible scenarios:

- Most Likely Scenario : modest growth in mining based activities and associated multiplier effects offsetting a decline in the permanent workforce at the Nyrstar smelter, resulting in population growth in the order of 0-1% per annum (assume 0.5% pa); and
- Possible Scenario : introduction of a major new industry with a short-medium term population stimulus, reverting to the modest growth scenario thereafter. (Assume 2.5% pa growth over 5 years in primary catchment and 0.5% pa growth thereafter; 0.5% pa growth in secondary catchment).)

Under these scenarios, catchment population change is estimated as follows:

	2011 Catchment Population	**2031 Most Likely Scenario**	**2031 Possible Scenario**
Primary	15,946	17,620	19,438
Secondary	10,318	11,401	11,401

7. EXPENDITURE CHARACTERISTICS

7.1 Current Population

Household expenditure characteristics are a function of a range of factors, most notably household income, but also household structure and age characteristics.

The previous section identified a relatively low level of household income in the Port Pirie region. Based upon ABS Household Expenditure Data, it is estimated that households on incomes which are around 76-77% of the metropolitan Adelaide average typically spend around 83-84% of the metropolitan average on retail goods, reflecting the fact that lower income households typically need to spend a higher proportion of their income on retail goods. Accordingly, household retail expenditure in the Port Pirie region is estimated as follows.

Household Retail Expenditure (2012$) by Port Pirie Catchment

Catchment	Metro Average	Port Pirie's % of Metro. Average	Port Pirie's Ave. Household Retail Expenditure pa.
Primary	$31,913	83%	$26,488
Secondary	$31,913	84%	$26,807

Source: Connor Holmes

With a current household size of around 2.3 persons per household, this equates with the following retail expenditure per head of population:

- Primary Catchment $11,517; and
- Secondary Catchment $11,655.

7.2 Future Population

A continuing aging of the population could result in declining income and expenditure levels. However, this decline could be expected to be arrested by growth in the population as anticipated in the population scenarios postulated in the preceding section. On this basis, we have assumed constant income and expenditure levels (in 2012$) over the period to 2031.

8. PENETRATION LEVELS

8.1 Current Penetration Levels

Analysis of penetration levels is required to determine how much retail spending can be expected to occur at one centre rather than another. It is a function of factors such as the nature and quality of facilities, accessibility of the centre, the amenity of the centre (including parking availability and the quality of the public realm), the availability of and accessibility to alternative shopping facilities and the level at which the shopping centre operates and is therefore able to draw patronage.

Establishment of penetration levels is largely derived from the observation and experiences of other centres, having regard to the unique influences of a particular locality. Empirical evidence demonstrates that the majority of food expenditure occurs at the Neighbourhood and District Activity Centre levels.

However, in this instance, these observations are supported by the Retail Survey conducted in the region, which provides specific information about the preferences of the population in terms of major grocery shopping and comparison shopping.

These investigations reveal the following penetration levels for each of the identified catchments:

	Primary Catchment	Secondary Catchment
Food (1st choice / 2nd choice)	99% (100% / 98%)	30% (27% - 38%)
Non-food	70%	45%

In addition, we anticipate the capture of a small amount of additional expenditure from outside of the nominated catchment areas. We assume this to be an additional 3% for food expenditure and 5% for non-food expenditure.

8.2 Potential Penetration Levels

The provision of additional retail facilities within Port Pirie has the potential to increase penetration levels within both the primary and secondary catchment areas. Non-food floorspace has the greatest potential for increasing its penetration levels for the following reasons:

- Food expenditure is more likely to occur at the local centre;
- Food expenditure captured from the Port Pirie population is almost at the maximum level achievable already; and
- There is far more non-food expenditure escaping to outside of the region which could be captured by Port Pirie.

Accordingly, we have chosen to test the implications of the following increases in penetration levels as a result of significant new floorspace delivering in Port Pirie

	Primary Catchment	Secondary Catchment
Food (1st choice / 2nd choice)	99%	35%
Non-food	80%	55%

The implications of applying these penetration levels are discussed in Section 10.2.2.

9. FLOOR SPACE DEVELOPMENT POTENTIAL

9.1 Current Floorspace

Based upon the findings of the preceding sections of this report, the following current levels of total retail expenditure are calculated to occur within the primary and secondary catchments.

