SUBURBAN RAIL LOOP EAST

SRL East Draft Structure Plan | Burwood

Economic Profile Technical Report

More Homes For Victorians

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SRL EAST DRAFT STRUCTURE PLAN – ECONOMIC PROFILE TECHNICAL REPORT - BURWOOD

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This document is based on the information available, and the assumptions made, as at the date of the document. For further information, please refer to the assumptions, limitations and uncertainties set out in the methodology section of this document.

This document should be read in full and no excerpts are to be taken as representative of the findings.

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Appendices

Executive summary

As part of the Suburban Rail Loop (SRL) East project, Draft Structure Plans (Structure Plans) are being prepared for the neighbourhoods surrounding the new underground stations at Cheltenham, Clayton, Monash, Glen Waverley, Burwood and Box Hill.

The Structure Plans will provide a framework to guide growth and change in each neighbourhood, while protecting and preserving the features that people love about them now.

This report will inform the development of the Structure Plan for Burwood.

PURPOSE OF BURWOOD'S ECONOMIC PROFILE

Understanding how Burwood's economic role and function will evolve with the introduction of SRL East is crucial for structure planning, especially for understanding the need to accommodate future employment-related land uses.

This report evaluates the economic and job growth potential of the Structure Plan Area and examines to what extent the market can deliver the forecast additional employment floorspace.

Recommendations to consider when developing the Structure Plan are made to ensure the right amount and type of employment floorspace is delivered in the right locations.

BURWOOD'S ECONOMY TODAY

Burwood Structure Plan Area had 9000 workers as at the 2021 census, which is approaching double the number of local residents. Burwood's workforce contributes an estimated $59.7 billion to the Victorian economy annually. Over the past decade, job growth has been solid at 3.1% per year annum, adding about 240 workers annually. There are three large businesses, likely to be the three education providers. Business formation has grown at around 2.4% per year, mainly driven by small to medium- sized businesses. Notably, there was no net growth in the number of businesses with 200 or more employees from between 2013 to and 2023.

$59.7B
0.2% of State
Total Economic
Value Add to Victoria

9000
3.1% p.a. growth
Local Workforce

5300
1.5% p.a. growth
Local Residents

$6.6M
-13.9% on State Ave
Per Worker State
Economic Value Add

434
2.4% p.a. growth
Local Businesses

3
3 in 2011
Large Businesses
(+200 employees)

+2550 sq.m
Gross Floor Area
Employment Floorspace
Pipeline

ECONOMIC SNAPSHOT OF BURWOOD, 2021

Source: Cordell Connect data for employment pipeline, Cordell presents pipeline in terms of gross floor area. Job and resident data from ABS Census 2011 and 2021. Business data excludes non-employing businesses, for years 2013 and 2023. ABS Business Counts. Economic value add data for 2021 from REMPLAN.

Education, 4000

Other Population Services, 2300

Professional Services, 1200

Industrial, 1000

Health, 600

JOBS BY BROAD INDUSTRY IN BURWOOD, 2021

Source: ABS Census of Population Aged 15+ [2011 & 2021]

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FINDINGS

Burwood is a designated Education Precinct in Melbourne's east defined by the presence of Deakin University and two large private schools. In 2021, Burwood Structure Plan Area had approximately 9000 workers which is more than the number of local residents at 5300. Almost 1 in 4 workers were in the education sector.

Burwood's economy has experienced solid growth over the past decade, primarily driven by significant worker growth in the education sector. This sector remains a clear specialisation for Burwood and will continue to define its future growth. Other industries have seen minimal growth, with some, like professional services, stagnating.

Looking ahead, education will continue to shape the nature of Burwood and drive demand across various supporting sectors. The development of a new town centre around the future SRL East Station presents an opportunity to enhance focus and amenities in Burwood. This town centre could include office space, along with a range of retail and other services, to support local students, workers, and residents. Leveraging R&D and collaboration opportunities from the University will also help drive new employment growth in and around Burwood's industrial precinct. However, these industrial areas will also continue to play an important local service role.

The total floorspace growth by use forecast to be required, as derived from this report, is summarised in the table below.

BURWOOD STRUCTURE PLAN AREA, EMPLOYMENT FLOORSPACE REQUIREMENTS (SQ.M)

LAND USE	FLOORSPACE 2021, (GROSS BUILDING AREA)	FLOORSPACE 2041, (GROSS BUILDING AREA)	ADDITIONAL FLOORSPACE 2021-2041 (GROSS BUILDING AREA)
Education	286,600	418,600	132,000
Industrial	202,100	216,100	14,000
Office	45,100	126,500	81,400
Retail	36,300	54,400	18,100
Entertainment / Recreation	16,600	28,600	12,000
Public Use	7500	11,600	4100
Health	4600	6900	2300
Accommodation	4500	11,500	7000
Total	**603,300**	**874,200**	**270,900**

Note: Retail floorspace figure in this table is the mid-point of the GBA range outlined in the Retail Needs Report.

Source: Derived from CityPlan (published in SRL BIC); AJM-JV

RECOMMENDATIONS

The recommendations below summarised with their locations shown in the figure at the end of this Executive Summary. The numbers on the figure refer to the number of the recommendations below.

Office Floorspace

1. **Plan for an additional 80,000 sq.m gross building area (GBA) of office space across the Structure Plan Area.** This should be distributed around the new SRL East Station, on Deakin University, within the existing industrial areas, particularly those towards the Burwood Highway, and through intensification of the Greenwood Business Park. Future office space is likely to be in mixed use buildings rather than in standalone office towers.

2. **Support complementary office uses in Burwood's industrial areas.** Continued transition of Burwood's industrial areas will see an increase office activity, typically as part of mixed industrial and warehouse developments.

Health Floorspace

3. **Plan for a modest increase of health floorspace primarily within a new Burwood Town Centre.** Modelling indicates there is demand for around 2300 sq.m GBA of health floorspace to meet the needs of a larger local population. Health floorspace will continue to play a local role in Burwood and be delivered by an increase of consulting rooms and small medical services near the new Burwood Town Centre.

Education Floorspace

4. **Focus future education floorspace at Deakin University's Burwood Campus.** Modelling indicates around 132,000 sq.m of additional education floorspace to match employment projections, but this will be dependent on Deakin University's long-term plans for growth on their site. Future education floorspace should also consider opportunities to integrate private sector office and R&D spaces. Some education floorspace could also be located within the new Burwood activity centre, as a vertical campus building typology or through research focused education floorspace within the surrounding industrial areas.

5. **Where possible, locate future school education floorspace on existing school sites.** Future school floorspace will be primarily determined by the Department of Education and Training and align with local population growth. A small share of the education floorspace estimate is likely to be required for schools.

Retail and Entertainment Floorspace

6. **Plan for additional retail and food and beverage (F&B) space in the Structure Plan, focussed around the station.** A new Burwood Town Centre will service local residents, students and workers. To support this role, the SRL East Structure Plan - Retail Assessment – Burwood recommends planning for up to 18,100 sq.m GBA of retail floorspace to 2041 across the Structure Plan Area. This could include a full-line supermarket close to the station, and supporting specialty shop space, including an F&B offer to service workers and students, as well as the local residents. A smaller share of retail could also locate along the Burwood Highway Corridor and on the Deakin University site.

7. **Support a limited provision of complementary recreation and entertainment uses in and around the Burwood station core.** A new Burwood activity centre should be complemented by a small range of entertainment uses. Based on the modelling, structure planning should include around 12,000 sq.m of entertainment uses, primarily located in areas with a retail offer, such as the OSD site.

Industrial Floorspace

8. **The Highbury Road Industrial Area, away from the Burwood Highway, can support a greater mix of uses whilst retaining its local service role.** This could include business parks, mixed office, retail/showroom and industrial developments, particularly in areas with high amenity and good access to either Burwood Highway or the future SRL East station (via a new access point across Gardiners Creek).

9. **Explore opportunity for higher order commercial or mixed employment uses around the intersection of Highbury Road and Sinnott Street.** This area should be considered for more intensive employment uses given its proximity to the new Burwood Town Centre.

10. **Support intensification of employment uses around Huntingdale Road Industrial Area.** There is opportunity build on Deakin University's presence in the industrial area, potentially expanding on an R&D offer.

Other employment floorspace

11. **Create the opportunity for a new accommodation facility (or multiple) in areas with good access to the new Burwood Town Centre and Deakin University.** A small accommodation offer will complement the new Burwood Town Centre, catering to visitors to Deakin University and to businesses and residents across Burwood more broadly.

12. **Support a small amount of public use floorspace across the Burwood Structure Plan Area.** Public use floorspace will support the growth of non-office based public services. Future planning of other community uses will be guided by the Burwood Community Infrastructure Report or relevant public organisations, where possible they should locate in areas with good access to the SRL East Station on the OSD site. Our modelling suggests that the Structure Plan will need to deliver a further 1900sq.m of public use floorspace through to 2041.

Other recommendations to support employment growth

13. **Provide a high level of worker amenity in the new town centre.** Ensure the new Burwood Town Centre has a high level of worker amenity to help attract a range of businesses, including food and beverage (F&B) and access to public transport for future workers.

14. **Support intensification of the Burwood Highway corridor.** Future planning of the Structure Plan Area should reinforce this corridor, consolidating activity. Greater intensity of activity and amenity along this corridor will support future employment outcomes across the Structure Plan Area.

OTHER OPPORTUNITIES

Although potentially beyond the scope of the Structure Plan and supporting planning scheme amendments, other opportunities to support employment development in Burwood include:

- **Opportunity 1 - Clearly define the role and focus of each employment precinct through future economic development strategies.** This includes the new Burwood Town Centre, the Burwood Highway Corridor, Highbury Road Industrial Area, Huntingdale Road Industrial Area and Deakin University. Each precinct should articulate a distinct focus while also exploring avenues to optimise potential synergies among them. Potential roles for each are outlined in this report.

- **Opportunity 2 - Monitor the long term use of the Mt Scopus site**. Mt Scopus Memorial School has previously announced intentions to relocate their Gandel campus elsewhere. Should this occur, one of the major employment sites currently will be impacted, but also leaving a significant site located centrally within the Burwood Structure Plan Area capable of accommodating future employment and residential uses.

- **Opportunity 3 - Align with Deakin University's long-term plans** Achieving the education floorspace will require further understanding of Deakin University's long-term plans for growth on its Burwood Campus.

Additional education and office floor space Deakin University, ideally concentrated toward Burwood Highway
1 **4** **6**

Intensify employment uses in industrial areas, including office uses with supporting worker amenities

Support intensification whilst retain local industrial role for industrial areas away from Burwood Highway
1 **2** **6** **8**

Support transition towards a greater mix of office and employment. Examine ways to expand Deakin University's presence in the Huntingdale Road industrial area
10

School education on existing school sites
5

Additional office space potential on Greenwood Business Park
1

New Town Centre to support office, health, retail, entertainment, accommodation and public uses
1 **3** **6** **7** **11** **12**

Examine opportunity for greater density employment uses around Sinnott Street, given proximity to future town centre
9

A. Burwood Central
B. McIntyre
C. Employment Neighbourhood
D. Ashwood
E. Lundgren
F. Station Street
G. Education Neighbourhood

Structure Plan Area
Neighbourhood
0   200   400   600   800 M

SRL East Station
SRL Alignment

Existing Tram Line
Open Space
1 Numbers refer to Recommendations in Section 11.1

LOCATION RECOMMENDATIONS FOR FUTURE EMPLOYMENT FLOORSPACE IN THE BURWOOD STRUCTURE PLAN AREA

1. Introduction

SRL is a transformational project that will help shape Melbourne's growth in the decades ahead. It will better connect Victorians to jobs, retail, education, health services and each other – and help Melbourne evolve into a 'city of centres'.

SRL will deliver a 90-kilometre rail line linking every major train service from the Frankston Line to the Werribee Line via Melbourne Airport.

SRL East from Cheltenham to Box Hill will connect major employment, health, education and retail destinations in Melbourne's east and south east. Twin 26-kilometre tunnels will link priority growth suburbs in the municipalities of Bayside, Kingston, Monash and Whitehorse.

SRL East Draft Structure Plan (Structure Plan) Areas will surround the six new underground stations at Cheltenham, Clayton, Monash, Glen Waverley, Burwood and Box Hill.

1.1   Purpose of this report

This report will inform the development of the Structure Plan to guide land use planning and development in the Burwood Structure Plan Area.

The report assesses the economic and jobs growth potential of the Structure Plan Area, and to what extent the market is capable of providing the forecast employment floorspace. Issues and opportunities relating to employment floorspace in the Structure Plan Area are identified. It does this by:

- Examining the present condition of the local economy and consider its potential for growth going forward, taking into account its competitive strengths, weaknesses, opportunities, and challenges.

- Understanding recent and proposed employment-related development activity to assess if the market is capable of providing the projected demand for floorspace independently. Additionally, consider broader economic trends and their impact on activity centres.

- Identifying the amount of employment floorspace that will be required to realise projected employment, including the form/type of space.

- Providing a summary of the factors that Structure Plan controls should take into account to ensure the right amount and form of employment floorspace is delivered in appropriate locations.

1.2   Project context

Construction of the SRL East underground stations is underway at Cheltenham, Clayton, Monash, Glen Waverley, Burwood and Box Hill. This provides an opportunity to enhance the surrounding neighbourhoods. SRL East will support thriving and sustainable neighbourhoods and communities that offer diverse and affordable housing options, with easy access to jobs, transport networks, open space, and community facilities and services. Figure 1.1 shows SRL East in the context of the entire SRL project and Melbourne's rail network.

A Precinct Vision has been developed in consultation with the community and stakeholders for the Structure Plan Area and surrounds. The visions set out the long-term aspirations for these areas, ensuring they are ready to meet the needs of our growing population.
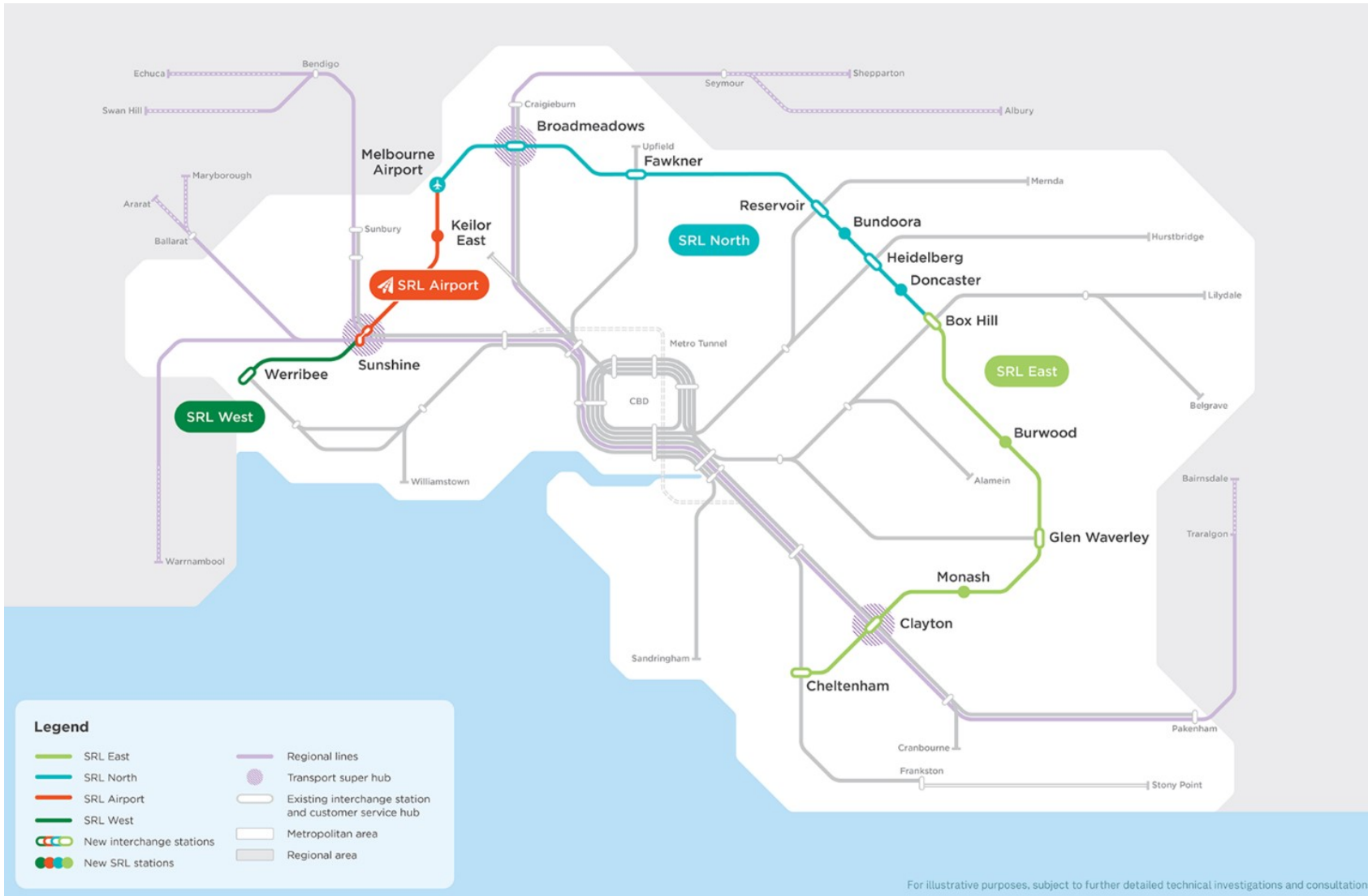
FIGURE 1.1 SUBURBAN RAIL LOOP

1.3 Structure planning for SRL East

Structure Plans have been prepared for defined areas surrounding the new SRL East stations to help deliver the Precinct Vision developed for each SRL East neighbourhood.

The Structure Plans cover defined SRL East Structure Plan Areas that can support the most growth and change. These areas cover a walkable catchment that extends from the SRL station entrances. Additional places are included within each defined area as required to make planning guidance more robust and effective, and to align with each community's aspirations and current and future needs.

A Structure Plan is a blueprint to guide how an area develops and changes over a period of time. Structure Plans describe how future growth within the area will be managed in an appropriate and sustainable way to achieve social, economic and environmental objectives. The plans cover a wide range of matters, such as transport connections and car parking, housing and commercial development, community infrastructure, urban design, open space, water and energy management, climate resilience and sustainability.

By tailoring planning decisions to reflect the needs of a defined area, Structure Plans give effect to the policies and objectives set for these areas and cater for changing community needs. They also provide certainty for residents, businesses and developers by identifying the preferred locations and timing of future land uses, development and infrastructure provision.

Structure Plans take a flexible and responsive approach that enables places to evolve over time. Planning scheme amendments will be required to implement the Structure Plans into the planning schemes of the cities of Bayside, Kingston, Monash and Whitehorse.

1.4 Structure of this report

Part A: Background

- Part A reviews Victorian and local government policies and strategies relating to employment growth and considers how development in the Structure Plan Area can contribute to achieving their objectives. An overview of existing economic features and jobs in the Structure Plan Area is provided, including recent and proposed employment-related development.

Part B: Economic outlook and potential

- Part B reviews the role of suburban employment hubs and the potential for growth in professional services jobs in the Structure Plan Area. The changing nature of work and jobs and the impacts on workplace types and locations is considered, along with the implications for planning future employment floorspace in the Structure Plan Area. The economic strengths and challenges of the Structure Plan Area are considered, and its long-term economic potential and growth is assessed.

Part C: Future employment floorspace demand

- Part C identifies which sectors are expected to generate the most jobs growth in the Structure Plan Area, and assesses the amount and form of floorspace needed to support this jobs growth, as well as the most appropriate locations for its development.

Part D: Summary and recommendations

- Part D summarises the findings of the assessment and provides recommendations to consider when developing the Structure Plan.

1.5 Data sources and definitions

The key data sources and definitions used in this analysis are outlined here:

- **Future employment demand** was assessed using employment projections for the Structure Plan Area which were derived from the CityPlan population and employment projections outlined in the Business and Investment Case (BIC) prepared for the SRL (August 2021). The CityPlan projections used in the BIC projections account for the expected overall growth of Melbourne and the transport interventions and precinct initiatives of SRL influence the distribution of population. That is, population growth isn't solely driven by SRL, rather SRL influences the distribution of growth.

- **Travel zones (TZNs)** are the unit of geography used by the Victorian Integrated Transport model (VITM) and is the base geography for the CityPlan model above. There are a total of around 7000 zones across Victoria.

- A **floorspace audit** was caried out to identify and categorise employment land in the Structure Plan Area. This process included review of several data sources (such as The Department of Energy, Environment and Climate Action

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(DEECA), Public Sector Mapping Agency (PSMA) and Space Syntax) to understand, for each building, the existing employment land use and estimate the amount of floorspace. This data set provided a baseline for future floorspace estimates and figures are in Gross Building Area (GBA).

- A further comprehensive **industrial land audit** was carried out to identify and categorise relevant industrial land uses within the boundaries of each Structure Plan. This process included a thorough examination of current occupants by analysing *Arealytics* data and other online datasets. Businesses were classified based on their industry, the nature of the business, and the typology of the space they occupied was determined.

- A job is defined as employment of all contract types including full-time, part-time and casual employment. The terms 'job' and 'workers' are used interchangeably in this report. To distinguish by industry, the following Australian and New Zealand Standard Industrial Classification (ANZSIC) Divisions have been summed under the following industry grouping used in this analysis:

  Professional Services: 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

  » Health: Health Care and Social Assistance

  » Education: Education and Training

  » Other Population Services: Retail Trade; Accommodation and Food Services, Arts and Recreation Services; Construction, Other Services

  » Industrial: Agriculture, Forestry and Fishing; Mining; Manufacturing; Electricity, Gas, Water and Waste; Wholesale Trade; Transport, Postal and Warehousing.

- Employment is distributed among various land uses:

  » Office: Includes multi-storey office towers, campus style buildings and commercial tenants in shopping centres, mixed-use developments or along the street

  » Health: Includes hospitals, medical centres and health tenancies in shopping centres, mixed-use developments or along the street

  » Education: Includes schools and universities and education tenancies in shopping centres, mixed-use developments or along the street

  » Retail: Includes shopping centres, retail on high streets and standalone sites

  » Public Use: Includes courts, town halls, police stations, fire stations and the like

  » Industrial: Industrial uses in warehouse and factory typologies

  » Entertainment / Recreation: Includes structures in sporting contexts (such as club rooms), bars or clubs, cinemas and other commercial entertainment (such as mini golf)

  » Accommodation: Includes hotels, serviced apartments and short-stay accommodation.

- The following floorspace measurements are used:

  » Workspace ratio is the average floorspace (sq.m) per employee

  » Gross Building Area (GBA) refers to the total floorspace of a building such as stairs, hallways and plant.

  » GBA is used for the floorspace audit as the audit was undertaken using external building information, so no common spaces or otherwise unleasable spaces were removed for the audit

  » Gross Floor Area (GFA) is the total area of all floors in a building, measured from the exterior walls, and generally excludes stairs and plant area

  » Gross Leasable Area (GLA) focuses on the portion of space available for lease to tenants, typically excluding common areas and utility spaces.

A comprehensive compilation of abbreviations, data sources and definitions, including conversion assumptions between GLA and GBA by floorspace type is provided in Appendix A.

1.6 Assumptions and limitations

The following assumptions and limitations apply to this assessment:

- The analysis focuses on a single potential employment outcome and evaluates the employment floorspace requirements necessary to achieve that specific outcome. The projected year for employment floorspace need is 2041 as the emphasis for structure planning is 2041.

- The CityPlan employment projections are based on modelling which approximates of what can be expected in the real environment. The employment projections are best at representing strategic level demands, rather than for small areas. Notwithstanding this, there will usually be differences between forecasts and actual results because events and circumstances frequently do not occur as expected or predicted, and those differences may be material. As a strategic representation, CityPlan data may be less reliable as geographic areas become smaller or when the data is further divided, such as by industry.

- While it is generally appropriate to rely on CityPlan projections for the SRL East Structure Plan Areas at an aggregate level (e.g., total population, total jobs), caution should be exercised when further breaking down this data (e.g., population by age, jobs by industry). The implications of this for the Economic Profile is discussed further in Section 7.

- Retail is addressed in this report as a land use but is further examined in the *SRL East Structure Plan - Retail Assessment – Burwood* report. Conclusions about retail floorspace demand and employment are based on the findings of that report.

More information about assumptions and limitations of this report is provided in Appendix A.

1.7 Interactions with other technical reports

This *SRL East Structure Plan – Economics Profile – Burwood* report informs, or is informed by other reports prepared to guide the development of SRL East Structure Plans:

- *SRL East Housing Needs Assessment – Burwood*: This report forecasts long-term housing needs in the Structure Plan Area, including the number, type and size of dwellings. Employment uses and housing need to be delivered in an integrated way, resulting in a need to understand anticipated economic outcomes and the consequences for housing delivery.

- *SRL East Structure Plan - Retail Assessment – Burwood :* This report forecasts long-term retail demand in the Structure Plan Area, and the amount and type of retail floorspace needed to meet the demand. Retail space needs to be directed to appropriate areas to support the future population and workforce.

- *SRL East Structure Plan - Land Use Scenario and Capacity Assessment (LUSCA):* This analysis tests the capacity of the SRL East Structure Plan Areas to accommodate projected population and employment floorspace at 2041. The housing floorspace demand derived from this report is an input to LUSCA.

- *SRL East Structure Plan - Community Infrastructure Needs Assessment - Burwood:* This will provide an understanding of the community infrastructure needs associated with the growth and renewal of the SRL East Structure Plan Areas to 2041, recommendations for future community infrastructure provision priorities and potential sites to accommodate them.

- *SRL East Structure Plan – Transport Technical Report - Burwood:* Outlines how the transport network, across all modes, will support the Structure Planning process. The scale, location and nature of future employment uses, informed by this report, influences the transport requirements. The Appended Precinct Parking Plan recommends parking management tools to support the development of the SRL East Structure Plan Areas and support implementing a schedule for the Parking Overlay. The scale, location and nature of employment uses, informed by this report, influences the parking requirements.

1.8 Structure Plan Area

1.8.1 BURWOOD STRUCTURE PLAN AREA

The Burwood Structure Plan Area surrounds the SRL station at Burwood. The Structure Plan Area is mainly located in the City of Whitehorse, with the southern portion south of Highbury Road extending into the City of Monash.

The Structure Plan Area is generally bounded by Uganda Street, Deakin University, Inverness Avenue, Bronte Avenue and Yarra Bing Crescent to the north, Andrews Street, Wridgway Avenue, Prospect Street and Huntingdale Road to the east, Zodiac Street, Ashwood Drive, Carmody Street and Barlyn Road to the south and Sixth Avenue, Evans Street, Warrigal Road, Parer Street and Meldan Street to the west.

Burwood Highway intersects the centre of the Structure Plan Area in an east-west alignment.

Deakin University Burwood campus is located in the Structure Plan Area.

The Burwood Structure Plan Area is shown in Figure 1.2. Current and projected resident and worker populations are shown below in Table 1.1.

The Structure Plan Area is divided into a series of neighbourhoods. These neighbourhoods represent areas with similar land use mix and are referenced through the structure planning process.

TABLE 1.1 RESIDENT AND WORKER POPULATION IN 2021 AND PROJECTED TO 2041, BURWOOD STRUCTURE PLAN AREA

POPULATION TYPE	2021	2041
Workers	9,000	16,900
Residents	5,300	11,100

Source: ABS Census for Population (residents) and Census for Population Aged 15+ (workers). Business and Investment Case for projections out to 2041.
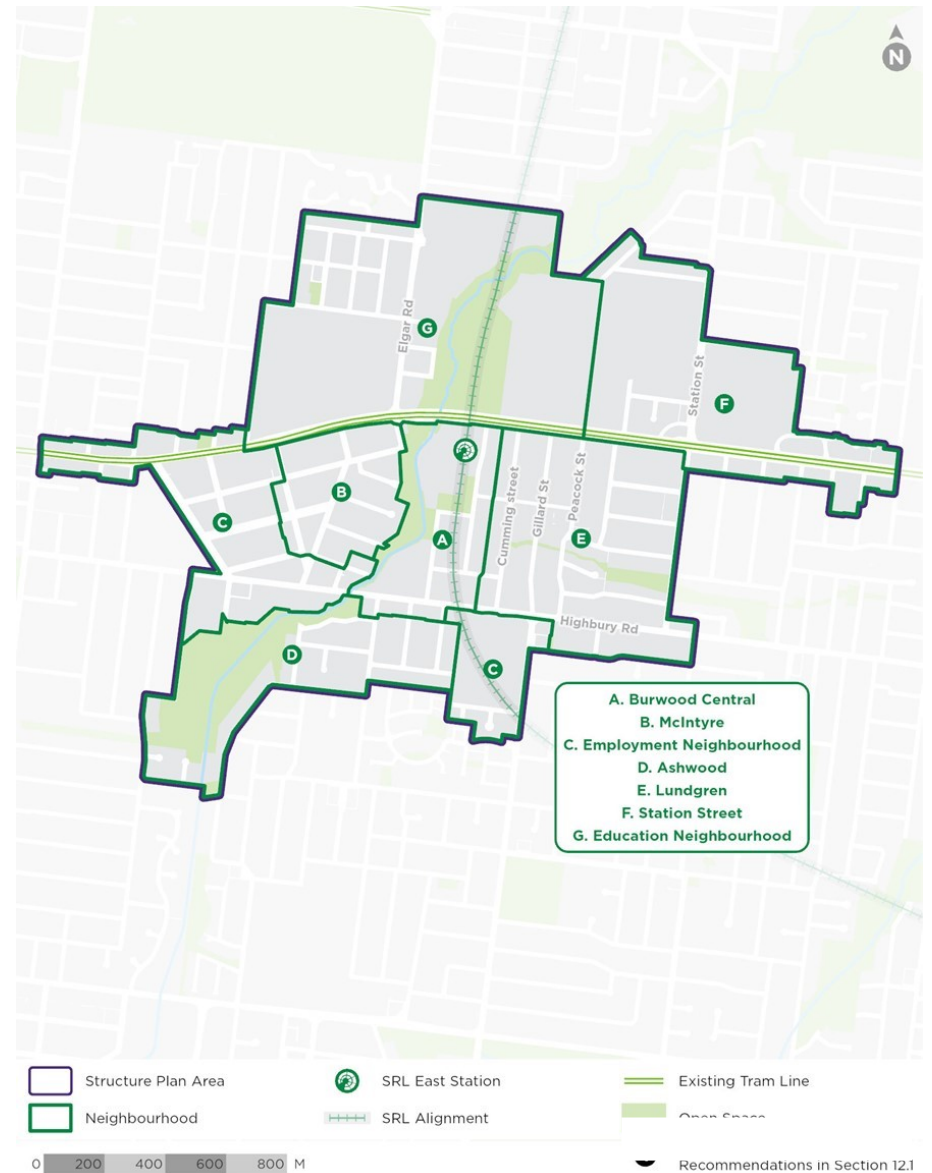
FIGURE 1.2 BURWOOD STRUCTURE PLAN AREA

Source: AJM-JV

1.8.2   BENCHMARK AREAS

For the purposes of benchmarking, data was also collected for the following areas:

- **Greater Melbourne** – as defined by the Australian Bureau of Statistics (ABS) Greater Capital City Statistical Areas boundary.

- **South East Region** – which comprises the following local government areas: Bayside, Glen Eira, Boroondara, Greater Dandenong, Kingston, Knox, Manningham, Maroondah, Monash, Whitehorse, and Stonnington. The South East Region is shown in Figure 1.3
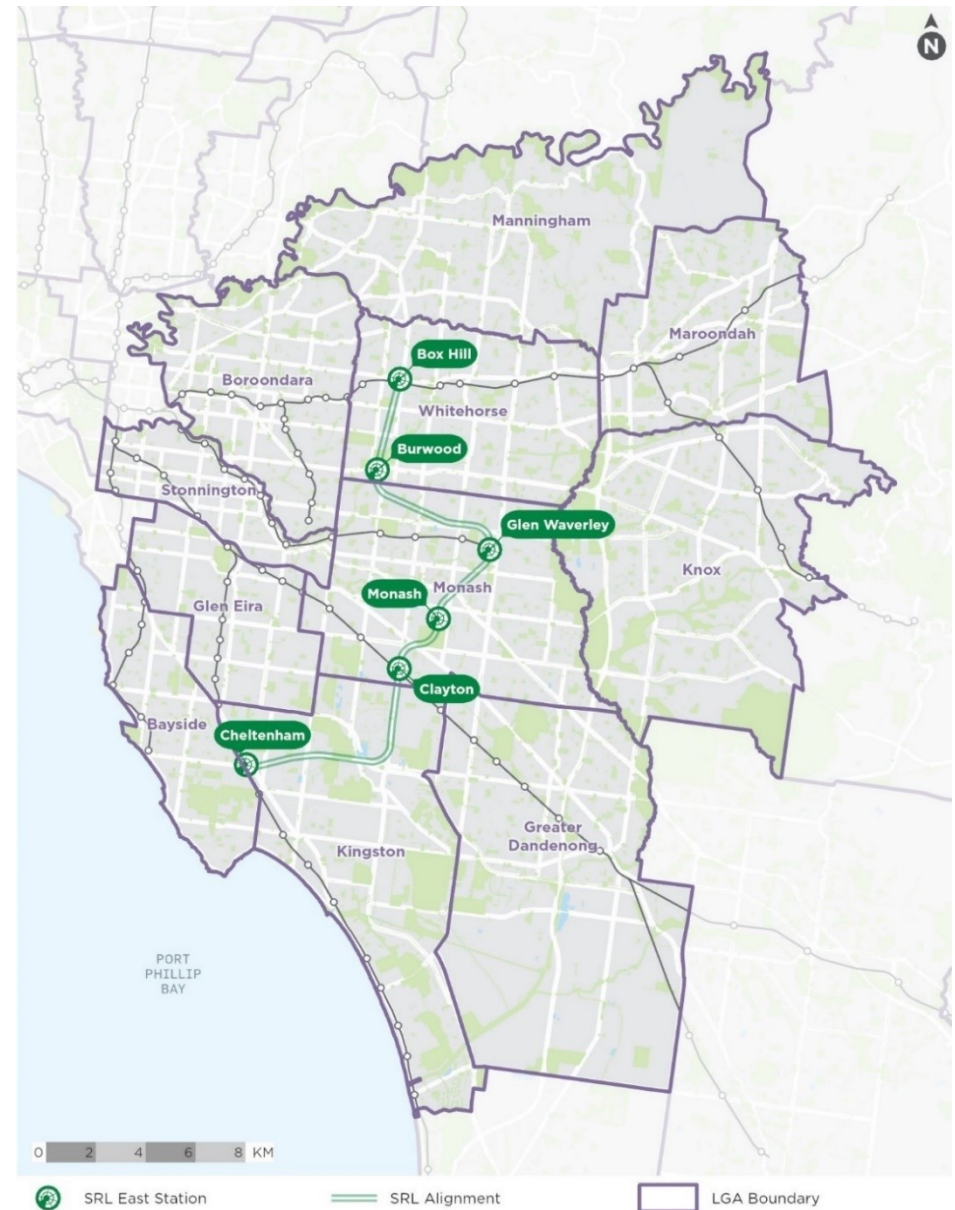
FIGURE 1.3 SOUTH EAST REGION

Source: AJM-JV

Part A: Background

Part A includes:

- **Section 2** summarises the strategic context. It reviews Victorian and local government policies and strategies relating to employment growth, and considers how development in the Structure Plan Area can contribute to achieving their objectives.

- **Section 3** provides an overview of existing economic features and jobs in the Structure Plan Area, including recent and proposed employment-related development.

2.   Strategic context

This section summarises Victorian and local government policies and strategies relating to employment growth and considers how development in the Structure Plan Area can contribute to achieving their objectives.

2.1   Victorian government policy

2.1.1   PLAN MELBOURNE 2017-2050

Plan Melbourne 2017–2050 is the Victorian Government's long-term planning strategy, guiding the way the city will grow and change to 2050.

It provides an integrated land use, infrastructure and transport planning strategy to support population and jobs growth, while building on Melbourne's legacy of distinctiveness, liveability, and sustainability.

A primary objective of Plan Melbourne is to **promote employment growth in areas beyond the central city**, fostering a city structure that enhances Melbourne's competitiveness in attracting jobs and investments.

The development of National Employment and Innovation Clusters (NEICs), Metropolitan Activity Centres (MACs), and Major Activity Centres is intended to facilitate employment growth outside the central city:

> *To grow jobs and create accessible, affordable and attractive neighbourhoods, Melbourne needs to take advantage of the land it has available for renewal in the city and suburbs. Increasing the number and diversity of jobs closer to where people live—in places such as suburban employment clusters, health and education precincts and industrial precincts—will help make Melbourne more productive and competitive.[1]*

The *Plan Melbourne addendum 2019* (*Addendum*) updated Melbourne's projected population, housing and employment growth. The Addendum incorporates Stage 1 of SRL (SRL East). The Addendum recognises the role of the SRL in connecting

Melbourne's major employment, health and innovation precincts, and supporting the development of 20-minute neighbourhoods.

2.1.1.1   Activity Centres

Plan Melbourne emphasises the crucial role of activity centres in enhancing Melbourne's economic performance.

Activity centres are classified into three main types: Metropolitan Activity Centres, Major Activity Centres, and Neighbourhood Activity Centres.

Plan Melbourne provides the following general description of activity centres:

> *Areas that provide a focus for services, employment, housing, transport and social interaction. They range in size and intensity of use from smaller neighbourhood centres to major suburban centres and larger metropolitan centres.[2]*

Burwood does not currently have a designated activity centre within the Structure Plan Area. However, Burwood Heights Activity Centre, which includes the Burwood Brickworks site is located 2km east along Burwood Highway.

2.1.1.2   Health and/or Education Precincts

Plan Melbourne identifies state-significant health and/or education precincts for further services and jobs growth.

Plan Melbourne seeks to reinforce the economic functions of these precincts and states that *'these precincts stimulate innovation, create employment and are of fundamental importance to the emerging knowledge economy and surrounding communities'.[3]*

Burwood is identified as an education precinct owing to the presence of Deakin University. Figure 2.1 shows the locations of jobs and investment across Melbourne, as provided in Plan Melbourne.

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[1] Department of Transport and Planning, (2017) Plan Melbourne 2017-2050
https://www.planning.vic.gov.au/guides-and-resources/strategies-and-initiatives/plan-melbourne p. 8

[2] Department of Transport and Planning, (2017) p. 138
[3] Department of Transport and Planning, (2017) p. 34
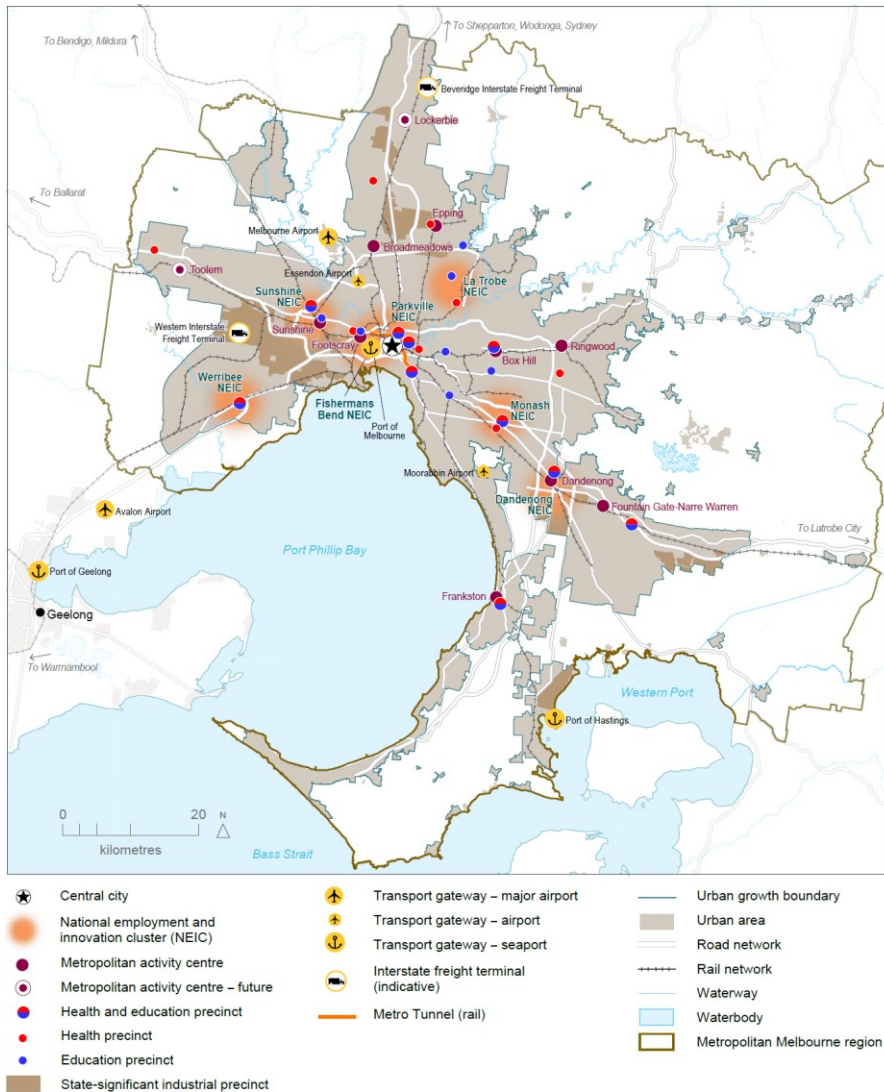
FIGURE 2.1 JOBS AND INVESTMENT ACROSS MELBOURNE

Source: Department of Transport and Planning

2.1.1.3 The 20-Minute Neighbourhood

To create a healthier and more inclusive city, Plan Melbourne adopts the principle of 20-minute neighbourhoods. The 20-rminute neighbourhood is all about 'living locally', giving people the ability to meet most of their everyday needs within a walkable distance, generally around 800 metres.

Features of a 20-minute neighbourhood include places to study and work, as shown in Figure 2.2.

Plan Melbourne also states that *'due to the specialised and diverse nature of many people's work, access to employment will often be outside the 20-minute neighbourhood'.*[4] Nonetheless, there is still a preference to maximise employment opportunities closer to where people live.

FIGURE 2.2 FEATURES OF A 20-MINUTE NEIGHBOURHOOD

Source: Department of Transport and Planning

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[4] Department of Transport and Planning, (2017), p. 99

2.1.2   MELBOURNE INDUSTRIAL AND COMMERCIAL LAND USE PLAN

The *Melbourne Industrial and Commercial Land Use Plan (MICLUP) (2020)* provides guidance for managing employment land across metropolitan Melbourne. It builds on Plan Melbourne and establishes a planning framework to support the Victorian and local governments to plan more effectively for future employment and industry needs.

The MICLUP aims to support industrial and commercial use of land by:

- Identifying and setting aside adequate long-term industrial and commercial land supply to support future industry and business growth

- Recognising and retaining industrial and commercial areas that provide an ongoing economic and employment contribution to local communities, regions and the state as a critical economic resource

- Providing clear direction on locations where growth should occur and protecting state-significant industrial precincts from incompatible land uses to allow for long term investment and future growth

- Supporting industry and business to innovate and grow in identified areas.

MICLUP identifies and categorises employment land into 'industrial' or 'commercial' land across a designated hierarchy where employment land uses are further classified into precincts of state, regional or local significance. These classifications reflect the policy objectives for the area or precinct and assist with identifying land that should be retained for current industrial or employment uses, or considered for alternative uses.

Industrial zones land within the Structure Plan Area are identified as 'local industrial land' which means it plays an important role in the surrounding local economy.

The existing activity centre classification is used as a basis for classifying the role and purpose of commercial land. **Given that the Burwood precinct does not have any designated major activity centres within its boundary, it is not recognised as a significant location for commercial land within Melbourne's South East.** However, the Burwood Highway corridor is identified in the plan as an

important corridor for office and commercial development. The Burwood Heights/Brickworks area to the east of the Structure Plan Area is referenced as a Regionally Significant Commercial Area. There are some local commercial areas within the Structure Plan Area.

2.1.3   MELBOURNE'S FUTURE PLANNING FRAMEWORK

In 2021, six region-specific Draft Land Use Framework Plans were released to guide the application of Plan Melbourne at a regional level. The metropolitan region relevant to Burwood is the Eastern Metro region.

2.1.3.1   Draft Eastern Metro Land Use Framework Plan

The Eastern Metro region comprises the municipalities of Knox, Manningham, Maroondah, Monash, Whitehorse and Yarra Ranges.

The Eastern Metro Region has an established network of activity centres, linear corridors based along key transport routes for residential and employment growth, and urban renewal areas that will provide opportunities to increase the supply of housing.

This framework identifies that SRL East will accelerate jobs and investment in the Eastern Metro Region:

> *SRL East (Cheltenham to Box Hill) will facilitate growth and diversity within station precincts and open up employment opportunities by connecting established precincts such as the Monash National Employment and Innovation Cluster (NEIC), Deakin University, Box Hill Metropolitan Activity Centre, and Glen Waverley and Clayton major activity centres. The north-south alignment will increase access to jobs and services and increase the reach of businesses to attract workers from across the region and beyond.[5]*

The Framework Plan flags that a significant amount of additional commercial floorspace will be needed across the Eastern Metro Region. However, with no future commercial areas identified, the Eastern Metro Region must rezone, consolidate or intensify land uses to accommodate future requirements. A

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[5] Draft Eastern Metro Land Use Framework Plan, p. 18.

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significant proportion of the region's recent office development has been in freestanding business or office parks. There is a need to identify and supply additional commercial floorspace in designated activity centres close to public transport, including under-used land and surplus Crown (State-owned) and Council-owned land.

The Framework Plan acknowledges that housing development must be balanced with protection of employment uses particularly around regionally-significant industrial precincts, and the Monash NEIC.

The Framework Plan identifies the following **economic opportunities for Burwood**:

- Ensure the region's strengths in health and education, and particularly education for Burwood, continue to be a strong source of employment as the population grows

- Grow the state-significant education precinct and attract other sectors and ancillary services to support local employment

- With enabling infrastructure and investment, support the development of a network of activity centres to enable those to work closer to where they live.

Strategies in the Framework Plan that relate to employment in Burwood are:

- **Strategy 3 -** Support significant land use change and higher-density development in SRL precincts.

- **Strategy 4 -** Encourage investment that will attract major anchor tenants, start-ups and specialised labour in the region's health and/or education precincts.

- **Strategy 5 -** Support convenience retail, service and business uses in health and/or education precincts and SRL precincts to provide ancillary business opportunities and amenities.

- **Strategy 10 -** Maximise land use and economic intensification around SRL precincts, particularly those co-located with activity centres, leveraging public transport improvements.

- **Strategy 17 -** Encourage increased investment and development along key activity corridors in the region, specifically Burwood Highway between Deakin

University (state-significant education precinct and SRL station at Burwood), Burwood Heights and Burwood East-Tally Ho Major Activity Centres.

- **Strategy 18 -** Facilitate land use economic intensification of the SRL Burwood Precinct given improved public transport connectivity.

2.2 Local government policy

The Burwood Precinct spans two council areas, the City of Whitehorse for land north of Highbury Road and Monash Council for land to the south. The relevant policies from these Councils are:

- Whitehorse Investment and Economic Development Strategy Extension 2020-2022

- Whitehorse Council Plan 2021-2025

- Whitehorse Industrial Strategy, 2011

- Burwood Village Neighbourhood Activity Centre Framework Plan, 2008

- Monash Council Plan 2021-2025

- Monash Economic Development Strategy & Action Plan 2018

- Monash Industrial Land Strategy 2014.

2.2.1 CITY OF WHITEHORSE

The Whitehorse *Draft Investment & Economic Development Strategy 2024–2028* sets out economic growth priorities and actions for the City of Whitehorse to 2028. The Strategy is being finalised following a community consultation process.

The Strategy recognises the opportunity presented by SRL East:

The SRL provides a significant opportunity for Whitehorse to generate long-term economic growth through the development of structure plans surrounding the new Box Hill and Burwood stations. The SRL project will help to enhance the role of

these precincts as a key commercial and transport hub, to benefit businesses and the local economy[6].

More broadly, the economic development themes of the Strategy are:

- Supporting the business community to encourage growth, productivity, and development

- Supporting the employment precincts and activity centres and driving local consumption, supporting business activity, generating local job creation and providing services and amenity to residents

- Providing opportunities for residents of all backgrounds with skills development and training

- Driving visitor growth and enhancing the visitor experience, with a particular focus on international students and the visiting friends and relatives of migrant communities.[7]

The *Whitehorse Council Plan 2021-25* ensures the Council meets the needs of the community across eight strategic directions.

Whitehorse Council has committed to **increasing employment activity outside of the CBD** through increasing the area's **attractiveness to local business**. This objective is found across all three plans through ensuring that future development provides opportunities for both employment and residential growth. The Council Plan sets out specific actions including increasing council procurement from local business, partnering with the education sector, facilitating a renewal of retail rate schemes, and implementing a business communication program. In moving towards this goal, providing fast transport for customers to new business in the Burwood Structure Plan Area is essential.

The *Whitehorse Industrial Strategy 2011* provides an assessment of the eight significant industrial precincts across the municipality. The Evans and Ireland Streets Precinct (Precinct 3) is considered relatively small with a diverse mix of businesses. The policy states that this area should retail its regional services role and continue servicing the needs of local households and businesses in the form of manufacturing associated with regional services.

The *Burwood Village Neighbourhood Activity Centre Framework Plan (2008)* provides direction on developments within the centre. Land bounded by Burwood Highway (north), Evans Street (west), Cromwell Street (east) and McIntyre Street (south) is defined as Area 4 on the framework plan. This land forms the northern edge of the Evans and Ireland Street industrial area. The vision for this area is to '*continue to provide a transition between the residential and commercial properties on the northern side of the Burwood Highway and the industrial area to the south which extends down to Highbury Road. Due to the industrial surrounds, residential development will be inappropriate. Existing zones should be retained. Greater building heights are likely to be appropriate given the larger sites, slope of the land and industrial/commercial surrounds, but building scale should generally be commensurate with those along the north side of Burwood Highway (in the order of 4 storeys). Improvements to the appearance of the Burwood Highway frontages should be encouraged over time through redevelopments.*'

2.2.2 CITY OF MONASH

The *Monash Council Plan 2021-2025* articulates the strategic priorities for the council area over the medium term and encompasses four key pillars designed to ensure that Monash is a place that is sustainable, inclusive, an enhanced experience and has good governance. With respect to how the Council anticipates improving the employment and economic diversity of the area, the Plan states that it will support businesses and investment to drive jobs growth to create a sustainable economy for the future. Other priorities include improvements to public spaces and local employment through revitalising employment hubs, activity centres and neighbourhood shops.

Aligned with the Council Plan, the *Monash Economic Development Strategy & Action Plan* constructs a framework that consolidates the City's economic role as an integral location for research, health, education, and innovation within Victoria. Key strategic areas include:

- Support for new businesses, allowing industries to start, grow and prosper.

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[6] City of Whitehorse I&ED Strategy 2024, p31
[7] City of Whitehorse, Investment & Economic Development Strategy 2024-28 DRAFT, p. 5

- The creation of diverse employment precincts that are connected and integrated to other activity centres in Melbourne, offering a range of opportunities.

- Facilitating economic growth and prosperity through diversity of collaboration and innovation.

- Building initiatives that will attract investment, industry leaders, innovators, and emerging talent.

Each of these key areas are underpinned by various objectives to maximise the City of Monash's contribution to Victoria, particularly in knowledge intensive industries.

Further, *the Monash Industrial Land Strategy (2014)* provides direction for the future growth of industrial land. It states that existing industrial areas should be protected and retained within this precinct. It also includes the strategic direction to support more intensive development in the Huntingdale Road Industrial area (within the Burwood Structure Plan Area) with high office development outcomes. The intention is to attract high value adding businesses with a need for high amenity industrial setting.

2.3 Implications for Burwood Structure Plan

SRL East will contribute to achieving the objectives of Victorian and local government policies and strategies relating to employment growth.

- Increasing employment opportunities outside the Melbourne CBD is a policy priority at state and local levels. Burwood is a designated Education Precinct due to the presence of Deakin University, with SRL East providing greater

accessibility. Structure Planning can support Burwood to deliver more employment opportunities.

- Local and regional policy documents broadly support increasing local employment opportunities around Burwood. Identified areas in the Structure Plan Area include around the future SRL East Station, along the Burwood Highway Corridor.

- Burwood's two industrial precincts are of local significance and according to local policy, play an important role meeting the needs of local households and businesses. Whitehorse Council envisages the greater intensification of employment uses towards Burwood Highway, with industrial land south of McIntyre Street retaining a local industrial service role. Monash Council's recognises that the Huntingdale Road industrial area has potential for more intensive and higher value employment uses.

- Plan Melbourne does not currently designate a major activity centre within the Burwood Structure Plan Area. However, the establishment of a 20-minute neighbourhood around the Burwood SRL East Station, as directed by the Plan Melbourne 2019 Addendum, will drive demand for a greater mix of services and activities to support a larger population. This will also create a need to increase employment opportunities close to home.

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3. Existing economic features

This section provides a snapshot of the current employment landscape and significant economic assets in the area, along with an overview of recent employment-related developments.

3.1 Employment generators

The key employment generators within the Burwood Structure Plan Area are shown on the map below and include:

- Deakin University is one of Melbourne's leading universities. Its Burwood campus extends either side of the Gardiners Creek reserve. The campus has approximately 27,000 students and 1500 staff (Deakin University Annual Report 2023). Key faculties include Arts and Education, Business and Law, Health, and Science, Engineering and Built Environment.

- Presbyterian Ladies' College (PLC) and Mount Scopus Memorial College Gandel Campus are large private schools with land holdings along Burwood Highway. There are around 3000 students between the two campuses. Mount Scopus has publicly expressed an interest to relocate its Gandel Campus to an alternate site near Caulfield, but there are no formalised plans at this point in time. This relocation is referred to as Project Generation on the Mount Scopus Memorial College website.

- Greenwood office park contains a number of 4-5 storey office buildings, constructed over 20 years ago.

- Light industrial uses are clustered in two pockets. The Highbury Road industrial area extends south from the Burwood Highway through to Highbury Road in the west of the Structure Plan Area, extending across Gardiners Creek. Further west is the Huntingdale Road industrial area, which extends south of Highbury Road along Huntingdale Road. These areas contain a diverse range of low density industrial and commercial uses.

- The frontage of the western area to Burwood Highway includes a mix of large format homemaker retail, showrooms and car dealerships.

- Although there are no major activity centres within the Burwood Structure Plan Area, there are three local commercial clusters each with some retail and other commercial uses. These include the part of the Burwood Toorak Road centre which extends east from Warrigal Road (far western edge of the Structure Plan Area), a centre at the corner of Burwood Highway and Station Street, and a small cluster of shops on Huntingdale Road north of Barlyn Road. These activity areas within the Structure Plan Area form part of the linear concentration of important economic activity along the Burwood Highway Corridor, which extends towards Burwood Heights and Burwood East-Tally Ho Major Activity Centres.

These employment locations are shown in Figure 3.1. Information on recent and pipeline developments with related employment growth is provided in Section 3.7.

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FIGURE 3.1 EXISTING EMPLOYMENT LOCATIONS AND FUTURE SUPPLY, BURWOOD STRUCTURE PLAN AREA [8]

Source: AJM-JV

[8] Note: Numbering for existing employment refers to numbers used on previous page (e.g. Deakin University buildings are marked '1' and is the first dot point on the previous page). Numbers for proposed and pipeline are ordered sequentially within the map and do not refer to existing numbers.

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3.2   Economic snapshot

An economic snapshot of Burwood Structure Plan Area is shown in Figure 3.2. Burwood has 9000 workers which is more than the number of local residents at 5300. Burwood's workforce contributes approximately around $59.7 billion to the Victorian economy annually. Over the past decade, job growth has been solid at 3.1% per year annum, adding about 240 workers annually. There are three large businesses, likely to be the three education providers. Business formation has grown at around 2.4% per year, mainly driven by small to medium- sized businesses. Notably, there was no net growth in the number of businesses with 200 or more employees from between 2013 to and 2023. Further details are provided in Appendix B.

$59.7B
0.2% of State
Total Economic Value Add to Victoria

9000
3.1% p.a. growth
Local Workforce

5300
1.5% p.a. growth
Local Residents

$6.6M
-13.9% on State Ave
Per Worker State Economic Value Add

434
2.4% p.a. growth
Local Businesses

3
3 in 2011
Large Businesses (+200 employees)

+2550 sq.m
Gross Floor Area
Employment Floorspace Pipeline*

FIGURE 3.2 ECONOMIC SNAPSHOT BURWOOD STRUCTURE PLAN AREA

Source: Cordell Connect data for employment pipeline. Job and resident data from ABS Census 2011 and 2021. Business data excludes non-employing businesses, for years 2013 and 2023. ABS Business Counts. Economic value add data for 2021 from REMPLAN.

Refer to section 3.7 for further information on the employment floorspace pipeline.

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3.3   Detailed industry breakdown

The Burwood industry profile is summarised in Figure 3.3 and Figure 3.4. The Burwood Structure Plan Area comprised of 9000 workers in 2021, compared to 6700 in 2011. Key industry categories in the Burwood Structure Plan Area are Education and Training, Construction, and Health Care and Social Assistance. These are closely tied to Deakin University and Burwood's two industrial areas. More details are provided in Appendix B.