	Current Population 2011	Current Expenditure per Person	Total Expenditure
Primary Catchment	15,946	$11,517	$183.7M
Secondary Catchment	10,318	$11,655	$120.3M
Total	**26,264**		**$303.0M**

Based upon ABS Household Expenditure data which suggests a 45% : 55% split between food and non-food expenditure for a lower income population, the above figures can be represented as follows:

	Primary Catchment	Secondary Catchment	Total Expenditure
Food	$82.4M	$54.0M	$136.4M
Non Food	$100.6M	$66.0M	$166.6M
Total	**$183.0M**	**$120.0M**	**$303.0M**

Port Pirie's penetration levels have been estimated based on the results of the survey. By applying these rates, total expenditure at retail facilities within Port Pirie, is calculated as follows:

	Primary Catchment	Secondary Catchment	Total Expenditure
Food	$81.6M	$16.2M	$97.8M
Non Food	$70.5M	$29.7M	$100.2M
Total	**$152.1M**	**$45.9M**	**$198.0M**

To this is added expenditure captured from outside the identified primary and secondary catchment areas. An allowance has been made for the capturing of a further 3% of food expenditure and 5% of non-food expenditure.

	Expenditure from Nominated Catchment Areas	External Captured Expenditure	Total Expenditure
Food	$97.8M	$2.9M	$100.7M
Non Food	$100.2M	$5.0M	$105.2M
Total	**$198.0M**	**$7.9M**	**$205.9M**

By applying standard industry floorspace turnover levels to these expenditure totals it is possible to assess the performance of retail floorspace in Port Pirie and whether or not additional floorspace is required to meet any unmet demand. The standard industry floorspace turnover levels to be applied are as follows:

• Supermarkets	\$7,500 - \$8,500 / m^2 pa
• Food specialties	\$4,500 - \$5,500 / m^2 pa
• Discount department stores and mini majors	\$3,000 - \$3,500 / m^2 pa
• Non-food specialties	\$3,500 - \$4,000 / m^2 pa
• Secondhand	\$1,000 - \$2,000 / m^2 pa

Based upon applying these turnover standards to the identified floorspace in Port Pirie, we calculate the following theoretical levels of expenditure.

Food Shopping

• Supermarkets	6,260 m^2 @ \$7,500 - \$8,500	\$47.0M - \$53.2M
• Specialties	6,810 m^2 @ \$4,500 - \$5,500	\$30.6M - \$37.5M
• **Total**		**\$77.6M - \$90.7M**

Non-food Shopping

• Discount Department Stores / Mini Majors	18,990 m^2 @ \$2,500 - \$3,500	\$47.5M - \$66.5M
• Specialties	11,190 m^2 @ \$3,500 - \$4,000	\$39.2M - \$44.8M
• Secondhand	880 m^2 @ \$1,000 - \$2,000	\$0.9M - \$1.8M
• **Total**		**\$87.6M - \$113.1M**

These figures suggest a reasonable equilibrium between floorspace supply and demand in Port Pirie, with food floorspace possibly performing at slightly higher turnover levels than the quoted industry standards and non-food floorspace performing in the middle of the quoted range. Supermarkets, in particular, are known to operate at up to \$15,000 / m^2 in successful locations, suggesting that turnover levels at the major supermarkets may be above the quoted floorspace turnover standard (a supermarket turnover level of \$10,000/m^2 would account for the discrepancy in expenditure levels).

9.2 Future Floorspace

Assuming retail floorspace in Port Pirie is in approximate equilibrium at the present time, then the growth or decline of that floorspace can be expected to be a function of a number of factors, including:

- Changes in the population and demographics within the catchment;
- Changes to the size and / or penetration of that catchment;
- Changes in real retail expenditure per person; and
- Changes in floorspace turnover levels.

The implications of possible changes in these areas are discussed in the following paragraphs.

9.2.1 Population Growth

In Section 6.3, two population growth scenarios were outlined, with the Port Pirie retail catchments being impacted as follows:

	2011 Catchment Population	2031 Most Likely Scenario	2031 Possible Scenario
Primary	15,946	17,620	19,438
Secondary	10,318	11,401	11,401

A third scenario, involving a continuation of the population changes experienced over the period 2006 to 2011, would deliver minor primary catchment growth and moderate secondary catchment decline, with a likelihood of little requirement for additional retail floorspace.

Under the modelled scenarios, retail floorspace growth over the next 20 years could be expected to be as follows:

- Most Likely Scenario : c. 5,600 m^2 of additional floorspace; and
- Possible Scenario : c. 8,500 m^2 of additional floorspace.

9.2.2 Size or Penetration of Catchment

Because of the established nature of the major centres surrounding the Port Pirie catchment and their potential for growth in future years, we do not anticipate expansion of the geographic extent of the Port Pirie catchment. However, it is possible that the delivery of significant new floorspace in key areas might attract additional expenditure from the catchment by reducing escape expenditure to other areas. This is particularly so for increased capture of non-food comparison expenditure, where it would be possible to attract both more expenditure from both the primary and secondary catchment areas. Increased travel to Port Pirie for non-food spending could then be expected to have a minor flow on effect on food expenditure captured during those comparison shopping trips.