Top Industries by Volume of Workers, 2021

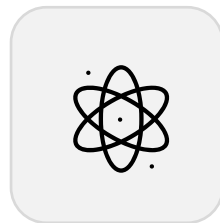| 1 | Education & Training |
| 2 | Construction |
| 3 | Health Care and Social Assistance |

Top Industries by Jobs Growth, 2011-2021

1	Education & Training
2	Construction
3	Health Care and Social Assistance

Bottom Industries by Jobs Growth, 2011-2021

| 1 | Information and Media Telecommunications |
| 2 | Manufacturing |
| 3 | Electricity, Gas and Waste Services |

Top Industry Specialisations, LQ 2021*

1	Education and Training
2	Wholesale Trade
3	Information and Media Telecommunications

	Total Workers >	Proportion	Change
Health & Education	Education and Training	43.6%	1,200
	Health Care and Social Assistance	6.7%	300
Professional Services	Administrative and Support Services	2.9%	160
	Financial and Insurance Services	1.7%	150
	Information Media and Telecommunications	1.7%	-450
	Public Administration and Safety	1.5%	30
	Professional, Scientific and Technical…	4.2%	80
	Rental, Hiring and Real Estate Services	1.1%	0
Other Population Services	Accommodation and Food Services	4.6%	210
	Arts and Recreation Services	1.1%	100
	Construction	10.5%	540
	Retail Trade	5.3%	70
	Other Services	4.0%	60
Industrial	Agriculture, Forestry and Fishing	0.0%	0
	Electricity, Gas, Water and Waste Services	0.8%	-30
	Manufacturing	2.3%	-190
	Mining	0.0%	0
	Transport, Postal and Warehousing	1.3%	20
	Wholesale Trade	6.7%	100

FIGURE 3.3 BURWOOD INDUSTRY SUMMARY, 2011 – 2021

FIGURE 3.4 BURWOOD INDUSTRY PROFILE, 2011 - 2021
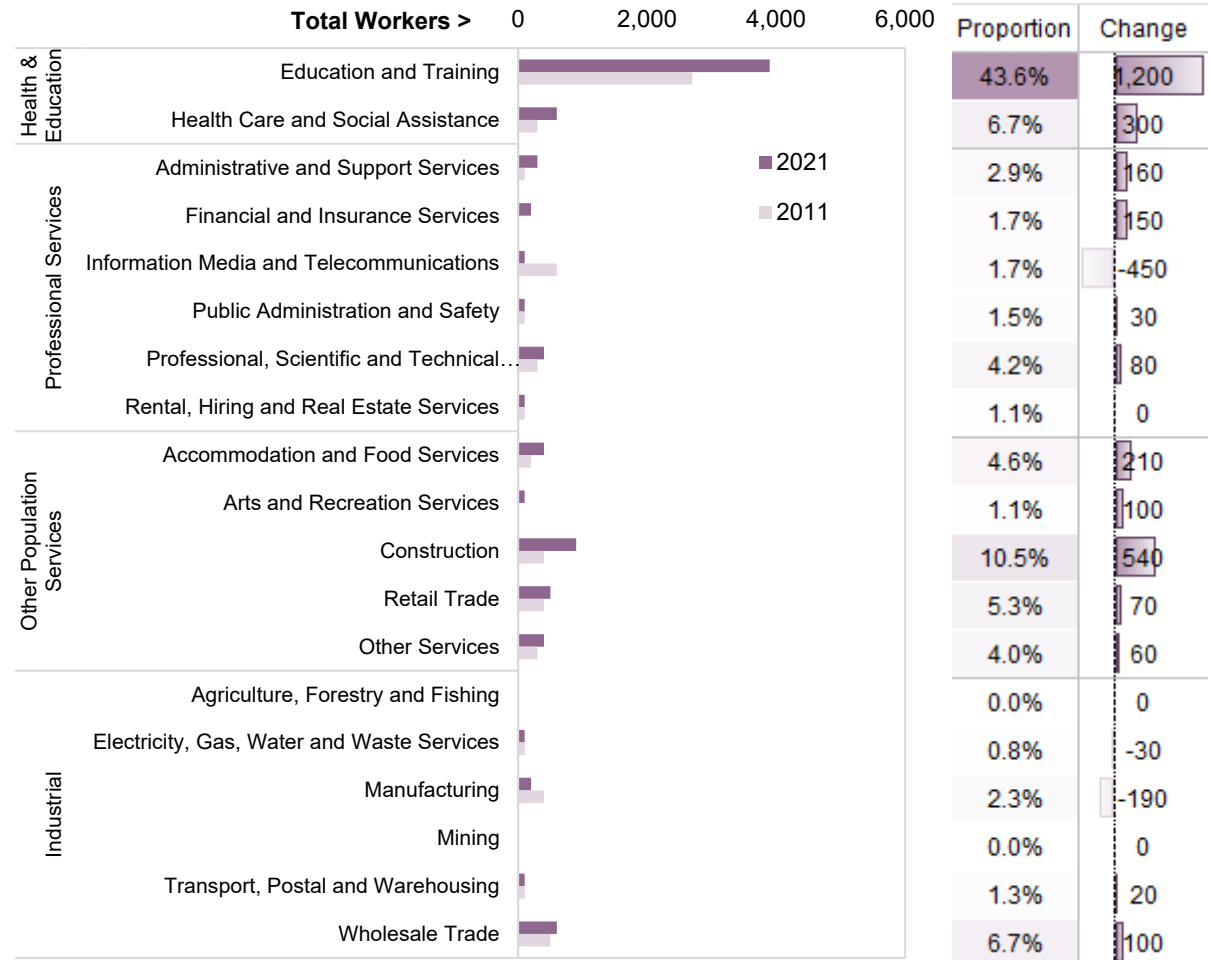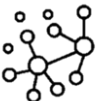
*LQ refers to Location Quotient, that is the proportion of the target geography jobs, Glen Waverley, over the proportion of jobs in a benchmark geography, in this instance Greater Melbourne. For example, an LQ of 1 indicates that the target geography has the same proportion of an industry as the benchmark. LQ's below 0.8 indicates a relatively low reliance on that industry, whilst an LQ above 1.[2] indicates a specialisation.
Source: ABS Census of Population Aged 15+ [2011 & 2021]

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3.4   Worker snapshot

Figure 3.5 provides a snapshot of workers in the Burwood Structure Plan Area and compares them to Greater Melbourne. Burwood has a highly-skilled workforce, with 60 % having a bachelor degree or above and 82% working in white-collar jobs. Average incomes are higher than Greater Melbourne with managers and professionals within the top three broad occupation. Workers are unsurprisingly predominantly based in education industry. More detail is provided in Appendix B.

STATISTIC TYPE		STATISTIC	BURWOOD STRUCTURE PLAN AREA (NO.)	BURWOOD STRUCTURE PLAN AREA (%)	GREATER MELBOURNE	VARIANCE TO GREATER MELBOURNE	
Workers		Total workers	9,000	-	2,376,700	-	
		Full-time workers	5,600	62%	61%	1.2%pt	▲
		Part-time workers	3,000	33%	33%	0.3%pt	▲
Age		Aged 15-24 years	1,100	12%	13%	-1.3%pt	▽
		Aged 25-39 years	3,400	38%	38%	-0.2%pt	▽
		Aged 40-54 years	2,800	31%	31%	0.0%pt	▲
		Aged 55+ years	1,700	19%	18%	1.0%pt	▲
Education & Income		Bachelor degree or higher	5,400	60%	44%	15.2%pt	▲
		Diploma and above	800	9%	12%	-2.9%pt	▽
		Certificate or Year 10 and above	2,500	28%	39%	-11.1%pt	▽
		Average income	$80,000		$76,200	4.9%	▲
Broad Occupation		White collar	7,400	82%	75%	7.0%pt	▲
		Blue collar	1,600	18%	25%	-7.0%pt	▽
Top Occupations		1. Professionals	3,700	41%	28%	13.3%pt	▲
		2. Clerical & administrative	1,200	14%	14%	0.2%pt	▲
		3. Managers	1,200	13%	14%	-1.5%pt	▽
Broad Industry		Education	4000	44%	11%	32.7%pt	▲
		Health	600	7%	16%	-9.5%pt	▽
		Professional services	1200	13%	21%	-7.7%pt	▽
		Other population services	2300	25%	32%	-6.8%pt	▽
		Industrial	1000	11%	20%	-8.6%pt	▽

FIGURE 3.5 BURWOOD WORKER CHARACTERISTICS, 2021
Source: ABC Census of Population Aged 15+ [2021]

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3.5　Industrial areas snapshot

Burwood's industrial areas are generally referred to as the Highbury Road Industrial Area, situated between Burwood Highway and Highbury Road in the City of Whitehorse, and the Huntingdale Road Industrial Area, which includes an area south of Highbury Road (opposite Evans/Ireland) and another at the south-west corner of the Highbury/Huntingdale Roads intersection, fully enclosed within the City of Monash council boundary. These areas are shown on Figure 3.1.

3.5.1　POLICY INTENT TO DATE

Burwood's industrial areas are designated by MICLUP as locally significant industrial areas. Local policy seeks to retain the areas under the current zones of predominantly Industrial Zone 1 (IN1Z), Industrial Zone 3 (IN3Z) and Commercial Zone 2 (C2Z) to provide opportunities for businesses playing a regional services role. The long-term vision for these areas, as established by their respective Council, is:

- Highbury Road industrial area is to retain its regional services role, servicing the needs of local households and businesses in the form of manufacturing associated with regional services. Lots fronting Burwood Highway are zoned commercial 2 zone which can support mixed uses.

- Huntingdale Road industrial area's vision is for more intensive development with a "high office component" catering for "high value adding businesses across a wide range of activities but with a common requirement for a high amenity industrial setting".

3.5.2　CURRENT LAND USE

The Highbury Road Industrial Area spans approximately 22 hectares and straddles the boundary between the two councils. Local businesses primarily service local households and businesses, supplying land for small-scale manufacturing activities such as service industry, car repairs and storage. The industrial area either side of Gardiners Creek is zoned Industrial 3, which is typically more intensive built form than that found in the surrounding Industrial 1 zoned land.

The Huntingdale Road Industrial Area covering 9 hectares and is located entirely within Monash City Council. It contains a mix of industrial/office buildings, some office space fronting Huntingdale Road. Deakin University's Battery Research and Innovation Hub occupies a large industrial building fronting Highbury Road.

Collectively, these industrial areas support just over 4300 workers, which is almost half of total workers in the Structure Plan Area. Of this, 40% work in the industrial sector and around 25% work in health and education and a further 25% in population serving industries. Notably, the number of workers has increased by around 1100 over the past decade, but the sector mix has broadly remained the same. Top businesses are related to car repairs.

The figures on the page below summarise the data for Burwood's combined industrial areas.

3.5.3　EMERGING LAND USE

Most of the recent development has been within the IN3Z in the Huntingdale Road Industrial Area. Two recent developments have been:

- A new office with warehouse development (two-storey height) located to the west of Sinnott Street.

- A modern two-storey office development fronting Highbury Road with warehouses accessed from the rear.

3.5.4 NATURAL EVOLUTION IN THE ABSENCE OF SRL EAST

Based on existing trends the Burwood's industrial areas, older commercial buildings through the IN1Z areas are likely to continue to be replaced over time with more modern facilities, although the intensity of employment is unlikely to change greatly. It is likely that the areas will see a steady trend towards mixed office/warehouse developments. However, the area is likely to retain is primarily industrial function.

Greater change may be seen along the frontage to Burwood Highway with C2Z which supports a broader mix of uses, with a greater focus than industrial zones on offices, bulky goods retail and commercial services.

~48%

Share of workers in Structure Plan Area in the industrial areas

+1120

Additional workers between 2011 and 2021

Legend:
- Knowledge-intensive
- Industrial
- Health and Education
- Population Serving

2011 donut: 438, 1,388, 706, 693

2021 donut: 634, 1,793, 982, 938

Top 3 business types in 2024:

1	Other automotive repair and maintenance
2	Automotive body, paint and interior repair
3	Computer system design and related services

Top 3 occupations in 2021:

1	Professionals
2	Clerical and administrative workers
3	Technicians and trade workers

Bar chart – Burwood industrial sites by type of structure:
- Research and development centre: 0
- Showroom: 2
- Showroom + office: 0
- Other: 11
- Showroom + warehouse/industry: 9
- Office: 15
- Warehouse/industry with office: 52
- Warehouse/industry without office: 42

FIGURE 3.6 BURWOOD INDUSTRIAL AREAS BUSINESS SUMMARY, 2024 AUDIT AND 2021 CENSUS (LEFT SIDE OF PAGE)

FIGURE 3.7 BURWOOD INDUSTRIAL AREAS NUMBER OF WORKERS BY INDUSTRY, 2011 AND 2021 (TOP RIGHT OF PAGE)

FIGURE 3.8 BURWOOD INDUSTRIAL SITES BY TYPE OF STRUCTURE (NO.), 2011 – 2021 (BOTTOM RIGHT OF PAGE)

Source: AJM-JV audit of industrial land using manual check of sites by cadastral parcel and Arealytics data on business details such as ANZSIC Industry Level 4

3.6 Existing employment floorspace

The floorspace in the Burwood Structure Plan Area was audited for this assessment. This considered LiDAR scans of the built environment, zone and ground floor use data, as well as a series of manual checks on floorspace use and investigating any irregular sizes.

Note the figures provided are gross building area (GBA) as the floorspace audit was undertaken using external building information, and no common spaces or otherwise unleasable spaces were removed from the building extents.

There is an estimated 603,300 sq.m of employment floorspace in the Burwood Structure Plan Area. This is broadly equivalent to the gross building area of residential floorspace in the Structure Plan Area.

Figure 3.9 shows the distribution of employment floorspace by type in the Structure Plan Area. It highlights the dominance of office, health, accommodation and retail uses in the Structure Plan Area.

The existing locations of these employment types in the Structure Plan Area is identified in Appendix B. It shows that employment activities are centred around the existing education facilities and industrial areas.

3.7 Recent and proposed employment-related development

Understanding recent and proposed employment-related development activity helps to understand if the market is ready to meet projected demand for floorspace.

The amount of floorspace by land use in the short-term development pipeline is summarised in Table 3.1. This data is presented as Gross Floor Area (GFA).

Recent and proposed large-scale employment-related developments in the Burwood Structure Plan Area are summarised in Table 3.2 and Table 3.3 (also shown in Figure 3.1 above).

Burwood has historically been a low density residential and light industrial area around the University. This has resulted low levels of densification and major redevelopments in recent times. The new station may however be a catalyst for changing this.

Recent developments in Burwood include the Deakin University Law Building, which delivered 20,000 sq.m of education floor space, and a small warehouse development of 1500 sq.m. Pipeline development is currently limited.

The following proposals are examples of large-scale employment-related developments recently delivered or currently planned within the Burwood Structure Plan Area.

FIGURE 3.9 BURWOOD STRUCTURE PLAN AREA, EXISTING FLOORSPACE BY TYPE (SQ.M GBA) 2023

Source: DEECA, PSMA, Space Syntax; AJM-JV

TABLE 3.1 ESTIMATED FUTURE SUPPLY OF EMPLOYMENT FLOORSPACE, BURWOOD STRUCTURE PLAN AREA

LAND USE	ESTIMATED SHORT-TERM DEVELOPMENT PIPELINE (GFA)	KEY DEVELOPMENTS
Health	2040 sq.m	• Highbury Road Community Development
Education	510 sq.m	• Highbury Road Community Development

Source: Cordell, AJM-JV Note: Based on publicly available information, Urbis estimates 80% of Highbury Road Community Development is for health while the remaining floorspace is childcare (education).

TABLE 3.2 RECENT EMPLOYMENT-RELATED DEVELOPMENT, BURWOOD STRUCTURE PLAN AREA

1. DEAKIN LAW SCHOOL BUILDING	
	• Deakin University's new law school building is a modern learning environment including active learning spaces, student support services and staff offices. The development is towards Elgar, around a 800m walk to future SRL East Station. • GFA: 20,000 sq.m • Completed 2020
2. 11-13 FLORENCE STREET WAREHOUSES	
	• Six modern industrial warehouses each 250 sq.m • GFA: 1500 sq.m • Development Stage: Complete (2021) • There have also been new office/warehouses (two storeys high) in other pockets of the industrial areas around Sinnott Street and Highbury Road.

TABLE 3.3 PIPELINE EMPLOYMENT-RELATED DEVELOPMENT, BURWOOD STRUCTURE PLAN AREA

3. HIGHBURY ROAD COMMUNITY DEVELOPMENT	
	• Three storey development containing a 17-practitioner medical centre, 175 place childcare centre, a café and nine residential apartments. The site sits to the southwest of the Burwood's SRL station. • GFA: 550 sq.m • Development stage: Under Construction • Expected completion: 2024
4. RELOCATION OF MOUNT SCOPUS	
	• Mount Scopus has publicly indicated their intention to relocate their Gandel Campus to Caulfield, unlocking the land that they currently occupy next to Deakin University in the Structure Plan Area. If this proceeds, this site could be considered for more intensive employment or housing uses. • There is no specific indication of future use, although given its current employment role, the potential effects on the economic profile of Burwood are noted. • Development stage: Preliminary discussions between stakeholders

Source: Cordell and The Age: Jewish school confident of move to Caulfield Hospital Site; dated 02/06/2024

Note the numbers correlate to locations shown on the map in Figure 3.1

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3.8 Implications for Burwood Structure Plan

The key findings and implications derived from this section influencing the development of the Burwood Structure Plan Area include:

- Burwood 's economy has experienced relatively strong growth over the past decade, primarily driven by significant worker growth in the education sector. This sector remains a clear specialisation for Burwood and is likely to continue defining its future growth. Other industries have seen minimal growth, with some, like professional services, stagnating. There has been modest growth in population services, primarily through an increase in construction workers within industrial precincts of the Structure Plan Area.

- Burwood's distinct education offer has shaped its workforce, resulting in a predominantly highly skilled, white-collar workforce. Education accounts for nearly half of all existing employment floorspace within the Structure Plan Area, and the largest recent developments have been associated with new educational facilities.

- Pipeline development in Burwood is currently limited, reflecting the absence of a major activity centre and a relatively slower pace of change outside the educational institutions. Structure planning should be cognisant of the potential relocation of the Mt Scopus Gandel Campus which could significantly shift Burwood's focus, opening up opportunities for more intensive employment or housing uses.

Part B: Economic outlook and potential

Part B includes:

- Section 4 reviews the role of suburban employment hubs and assesses the potential for growth in professional services jobs in the Burwood Structure Plan Area.

- Section 5 considers the changing nature of work and jobs, the impacts on workplace types and locations, and the implications for planning future employment floorspace in the Structure Plan Area.

- Section 6 considers the economic strengths and challenges of the Structure Plan Area and assesses its long-term economic potential and growth.

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4. Supporting the evolution of employment hubs outside CBDs

This section provides an analysis of the present functions of employment hubs outside the Melbourne CBD and the distribution of professional services jobs across Greater Melbourne. The growth of employment hubs outside Melbourne's CBD is contrasted with Sydney, emphasising crucial insights and strategies for promoting the development of suburban employment hubs.

SRL East will enhance connectivity to Burwood and drive employment growth. This analysis provides a framework to evaluate whether Burwood can support a major employment hub with a high concentration of office-based uses or if a smaller, mixed employment function would be more suitable.

4.1 Historical and current role of suburban employment hubs

Suburban centres have traditionally focused on meeting the needs of their local communities, serving as hubs for employment that cater to the population. This includes employment in sectors such as health, education and other population services.

On the other hand, central business districts (CBDs) have traditionally played a crucial role as the primary commercial and economic centres in Australian cities. They have been characterised by dense concentrations of professional services jobs including corporate headquarters and financial institutions.

With the evolution of technology, changing work patterns, and shifting preferences, the roles of suburban employment hubs and CBDs are evolving, with some suburban areas transforming into vibrant centres accommodating more professional services and CBDs adapting to accommodate a more diverse range of activities and functions. There are several push factors at play. As CBDs reach their capacity, accommodation costs (such as rents) increase and there is limited space for new employment floorspace. As outlined in Section 2, there is also a strong policy push to decentralise jobs across metropolitan areas to increase economic competitiveness and employment opportunities.

4.2 Distribution of professional services - Melbourne vs Sydney

Figure 4.1 and Figure 4.2 show the distribution of professional services jobs across Melbourne and Sydney, respectively.

In Melbourne, the CBD offers the principal concentration of professional services jobs, while there are few of these jobs in suburban areas. The more limited role of professional services in Melbourne's suburban centres is linked to its highly centralised and successful CBD and inner city. Its excellent accessibility and amenities, along with a critical mass of knowledge intensive firms, has made inner Melbourne a highly attractive location for business, leading to a concentration of economic activity.

These businesses depend on the most skilled workers, and by locating in the heart of Melbourne, employers have access to the largest possible supply of labour via the hub and spoke network of train lines and freeways. Similarly, the CBD enables businesses to locate close to their clients, a key factor, which has been shown in to influence business location.

As at the ABS Census in 2021, 21% of Melbourne's total job market is now concentrated in the CBD (the Melbourne City SA3 was adopted as the Melbourne CBD for this assessment). Consequently, 43% of all professional services jobs are in the Melbourne CBD, with a substantial share of the city's office space concentrated in the CBD. In Sydney, while the CBD remains significant, professional services jobs are also located outside the CBD, particularly in the corridor extending from the CBD towards Macquarie Park. Only around 35% of professional services jobs across Greater Sydney are in the CBD (defined as the Sydney [North] – Millers Point and Sydney [South] – Haymarket) SA2s).
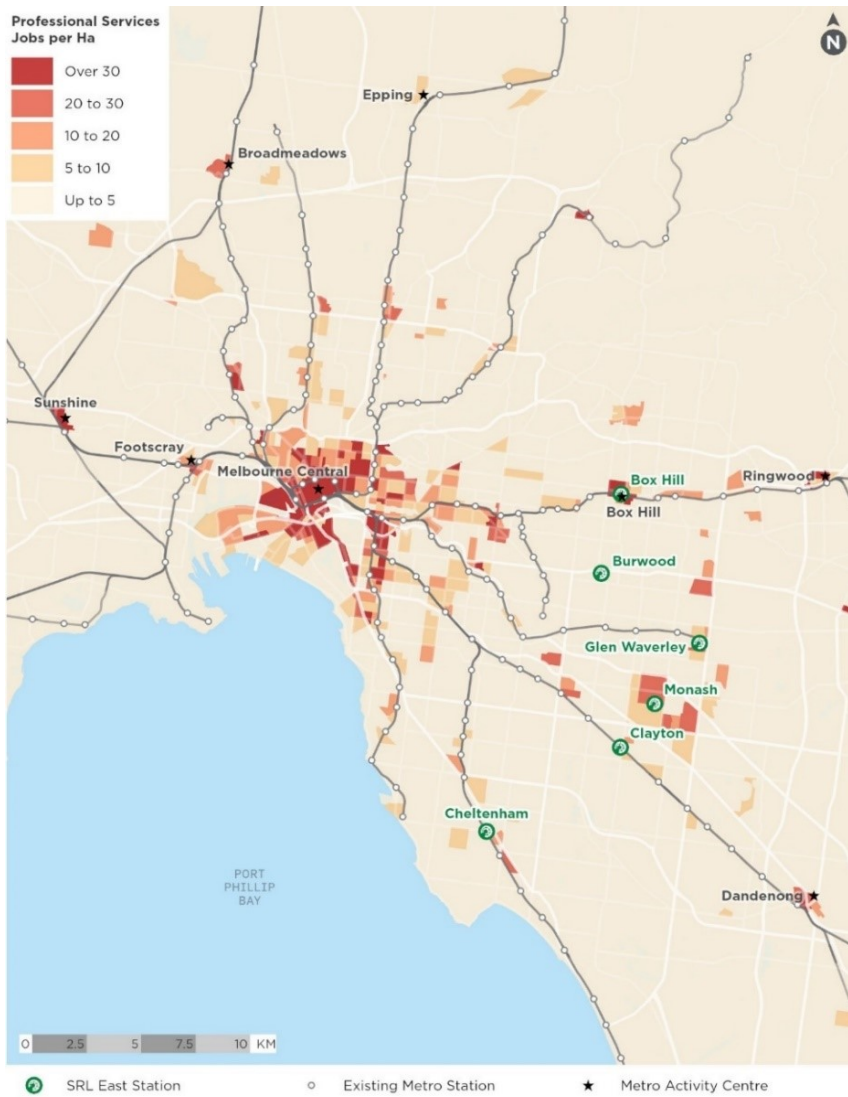
FIGURE 4.1 DISTRIBUTION OF PROFESSIONAL SERVICES EMPLOYMENT DENSITY ACROSS MELBOURNE, 2021

FIGURE 4.2 DISTRIBUTION OF PROFESSIONAL SERVICES EMPLOYMENT DENSITY ACROSS SYDNEY, 2021

Source: AJM-JV, ABS Census 2021

As Figure 4.3 shows, key clusters of professional services outside the CBD include:

- Macquarie Park

- North Sydney

- Parramatta

- St Leonards / Crows Nest

- Chatswood.

Compared to SRL East Structure Plan Areas currently, a higher share of the jobs in these areas are professional services jobs. An average of just under 50% of all jobs in these Sydney hubs are in professional services, compared with around 20% in SRL East Structure Plan Areas, erring higher in the denser regions of Box Hill and Monash, as shown in Figure 4.3. More detail profiling the Sydney suburban employment hubs is provided in Appendix C, Table C.1.

Over the past decade in Sydney, more office floorspace was delivered outside the non-CBD office markets.[9] Looking forward, pressures such as escalating rents in Sydney's CBD, and space limitations are likely to continue to propel the growth of office floorspace, and, therefore, by extension, professional services jobs outside the Sydney CBD.

While to date, Melbourne's CBD has been able to accommodate the high share of Greater Melbourne's professional services jobs, it cannot continue to do so. There is ultimately limited capacity in the CBD and adjoining areas. This includes a lack of land area to expand, but also transport network constraints capping the ability to keep moving the population in growing outer areas to jobs in the city. As the need for jobs grows in line with Melbourne's population, a greater share of jobs of all types, including traditional CBD employment, will need to be located closer to where people live in suburban environments.

Selected employment hubs outside Sydney CBD (Macquarie Park and Parramatta, left) and SRL East Structure Plan Areas (balance of geographies moving rightwards)
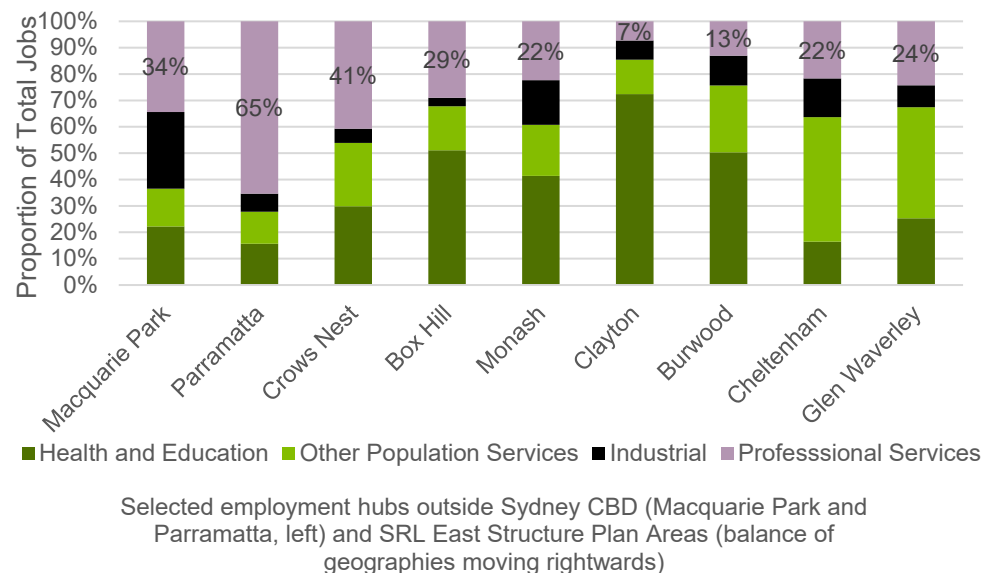
FIGURE 4.3 JOBS BY INDUSTRY, SELECTED SYDNEY SUBURBAN EMPLOYMENT HUBS AND SRL EAST LOCATIONS, 2021

Source: ABS Census 2021, AJM-JV

While there are factors influencing suburban employment growth in Sydney that are not as applicable to Melbourne, such as accessibility challenges owing to the geographical arrangement of Sydney, the Sydney experience can be instructive for the evolution of Melbourne's suburban employment hubs. Exploring the key drivers of non-CBD employment and office growth in Sydney can offer valuable insights into promoting the growth of professional services employment beyond Melbourne's CBD. These elements are explored more below.

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[9] Savills, "Location requirements for office occupiers" Prepared for the Western Sydney Parkland City, June 2021

4.3 Essential factors fostering the evolution of suburban employment hubs

While each employment hub has specific factors influencing growth and each plays its own role, the Sydney experience highlights some common success factors that are applicable to understanding how the suburban employment locations in Melbourne may grow and support a greater share of professional services jobs.

This review highlights that in the Sydney context, suburban office hubs are not located at every train station, but generally at locations with the specific features such as a major anchor, high amenity and excellent public transport accessibility. For SRL East, this highlights that suburban office space is likely to play a varied role in each Structure Plan Area, defined by its unique attributes.

The Macquarie Park Innovation District is one example of the successful growth of a suburban employment hub, driven by a combination of public transport enhancements (particularly rail connections); the collaboration of key institutions, government, and private sector; amenity for workers driven by a growing residential population; and space to grow office space. Macquarie Park is profiled in more detail in Appendix C.

Figure 4.4 provides a snapshot of the key elements fostering the expansion of suburban employment hubs, which is applicable to the future role of some of the employment hubs to be serviced by SRL East. More detail on these key elements and examples in the Sydney context are provided in Appendix C, Table C.2.

Access to large pool of workers
Highly accessible suburban employment hubs can provide businesses need access to a deep, skilled labour pool.

Distinct focus or key anchor
Suburban employment hubs predominantly evolve around a large anchor, such as hospital, university or government hub- these uses drawing in a range of complementary businesses.

High quality and high amenity
To attract workers, particularly away from the amenity of the CBD or working from home, suburban hubs require high quality amenities, public spaces and office buildings.

Accessibility to public transport
Public transport, particularly rail, plays a pivotal role in successful employment hubs, primarily by providing access to a larger talent pool.

Level of critical mass
Achieving a critical mass of development is essential for creating a self-sustaining employment hub, particularly for offices.

Capacity for larger floorplates
When CBD faces capacity issues, suburban employment hubs can provide space for expansion, particularly for businesses with specific occupancy needs or larger floorplates.

Relative affordability
Suburban employment hubs generally provide more affordable rents that office locations, sometimes at half the price of CBD rents.

Government support
Additional government support can help attract businesses to suburban hubs, this includes supporting planning frameworks, infrastructure investment and relocating government offices to stimulate the market.

Investment attraction
Further incentives, such as grants, tax relief, infrastructure funding and network development can also attract businesses to suburban employment hubs.
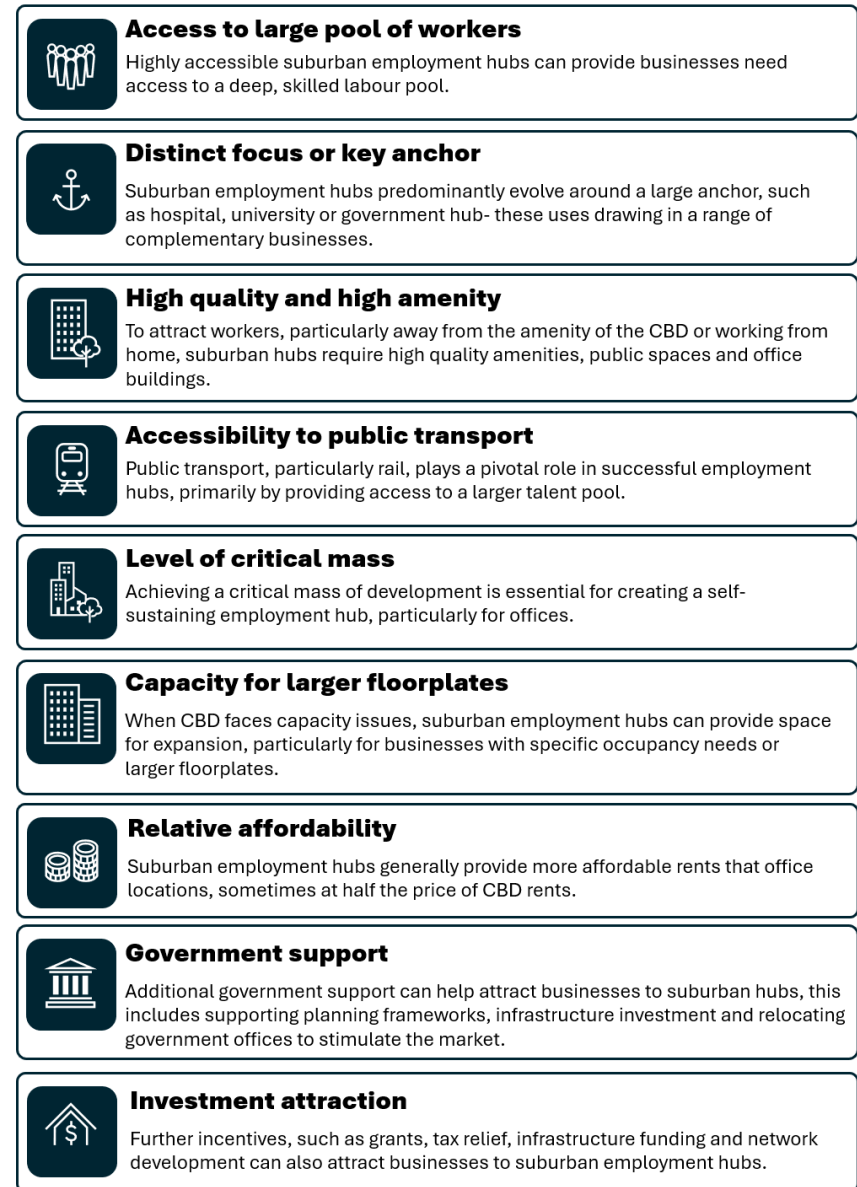
FIGURE 4.4 KEY ELEMENTS OF SUBURBAN OFFICE HUBS

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Figure 4.5 assesses Burwood against these factors, highlighting the propensity for Burwood to support a larger suburban office hub.

Overall, the potential to develop a large suburban office hub in Burwood is relatively limited. This is due to the lack of an existing activity centre and the challenges in delivering a critical mass of office space around the future town centre near the SRL East Station, given its relatively small size.

The presence of a major educational anchor like Deakin University, with its Deakin Software and Technology Laboratory and Institute of Frontier Materials, presents an opportunity to attract some businesses aligned with their R&D activities. These businesses could be accommodated in various ways, depending on their specific needs for office, research, or light industrial space. Options include co-locating on the university campus, situating in the future town centre, or converting nearby industrial land for mixed employment uses.

The existing cluster of office buildings at Greenwood Business Park is located 800m from the SRL East Station and may continue to evolve independently, continuing to provide office space for small to medium sized businesses. There is potential for expansion of the office space on this site through development of larger towers.

Element		Opportunity in Burwood
Access to a large pool of workers	Medium	Large white-collar workforce in surrounding suburbs
Distinct focus or key anchor	Medium	Deakin University education anchor has potential to attract businesses
High quality, high amenity	Medium	No existing activity centre in Structure Plan, likely to emerge but will be limited in scale
Access to public transport	High	SRL East plus existing tram train line and bus services
Critical mass	Low	Very limited office market and distributed across the Structure Plan area
Capacity for large floorplates	Low	Limited sites available around future SRL East station and limited capacity for large floorplates
Relative affordability	High	Rents compare favourably with CBD and inner Melbourne
Government support	Medium	Limited policy support for Burwood as a significant office hub.
Investment attraction	Low	Limited given low policy support for significant office hub at this location.
BURWOOD OVERALL		Limited potential for growth as a major office hub, but opportunity to grow current office offer

FIGURE 4.5 ASSESSMENT OF BURWOOD AGAINST KEY FACTORS OF SUBURBAN OFFICE HUBS

Source: AJM-JV

4.4 Implications for Burwood Structure Plan

The key findings and implications derived from this section influencing the development of the Burwood Structure Plan Area include:

- Melbourne faces a distinct challenge in nurturing the growth of suburban employment hubs outside the CBD. It requires a major shift from historical trends and current norms. This is particularly so for professional services jobs, which have historically concentrated in and around the Melbourne CBD.

- Learning from Sydney's experience, there are several factors which can support growth of suburban employment hubs. These include high worker amenity, worker catchment, role of key anchors, supportive planning framework and other strategies to attract and incentivise business investment.

- Based on an assessment of suburban office hub attributes, Burwood has relatively limited potential to support a major increase in professional services employment and a larger office hub. However, there is an opportunity to attract businesses aligned with Deakin University's R&D activities, which are likely to require a mix of office, R&D, and light industrial spaces. Burwood's industrial areas are likely to provide space for a wide range of businesses which require a mix of office and other floorspace.

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5. Industry requirements

This section summarises key industry trends influencing the floorspace needs of different businesses, as well as the specific location requirements of various sectors. This helps in understanding the specific types of floorspace needed to accommodate the projected jobs growth in the Burwood Structure Plan Area, and the ideal locations for the floorspace.

5.1 Changing nature of work and jobs

The changing nature of work, driven by globalisation, technologies and demographic shifts is reshaping the employment landscape and workspace requirements.

Over the last 40 years there has been a shift across all industries towards occupations with a higher level of skills, alongside the decline of industrial activity in the economy. As outlined by the RBA[10], this trend has been predominantly driven from a labour demand perspective, with industries requiring an increasingly higher level of skill over time, rather than a shift in employment from industries with low-skilled employment to those with high-skilled employment.

A key driver of this has been the noticeable decrease in the proportion of people employed in routine jobs. Technology has had a significant impact on routine manual as well as cognitive jobs. Automation and robotics have significantly replaced human labour in agriculture and manufacturing sectors. Technology has also facilitated the outsourcing of routine cognitive tasks to regions with lower labour costs, such as offshore call centres and back-office operations. This has culminated in the relative decline of lower and middle-skilled jobs over the past 30 years.

Improved technological efficiency, while decreasing the number of low-skilled jobs, does not decrease employment overall. In contrast, non-routine roles have gained increasing significance. These positions are inherently more challenging to

automate due to various factors. For instance, occupations like architecture often require creativity and problem-solving abilities, while others like childcare require a physical presence.

The significance of non-routine positions has led to considerable expansion in the broader service sector. Over the past 15 years or so, the health care and social assistance industry has made the largest contribution to employment growth, with most new positions falling into the non-routine category. Following health care, the professional, scientific and technical services, and education and training sectors are the next largest contributors to the growth of non-routine jobs during this period as these industries experience increased demand for labour upskilling[11]. This trend is reflected in the changing composition of employment by industry across Australia, shown in Figure 5.1.

Looking forward, continued technological change, such as AI and other technologies, is likely to bring a variety of changes to employment. Increased automation will continue to reduce demand for routine jobs and increase demand for higher skilled workers across all industries, particularly in health and education and the professional services sectors.
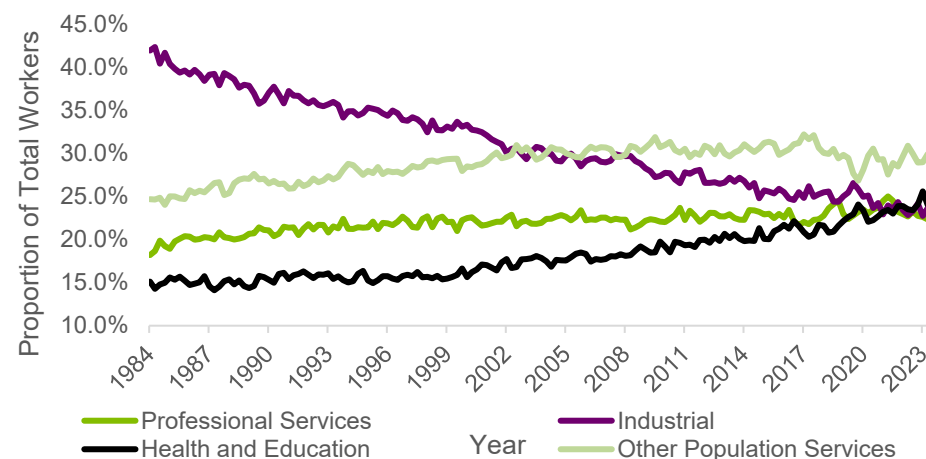
FIGURE 5.1 SHARE OF WORKERS BY BROAD INDUSTRY, VICTORIA
Source: AJM-JV, ABS Labour force time series, detailed by industry

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[10] *Heath, A. (2020). Skills Technology and the Future of Work (Speech). Reserve Bank of Australia.* https://www.rba.gov.au/speeches/2020/sp-so-2020-03-16.html

[11] *Heath, A (2016) The Changing Nature of the Australian Workforce (Speech). Reserve Bank of Australia* ttps://www.rba.gov.au/speeches/2016/sp-so-2016-09-21.htm

5.2   Emerging workplace trends

The changing nature of work and jobs also impacts the types of spaces we work in. Our workplaces are constantly changing, and the rate of change was expedited by the COVID-19 pandemic, which accelerated the cultural norms and technologies to support flexible and remote work. It also emphasises the importance of high amenity workplaces to engage workers and the value collaborative spaces to enable the transfer of ideas and knowledge.

Key trends influencing where and how we work are summarised below, with further explanation provided in Appendix C.

- **Mixed use buildings and precincts** – There has been a shift towards uses and activities mixing in buildings and precincts to create opportunities for collaboration and engagement, while enhancing amenity and vibrancy for workers.

- **Remote work** – The increase in and acceptance of remote working post COVID-19 has led to greater flexibility of how and where we work.

- **'Flight to quality'** – To attract employees and encourage them to come together in a formal workplace, businesses and institutions are increasingly seeking high-quality workspaces supported by high levels of amenity.

- **Co-working** – As a response to supporting the need and desire for remote working, but maintaining employee interaction and collaboration, demand for co-working facilities and suburban office hubs is increasing.

- **Technology** – Technological advancements and increasing infrastructure needs to support digital capacity are influencing the nature of workplaces and support services.

- **Sustainability** – Sustainable workspaces as increasingly a must-have, providing for energy efficiency, meeting environmental, social and governance (ESG) commitments and attracting talent.

5.3   Impact on workplace typologies and locational preferences

Workplace needs are evolving in response to these trends. In planning for future employment floorspace, the impact of the trends on the type, nature and location of the buildings accommodating the future workforce must be considered. The main changes to future building typologies and locational preferences are summarised in Figure 5.2, noting the impacts will differ by industry. These trends have been considered specifically to the Burwood context in Section 9.6. More details on the influence of trends on workplace typologies and locational requirements by sector is included in Appendix C, Figure C.1 to Figure C.6.

Professional services
Require high amenity and high-quality office spaces, increasingly mixed with other activities to allow collaboration and a vibrant amenity. Locations with excellent access to public transport and amenities are critical and increasingly businesses are seeking large sites to accommodate generous floorplates, collaboration spaces and a high level of technology, data and IT infrastructure.

Health
Health services are now commonly integrated into mixed-use buildings, featuring medical facilities alongside offices, consultation rooms, research spaces, and medi-hotels. These buildings typically accommodate multiple tenants, offer extensive outpatient facilities, and provide various worker amenities, often catering to a 24-hour workforce. Clustering remains crucial in the health sector, enabling the formation of provider networks and facilitating integrated patient care.

Education
Education buildings are becoming more flexible and adaptable learning spaces. Contemporary tertiary buildings are often mixed use, providing space for industry collaboration and research commercialisation, along with a range of supporting amenities including accommodation and event space. Location factors include ability to cluster proximity to other research institutes, urban amenities and public transport.

Other population services

Whilst representing a range of activities and building typologies, most population services (i.e. retail, accommodation, arts and recreation services etc) aim to enhance visitation, visitor experience and cross-expenditure opportunities for the local community. This is often achieved by locating in highly accessible and walkable locations, activating public realm, placemaking and delivering a broad mix of uses.

Industrial

Contemporary, urban industrial precincts (as opposed to larger, state-significant precincts) are becoming increasingly customer and worker focused, resulting in higher amenity mixed employment buildings, with a range of office, storage and light industrial activities. Technology combined with land constraints, is enabling increased floorspace efficiency and higher density buildings. Industrial uses in urban areas also increasingly serve a range of recreation, service and destination uses to surrounding populations.

FIGURE 5.2 WORKPLACE TYPES BY INDUSTRY GROUP

Source: AJM-JV

5.4 Implications for Burwood Structure Plan

- The changing nature of work, jobs and workplaces has the following implications for the development of the Burwood Structure Plan:

- Burwood is well positioned to benefit from some of the broader industry shifts, particularly the growth of skilled workers in education and professional services. The Structure Plan should support growth of Burwood's current education offer and complementary R&D and professional services through creating opportunities for these sectors to cluster around Deakin University.

- For Burwood, this means enhancing its overall education offerings and fostering greater collaboration with businesses and aligned institutions. Providing space for education and industry to collaborate and for aligned industry and institutional research to locate close to the university and the amenity around the SRL East Station is important. This could be within new development around the station, or through regeneration of existing industrial areas.

- Worker amenities, including access to public transport, retail, gyms, and childcare, remain crucial across most sectors. Establishing a new town centre around the Burwood Station will help deliver these amenities. Additionally, enhancing the amenities in industrial areas will make them more attractive to workers and visitors and support a broader mix of businesses.

6. Economic potential

This section considers the economic potential of the Structure Plan Area, highlighting the main attributes and challenges that will impact its long-term economic growth.

6.1 General drivers of economic growth

Figure 6.1 summarises the main drivers of growth that will influence long-term growth and development in the Burwood Structure Plan Area. These drivers arise from broader trends in the Greater Melbourne economy and will shape economic growth across the urban area, especially in areas undergoing significant change such as the SRL East corridor. These factors have been taken into account when defining the competitive strengths of the Burwood Structure Plan Area.

6.2 Strengths, weaknesses, opportunities and challenges of local industries

Table 6.1 to Table 6.6 assess the economic competitiveness for employment and economic growth in the Burwood Structure Plan Area. It does this by using a SWOC framework that considers strengths, weaknesses, opportunities and challenges. The purpose is to understand the relative strengths and weaknesses of the area generally, and each industry specifically, to identify the competitive potential of the Structure Plan Area over the next 15 to 20 years.
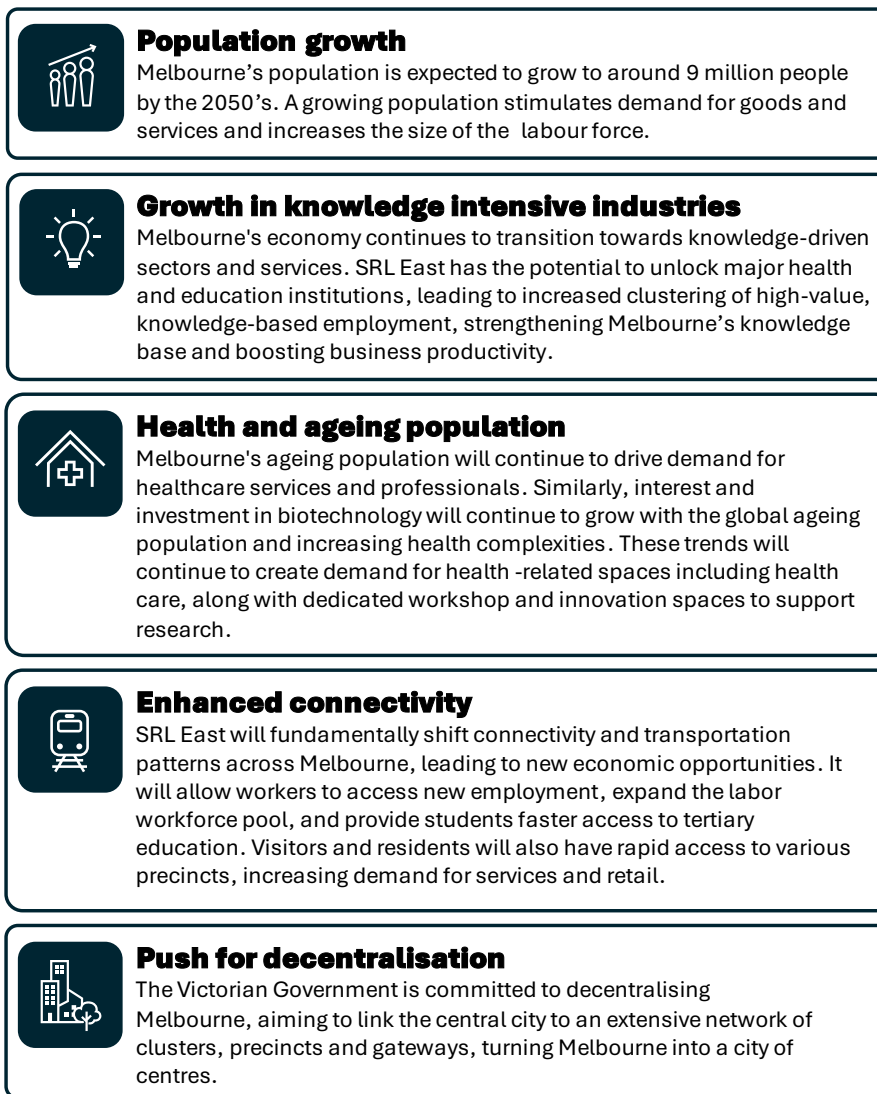
Population growth
Melbourne's population is expected to grow to around 9 million people by the 2050's. A growing population stimulates demand for goods and services and increases the size of the labour force.

Growth in knowledge intensive industries
Melbourne's economy continues to transition towards knowledge-driven sectors and services. SRL East has the potential to unlock major health and education institutions, leading to increased clustering of high-value, knowledge-based employment, strengthening Melbourne's knowledge base and boosting business productivity.

Health and ageing population
Melbourne's ageing population will continue to drive demand for healthcare services and professionals. Similarly, interest and investment in biotechnology will continue to grow with the global ageing population and increasing health complexities. These trends will continue to create demand for health -related spaces including health care, along with dedicated workshop and innovation spaces to support research.

Enhanced connectivity
SRL East will fundamentally shift connectivity and transportation patterns across Melbourne, leading to new economic opportunities. It will allow workers to access new employment, expand the labor workforce pool, and provide students faster access to tertiary education. Visitors and residents will also have rapid access to various precincts, increasing demand for services and retail.

Push for decentralisation
The Victorian Government is committed to decentralising Melbourne, aiming to link the central city to an extensive network of clusters, precincts and gateways, turning Melbourne into a city of centres.

FIGURE 6.1 GENERAL MARKET DRIVERS OF ECONOMIC GROWTH

Source: AJM-JV

TABLE 6.1 BURWOOD GENERAL ECONOMIC SWOC ASSESSMENT

STRENGTHS	WEAKNESSES
• Local workers are characterised as being highly educated, slightly younger and with relatively high incomes compared to workers across the South East Region and Greater Melbourne. • Presence of Deakin University as a major educational institution can support continued growth in this sector, establish a greater cluster of complementary uses and drive demand for a range of services and amenities through a growing number of workers and students	• The Structure Planning Area lacks a major activity centre. As such there is limited activity or amenities outside the University and all worker amenities will need to be developed.
OPPORTUNITIES	**CHALLENGES**
• SRL East will deliver greater accessibility, expanding the potential worker, student and visitor base for Burwood. It was also provide further opportunity for collaboration with businesses and major education, research and health institutions along the SRL East corridor. • The future land around the station could support a new town centre within Burwood and has potential to deliver a high amenity location to attract businesses and visitors, thereby increasing demand for population-based services. It also could provide a range of employment spaces for businesses. • Presence of Deakin University as a major educational institution can support continued growth in this sector, establish a greater cluster of complementary uses and drive demand for a range of services and amenities through a growing number of workers and students.	• A large portion of the Structure Plan Area is held in private institutional ownership (i.e. the university and schools), limiting the availability of land to deliver employment growth. • Recent and proposed development in the Structure Plan Area is limited to development on the Deakin University site and a small community/health/childcare development. The diversity of employment-based activity will need to shift if employment forecasts are to be achieved. • The land around the SRL Station available readily for development is limited in size. With the site surrounded by existing residential use, developing a large employment offer at the station may be difficult.

TABLE 6.2 BURWOOD PROFESSIONAL SERVICES SWOC ASSESSMENT

STRENGTHS	WEAKNESSES
• Presence of Deakin University is a major draw for Burwood, supporting some employment in professional services.	• Professional services industries are underrepresented in Burwood when compared to benchmark centres and the number of workers in this industry did not grow over the past decade. • The only small cluster of office developments in the Structure Planning Area, Greenwood Office Park, was constructed 20 years ago and remains a relatively isolated business park with a small but diverse mix of tenants. • As detailed in Section 4.3, Burwood's potential to grow a larger professional services hub is limited, due to its lack of existing activity centre, ability to deliver a critical mass of future office space.
OPPORTUNITIES	**CHALLENGES**
• The SRL East Station will expand Burwood's worker catchment, creating potential for a greater number and mix of workers. • Co-location of SRL East Station with Deakin University provides some opportunity to provide space for innovation and R&D focused businesses to co-locate or locate near, the University. This could include a range of professional services industries. • Potential likely exists for intensification of office development on the Greenwood Business Park site. • Opportunities for other office development along the Burwood Highway corridor, either close to the new station or in mixed use development along the Burwood Highway to the west, could support more professional services employment.	• Due to historically low growth in professional services, there is a need to actively attract these services to collocate with the University. This will likely require a partnership with the University to align with their plans and focus, as well as developing a clear strategy and offer to attract professional services to Burwood. • Critical to this, is a high amenity town centre with a range of worker amenities. • The ability to deliver a significant provision of office space around the station may be physically constrained, and is also unlikely to see market demand for some time.

Overall, professional services in Burwood are likely to continue to play a supporting role. There is an opportunity to increase professional services, leveraging the presence of the University. This could involve professional service workers employed by the University or businesses seeking to collocate and collaborate with the University, particularly in its R&D activities. Additionally, broader population growth may lead to some growth in professional services focused on serving the local or regional population and business needs, such as local accountants and small consulting firms.

TABLE 6.3 BURWOOD SWOC HEALTH ASSESSMENT

STRENGTHS	WEAKNESSES
• None identified.	• None identified.

OPPORTUNITIES	CHALLENGES
• Health services in Burwood are likely to continue serving a primarily local role, meeting the needs of residents, and potentially workers and students. An increase in residents, workers and students may drive some limited growth in the health sector.	• None identified.

Overall, the health sector is set to maintain a very minor role in Burwood, focused on meeting everyday needs of residents, and to a lesser degree worker and students. There may be some additional demand from resident, worker, student growth anticipated through to 2041.

TABLE 6.4 BURWOOD EDUCATION SWOC ASSESSMENT

STRENGTHS	WEAKNESSES
• Burwood is a highly specialised education precinct, with the presence of Deakin University. The University has a substantial regional catchment and currently has 26,000 students and 1500 staff. It is also home to two large private schools which have almost 3000 school students. • The Education industry in the Structure Planning Area grew strongly over the past decade, on average at 3.7% per annum.	• Whilst Deakin University has strong relationships with the private sector, there are limited examples of private enterprise locating close to the University to date.

OPPORTUNITIES	CHALLENGES
• SRL East can contribute to sustaining the continued growth of Deakin University, aiding in the realisation of forecast job growth, particularly within the education sector. Furthermore, it possesses the potential to stimulate growth in population-based industries, as both workers and students contribute to generating substantial demand. • Tertiary education is a priority growth sector for both Victoria and the nation, fuelled by rising domestic and international demand for higher learning. The number of workers in the sector nationally is projected to grow by 22.5% through to 20331. • Furthermore, there's a governmental emphasis on fostering innovation and research within Victoria2. These trends are likely to underpin long term growth of education sector, particularly at established institutions like Deakin University. It also highlights potential for further investment into education and research facilities. • Deakin University has the potential to draw professional services industries to the area, capitalising on the synergies generated by its research and educational roles. This is particularly associated research centres and institutes linked to its faculties at Burwood campus. Professional services locating outside the University would need to be supported by high amenity and excellent public transport access. • Mt Scopus Memorial School has publicly stated intentions to relocate to an alternate site. Should this occur, it potentially provides an opportunity to deliver some of the employment jobs in proximity to Deakin University. It could also enable the physical expansion of Deakin University, supporting the long-term education job forecasts.	• Significant jobs growth is forecast for the education sector in the Burwood Structure Plan Area. These education employment forecast should be reviewed against Deakin University's plans for long term growth and may need to be reviewed should Mt Scopus relocate. • Even if Mt Scopus does relocate (which is not certain), the built-up infrastructure may see the site remain for education purposes unrelated to the university. • Given the growth of online learning, growth in tertiary student numbers may not translate to additional students on campus and therefore need for more floorspace.

Overall, Burwood's education sector will maintain its important role in the local economy and is expected to align with broader national growth trends. The expansion of the education sector within the Structure Plan Area hinges on the long-term strategies of its three major education providers. Structure planning should foster the growth of industries complementary to the education sector, such as retail and population services, as well as research and innovation businesses, capitalising on the University's R&D focus.

Note 1: Victoria University Employment Projections to 2033 prepared for Jobs and Skills Australia. From https://www.jobsandskills.gov.au/data/employment-projections

Note 2: Innovation Statement: Driving economic growth and jobs, Victorian Government, July 2023, from https://djsir.vic.gov.au/priorities-and-initiatives/innovation-victoria#:~:text=Capitalising%20on%20our%20research%20and,big%20challenges%20of%20the%20future.

TABLE 6.5 BURWOOD OTHER POPULATION SERVICES SWOC ASSESSMENT

STRENGTHS	WEAKNESSES
• Population serving industries are relatively small, reflecting the lack of a major activity centre in the Structure Plan Area. Recent growth is largely attributed to construction workers who are occupying mixed industry/office space in industrial areas.	• Lack of existing activity centre has limited growth of population services to date.

OPPORTUNITIES	CHALLENGES
• Delivery of a new town centre around the Burwood SRL East Station will provide the foundation for a larger population services offer, particularly for retail and accommodation and food services. • Anticipated resident, worker and student growth will drive demand for other population services going forward, in particular retail, food and beverage (F&B) and entertainment uses. • Growth in students and workers could also underpin demand for further accommodation. • Burwood Highway, particularly towards Warrigal Road, is transitioning towards larger format show room and some retail uses, activity in this area has the potential to intensify further.	• Construction jobs are concentrated in the industrial areas, these may transition out of the Structure Plan area as these areas move towards higher density employment uses. • Scale of retail offer in the Structure Plan Area should not directly compete with nearby retailing at the Burwood Brickworks Shopping Centre and also complement the offer around the intersection of Burwood Highway and Warrigal Road.

Overall, the other population services sector is expected to grow to accommodate a larger population of workers, residents, and students. A new town centre will become a focal point for retail activity and support the growth of complementary food and beverage, recreation, and entertainment uses.

TABLE 6.6 BURWOOD INDUSTRIAL SWOC ASSESSMENT

STRENGTHS	WEAKNESSES
• Highbury Road and Huntingdale Road Industrial areas collectively support around 4350 jobs and only around 40% of these jobs are in the industrial sector highlighting the mixed employment nature of these employment areas. • In the industrial areas, there is some recent evidence of low-rise office/warehouse development occurring, pointing to a transition away from solely low-density industrial activity. • Highbury Road Industrial Area has relatively high streetscape amenity for an industrial area and a mix of bulky good uses towards Burwood Highway. This area along Burwood Highway is identified by local policy to transition towards higher employment density uses. • Huntingdale Road Industrial Area has a greater mix of office and industrial uses. It also contains Deakin University's Battery Research and Innovation Hub. Local policy supports transition of this area to higher value employment uses.	• At the Structure Plan level, industrial jobs declined over the last 10 years, with losses mainly in manufacturing services. There were some gains in wholesale trade. • Similarly, within the existing industrial areas, industrial jobs have grown since 2011, but was down from 2016 which may in part reflect the COVID impacts on worker numbers on site in 2021, but also potentially a decline in the level of business activity. • Highbury Road and Huntingdale Road Industrial Areas are dominated by automotive businesses1, which whilst provide an important local service, it is not aligned with the broader innovation and R&D potential of the area.