Assuming an increase in non-food capture from 70% to 80% in the primary catchment and from 45% to 55% in the secondary catchment, and with a 5% increase in food spending capture from the secondary catchment, Port Pirie would be able to support the following additional levels of retail floorspace:

- Food 300 – 500 m^2
- Non-food 4,400 – 5,200 m^2
- **Total 4,700 – 5,700 m^2**

9.2.3 Real Increase in Retail Spending

Retail spending in Australia has been increasing on a per capita basis in real terms for a number of decades, albeit that the period since the GFC in late 2008 has been notably subdued. Real spending growth rates have typically fluctuated between 0-2% pa. Assuming Port Pirie's population is able to grow its real income levels in the future, which is likely to be a function of employment and population growth, then real increases in retail spending can be expected. A 0.5% pa real increase in expenditure would add around $19.3M to retail turnover levels and support additional floorspace of the order of the following:

- Food 1,500 – 2,000 m^2
- Non-food 2,500 – 3,300 m^2
- **Total 4,000 – 5,300 m^2**

9.2.4 Floorspace Turnover Levels / Floorspace Occupancy

Much has been made of the impact of the internet on shop front activity levels. It is widely recognised that around 3% of Australian retail sales are now conducted online. As indicated in the response to the Port Pirie survey question, some 32% of respondents indicated that they make some purchases online and that a moderate rather than comprehensive range of products are typically purchased. It is conjecture as to the degree to which online sales will replace instore sales, however, to test the impacts of an increase in online sales, we have modelled the implications of an increase in online sales activity from 3% to 5% of all retail sales (2% increase) and from 3% to 10% (7% increase). The floorspace implications for Port Pirie would be as follows:

- 2% increase in online sales : loss of 900 m^2
- 7% increase in online sales : loss of 3,100 m^2

10. SUMMARY

10.1 Floorspace Growth Potential

As identified in the previous Section of this report, there are a number of scenarios under which it could be anticipated that there may be a need for retail floorspace growth in Port Pirie over the next 20 years. While the amounts may seem modest, they are significant in the context of the scale of existing floorspace provision within the township and would be very significant under a scenario where population growth, increased catchment penetration and real increases in retail spending are occurring. A combination of these factors, notwithstanding a modest shift towards online sales, could result in an ultimate need for a further 15,000 – 20,000 m^2 of retail floorspace. Alternatively a scenario involving no population growth and no real increases in retail expenditure would be likely to result in little or no need for additional retail floorspace.

10.2 Site Area / Rezoning Implications

A retail floorspace requirement for 15,000 – 20,000 m^2 could be expected to require a land area of around 4-6 hectares to accommodate that floorspace and associated car parking. The land take requirement could be further increased as a result of the colocation of related commercial uses. If vacant land is not available, then additional spatial allowance for the continuation of some existing uses may also be necessary.

The fragmented land ownership of the town centre limits opportunities for a comprehensive redevelopment that delivers the majority of this floorspace, however, individual sites may provide for components of this possible future development. On the other hand, the Commercial Zone at Grey Terrace / Wandearah Road provides larger siting opportunities that could deliver much of this floorspace expansion. For example, the site on the north west corner of Grey Terrace and Wandearah Road is around 4.7 ha in area and could readily accommodate a retail floorspace of around 15,000 m^2. There are also significant parcels of unused land in close proximity to Centro Port Pirie. Note, however, that these parcels are part of properties that are already developed for a range of purposes but have simply not occupied the majority of their respective sites. Accordingly, their availability should be treated with some caution.

10.3 Reuse of Existing Floorspace for Alternative Purposes

The Town Centre has a number of properties that have been vacated or are used inefficiently or are less than optimum premises for retail use. Policy development should encourage a wide range of uses that complement the commercial activities of the precinct and encourage more people into the area, including opportunities for short term accommodation, especially in the use of first floor accommodation, and in the encouragement of small scale enterprises.

Should a major retail expansion take place, there is a risk that more marginal outlets in the town centre and elsewhere (e.g Solomontown) may be impacted, with some closures. Accordingly, a strategy for encouraging a wider range of alternative uses is appropriate.

10.4 Need for Centres to Serve Residential Expansion Areas

The continuing residential growth of Port Pirie to the south may, over time, justify the provision of a local or neighbourhood centre to serve that population growth. This is likely to be highly contingent on the scale of that population growth and no centre in this location should seek to challenge the primacy of the Town Centre or the Grey Terrace Commercial Precinct. It is important to Port Pirie's regional role that most facilities are centrally located and continue to reinforce the convenience delivered by the co-location of a range of services and facilities in this central location.