OPPORTUNITIES	CHALLENGES
• Road Industrial Area, particularly towards Burwood Highway, has potential to transition to higher-amenity, mixed employment uses with a greater weighting to office space, potentially supported by some residential uses. This could be in the form of new local enterprises, start-ups and incubator spaces in this neighbourhood in a variety of space. Further away from Burwood Highway, the area is likely to continue to play an important local service role. There are also some large, consolidated lots (e.g. fronting Evans Street) which could facilitate larger scale developments. • Given the connection to the future station, the area near the intersection of Highbury Road and Sinnott Street could be considered for higher-order commercial or mixed use. Supporting the transition of this area from intensive industrial activities to higher-amenity employment activities could be considered, noting an existing Industrial 3 zoning applies. • Huntingdale Road Industrial Area contains a mix of industrial and supporting office space. Over time, this area has the potential to transition towards higher density employment uses. Burwood Industrial Park is a large single lot which has potential for greater intensity of employment activity in the long term. Again, local industrial services are likely to remain part of the mix. •	• Shifting Burwood's industrial areas towards more concentrated employment uses will necessitate a change from their present function and trends. This transformation will require support, such as business attraction strategies, and a well-defined explanation of the role and vision. • Ambitions for further intensification of Burwood's industrial areas needs to be considered with the area's important local service role. These areas currently support locally significant industrial areas, providing opportunities for local businesses not suited to activity centres. In the short-medium term, it is likely that most demand for these areas will still come from local services businesses, which might make the pace of change limited. • Small lot industrial subdivisions (i.e. around Sinnott Street and Hallmarc Business Park on Huntingdale Road) may constrain future redevelopment of these areas. • Highbury Road is situated 800m from Burwood's future SRL East station and there is currently no direct access across Gardiners Creek, aside from the Burwood Highway. Greater connectivity to the station and future town centre would support future employment outcomes around the Highbury Road industrial area.

Overall, the industrial sector is likely to continue to play a role in Burwood, but the industrial areas have some potential to continue to transition towards higher density employment precincts, leveraging the proximity to the SRL East Station and Deakin University. This will, however, require encouragement of redevelopment and improvements to the worker amenity, balanced against the continued local service role of these industrial areas.

Note 1: Industrial land audit found top two tenants in Burwood industrial areas were other automotive repair and maintenance, and automotive body, paint and interior repair.

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6.3 Implications for Burwood Structure Plan

Table 6.7 summarises Burwood's competitive strengths, future employment generators, and potential economic and employment role by 2041. The Structure Plan for Burwood should seek to support the growth of key sectors in appropriate locations.

TABLE 6.7 BURWOOD STRUCTURE PLAN AREA ROLE IN 2041

	ROLE IN 2041
Regional employment role	Burwood is poised to further develop into a vibrant urban hub. The presence of Deakin University and top-tier secondary schools reaffirms the competitive advantages of the Structure Plan Area and its capacity to transform into a lively, interconnected area that nurtures students, residents, and emerging businesses. The development of a new Burwood town centre around the future SRL Station provides an opportunity to bring a focus and amenity to Burwood. It could include some office space along with a range of retail and other services to support local students, workers and residents.
Competitive strengths of Burwood	• Large established workforce and student population: The potential workforce size and student population of the Burwood Precinct is anticipated to grow substantially due to SRL East. Improved accessibility will mean better connections between businesses, institutions and their workforces and students, enabling better matching of skills to job and agglomeration benefits. Agglomeration benefits could include attracting employees, opportunities for knowledge-sharing and attracting more customers, along with the research offer presented by Deakin University. • University presence: Deakin University is one of Melbourne's leading universities. Its Burwood campus extends either side of the Gardiners Creek reserve. The campus has approximately 26,000 students and 1500 staff. How the university grows and evolves over the next 20-30 years will be critical to the future of the precinct, establishing the precinct direction, and attract businesses, research, and investment into the precinct. • Transformation of industrial areas: With three prominent institutional uses (University and two schools) and the absence of an existing major activity centre, the Burwood Precinct's opportunity for organic employment growth and transformation is limited to its two industrial precincts. These areas are likely to continue to evolve towards higher density employment uses with some office space in a business park environment. Alignment with Deakin University may help attract higher value businesses and start-ups to these areas. Some fringe areas of the industrial land close to either Burwood Highway or the new Burwood town centre may evolve towards other uses, potentially mixed use. The overall local service businesses will remain a key focus for Burwood's industrial areas. • Connectivity to SRL East Precincts: Burwood's public transport is limited to a tram line, which is an approximate 50-60 minute journey to the CBD, plus various bus services. With SRL East in place, Burwood workers and students will also have rapid access to other SRL East precincts and connection into the existing MTM rail network, facilitating access other parts of the metropolitan rail network, and opening up potential new opportunities for workers, customers and business. • SRL East policy support: A robust planning framework which encourages and incentivises new employment developments, will further Burwood's competitiveness against other activity centres across Melbourne and can help attract new business and investment to this precinct.
Sector roles (industries listed in order of future Economic Opportunity	**Education:** Defined by its established University and two large private schools, Burwood will continue to be recognised as an education precinct offering a wide range of educational opportunities. These key institutions can play a significant role in job growth and drive demand for various services and activities across other sectors. **Other Population Services:** Increasing amenities and population-focused services will be essential to support the future growth of residents, workers, and students in the Burwood Structure Plan Area. **Professional Services:** While continuing to play a smaller role in the Structure Plan Area, professional services have the potential to grow by leveraging the presence of the University and supporting a growing local population. **Industrial:** The industrial sector is likely to play a role in the Structure Plan Area, although diminishing as the two large industrial precincts transition towards mixed employment uses. These industrial areas will continue to serve important local service functions along with providing space for a range of new business activities, some potentially aligned with the University. **Health:** The health sector is likely to play a modest role in Burwood, continuing to provide essential local health services for a growing resident population.

Part C: Future employment floorspace demand

Part C includes:

- Section 7 summarises the methodology for estimating employment floorspace demand in the Structure Plan Area.

- Section 8 identifies which sectors are expected to generate the most jobs growth in the Structure Plan Area.

- Section 9 assesses the amount and form of floorspace needed in the Structure Plan Area to support this jobs growth, as well as the most appropriate locations.

7. Methodology for estimating employment floorspace demand

This section summarises the methodology used to assess the amount of employment floorspace required to support projected employment growth in the Structure Plan Area.

7.1 Use of employment projections and floorspace modelling

The employment projections are derived from CityPlan projections generated for the SRL Business and Investment Case. As described in Section 1, CityPlan is most effective representing strategic-level demands and patterns, and its reliability may diminish when the data is broken down by industry at a small-area level. The total job estimates for the Structure Plan Area are considered reliable for the purpose of structure planning. Nonetheless, to estimate floorspace demand by land use type, it is essential to analyse CityPlan job projections by industry at a small-area level.

It is important to recognise that while this report uses these projections as the best available information to estimate floorspace demand by land use type, the job and floorspace mix by industry may ultimately differ. This should be kept in mind when reviewing the calculated floorspace demand by land use type. The floorspace projections by use should not be considered definitive.

A common example is when industrial sector employment is projected to grow, but recent trends show a decline in industrial jobs at the local area, particularly as older industrial areas within a Structure Plan Area transition to other uses. In such cases, while the projections are used, the report highlights areas where actual growth in a specific industry may deviate from the forecast. This provides insight into how critical it is to accommodate the projected floorspace by specific land use type. Ultimately, the key priority is to ensure that the total jobs and overall employment floorspace are adequately provided in appropriate locations.

7.2 Overview of methodology for assessing floorspace demand

At a high level, the process of estimating floorspace demand involves the following steps:

1. Review of employment projections by industry group for the Structure Plan Area to understand the alignment with the industry outlook and future vision for the area. The detailed process for this review, and importantly, the limitations of the employment projections, are outlined in Section 7.3.

2. Determine the distribution of employment across different land uses; that is, the share of employment in each industry allocated to various land use types.

3. Establish workspace ratios (WSRs) for each land use type, indicating the amount of floorspace per employee / worker.

4. Calculate future floorspace demand. The estimate of future floorspace demand is calculated by:

5. Multiplying the 2041 employment projection for each industry by the share of that industry's employment allocated to each land use

6. Multiplying the employment allocated to each land use by the workspace ratio for that land use.

This method enables the adjustment of workspace ratios and employment land use shares at a Structure Plan Area level to reflect the unique nature of employment in each area. An example of this calculation is described here, noting the below are generic numbers for illustration:

Total Health jobs for the Structure Plan Area are an estimated 10,000 in 2041.

Health jobs in the Structure Plan Area in future are estimated to in future comprise 60% on dedicated health floorspace (such as a hospital) and 40% on office land uses.

The workspace ratio for the health land use is estimated at 40 per worker, with 20 sq.m per worker for office land use.

The health land use floorspace estimate is therefore 240,000 sq.m (10,000 workers x 60% x 40 sq.m) and for office space 80,000 sq.m (10,000 workers x 40% x 20 sq.m).

This process is repeated for each industry group to forecast total floorspace demand for each land use type.

Where appropriate, tests have been undertaken to ensure known future supply would fit within the projected outcomes. For illustration, if a development was under construction in the Structure Plan Area that was to deliver office floorspace for 1000 health care and social assistance jobs, the future movement of health care and social assistance jobs into office floorspace would be adjusted to ensure this known supply is accounted for.

The high-level methodology is shown in Figure 7.1 adjacent. More detail about the methodology for assessing floorspace demand is provided in Appendix E. The following sub-sections describe in detail the estimation of the distribution of industry employment into different land uses, and appropriate workspace ratios.
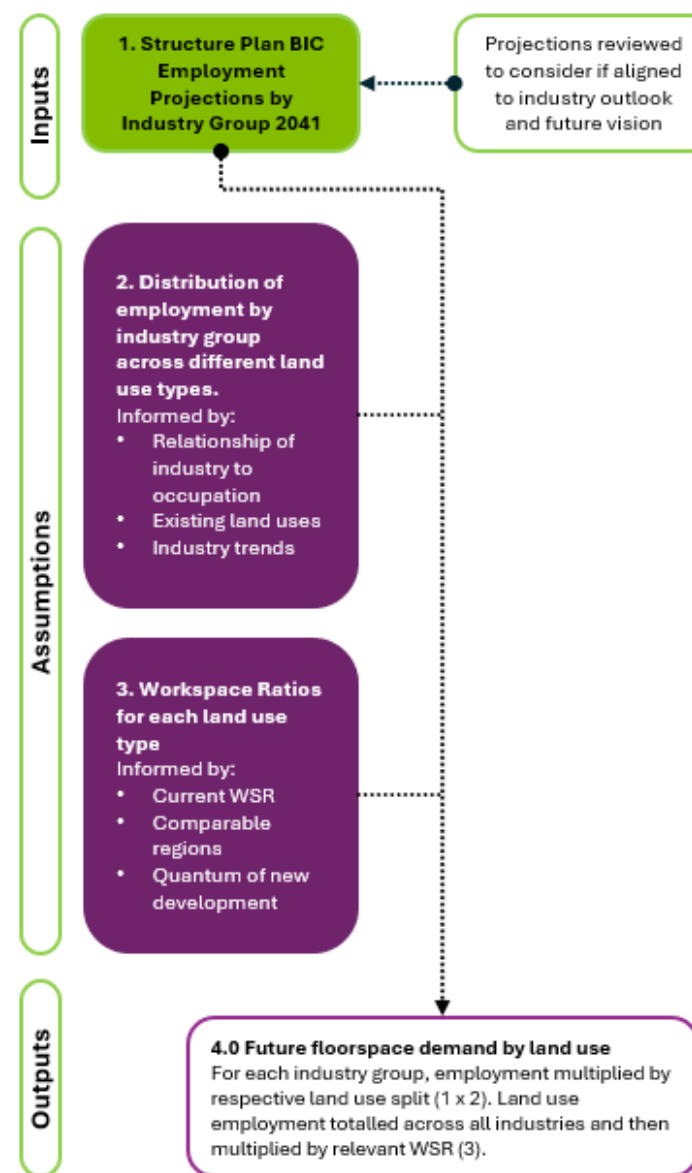
FIGURE 7.1 OVERVIEW OF FLOORSPACE DEMAND METHODOLOGY

Source: AJM-JV

7.3   Review of employment projections

The employment projections are derived from CityPlan projections generated for the SRL Business and Investment Case. Given the limitations of using this dataset at the small-area level (refer discussion in Section 7.1) the employment projections were evaluated by taking into account the following factors:

To this end, the employment projections for the Structure Plan were evaluated by taking into account the following factors:

- The current economic role and competitive strengths of the Structure Plan Area

- Historical industry and employment patterns

- Broader industry trends and forecasts

- Consideration of the anticipated employment role and focus of the Structure Plan Area.

This review is summarised in Appendix D.

The aim of is activity is **not to create revised employment projections** for the Structure Plan area, but to highlight where the industry mix may vary from that projected or where additional support may be required to achieve the total employment projection for the Structure Plan Area.

7.4   Deriving employment land use shares

Employment land use share refers to the distribution of workers by land use type.

These proportions capture the distinct employment characteristics of certain areas alongside overarching trends in each industry. For instance, in the industrial sector, the prevailing trend towards job automation suggests that employment will shift towards supportive or administrative roles in office space rather than manual or traditional industrial positions in industrial space.

To estimate the proportion of employees in each industry allocated to various land use categories by 2041, the following steps were undertaken:

- The relationship between occupations and industries was reviewed. Using ABS Occupation level 4 data, cross-referenced against the industry of work

(that is, a worker in occupation x is employed in industry y, z, etc.) provides an indication of the type of floorspace or land use required for an occupation mix (such as an accountant employed in the industrial sector more likely creates a need for office space rather than industrial land use typologies).

- Analysed data from the floorspace audit in the Structure Plan Area to understand the potential land uses workers recorded in each destination zone could work in.

- Manual checks where appropriate to assess any significant deviations from normal range of workspace ratio outcomes.

- Assessed the shift in workers by industry toward different floorspace types over time outlined earlier in this report (such as health workers using office space at a higher intensity), considering available time series data indicating change over time in workspace ratios (such as the City of Melbourne Census of Land Use and Employment).

This process is described more in Appendix E, with details of the assumptions adopted for the Structure Plan Area shown in Section 9.

7.5   Deriving workspace ratios

Workspace ratios represent the amount of floorspace allocated to each worker in a work environment. Although there are typical ranges that are often noted, these can fluctuate depending on factors such as location, industry sector, and the specific needs of individual businesses.

This analysis undertaken establishes a workspace ratio (WSR) for each land use type (such as office, health, education, retail) as opposed to a workspace ratio for each industry. This is due to there being variation between workspace ratios in an industry, depending more on the nature of the occupations and workspaces used in that industry in a particular location.

To estimate the workspace ratio for each land use type at 2041:

- Based on the density of employment over land area in the ABS's Statistical Areas Level 2 (SA2s) around Australia, **the nature of development and building typologies were reviewed** in other precincts to identify areas that are likely comparable to the future outcome in the Structure Plan Area. These

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- comparable help inform the appropriate future workspace ratios and likely levels of growth.

- The **current workspace ratio of each land use type in the Structure Plan Area was estimated** by combining the floorspace audit with jobs by industry and destination zone geography derived from the 2021 ABS Census of Population and Housing. This is brought to a Gross Leasable Area (GLA) level to be comparable with benchmarks. This was done referencing building-level City of Melbourne CLUE data to remove common areas and similar spaces.

- Estimates of current average workspace ratios across different regions in Australia were reviewed to understand **how the Structure Plan Area compares to other regions** and to understand where workspace ratios might move over time. This comparison indicates the efficiency of the space used relative to current standards elsewhere, noting workspace ratios can be influenced by factors such as the age and nature of floorspace, the presence of vacant space, and the specific types of jobs supported in an industry.

- Available data on annual growth in locations around Australia were reviewed and tested where the Structure Plan Area would sit along the range of historical values at different workspace ratio scenarios. In conjunction with the first check, this allows for a sense check on the level of growth that would need to occur to reach an overall workspace ratio outcome. For example, if a Structure Plan Area without a hospital would require health jobs to grow at a level that is comparable to Parkville in Melbourne to reach a workspace ratio outcome, this would be deemed not appropriate.

- **How much of the future floorspace will be new versus old was estimated**. Newer, modern buildings are typically more efficient, accommodating more workers for a given floor area (that is, a lower WSR). The greater the share of future floorspace that will be new, the greater the shift down to more efficient workspace ratios for the area. The proportion of space that is new vs. old is estimated using benchmarks from the City of Melbourne Census Land Use and Employment (CLUE) data and the City of Melbourne Development Activity Monitor. For example, there was an additional 800,000 sq.m of office floorspace added to the City of Melbourne in the past decade, but the difference in the count of total stock was only

400,000, it can be assumed that 0.5 sq.m is removed for each sq.m of new stock.

- **Downward trend in workspace ratios as a result of flexible working arrangements.** The increasing prevalence of flexible working arrangements has led to a reduction in the amount of floorspace needed to host workers per day. If a worker moves from needing 20 square metres of employment across five days down to four days per week, on average they will require 16 square metres per week (4 days/5 days times 20 sq.m of floorspace). This will put generalised downward pressure on most floorspace typologies.

- Bringing all of these checks together, a narrower range of possible WSRs can be tested to determine a workspace ratio that reflects appropriate benchmark locations, aligns with broader workspace trends for that industry, and suits the context of the Structure Plan Area.

7.6   Peer review

This technical report has been independently peer reviewed by Julian Szfraniec of SGS Economics & Planning. The peer review report is attached as Appendix F of this report, which sets out the peer reviewer's opinion on the SRL East Draft Structure Plan - Economic Profile Technical Report.

8. Employment projections

This section presents the employment projections for the Structure Plan Area and at a high-level, assesses how appropriate these projections are in terms of their alignment with the anticipated future role of the Structure Plan Area.
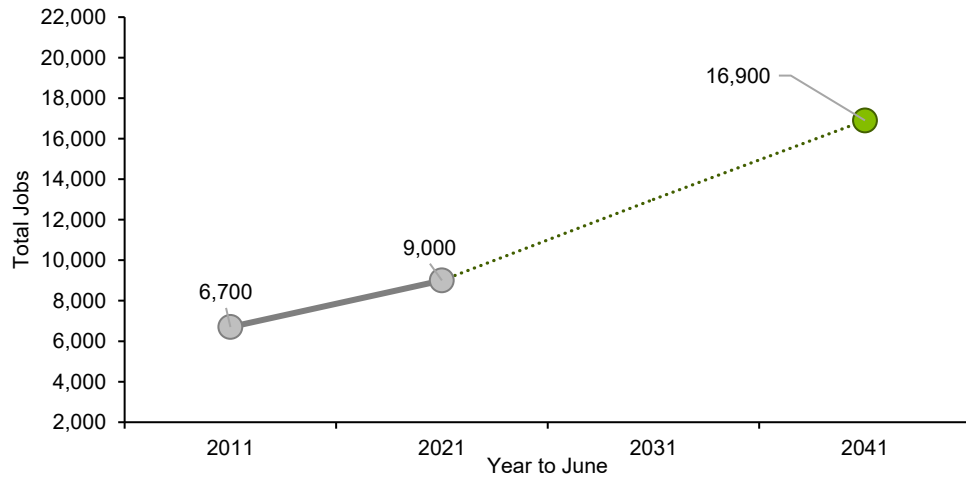
8.1 Burwood Structure Plan Area employment projections

Figure 8.1 shows the employment projections to 2041 for the Burwood Structure Plan Area. Comparable numbers sourced from the 2011 and 2021 Censuses provide context to the projected growth.

Compared to recent trends, it appears the employment projections represent a slight shift upwards in trajectory for the Burwood Structure Plan Area. Whether the change anticipated from the introduction of SRL East and supportive policy environment is sufficient to support this growth is discussed more in the next sub-section.

TABLE 8.1 shows the employment projections by broad industry groups as well as the comparison at a total level for the 1600m level with the structure plan area. All sectors are forecast to grow strongly in the Burwood Structure Plan Area to 2041:

- Education and training is forecast to see the highest increase, with an additional 120 workers per year. While this growth rate is substantial, it is comparable to the pace observed between 2011 and 2021. This growth will be reliant on very strong student growth and Deakin's intentions.

- Health is expected to maintain its relatively small role in Burwood, broadly growing to support population growth.

- BIC forecasts predict significant growth in professional services employment within the Structure Plan Area, necessitating a substantial turnaround from the stagnant growth observed over the past decade.

- Other Population Services is forecast to grow strongly, to serve a growing number of residents, workers and students.

- Industrial employment is forecast to moderately, reflective of its smaller role within the Structure Plan Area.

FIGURE 8.1 HISTORICAL AND FORECAST EMPLOYMENT IN THE BURWOOD STRUCTURE PLAN AREA, 2011–2041

Source: ABS Census 2011 and 2021, BIC 2021; AJM-JV

TABLE 8.1 BURWOOD STRUCTURE PLAN AREA TOTAL WORKERS AND ANNUAL GROWTH BY INDUSTRY, 2011–2041

BROAD INDUSTRY SECTOR	WORKERS			ANNUAL CHANGE (NO.)		ANNUAL CHANGE (%)	
	2011	2021	2041	2011-21	2021-41	2011-21	2021-41
Education and Training	2700	4000	6400	130	120	4.0%	2.4%
Health Care and Social Assistance	300	600	800	30	10	7.2%	1.4%
Professional Services	1200	1200	3500	0	115	0.0%	5.5%
Other Population Services	1300	2300	4400	100	105	5.9%	3.3%
Industrial	1100	1000	1800	-10	40	-0.9%	3.0%
Structure Plan Total	**6700**	**9000**	**16,900**	**230**	**395**	**3.0%**	**3.2%**
1600m Total	**7200**	**9400**	**19,000**	**220**	**480**	**2.7%**	**3.6%**

Source: ABS Census 2011 and 2021, CityPlan for 1600m and derived from CityPlan for Structure Plan Area (published in SRL BIC); AJM-JV

8.2　Review of employment projections

This sub-section reviews the projections of the SRL East Business and Investment Case (BIC) at a broad industry level to assess their alignment with the industry outlook and future vision for the area.

As noted in Section 7.1 the employment projections are derived from a metropolitan-wide strategic model, they are best used for regional or corridor analysis rather than at a small area level. While it provides accurate total employment figures at the Structure Plan Area level, the industry breakdown may be less precise, particularly for smaller industries.

Therefore, it is necessary to conduct a sense-check to ensure that projections for the Structure Plan Area align with expectations for future growth. This evaluation is crucial because if the forecasts are overly optimistic, there might not be as great a requirement to accommodate modelled floorspace demand. Conversely, if the projections are thought to be accurate or potentially on the low side, accommodating the necessary floorspace becomes imperative. When evaluating the general suitability of the Structure Plan Area projections, these questions were considered:

- Do the projections align with the present economic conditions and past growth patterns?

- Do the projections correspond with wider industry trends?

- Do the projections align with the vision for the Structure Plan Area and its competitive strengths?

- The overall alignment of the industry projections is subsequently assessed.

Table 8.2 summarises the extent to which the industry projections align with expectations of the future order of growth for the Structure Plan Area. More detail about the assessment of the employment projections is provided in Appendix D.

TABLE 8.2 BURWOOD STRUCTURE PLAN AREA REVIEW OF INDUSTRY LEVEL EMPLOYMENT PROJECTIONS

		% SHARE OF TOTAL EMPLOYMENT	REVIEW OF EMPLOYMENT PROJECTIONS	IS THE INDUSTRY-LEVEL FLOORSPACE ESTIMATE LIKELY TO NEED TO BE ACCOMODATED?
	Total Employment	-	The Employment forecasts almost double the number of jobs in the Burwood Structure Plan Area by 2041.However, this is achieved by maintaining the growth rate at around 3% to 3.2% per annum. Growth in jobs is likely to be supported by the opportunity created by new rail connectivity, a new town centre in Burwood, but will require continued growth of Burwood's education sector.	Structure planning should seek to accommodate for the total additional projected floorspace through to 2041. The total employment projections for the Structure Plan Area are considered an accurate estimate that is an appropriate base to plan for through to 2041.
	Professional Services	13%	Achieving the 2041 forecast will require a substantial shift from stagnant to high growth. This could potentially be accomplished by a range of actions, including partnering with the University to actively attract more businesses to the area and ensuring that the future town centre and nearby commercial areas at Burwood are of a suitable scale and amenity to support this transition.	Structure planning should aim to accommodate the projected floorspace demand for professional services to encourage the development and delivery of high-value employment. However, it should be recognised that forecast growth in professional services would require a significant shift from past growth trends that may not match market demand. The SRL station will assist this shift, but further economic development initiatives may be necessary.
	Health	7%	The 2041 forecast is suitable for the health sector in the Burwood Structure Plan Area, as it reflects its limited role in providing primary health care services to the local population.	Structure Planning should account for projected floorspace demand in health.
	Education	44%	The 2041 forecast continues strong growth in the education sector, broadly in line with historic trends in the Structure Plan Area. Realising this growth is entirely dependent on the intentions of the educational stakeholders in the area. Further consideration of Deakin University's future growth plans against these strong projections is needed, along with acknowledging the impact Mt Scopus' potential relocation may have on achieving projected education job growth.	Projected floorspace should be planned for in the Structure Plan Area. However, any planning for tertiary education should align with Deakin University's long-term plans. Planning for future schools should be considered with the Department of Education and Training.
	Other population services	25%	Broadly, the 2041 forecast is a reasonable representation of likely growth in other population services, given the planned growth across employment, students and residents, and plans to create a new town centre around the Burwood SRL East Station.	Planning for retail floorspace should be guided by SRL East Retail Needs Assessment – Burwood. Planning for non-retail other population uses (i.e. accommodation, community infrastructure) should use the estimated floorspace as a guide, but again the specific floorspace demand should align with specialist reports.
	Industrial	11%	Achieving the industrial forecasts will require strong collaboration and alignment with Deakin University or other research institutes to foster high-value R&D and industrial activity in this location. Without this support, existing market trends are likely to result in a decline or stagnation in industrial jobs as the industrial areas transition away from traditional industrial activities.	Structure planning should aim to accommodate the projected floorspace demand for industrial but recognise the Burwood's industrial areas will need to increase worker density in order to achieve worker growth. This may require different built form outcomes relative to traditional industrial uses in these areas.

Source: AJM-JV

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8.3 Implications for the Burwood Structure Plan

The implications of the employment projections for the development of the Burwood Structure Plan include:

- Overall, the total employment projections for the Structure Plan Area are considered an accurate estimate that is an appropriate base to plan for through to 2041. Therefore, Structure Planning should plan for the total additional projected floorspace through to 2041.

- At an industry level, forecasts indicate reasonable growth expectations for the health sector, reflecting the modest local role it will continue to play.

- Similarly, forecasts for other population services are reasonable and support the establishment of a town centre at the new Burwood SRL East Station. Planning should consider the projected demand for floorspace, but also consider the detailed recommendations of the SRL East Structure Plan - Retail Assessment – Burwood.

- Forecasts project high employment growth for education, professional services and the industrial sector. These projections may be achieved if there is alignment with the long-term growth plans of key stakeholders, particularly Deakin University. Planning should seek to accommodate the modelled floorspace demand to encourage development and delivery of high-value employment. It should be recognised that growth in these areas would require a significant shift from past growth trends that may not match market demand. Industrial demand may take a different form or see a shift in jobs to other industry sectors.

9. Future employment floorspace needs

This section presents the anticipated employment floorspace necessary to support the projected employment figures in the Burwood Structure Plan Area, along with the specific land use assumptions and workspace ratios utilised to calculate these needs. Consideration is also given to whether the market will deliver the projected growth, and the locational preferences and built-form typologies likely required.

> **Note:**
>
> *The role of this report is to translate the employment projections for the Structure Plan Area into floorspace outcomes. Whilst the previous section considered the consistency of the employment projections by industry with past growth and anticipated change in the Structure Plan Area, **these projections are adopted as the basis of analysis in this section without variation.** The key outcome of this section is to identify the floorspace by use required to accommodate the projected employment levels. Given the potential variation in employment outcomes, there may be instances where floorspace requirements are lower or higher than estimates provided in this section. Consequently, at the end of this section, the floorspace estimates are also tested to identify the likelihood of that space being required and how critical it is that structure planning accommodates the estimated floorspace.*

9.1 Structure Plan employment land use share assumptions

To project out the floorspace requirements for the Burwood Structure Plan Area, it is important to first estimate the number of workers by the type of floorspace that they are, or will be, accommodated within.

As described in the methodology (Section 7 and Appendix E), to estimate the share of workers by industry in each floorspace use we have used a combination of estimating the current land use to employment relationship, and reference to

observed trends in industry-level shifts towards different land uses in comparable precincts.

Where appropriate, tests have been undertaken to ensure known future supply would fit within the projected outcomes.

Table 9.1 highlights the estimated current and future (2041) split of workers by floorspace type. Significant upward and downward shifts are highlighted.

Evidently, office floorspace is likely to play an increasingly important role in Burwood through an uptick in professional services employment and as other industries increasingly use office floorspace.

The education sector is expected to utilise slightly more office-style typologies as educational buildings become more flexible and mixed-use, integrating a greater share of office space within their facilities and optimising some teaching areas.

Burwood currently has a significant industrial area with a range of occupants but the share of employment that is going to industrial floorspace is expected to fall out to 2041. This will be due to two competing impacts:

- Urban industrial floorspace will continue to change, seeing a greater mix of employment activities in these industrial areas. This trend is already occurring in Burwood's industrial precincts as noted in Section 3.5.

- Where not protected or where the occupant is not requiring to be in the locale of Burwood specifically, costs of land and relative highest and best use of land will push out industrial floorspace in favour of higher value activities.

Retail floorspace is the primary use for other population services. This use is expected to increase markedly from a relatively small base to meet the demand for the growing population and employment around Burwood. Retail and accommodation and food services industries are a part of other population services. Between 2021 and 2041 the share of other population services employment in retail typologies is estimated to increase from 29% up to 33%.

Trends into the future have been assessed with reference to Section 5 and iteratively adjusted through reviewing future developments outlined in Section 3.7.
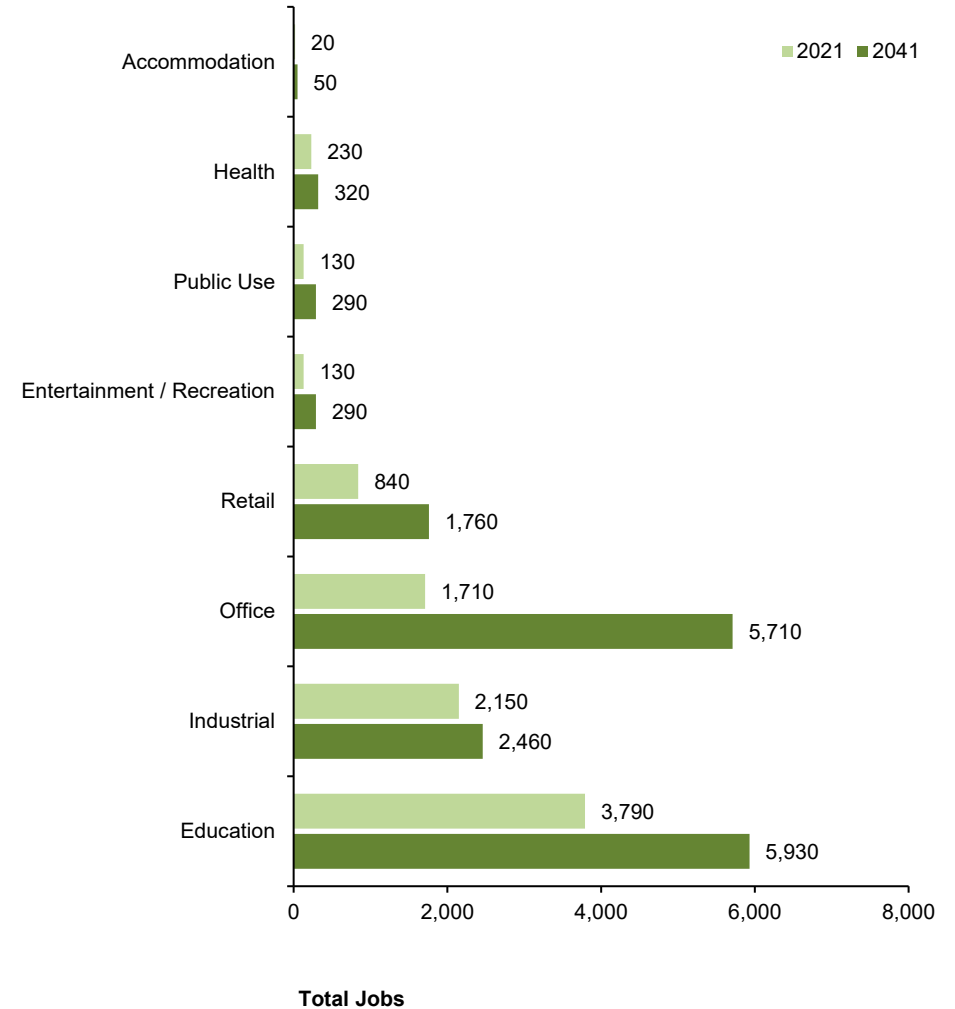
TABLE 9.1 BURWOOD STRUCTURE PLAN AREA LAND USE SHARE ASSUMPTIONS

	INDUSTRY SECTORS (EMPLOYMENT)									
	PROF. SERVICES		HEALTH		EDUCATION		OTHER POPULATION SERVICES		INDUSTRIAL	
LAND USE	2021	2041	2021	2041	2021	2041	2021	2041	2021	2041
Office	83%	92%	34%	51%	4%	9%	9%	23%	13%	29%
Health	1%	1%	32%	32%	0%	0%	0%	1%	1%	1%
Education	7%	4%	17%	10%	90%	87%	2%	3%	2%	3%
Retail	1%	1%	11%	7%	1%	2%	29%	33%	4%	5%
Industrial	3%	0%	5%	0%	4%	1%	52%	32%	72%	53%
Public Use	4%	2%	0%	0%	0%	0%	2%	3%	3%	5%
Accommodation	0%	0%	0%	0%	0%	0%	1%	1%	0%	1%
Entertainment / Recreation	1%	0%	0%	0%	1%	1%	4%	5%	0%	0%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Source: ABS, CLUE, AJM-JV. Yellow highlights significant upward shifts and grey shows significant downward shifts, between 2021 and 2041.

Figure 9.1 translates Table 9.1 into an employment projection by floorspace type. Note the total number of jobs is still fixed at the 2041 employment projections for the Structure Plan Area. Education will continue to be the largest employing floorspace type, followed by office, industrial and retail. This aligns with the key businesses and institutions in the area.

FIGURE 9.1 BURWOOD STRUCTURE PLAN, NUMBER OF WORKERS BY FLOORSPACE USE, 2021 - 2041

Source: Derived from CityPlan (published in SRL BIC), ABS Census of Population Aged 15+ [2021]; AJM-JV

9.2   Structure Plan Area workspace ratio assumptions

This sub-section considers the second broad key assumption in the employment floorspace modelling being the workspace ratio (WSR): the relationship between the number of workers in a use type and the floorspace required to accommodate them.

See Appendix E for a summary of the key findings of the workspace ratio analysis for the Burwood Structure Plan Area. This includes, for each land use, the estimated 2021 workspace ratio, the range identified from assessment of other locations, the benchmark locations identified for the Structure Plan Area with an associated image, results of testing the workspace ratio against projected employment growth, and finally, the estimated 2041 workspace ratio.

By combining the audit of floorspace in Burwood with the analysis of current worker numbers within the Structure Plan (Section 3), the workspace ratio of employment as of 2021 has been estimated.

This is important to provide a baseline for future shifts to be incorporated from, and more accurately estimate the need for floorspace going forward.

We note that a different approach is being taken for calculating future retail workspace ratios. Retail floorspace need is calculated in the SRL East Structure Plan - Retail Assessment – Burwood independent of the retail jobs projections. Retail jobs are calculated in this report with reference to Section 9.1 using a combination of ABS, AJM-JV research and the employment projections for the Structure Plan Area.

A workspace ratio is then derived by comparing the two different sources (floorspace divided by jobs). Since these may not be aligned, the workspace ratio change may be unrealistic. For example, if the projected growth in jobs based on BIC is substantially higher than the estimated retail floorspace need growth, the workspace ratio would decline to unrealistic levels. Any change in retail worker density should be read in conjunction with the discussion on the appropriateness of the BIC employment projections. This can be found in section 8.2.

Given our floorspace audit was undertaken using external building information, no common spaces or otherwise unleasable spaces have been removed from the building extents. To mitigate this, we have provided estimates for Gross Building Area (GBA) which is result of the floorspace audit, and Gross Leasable Area (GLA) which is the typical measure for workspace ratios. GBA to GLA conversion is different by land use with different proportions of total space going to non-employment space such as common areas and storage. This is shown in Appendix E using building level CLUE City of Melbourne data.
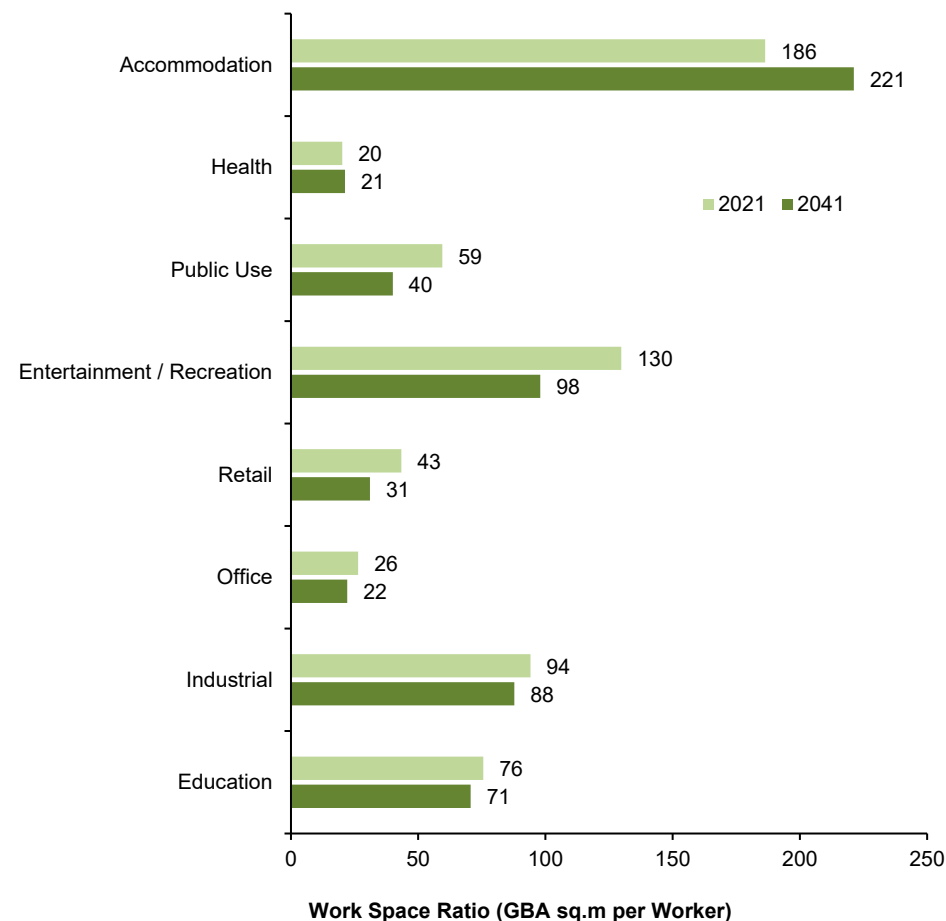
FIGURE 9.2 ESTIMATED WORKSPACE RATIO BY TYPE, GBA, BURWOOD STRUCTURE PLAN AREA 2021-2041
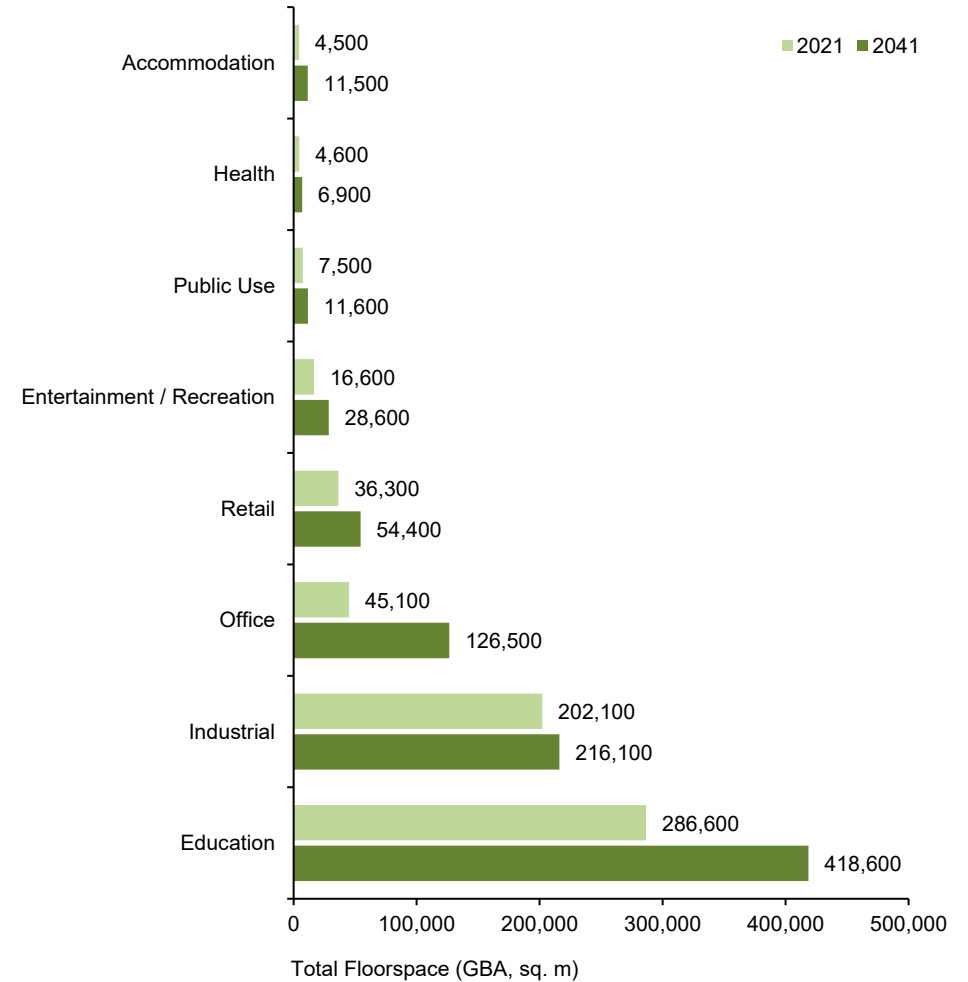
Source: AJM-JV

9.3 Future employment floorspace demand

Based on projected employment growth and typology/workspace ratio assumptions, the future employment floorspace demand in the Structure Plan Area to meet the employment projections is derived. This is shown in Figure 9.3.

This analysis indicates that realisation of the Structure Plan Area employment projections for 2041 for Burwood would require around 874,500 sq.m of employment floorspace.

In total, this is an additional 270,900 sq.m of floorspace above what is currently provided in the Structure Plan Area. We do note that this will be less than the total amount of new development that will occur as this figure is net of space removal. For example, we have estimated that around 80,000 sq.m of additional office floorspace will be required by 2041. Around 10,000 sq.m of office space will be removed to facilitate growth, meaning that total new development is in fact around 90,000 sq.m, rather than 80,000 sq.m.

Education will be the major driver of the floorspace increase, which will be dependent on the activities of Deakin University and the two schools.

FIGURE 9.3 ESTIMATED EMPLOYMENT FLOORSPACE BY TYPE, GBA, BURWOOD STRUCTURE PLAN AREA 2021-2041

Note: Retail floorspace figure in this table is the mid-point of the GBA range outlined in the Retail Needs Report.

Source: AJM-JV

TABLE 9.2 BURWOOD STRUCTURE PLAN TOTAL JOBS, WSR AND EMPLOYMENT FLOORSPACE, 2021-2041

LAND USE	TOTAL JOBS	AVERAGE WSR (GBA SQ.M PER WORKER)	FLOORSPACE 2021, (GBA)	FLOORSPACE 2041, (GBA)	ADDITIONAL FLOORSPACE 2021-2041 (GBA)
Education	5900	71	286,600	418,600	132,000
Industrial	2500	88	202,100	216,100	14,000
Office	5700	22	45,100	126,500	81,400
Retail	1800	32	36,300	54,400	18,100
Entertainment / Recreation	300	98	16,600	28,600	12,000
Public Use	300	40	7500	11,600	4100
Health	300	21	4600	6900	2300
Accommodation	100	221	4500	11,500	7000
Total	**16,900***	**-**	**603,300**	**874,200**	**270,900**

A small number of jobs are allocated to land uses such as student accommodation, aged care, carparking and utilities that are not explored in this report.

Note: Retail floorspace figure in this table is the mid-point of the GBA range outlined in the Retail Needs Report.

Source: Derived from CityPlan (published in SRL BIC); AJM-JV

9.4   Testing employment floorspace demand

This sub-section evaluates whether the market is likely to deliver the employment floorspace demand estimated. This is informed by assessing historical growth and development, as well as the current development pipeline, as detailed in Section 3. This indicates if there is evidence of existing market appetite for development of the scale required to meet employment and floorspace projections. It also informs consideration of whether further actions to support the delivery of employment floorspace in the Structure Plan Area will be necessary.

TABLE 9.3 BURWOOD STRUCTURE PLAN EMPLOYMENT FLOORSPACE DELIVERY CONSIDERATIONS

	EXAMPLES OF RECENT DEVELOPMENT IN THE STRUCTURE PLAN AREA	HOW WILL PIPELINE DEVELOPMENT CONTRIBUTE? [1] (GFA)		WILL FUTURE GROWTH BE DELIVERED BY THE MARKET WITH LIMITED INTERVENTION?
Office	Deakin Law Building constructed in 2020 included some office floorspace for academics. Small provision of office space as part of proposed six unit scale warehouse/office spaces at 11-13 Florence Street.	Nil. No major office development proposals identified.	🔴 (red)	**Unlikely.** Delivering the estimated office floorspace will necessitate a significant shift in key employment clusters across the Structure Plan Area. This includes accelerating the transition of industrial areas at a much faster rate than currently observed, collaborating with stakeholders such as Deakin University to align with growth plans, and developing a high-quality, high-amenity new town centre around the SRL East Station. Achieving this level of transformation across these areas will require substantial support to attract new businesses.
Health	Proposed Highbury Road Community Development which provides local consulting rooms and has around 2000sq.m GFA of health floorspace.	Approximately 85% from the proposed Highbury Road Community development.	🟢 (green)	**Highly likely.** Pipeline likely to deliver the small growth in health floorspace.
Education	Deakin Law Building constructed in 2020 is a modern, flexible teaching space over 6 levels.	Nil. No major education development proposals identified.	🔴 (red)	**Unlikely.** Delivery of education floorspace estimate largely relies on the intentions and strategies of Deakin University and other large schools in the Structure Plan Area. While there is considerable growth potential in the tertiary sector, it will ultimately be the responsibility of the University to determine how and where it accommodates this expansion. Similarly, Mt Scopus' potential relocation could also impact the realisation of the forecast education growth.
Retail	Limited change.	Nil. No major retail development proposals identified.	🟢 (green)	**Highly Likely.** There is a lack of concentrated retail space in the Structure Plan Area currently. The projected floorspace increase is likely to meet demand from the growing population and workforce. Should the opportunity be created, the private sector is expected to deliver a moderately-sized neighbourhood offer central to the area, with other retail space spread across the area.
Entertainment & recreation	Limited change.	Nil. No major entertainment and recreation development proposal identified.	🟢 (green)	**Highly Likely.** Entertainment and recreation concepts (i.e. cinemas, mini golf, bars etc) are increasingly popular within retail precincts. A new retail offer in Burwood is likely to include a small entertainment and retail component, particularly given the size of the adjacent student population at Deakin University.
Accommodation	Limited change.	Nil. No major accommodation development proposal identified.	🟢 (green)	**Highly Likely.** A new town centre, increased employment and an adjacent University are all likely to stimulate demand for an additional hotel in the Structure Plan Area.

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	EXAMPLES OF RECENT DEVELOPMENT IN THE STRUCTURE PLAN AREA	HOW WILL PIPELINE DEVELOPMENT CONTRIBUTE? [1] (GFA)	WILL FUTURE GROWTH BE DELIVERED BY THE MARKET WITH LIMITED INTERVENTION?	
Public use	Limited change.	**Nil.** No major public use development proposals identified.	🚦	**Highly likely.** Minor increase expected.
Industrial	Small provision of office space as part of proposed six unit scale warehouse/office spaces at 11-13 Florence Street.	**Nil.** No significant industrial development proposals identified.	🚦	**Likely.** Despite a significant level of change expected across the industrial areas as they transition towards higher density employment uses, the demand for additional industrial floorspace will be relatively modest. This new industrial floorspace will likely the be delivered as a part of mixed employment use developments.

Source: AJM-JV. Notes: 1. Refer to Section 3.7 for further details on pipeline development.

9.5 Location and form of future employment floorspace

Based on the general land use and industry locational preferences, and respective built-form typologies identified previously in Section 5 and detailed further in Appendix C. The table below summarises the location and built-form preferences for the land uses assessed within the Structure Plan Area.

TABLE 9.4 BURWOOD STRUCTURE PLAN EMPLOYMENT FLOORSPACE LOCATION AND FORM

	LOCATIONAL PREFERENCES	BUILT FORM TYPOLOGIES	EXAMPLE TYPOLOGIES *Refer to Appendix C- Figures C1 to C5*
Office	• Some provision within a new Burwood town centre directly around the new SRL East Station. • On the Deakin University site within walking distance of the SRL East Station. • Within the existing industrial areas either close to Burwood Highway or within walking distance to the SRL East Station. • Redevelopment and intensification of Greenwood Business Park.	• Mid-rise office or mixed-use office buildings directly around the SRL East Station. • Integrated with education buildings on the Deakin University site. • Business park style or integrated into modern warehouse/office developments in the industrial areas.	*Mixed use offices at Walk Up Village Collingwood, office in education buildings at Melbourne Connect. Modern warehouse/industrial at Cheltenham Quarter.*
Health	• Primarily, new Burwood town centre directly around the new SRL East Station. • Some along Burwood Highway corridor.	• Mixed tenure consulting rooms. • Smaller medical consulting suites in the town centre core.	*Mixed tenure consulting rooms at Clayton Medical Centre, or as currently proposed Highbury Road Community Development (see Section 3.6), smaller consulting rooms in retail-based environments*
Education	• Tertiary education primarily on Deakin University site. • Tertiary education could also be located as part of mixed use buildings in town centre core or research related within the industrial areas. • School education to intensify on existing school sites both in and around the Structure Plan area.	• Tertiary education buildings, with potential for integrated office, research and incubator space. • Integrated campus with a mix of education, office, research, incubator, student amenities and private sector spaces. • High density schools.	*Integrated campuses within a town centre at 1PSq, Parramatta (or Melbourne Connect above), University of Wollongong Innovation campus 'business park' and higher density schools. Recent Deakin University Law School also an example of a modern, flexible tertiary education space- see Section 3.6.*

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	LOCATIONAL PREFERENCES	BUILT FORM TYPOLOGIES	EXAMPLE TYPOLOGIES *Refer to Appendix C- Figures C1 to C5*
Accomm'n	• Primarily, new Burwood town centre directly around the new SRL East Station. • Potentially, the Deakin University site within walking distance of the SRL East Station.	• Accommodation within a mixed-use building, i.e. education, health, office, or retail. • Medium rise hotels or serviced apartments.	 *Nestuo Curtin Hotel Perth, accommodation integrated with education uses on a University, accommodation mixed with other uses in town centre setting as shown in the Veriu Collingwood*
Retail	• Primarily, new Burwood town centre directly around the new SRL East Station. • Some retail on the Deakin University site within walking distance of the SRL East Station. • Burwood Highway corridor towards Warrigal Road • Smaller, convenient facilities through employment areas and proximate to residential pockets.	• Fine grain shops around the station anchored by a supermarket, as per the recommendations of the SRL East Structure Plan - Retail Assessment – Burwood. • Fine grain retail in some limited existing commercial areas. • Showrooms along Burwood Highway.	 *Fine grain retail streetscape at Central Market, Adelaide and street/centre based retail in Highett Activity Centre*
Entertainme nt & rec.	• Primarily, new Burwood town centre directly around the new SRL East Station. • Some retail on the Deakin University site within walking distance of the SRL East Station.	• Within street-based and centre retail environments.	 *Social Quarter Chadstone, for Burwood this concept would be within a town centre rather than shopping centre & Bridge Road Brewery, Brunswick East*
Public use	• Primarily, new Burwood town centre directly around the new SRL East Station. • Other locations across Structure Plan area depending on the specific needs of the public use activity.	• Range of buildings depending on the specific uses. • Either integrated into mixed use building or a community focused precinct combining a range of public focused uses.	 *Narrm Ngarru Library, Melbourne and Clayton Library with community facilities*

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	LOCATIONAL PREFERENCES	BUILT FORM TYPOLOGIES	EXAMPLE TYPOLOGIES *Refer to Appendix C- Figures C1 to C5*
Industrial	• Highbury Road industrial area. • Huntingdale Road industrial area.	• Mixed office/industrial and mixed employment uses towards Burwood Highway or in Highbury Road industrial area east of Gardiners Creek. • Potentially modern business park style in longer term in areas with excellent access to the SRL East Station and pending site amalgamation.	 *Modern industrial/office at Work Belrose or Cheltenham Quarter. Modern business park at Caribbean Business Park,*

Source: AJM-JV

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9.6　Implications for Burwood Structure Plan

The employment floorspace estimates presented in this section need to be considered in preparing the Structure Plan:

- According to floorspace modelling through to 2041, Burwood is projected to need an additional 270,900 sq.m of floorspace beyond what is currently developed. This increase will primarily come from expanding education, retail, and office spaces in the Structure Plan Area, which collectively account for 90 percent of the forecast employment floorspace growth. This new development should be concentrated around the new Burwood town centre, on the Deakin University campus, or extending along the Burwood Highway frontage to the west, and in existing industrial areas near the future SRL East Station.

- Delivering the forecast education floorspace will require actions beyond Structure Planning, primarily through stakeholder engagement to ensure alignment with Deakin University's long-term growth plans. Additionally, the potential relocation of Mt Scopus could impact the realisation of the projected education growth.

- Delivering a high-quality, high-amenity town centre in Burwood around the SRL East Station will be important in supporting a share of the office space growth needed to meet employment projections. This development is also likely to accelerate the transition of nearby industrial areas toward office-based uses. Further steps may include engaging with the University to foster partnerships and collaboration opportunities that can drive demand for office floorspace close to the University.

- Forecast industrial floorspace is relatively modest and likely to be accommodated as part of mixed office/industrial developments in the Highbury Road and Huntingdale Road Industrial Areas.

Part D: Summary and Recommendations

Part D includes:

- **Section 10** summarises the findings of the assessment provided in the previous sections.

- **Section 11** makes recommendations for employment floorspace planning and development to consider when developing the Structure Plan.

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10. Summary of findings

This section summarises the demand for employment floorspace in the Burwood Structure Plan Area and the driving factors behind it. These provide the basis for the recommendations to inform the development of the Burwood Structure Plan.

10.1 Employment policy expectations and goals

Victorian and local government priorities that should guide Burwood's long-term employment role, and the distribution of employment growth and floorspace across the Structure Plan Area are:

- Increasing **employment opportunities** outside the Melbourne CBD is an objective of the Victorian Government, Monash Council and Whitehorse City Council. Burwood is a designated education precinct in the state's planning strategy, Plan Melbourne. SRL East will increase accessibility to this education precinct along with establishing a town centre around the new station. Structure planning should support an increase of employment in appropriate locations within the Structure Plan Area.

- As an important **education precinct** identified by Plan Melbourne, structure planning should ensure sure that Burwood's education activities are optimised to serve this purpose. The Structure Plan should advocate for close engagement with key education providers in the Structure Plan area to help maximise potential collaboration, create more jobs locally and boost the knowledge-based economy.

- Plan Melbourne does not currently designate a major activity centre within the Burwood Structure Plan Area. Establishment of a 20-minute neighbourhood around the Burwood SRL East Station, as directed by the Plan Melbourne 2019 Addendum, will drive demand for a greater mix of services and activities to support a larger population. This will also create a need to increase employment opportunities close to home.

- Burwood's two industrial areas play an important local services role. Current local policy supports retention of local industrial activity but recognises there is potential for more intensive employment activity towards Burwood Highway and around Highbury Road.

10.2 Opportunity for suburban employment growth

Growing suburban employment hubs outside the CBD is a significant departure from historical trends and current norms. This is particularly so for the professional services jobs, which have historically concentrated in and around the Melbourne CBD. Learning from Sydney's experience, a range of factors need to be in place to grow professional services in suburban employment hubs. The Sydney experience also shows the mix of suburban employment varies depending on the attributes of the local area.

Based on an assessment of suburban office hub attributes, Burwood has relatively limited potential to support a major increase in professional services employment and a larger office hub. There is an opportunity to attract businesses aligned with Deakin University's R&D activities, which are likely to require a mix of office, R&D, and light industrial spaces. Burwood's industrial areas are likely to provide space for a wide range of businesses which require a mix of office and other floorspace.

10.3 Future economic role of Burwood Structure Plan Area

Burwood's economy has experienced solid growth over the past decade, primarily driven by significant worker growth in the education sector. This sector remains a clear specialisation for Burwood and is likely to continue defining its future growth. Other industries have seen minimal growth, with some, like professional services, stagnating.

Looking ahead, education will continue to shape the nature of Burwood and drive demand across various supporting sectors. The development of a new town centre around the future SRL East Station presents an opportunity to enhance focus and

amenities in Burwood. This town centre could include office space, along with a range of retail and other services, to support local students, workers, and residents. Leveraging R&D and collaboration opportunities from the University will also help drive new employment growth in and around Burwood's industrial precinct. These industrial areas will also continue to play a local service role.

A review of the Burwood local economy, its competitive positioning, and the outlook for key sectors undertaken for this assessment has identified Burwood's elevated economic role as a leading education precinct in Melbourne, supported by greater mix of employment activity.

This is underpinned by the future role and opportunity for each of the industry sectors in the Burwood Structure Plan Area:

- **Education:** Defined by its established University and two large private schools, Burwood will continue to be recognised as an education precinct offering a wide range of educational opportunities. These key institutions can play a significant role in job growth and drive demand for various services and activities across other sectors.

- **Other Population Services:** Increasing amenities and population-focused services will be essential to support the future growth of residents, workers, and students in the Burwood Structure Plan Area**.**

- **Professional Services:** While continuing to play a smaller role in the Structure Plan Area, professional services have the potential to grow by leveraging the presence of the University and supporting a growing local population.

- **Industrial:** The industrial sector is likely to play a diminishing role in the Structure Plan Area as the industrial precincts transition towards mixed employment uses. However, industrial areas will continue to also play an important local services role.

10.4   Employment forecasts to 2041

Figure 10.1 shows the forecast employment growth in the Burwood Structure Plan Area to 2041, derived from the forecasts in the CityPlan (published in the SRL BIC). It shows substantial forecast growth, with an additional 7900 workers in the Structure Plan Area forecast by 2041 relative to 2021.
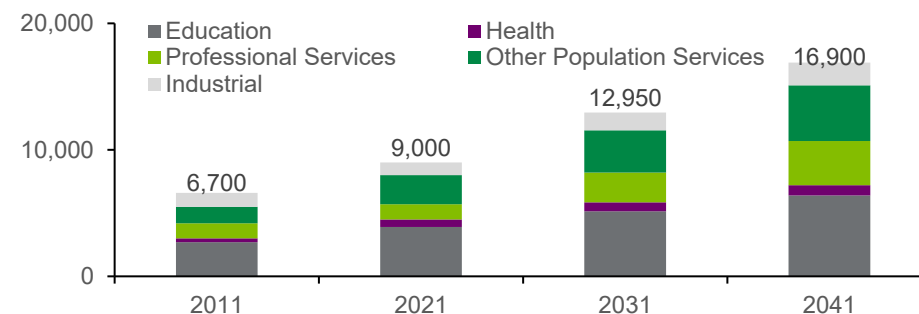
FIGURE 10.1 HISTORICAL AND FORECAST EMPLOYMENT IN THE BURWOOD STRUCTURE PLAN AREA, 2011–2041

Source: Derived from CityPlan (published in SRL BIC); ABS

Overall, the total employment projections for the Structure Plan Area are considered an accurate estimate that is an appropriate base to plan for through to 2041. Therefore, Structure Planning should plan for the total additional projected floorspace through to 2041.

The employment forecasts for each sector identified in this assessment indicate reasonable growth the health sector and other population services, as they grow to meet a larger number of workers, residents and students in the Structure Plan Area.

The employment projections for the Structure Plan Area project high demand for education, professional services and the industrial sector. These projections may be achieved if there is alignment with the long-term growth plans of key stakeholders, particularly Deakin University. Planning should thus seek to create the opportunity for the modelled floorspace to be delivered to encourage development and delivery of high-value employment.

10.5   Total employment floorspace demand

The floorspace modelling takes the 2041 employment forecast by sector and converts these into a floorspace estimate across a range of employment uses. The modelling uses workspace ratios (WSR) developed specifically for the Burwood Structure Plan Area, taking account the existing density of workers and future workplace trends.

The modelling indicates the Burwood Structure Plan Area will need to accommodate an additional 270,900 sq.m of floorspace above what is currently provided. This will be less than the total amount of new development that will occur as this floorspace is net of space removal.

Table 10.1 shows current floorspace according to use in the Structure Plan Area, and the additional forecast floorspace required by 2041.

TABLE 10.1 BURWOOD STRUCTURE PLAN AREA, EMPLOYMENT FLOORSPACE REQUIREMENTS (SQ.M)

LAND USE	FLOORSPACE 2021, (GBA)	FLOORSPACE 2041, (GBA)	ADDITIONAL FLOORSPACE 2021-2041 (GBA)
Education	286,600	418,600	132,000
Industrial	202,100	216,100	14,000
Office	45,100	126,500	81,400
Retail	36,300	54,400	18,100
Entertainment / Recreation	16,600	28,600	12,000
Public Use	7500	11,600	4100
Health	4600	6900	2300
Accommodation	4500	11,500	7000
Total	603,300	874,200	270,900

Note: Retail floorspace figure in this table is the mid-point of the GBA range outlined in the Retail Needs Report.

Source: Derived from CityPlan (published in SRL BIC); AJM-JV

10.6 Potential for employment floorspace to be delivered

This economic assessment reviewed the potential for the market to deliver the employment floorspace demand estimated for the Burwood Structure Plan Area. This is informed by assessing historical growth and development, as well as the current development pipeline. This indicates if there is evidence of existing market appetite for development of the scale required to meet employment and floorspace projections. It also informs consideration of whether further actions to support the delivery of employment floorspace in the Structure Plan Area will be necessary. Table 10.2 summarises the results of the review.

TABLE 10.2 EMPLOYMENT FLOORSPACE DELIVERY POTENTIAL

High potential to be delivered by market	• **Retail:** There is a lack of concentrated retail space in the Structure Plan Area currently. The projected floorspace increase is likely to meet demand from the growing population and workforce. Should the opportunity be created, the private sector is expected to deliver a moderately-sized neighbourhood offer central to the area, with other retail space through mixed use development elsewhere. • **Health:** Will be underpinned by the large increase in resident and worker numbers in the Structure Plan Area and will require a small increase in local health services to support it. • **Accommodation:** A new town centre, increased employment and an adjacent University are all likely to stimulate demand for an additional hotel in the Structure Plan Area. • **Entertainment and recreation:** Entertainment and recreation concepts are increasingly popular within retail precincts. A new retail offer in Burwood is likely to include a small entertainment and retail component, particularly given the size of the adjacent student population at Deakin University. • **Public use:** Small increase in public use floorspace will likely be achieved with future community infrastructure planning.
Moderate potential to be delivered by market	• **Industrial:** Despite a significant level of change expected across the industrial areas as they transition towards higher density employment uses, the demand for additional industrial floorspace will be relatively modest. This new industrial floorspace will likely the be delivered as a part of mixed employment developments.
Low potential to be delivered by market	• **Education:** Delivery of the education floorspace estimate largely relies on the intentions and strategies of Deakin University and other large schools in the Structure Plan Area. While there is considerable growth potential in the tertiary sector, it will ultimately be the responsibility of the University to determine how and where it accommodates this expansion. Similarly, Mt Scopus's potential relocation could also impact the realisation of the forecast education growth. • **Office:** Delivering the estimated office floorspace will necessitate a significant shift in key employment clusters across the Structure Plan Area. This includes accelerating the transition of industrial areas at a much faster rate than currently observed, collaborating with stakeholders such as Deakin University to align with growth plans, and developing a high-quality, high-amenity new town centre around the SRL East Station. Achieving this level of transformation across these areas will require substantial business attraction efforts as Burwood is not recognised as an office hub currently.

11. Recommendations and opportunities

This section makes recommendations to ensure the right amount and type of employment floorspace is delivered in the right locations in the Structure Plan Area.

For each category of employment floorspace, the amount of floorspace required is recommended, along with its optimal spatial distribution and appropriate building typologies. Additional actions considered necessary to achieve the economic vision for the Burwood Structure Plan Area are recommended.

These recommendations are summarised with the locations shown in Figure 11.1 at the end of this section. The numbers on the figure refer to the numbers of the recommendations below.

11.1 Recommendations for structure planning

11.1.1 OFFICE FLOORSPACE

Recommendation 1: Plan for an additional 80,000 sq.m GBA of office space across the Structure Plan Area in appropriate locations including Burwood Town Centre and along the Burwood Highway corridor.

Future planning should allow for around an additional 80,000 sq.m GBA of additional office floorspace across the Structure Plan Area. A range of potential office locations across the Structure Plan Area will help accommodate both emerging and established businesses.

New office floorspace should be supported close to the new Burwood SRL East Station, providing access to the rail and new town centre amenities. This area would be suited to a moderate provision of medium density offices, in both standalone or mixed use buildings.

The southern part of Deakin University, towards Burwood Highway, could also accommodate a range of office floorspace and help foster potential private sector/university collaboration opportunities. Office floorspace here could be as part of mixed-use education buildings.

Similarly, office uses would help intensify employment activity along the Burwood Highway west of Cromwell Street, leveraging the amenity provided by more intensive mixed uses along this corridor.

The major existing office location within the Structure Plan Area, namely Greenwood Business Park, offers the potential to intensify the scale of office development on that site.

Areas identified for office floorspace will require a high level of worker amenity including the quality of the urban realm and in locations with excellent access to public transport. There may be a need for small retail offers at the ground floor of office space that is slightly removed from the new activity centre.

Recommendation 2: Support complementary office uses in Burwood's industrial areas

Continued transition of Burwood's industrial areas will see an increase office activity, typically as part of mixed industrial and warehouse developments. Whilst there will be some natural growth offices uses it is likely to be relatively low, particularly in locations away from the Burwood Town Centre. To further encourage this type of development there will be need improvements in worker amenity including public realm improvements and some worker amenities.

11.1.2   HEALTH FLOORSPACE

Recommendation 3: Plan for a modest increase of health floorspace primarily within a new Burwood Town Centre

The forecasting indicates that there will be a modest increase of around 2300 sq.m GBA of health floorspace to meet the needs of a larger local population. Health floorspace will continue to play a local role in Burwood and be delivered by an increase of consulting rooms and small medical services near the new Burwood Town Centre.

11.1.3   EDUCATION FLOORSPACE

Recommendation 4: Focus future education floorspace at Deakin University

Future tertiary education floorspace should continue to be primarily located at Deakin University's Burwood Campus. The modelling suggests around 132,000 sq.m of additional education floorspace to match employment projections, but this will be dependent on Deakin University's long-term plans for growth on their site.

Where possible, consider encouraging future education floorspace at the south of the campus, towards the future Burwood SRL Station to activate this area and improve linkages to the main campus buildings across the university site.

Future education floorspace should also consider opportunities to integrate private sector office and R&D spaces. Mixed education and private sector buildings should also locate towards the new Burwood Town Centre near the station to ensure workers have access to amenities enroute.

Some education floorspace could locate within the new Burwood activity centre, as a vertical campus building typology or through research focused education floorspace within the surrounding industrial areas.

Recommendation 5: Where possible, locate future school education floorspace on existing school sites

Future school floorspace will be primarily determined by the Department of Education and Training and align with local population growth. A small share of the education floorspace estimate is likely to be required for schools.

Ideally, this new floorspace should be accommodated on existing primary and secondary school sites. The two large non-government schools located in the Structure Plan Area could also potentially support additional floorspace. The future of the Mt Scopus Memorial School- Gandel Campus will also influence education development outcomes.

11.1.4   RETAIL AND ENTERTAINMENT FLOORSPACE

Recommendation 6: Plan for additional retail and food and beverage (F&B) space in the Structure Plan, focussed around the station

A new Burwood Town Centre is likely to service local residents, students and workers. To support this role, the SRL East Structure Plan - Retail Assessment – Burwood recommends planning for up to 18,100 sq.m GBA of retail floorspace to 2041 across the Structure Plan Area.

This is could include a supermarket close to the station, and supporting specialty shop space, including an F&B offer to service workers and students, as well as the local residents.

While future retail floorspace will primarily be concentrated around the station (perhaps around half), there may also be a need for retail development in the surrounding areas. This is to ensure areas with worker growth is supported by a range of amenities. Suitable areas include the Burwood Highway corridor, particularly west of the station, where large format retail uses may be suitable as part of mixed use development. Additionally, the Deakin University site will need additional retail floorspace to support the growing number of students and workers.

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Recommendation 7: Support a limited provision of complementary recreation and entertainment uses in and around the Burwood station core

A new Burwood activity centre should be complemented by a small range of entertainment uses. These will cater to students, workers and resident and help contribute a sense of liveliness to a new town centre. Entertainment uses could include bars and leisure facilities such as gyms, but the final mix should reflect the attributes and size of the available sites.

Based on the modelling, structure planning should include around 12,000 sq.m of entertainment uses, primarily located in areas with a retail offer, such as the OSD site. Broader community-focused leisure uses (i.e. swimming pools, sporting facilities etc) should be informed by the recommendations of the Burwood Community Infrastructure Report.

11.1.5 INDUSTRIAL FLOORSPACE

Recommendation 8: The Highbury Road Industrial Area, away from the Burwood Highway, can support a greater mix of uses whilst retaining its local service role

Away from the Burwood Highway corridor, the Highbury Road industrial area is likely to transition towards a higher density employment uses. This could include business parks, mixed office, retail/showroom and industrial developments, particularly in areas with high amenity and good access to either Burwood Highway or the future SRL East station (via a new access point across Gardiners Creek). The industrial area should also retain a local services role, providing a range of services to support surrounding residents and businesses. There are some large land parcels in this Industrial Area which could that play an important in stimulating future redevelopment of the surrounding area.

Recommendation 9: Explore opportunity for higher order industrial or mixed employment uses around the intersection of Highbury Road and Sinnott Street

The area near the intersection of Highbury Road and Sinnott Street could be considered for higher-order commercial or mixed employment use, given its proximity to the new Burwood Town Centre. This will require amalgamation of lots

to achieve this outcome, while we note the existing development on this land is relatively recent.

Recommendation 10: Support intensification of employment uses around Huntingdale Road Industrial Area and explore the opportunity to build on Deakin University's presence

Consistent with local policy, the Huntingdale Road Industrial Area could be considered for more intensive employment uses, including higher density industrial and office uses. There is opportunity build on Deakin University's presence in the industrial area, potentially expanding on an R&D offer.

11.1.6 OTHER EMPLOYMENT FLOORSPACE

Recommendation 11: Create the opportunity for a new accommodation facility (or multiple) in areas with good access to the new Burwood Town Centre and Deakin University

A small accommodation offer will complement the new Burwood Town Centre, catering to visitors to Deakin University and to businesses and residents across Burwood more broadly.

Based on the modelling, approximately 6000 sq.m of accommodation floorspace is likely supported, sufficient for a small hotel or serviced apartment facility. This should be located in areas with good access to the station, including the southern end of the University or along the Burwood Highway corridor. Accommodation floorspace is likely to be part of mixed-use buildings.

Recommendation 12: Support a small amount of public use floorspace across the Burwood Structure Plan Area

Public use floorspace will support the growth of non-office based public services. Examples include public libraries, courts, community centres, churches, non-office government buildings, policy, fire and ambulance facilities. Future planning of other community uses will be guided by the Burwood Community Infrastructure Report or relevant public organisations, where possible they should locate in areas with good access to the SRL East Station on the OSD site. Our modelling suggests that the Structure Plan will need to deliver a further 1900sq.m of public use floorspace through to 2041.

11.1.7 OTHER RECOMMENDATIONS TO SUPPORT EMPLOYMENT GROWTH

Recommendation 13: Worker amenity in a new town centre

Provide high worker amenity to attract businesses and workers. Ensure the new Burwood Town Centre has a high level of worker amenity to help attract a range of businesses, including food and beverage (F&B) and access to public transport for future workers.

Recommendation 14: Support intensification of the Burwood Highway corridor

The Burwood Highway is an important activity corridor, which extends beyond the Structure Plan Area, connecting to Burwood Heights, Burwood Brickworks, Burwood East Tally Ho Major Activity Centre, and a range of smaller street-based activity nodes. Future planning of the Structure Plan Area should reinforce this corridor, consolidating activity along this corridor. Greater intensity of activity and amenity along this corridor will support future employment outcomes around the new Town Centre, higher density mixed use development west of Cromwell Street towards Warrigal Road, the Tally Ho Major Activity Centre and future renewal of Greenwood Business Park.

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Additional education and office floor space Deakin University, ideally concentrated toward Burwood Highway
1 4 6

School education on existing school sites
5

Additional office space potential on Greenwood Business Park
1

Intensify employment uses in industrial areas, including office uses with supporting worker amenities

Support intensification whilst retain local industrial role for industrial areas away from Burwood Highway
1 2 6 8

New Town Centre to support office, health, retail, entertainment, accommodation and public uses
1 3 6 7 11 12

Support transition towards a greater mix of office and employment. Examine ways to expand Deakin University's presence in the Huntingdale Road industrial area
10

A. Burwood Central
B. McIntyre
C. Employment Neighbourhood
D. Ashwood
E. Lundgren
F. Station Street
G. Education Neighbourhood

Examine opportunity for greater density employment uses around Sinnott Street, given proximity to future town centre
9

Structure Plan Area
Neighbourhood
SRL East Station
SRL Alignment
Existing Tram Line
Open Space
1 Numbers refer to Recommendations in Section 11.1

0   200   400   600   800 M

FIGURE 11.1 LOCATION RECOMMENDATIONS FOR FUTURE EMPLOYMENT FLOORSPACE IN THE BURWOOD STRUCTURE PLAN AREA

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11.2   Other opportunities

Although potentially beyond the scope of the Structure Plan development and supporting Planning Scheme Amendments, other opportunities to support the necessary employment development in Burwood include the following:

Opportunity 1: Clearly define role and focus of each employment precinct

Realising Burwood's employment vision will require clear articulation of the role and priorities of key employment precincts through further economic development strategies. The key precincts are the new Burwood Town Centre, the Burwood Highway Corridor, Highbury Road Industrial Area, Huntingdale Road Industrial Area and Deakin University. Each precinct should articulate a distinct focus while also exploring avenues to optimise potential synergies among them.

Based on the analysis presented in this the Economic Profile, the potential economic roles for these precincts are as follows:

- **New Burwood Town Centre** should be the focus of activity for the Burwood Structure Plan Area. Employment opportunities are likely to respond to the day-to-day needs of surrounding residents, workers and students, with a strong focus of population serving activities. Some office-based activity could be incorporated.

- **Burwood Highway corridor** is an important activity corridor which extends beyond the Structure Plan Area, connecting nodes of activity including Burwood Heights, Brickworks, Tally Ho Business Park and street-based clusters to the east. Structure planning should reinforce Burwood Highway as the focus of higher intensity employment development through its planning of the new town centre, the corridor towards Warrigal Road and stimulating renewal of the Greenwood Business Park.

- **Highbury Road Industrial Area**, away from the Burwood Highway, should support a greater density of employment activity, but continue to play its important local services role.

- **Huntingdale Road Industrial Area** has potential to expand on its existing presence of Deakin University and greater mix of industrial and aligned office activity.

Opportunity 2: Monitor the long-term use of the Mt Scopus Site

Mt Scopus Memorial School has previously announced intentions to relocate their Gandel campus elsewhere. Should this occur, one of the major employment sites currently will be impacted, but also leaving a significant site located centrally within the Burwood Structure Plan Area capable of accommodating employment and residential uses. This site could potentially support some employment uses, either office or education, as a part of a larger mixed-use development. The potential relocation and future use of the site should be monitored.

Opportunity 3: Align with Deakin University's long-term plans

Achieving the education floorspace will require further understanding of Deakin University's long-term plans for growth on its Burwood Campus. Engagement with Deakin University should also include discussion around further expansion of their activities within Burwood's industrial areas or Greenwood Business Park.

Appendix A
Data sources, use & descriptions
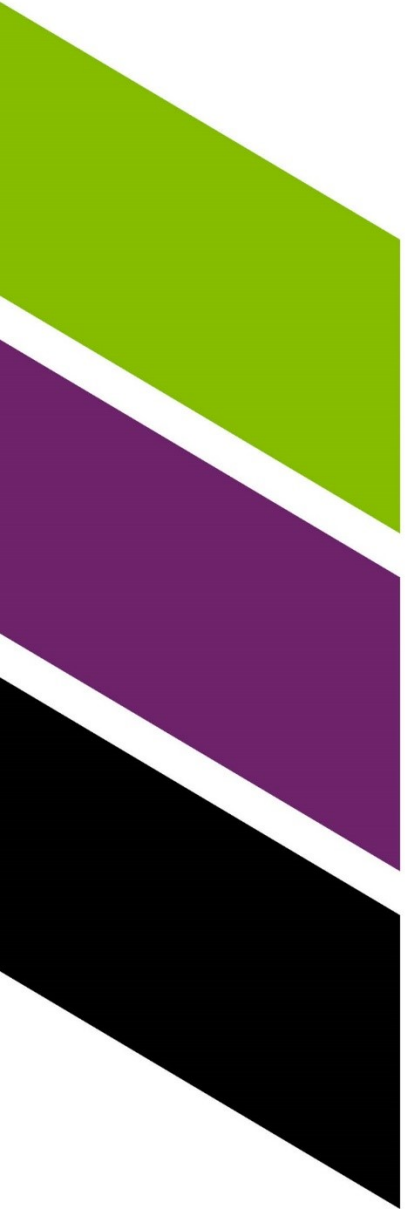
Abbreviations, Data Sources and Definitions

ACRONYMS AND ABBREVIATIONS

ABS	Australian Bureau of Statistics
AJM-JV	AJM Joint Venture
ANZSIC	Australian and New Zealand Standard Industrial Classification
ANZSCO	Australian and New Zealand Standard Classification of Occupations
ATO	Australian Tax Office
BIC	KPMG's Business and Investment Case (BIC) for SRL East
CBD	Central Business District
CLUE	Census Land Use and Employment
DEECA	Department of Energy, Environment and Climate Action
DELWP	Department of Environment, Land, Water and Planning – Note that DELWP's functions were split into DEECA and DTP in January 2023
DJSIR	Department of Jobs, Skills, Industry and Regions
DTP	Department of Transport and Planning
DZ	Destination Zone
FES	Floorspace Employment Survey
GBA	Gross building area
GFA	Gross floor area
GLA	Gross leasable area
LGA	Local Government Area
LQ	Location Quotient
MAC	Metropolitan Activity Centre
MICLUP	Melbourne Industrial and Commercial Land Use Plan
NEIC	National Employment Innovation Cluster
OCCP	Occupation [ABS Census]
PSMA	PSMA Australia [Land Tenure Data]
SP	Structure Plan
SRL	Suburban Rail Loop
SRLA	Suburban Rail Loop Authority
SWOC	Strengths, Weaknesses, Opportunities, Challenges

TAFE	Technical and Further Education
VET	Vocational Education and Training
VIF	Victoria in Future
VITM	Victorian Integrated Transport Mode
WSR	Workspace ratio

DATA SOURCES AND GEOGRAPHIES

The following key data sources and key geographies were used in the analysis:

- **Census of Population and Housing 2006, 2011, 2016 and 2021**, Australian Bureau of Statistics (ABS)

  - Census data is available for standard ABS geographies such as Destination Zones (DZs) and Local Government Areas (LGAs).

- Land use projections generated as part of the **Business and Investment Case (BIC) for SRL East**, 2021, KPMG (on behalf of the Victorian Government)

  » Land use projections (including demographic, employment and enrolment estimates) included in the SRL BIC are derived from the CityPlan model.

  » CityPlan is a strategic scale Land Use Transport Interaction (LUTI) model that is used to estimate the broad land use impacts of major transport and precinct initiatives. It was developed by KPMG on behalf of the Victorian Government Department of Transport and Planning (DTP).

  » CityPlan's geographic scope is confined to Victoria, with a focus on metropolitan Melbourne and surrounding settlements. In this instance, CityPlan has been used to redistribute the base population and employment distribution based on the SRL transport and other related initiatives. These redistribution effects have been contained in the total Victorian population projects, with the majority of movements contained in metropolitan Melbourne.

  » The CityPlan model uses a range of data. Some of the data is publicly available and some is internal to the Victorian Government.

  » The version of CityPlan used for the SRL BIC was Version 1.1.1. Key inputs into CityPlan Version 1.1.1 include:

- SALUP19 based on Department of Environment, Land, Water and Planning (DELWP) Projections 2018 (Unpublished)

  - ABS Census 2016

  - Victorian Planning Authority (VPA) potential development capacities

  » Data is reported at the Travel Zone, SA2, SA3 and LGA level.

  » For an introduction to CityPlan, in the context of the SRL, see the SRL Business and Investment Case available from: https://bigbuild.vic.gov.au/library/suburban-rail-loop/business-and-investment-case

- A **floorspace audit** was caried out to identify and categorise employment land in the Structure Plan Area. This process included review of a number of data sources (such as DEECA, PSMA and Space Syntax) to understand, for each building, the existing employment land use and estimate the amount of floorspace. This data set provided a baseline for future floorspace estimates and figures are in Gross Building Area (GBA).

- A further comprehensive **industrial land audit** was carried out to identify and categorise relevant industrial land uses within the boundaries of each Structure Plan. This process included a thorough examination of current occupants by analysing *Arealytics* data and other online datasets. Businesses were classified based on their industry, the nature of the business, and the typology of the space they occupied was determined.

DEFINITIONS

Industry classifications

The following Australian and New Zealand Standard Industrial Classification (ANZSIC) Divisions make up the combined industry classifications used in this analysis:

- **Professional Services:** 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

- **Health:** Health care and social assistance

- **Education:** Education and Training

- **Population-serving:** Construction; Retail Trade; Accommodation and Food Services, Arts and Recreation Services; Other services

- **Industrial:** Agriculture, Forestry and Fishing; Mining; Manufacturing; Electricity, Gas, Water and Waste; Wholesale Trade; Transport, Postal and Warehousing

When referring to industries in the report, it is almost always relating to these ANZSIC level 1 industries.

Occupation

The occupation classification used in Australian Bureau of Statistics (ABS) surveys is the Australian and New Zealand Standard Classification of Occupations (ANZSCO). ANZSCO is a skill-based classification of occupations which covers all jobs in the Australian and New Zealand workforce. Occupation information collected in surveys and the Census provides a description of a person's job, and refers to the kind of work undertaken by an employed person irrespective of the industry in which that job is held.

Occupational analysis has used ANZSCO level 4 occupations, which is the most granular occupation level that is also comparable with previous census periods. This level has been used as it is typically in conjunction with determining floorspace type, which requires a detailed understanding of the job description.

Methods of floor area measurement

- **Gross Building Area (GBA)** refers to the total floorspace of a building including stairs, hallways, plant etc.

  Note that the figures are Gross Building Area (GBA) as the floorspace audit was undertaken using external building information, no common spaces or otherwise unleasable spaces have been removed from the building extents.

- **Gross Floor Area (GFA)** is the total area of all floors in a building, measured from the exterior walls. It generally excludes stairs and plant area.

- **Gross Leasable Area (GLA)** focuses on the portion of space available for lease to tenants, typically excluding common areas and utility spaces.

Workspace ratio

Workspace ratio is the average floorspace (sq.m) per employee. In this report there are discussions using both workspace ratios for GFA and GLA. GLA is used when comparing with collected workspace ratio benchmarks from other cities in Australia. These benchmarks are provided at a GLA level. GFA workspace ratios are used to calculate the total amount of floorspace demanded in the selected area. GFA is more useful for this analysis as the structure planning process will need to be aware of the total employment floorspace, not just the leasable area.

Assumptions and limitations

MODELLED PERIOD

- The analysis presented in this report focuses on a single potential population outcome and evaluates the employment floorspace requirements necessary to achieve that specific outcome. The projected year for employment demand is 2041 as the emphasis for structure planning is 2041.

ASSUMPTIONS

There are several key assumptions associated with this analysis. They are:

- **Workspace ratios**. In order to determine an appropriate workspace ratio to apply to the future of the Structure Plan Area, a translation needed to occur between workspace ratio on a GBA basis, as determined by the floorspace audit undertaken, to a GLA based workspace ratio in order to compare with known benchmarks. This is variable based on the land use, as shown in appendix E. This assumption was made in conjunction with interrogation of the City of Melbourne CLUE dataset.

- **New and removed floorspace**: In projecting the future floorspace demand in the Structure Plan Area an assumption was required on the amount of floorspace that was new, the amount that was old and the amount that was removed. All of these spaces will have differing impacts to the workspace ratio across the Structure Plan Area. The average rate of removal per annum was derived from City of Melbourne CLUE data to assist with this.

LIMITATIONS

There are several key limitations associated with this analysis. They are:

- **Census data**. The 2021 Census was conducted at an unusual time with much of Australia's eastern seaboard subject to COVID-19 restrictions, prompting caution when interpreting certain results, especially regarding data on place of employment. Census data is also subject to random perturbation to protect the confidentiality of individuals. These adjustments result in small introduced random errors when analysing more finely classified data. Changes to data management and collection methods across Census periods can also impact the use of a few datasets especially when used at a small geographic level or over time.

- **Spatial misalignment:** Numerous situations arise where the geographic units of one type intersect with the boundaries of another type in inconsistent ways. For example, Travel Zones (used in BIC data) do not perfectly align with SA1s (the principal geography Census data is extracted from). AJM-JV and SRLA have agreed on specific methods for apportioning geographic data. Apportioning can result in some inaccuracy in the allocation of data for the area sought to approximate.

- **BIC projections**: The projections are strategic and should be considered indicative. Since the projections were prepared, some material events have occurred impacting population and employment growth and to some extent, typical behaviours of households and businesses. These include: COVID-19; lower population growth; shift in user preference to working from home and updated to staging of competing and complementary projects. For full details on the assumptions and limitations of CityPlan and the provided land use outputs see Appendix C1: Demand Modelling Report from the SRL Business and Investment Case available from: https://bigbuild.vic.gov.au/library/suburban-rail-loop/business-and-investment-case

Appendix B
Structure Plan employment profile

TABLE B.1 WORKER CHARACTERISTICS, BURWOOD, 2021 CENSUS

	BURWOOD		GREATER MELBOURNE
	2011	2021	2021
Industry:			
Education and Training	2700	4000	224,400
Health Care and Social Assistance	300	600	337,200
Professional Services	1200	1200	666,500
Other Population Services	1300	2300	725,500
Industrial	1100	1000	423,200
Total	**6700**	**9000**	**2,376,700**
Full-Time / Part-Time			
Full-Time	4400	5500	1,441,600
Part-Time	2000	3000	781,600
Away from work	300	500	153,500
Total	**6700**	**9000**	**2,376,700**
Gender:			
Male	3400	4300	1,219,800
Female	3300	4700	1,156,900
Total	**6700**	**9000**	**2,376,700**
Age:			
15-24 years	800	1100	319,400
25-39 years	2400	3500	897,900
40-54 years	2400	2800	736,200
55-64 years	1000	1300	326,000
65 years and over	200	300	97,400
Working Age (15-64 years)	**6500**	**8700**	**2,279,300**
Total	**6700**	**9000**	**2,376,700**
Education:			
Bachelor or Above	*Irregularities in Comparison*	5400	1,057,200
Diploma or Above		800	281,500
Certificate or Year 10 and above		2500	921,100
Year 9 and below		400	107,800
No educational attainment		0	9000
Total		**9000**	**2,376,700**

|	BURWOOD		GREATER MELBOURNE
	2011	2021	2021
Income:			
Negative income	0	0	2300
Nil income	0	0	11,000
$1-$149 ($1-$7799)	300	300	59,800
$150-$299 ($7800-$15,599)	300	300	68,300
$300-$399 ($15,600-$20,799)	300	300	71,500
$400-$499 ($20,800-$25,999)	600	300	86,400
$500-$649 ($26,000-$33,799)	800	500	140,100
$650-$799 ($33,800-$41,599)	900	600	182,400
$800-$999 ($41,600-$51,999)	1000	800	259,800
$1000-$1249 ($52,000-$64,999)	800	900	314,100
$1250-$1499 ($65,000-$77,999)	900	900	255,000
$1500-$1749 ($78,000-$90,999)	700	1000	230,800
$1750-$1999 ($91,000-$103,999)	*Ranges Altered Between Census Periods*	800	171,200
$2000-$2999 ($104,000-$155,999)		1600	310,700
$3000-$3499 ($156,000-$181,999)		300	76,000
$3500 or more ($182,000 or more)		400	137,300
Average Income	**$60,872**	**$78,938**	**$76,198**
Total	**6700**	**9000**	**2,376,700**
Method to Work:			
Worked at home	*No Data*	4400	799,500
Private Vehicle		4000	1,346,700
Active Transport		100	73,400
Other Public Transport		300	147,100
Other Mode		0	10,100
Total		**9000**	**2,376,700**
Occupation:			
Managers & Professionals	3200	5000	1,007,200
White Collar	5400	7500	1,785,400
Blue Collar	1300	1500	591,300
Total	**6700**	**9000**	**2,376,700**

Source: ABS Census of Population and Housing, 2011, 2021

TABLE B.2 INDUSTRY PROFILE, BURWOOD, 2011 & 2021

	2011	2021	PROPORTION 2021	G.MELB PROPORTION	LOCATION QUOTIENT	2011-21 ANNUAL GROWTH (NO.)	GROWTH RANK
Education and Training	2700	4000	44%	11%	4.1	120	1
Health Care and Social Assistance	300	600	7%	16%	0.4	35	3
Administrative and Support Services	120	260	3%	3%	1.0	14	5
Financial and Insurance Services	30	150	2%	3%	0.6	12	6
Information Media and Telecommunications	620	150	2%	1%	1.3	-47	19
Public Administration and Safety	70	130	1%	4%	0.4	6	11
Professional, Scientific and Technical Services	290	390	4%	8%	0.5	10	7.5
Rental, Hiring and Real Estate Services	60	100	1%	2%	0.6	4	14
Professional Services	1200	1200	13%	21%	0.6	-1	
Accommodation and Food Services	220	420	5%	6%	0.7	20	4
Arts and Recreation Services	40	100	1%	1%	0.8	6	11
Construction	360	940	10%	9%	1.2	58	2
Retail Trade	420	470	5%	12%	0.4	5	13
Other Services	300	370	4%	4%	1.0	7	9
Other Population Services	1300	2300	26%	32%	0.8	96	
Agriculture, Forestry and Fishing	0	0	0%	0%	0.0	0	15.5
Electricity, Gas, Water and Waste Services	140	70	1%	1%	1.0	-7	17
Manufacturing	430	210	2%	10%	0.2	-22	18
Mining	0	0	0%	0%	0.0	0	15.5
Transport, Postal and Warehousing	60	120	1%	4%	0.4	6	11
Wholesale Trade	500	600	7%	5%	1.4	10	7.5
Industrial	1100	1000	11%	20%	0.6	-13	
Total	6700	9000	100%	100%	1.0	230	

Note: Group totals have been rounded to be consistent with the rest of the report.

Source: ABS Census of Population and Housing, 2011, 2021
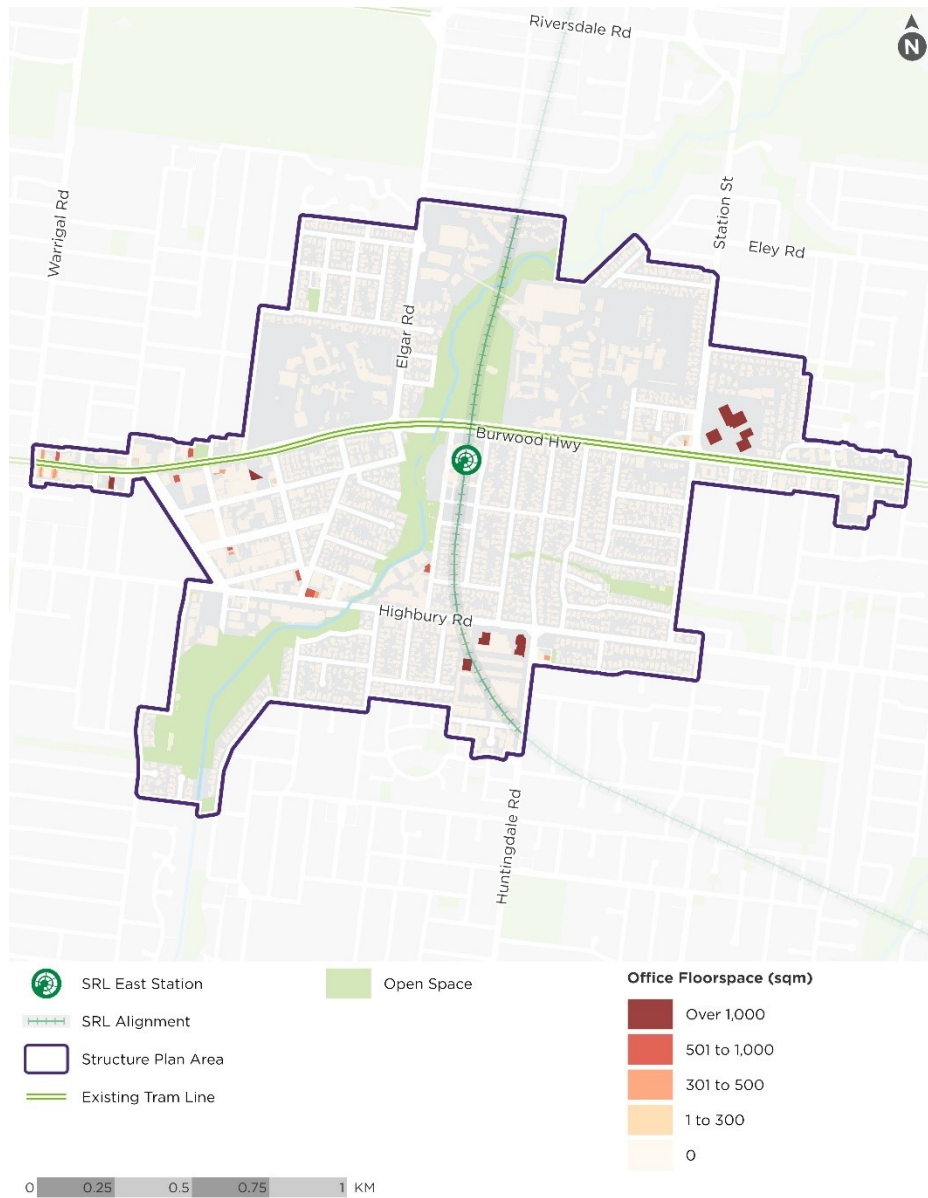
FIGURE B.1 BURWOOD OFFICE FLOORSPACE, 2024

Source: DEECA, PSMA, Space Syntax, Urbis
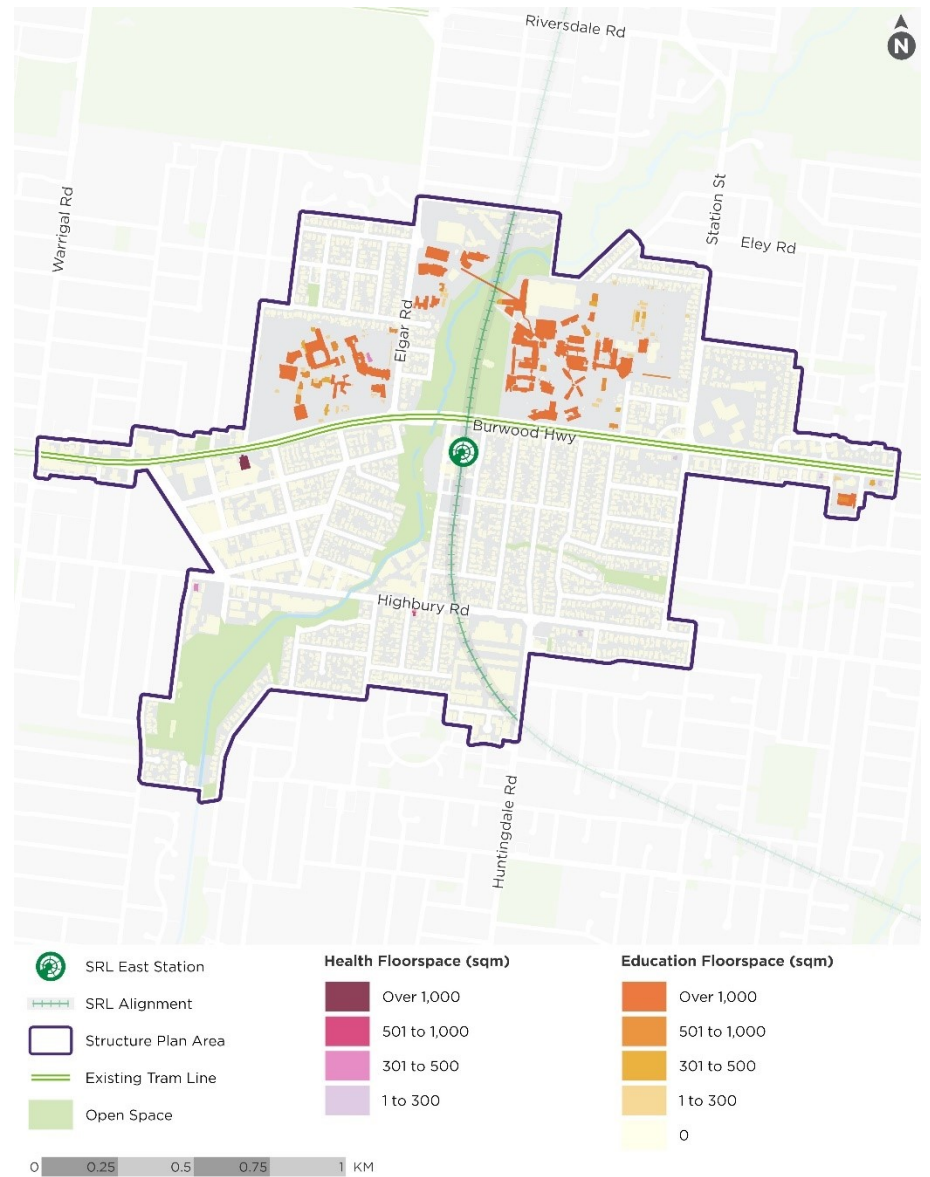
FIGURE B.2 BURWOOD HEALTH AND EDUCATION FLOORSPACE, 2024
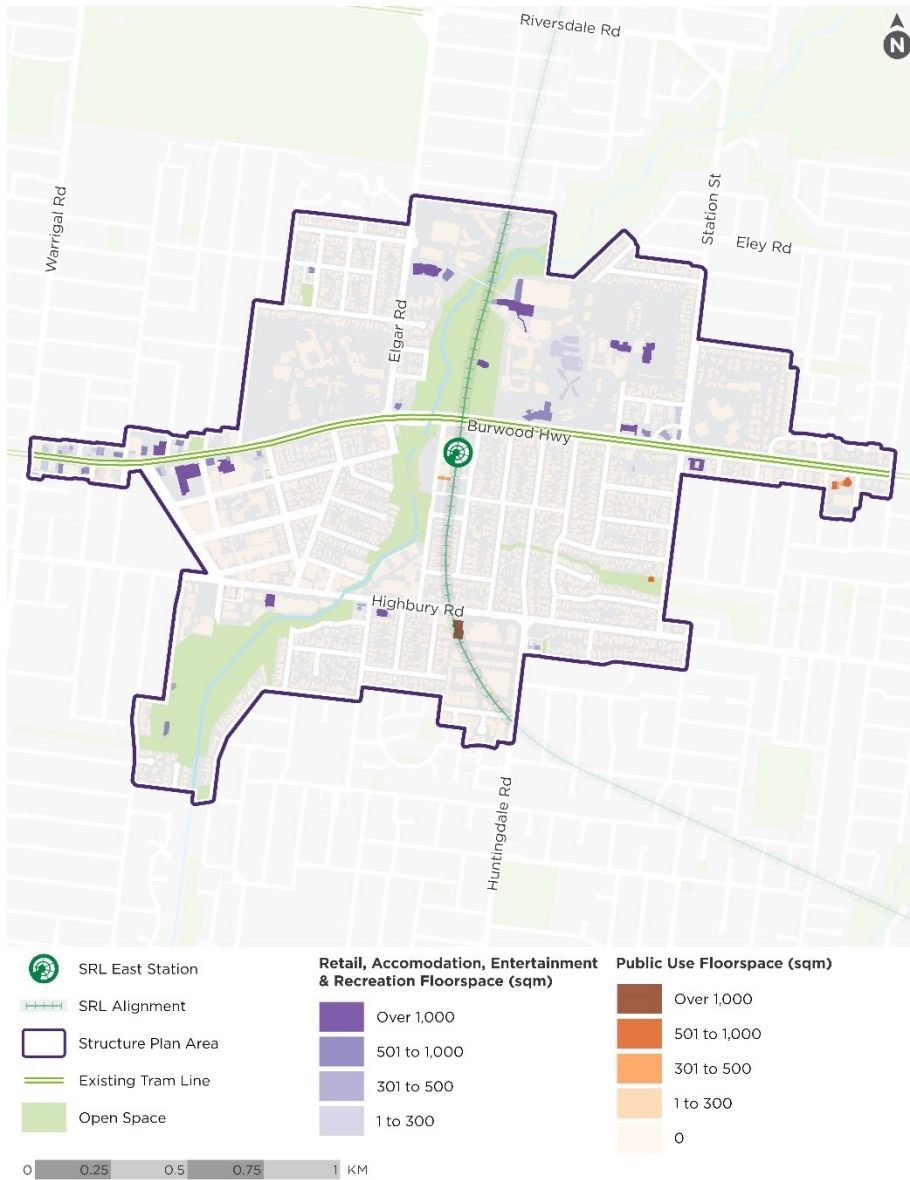
FIGURE B.3 BURWOOD RETAIL, ACCOMODATON, ENTERTAINMENT, RECREATION AND PUBLIC USE FLOORSPACE, 2024
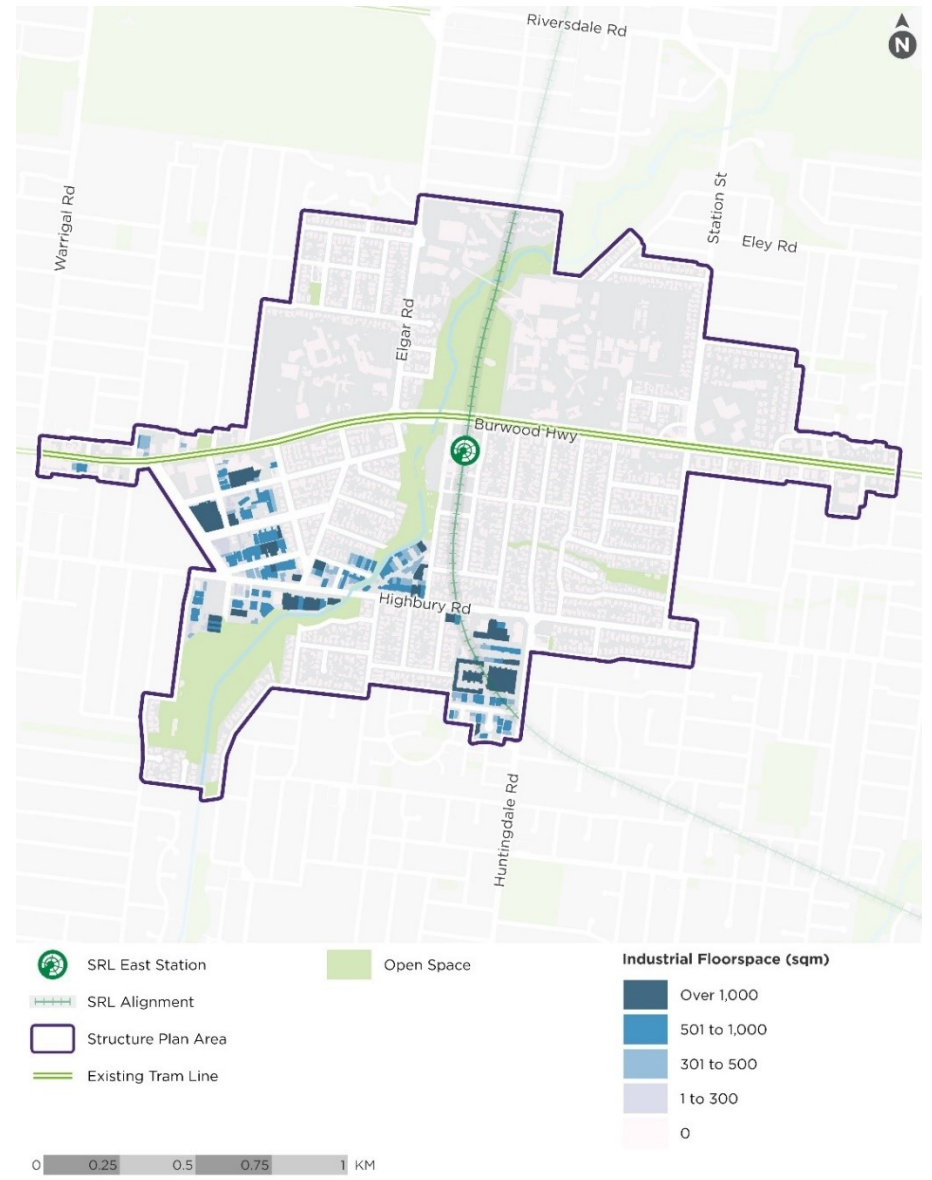
FIGURE B.4 BURWOOD INDUSTRIAL FLOORSPACE, 2024

Legend (Figure B.3):

SRL East Station
SRL Alignment
Structure Plan Area
Existing Tram Line
Open Space

Retail, Accomodation, Entertainment & Recreation Floorspace (sqm)
- Over 1,000
- 501 to 1,000
- 301 to 500
- 1 to 300

Public Use Floorspace (sqm)
- Over 1,000
- 501 to 1,000
- 301 to 500
- 1 to 300
- 0

Legend (Figure B.4):

SRL East Station
SRL Alignment
Structure Plan Area
Existing Tram Line

Open Space

Industrial Floorspace (sqm)
- Over 1,000
- 501 to 1,000
- 301 to 500
- 1 to 300
- 0

Appendix C

Suburban employment hubs & workplace trends

Sydney suburban employment hubs

TABLE C.1 PROFILE OF SYDNEY'S KEY SUBURBAN EMPLOYMENT HUBS

	PARRAMATTA	MACQUARIE PARK	NORTH SYDNEY	ST LEONARDS/ CROWS NEST	CHATSWOOD	SYDNEY CBD BENCHMARK
Professional services jobs 2021	13,952	15,788	36,577	14,008	9278	237,709
ABS SEIFA Index – Education and Occupation (percentile)	NSW Percentile: 95 Score: 1116	NSW Percentile: 98 Score: 1161	NSW Percentile: 100 Score: 1192	NSW Percentile: 100 Score: 1205	NSW Percentile: 97 Score: 1146	NSW Percentile: 97 Score: 1142
Proximity to work force (weighted mean distance from centre)	<5km	<3km	<10km	<10km	<5km	<15km
Office space 2022 (sq.m)	887,000	909,000	923,000	341,000	273,000	5,163,000
Office space growth 2002-2022	2.3%	2.8%	0.7%	0.04%	-0.3%	0.7%
Office rents 2023 (annual per sq.m)	$350	$360	$620	$575	$500	$900
Rail access	Existing rail on Inner West line and plans for new heavy and light rail networks. Plans for new Parramatta light Rail Stage 1, connecting the Parramatta CBD to Westmead. New Parramatta metro station to the north of existing Paramatta station and located within Paramatta CBD. To link in with Civic Link	Existing rail network expanded through Northwest Metro in 2015 with access to Chatswood and Sydney Northern Line.	Existing integration with Northern Line (T9) and North Shore Line (T1). New Station, Victoria Cross Station, to be located in the North Sydney CBD as part of the City and Southwest line extension.	Existing integration with Northern Line (T9) and North Shore Line (T1). Future investment to be made to extend the Metro North West line to include the new City and Southwest line with a new station at Crows Nest.	Existing integration with Northern Line (T9) and North Shore Line (T1) and the Metro North West Line. The City and Southwest Line will be extended from Chatswood to Sydenham.	Significant integration with 6 existing metro lines of heavy rail. And 3 lines of light rail. Future extensions of the Southwest Line will also add to the network in the CBD.
Key amenities	Retail: Westfield Parramatta Civic uses: Paramatta Library; Old Government House; Paramatta Town Hall Entertainment Commbank Stadium; Secondary Education Tertiary Education & Western Sydney University	Retail: Macquarie Shopping Centre Entertainment and Recreation (Macquarie Ice Rink, Macquarie University Sport and Aquatic Centre) Open Space (Lane Cove River, Mars Creek Fontenoy Park) Education & childcare	Stanton Library Primary Education Secondary Education Early Education Public Space (St Leonards Park)	Public Space Health Retail Technical Education Community Centre	Retail: Westfield Chatswood, Chatswood Chase, major retail strip. Open Space Golf Club Aged Care Early Education Secondary Education	Public Space Town Hall Retail Waterfront Education Museums & Galleries Sydney Opera House

	PARRAMATTA	MACQUARIE PARK	NORTH SYDNEY	ST LEONARDS/ CROWS NEST	CHATSWOOD	SYDNEY CBD BENCHMARK
		Early Education Secondary Education			Library	Community Centres
Institutions	Western Sydney University ; NSW Police Force ; Department of Home Affairs; Department of Communities & Justice; NSW Department of Education	Macquarie University; Macquarie University Hospital; Macquarie Park Data Centre Campus; Transport for NSW; Macquarie University Incubator	Chambers of Commerce; US Foreign Consulate; Sydney Design School; Australian Catholic University (ACU); Royal Art Society NSW	North Shore Private Hospital; Royal North Shore Hospital; TAFE NSW – St Leonards; Health Infrastructure Headquarters; North Shore Health hub	Chatswood Police Station	UTS, USYD, Hospital on periphery of CBD; NSW Parliament; NSW Treasury; Supreme Court of NSW ; Sydney Hospital and Sydney Eye Hospital; Sydney Conservatorium of Music
Key Private Businesses	Westfield Parramatta Myer Parramatta	Macquarie Centre; Optus; Cochlear; DXC Technology ; Ericsson Australia; Toshiba; Fujitsu; AMP Capital	Microsoft;SAP; Coca-Cola; Zurich; Sony; Sydney Morning Herald	Stryker	Westfield Chatswood	Westpac; CBA; EY Optiver; Other major Banks, Financial Services and consulting
Government Support	Designated as a priority growth area by NSW Government Significant Transport investment – Sydney Metro West and Parramatta Light Rail. State-led rezoning of Church Street North Precinct located north of Parramatta CBD.	Designated as a priority growth area by NSW Government 3 New master planned neighbourhoods within Macquarie Park Macquarie Park Innovation Precinct Rezoning Macquarie Park Place Strategy New affordable housing investment.	New Victoria Cross Station Investment	New train station in 2024 (Crows Nest Metro Station) Crows Nest has been identified as an accelerated precinct under the Transport Oriented Development Program including rezonings around the new Crows Nest Metro site. Relocation of Government offices.	Key connecting node for Sydney's metro extension. Investment in developing the Central Precinct Central Sydney Strategic Plan – additional height and density, removal of incentives for residential towers.	Prioritise Employment Growth and Capacity Expansion: max 50% residential land use mix requirement. Increased height allowances from 80m to 110m Streamlined planning proposal processes.

1. *Professional Service Jobs 2021: Census of Population and Housing 2021 – Industry of Employment, Australian Bureau of Statistics (ABS)*

2. *ABS SEIFA Index: Socio-Economic Indexes for Australia (SEIFA) – Index of Education and Occupation, 2021, Australian Bureau of Statistics (ABS). The SEIFA Index ranks areas in Australia according to their relative socio-economic advantage and disadvantage using census data. All areas are ordered from the lowest to highest score with the lowest 1% of areas given a percentile number of 1 up to 100. The higher scores designate higher advantage.*

3. *Proximity to Workforce: Nikolic, N. (2023). Office Market Segmentation at the Intra-urban Level: The Relationship between Office Users and Market Structure (MPhil dissertation, UNSW Sydney). Data represents the weighted mean location of the workforce for each centre. For example, Parramatta's workforce, defined by the weighted mean, lives less than 5km from Parramatta.*

4. *Workforce location of office each office market.*

5. *Office Rents 2023: Australian Metro Office Snapshot, Q^2 2023, Colliers*

Drivers of professional services in suburban locations

TABLE C.2 KEY ELEMENTS IN FOSTERING PROFESSIONAL SERVICES JOBS IN SUBURBAN LOCATIONS

ELEMENT	DESCRIPTION	EXAMPLE OF BEST PRACTICE
Access to large pool of skilled workers	• Businesses need access to deep, skilled labour pool. • Alongside the availability of affordable housing, the commute duration is becoming an increasingly significant factor for workers. • Decreasing housing affordability has pushed many workers to live further away from the CBD, reducing the CBD's pool of potential workers but opened up the pool of skilled workers for suburban hubs.	• Parramatta, located close to the geographical centre of Sydney • Crows Nest/St Leonards, Macquarie Park and Chatswood all benefit from proximity to the workers in the northern suburbs, who have above-average levels of education and a high proportion of residents categorised as 'professionals' and managers
Distinct focus / key anchor	• Universities or large hospitals are pivotal in the formation of suburban employment hubs and in drawing a diverse array of supporting and complementary businesses. • There are opportunities for commercial office spaces to complement universities, hospitals, and research institutions.	• Macquarie Park, precinct anchored by Macquarie University • St Leonards with Royal North Shore Hospital • North Sydney cluster of technology firms
High quality, high amenity	• Businesses and employees alike increasingly demand high quality accommodation and convenient access to amenities such as retail, childcare, services, recreation, and fitness facilities. • With the rise of remote work, the importance of quality office environments has escalated, as employers need to 'earn the commute' of workers. • Offices are increasingly emphasising vibrant and unique environments, featuring ample natural light, comfortable workspaces, picturesque views, state-of-the-art end-of-trip facilities, wellness centres, and outdoor areas. Large floorplates are required to accommodate modern office fit outs (e.g. open plan) and foster stronger worker connections in an efficient manner. • The quality of buildings, amenities, streetscape, and public spaces is vital in shaping a corporate or professional identity for businesses. Ensuring alignment with this identity is a primary concern for tenants when selecting office locations. • Increasing role of residential development to support amenity, deepen retail demand and create day/night activity	• Parramatta, North Sydney, Chatswood and St Leonards/Crows Nest all have an established residential population supporting amenity accessible by workers • Future plans for Macquarie Park includes residential development in order to 'create a lively community in the suburb', also enables the development of further amenities and facilities which can also be utilised by workers. • Outside of Sydney, new and emerging innovation precincts are increasing including residential uses to drive the amenity and vibrancy of the precinct (Tonsley Innovation Precinct, Adelaide; Cummings Research Park, Alabama US; and EcoResponsive Environments in Runcorn UK).
Accessibility to public transport	• Access to public transport, especially rail networks, plays a pivotal role in successful office markets. Research indicates that top-performing office locations in Melbourne and Sydney have over 50% of their stock within proximity to a train station, enabling businesses to tap into a larger talent pool[1].	• Parramatta, North Sydney, Chatswood, Macquarie Park, St Leonards/Crows Nest all located on rail line. • Many of these centres have recently, or are in the process of, expanding rail or light rail services, which will further increase the public transport catchment for workers.
Level of critical mass	• Achieving a critical mass of development within a suburb is essential for creating a self-sustaining office precinct.	• Parramatta, North Sydney, Chatswood, Macquarie Park, St Leonards / Crows Nest all have 273,000 to 923,000 sq.m of office space, creating a critical mass of office activity in these centres.
Capacity for larger floorplates	• Aside from suburban employment hubs supporting jobs close to where large numbers of skilled workers reside, they provide space for expansion that no longer exists as readily in CBDs. This particularly for businesses who require floorplates which cannot be readily accommodated in a constrained CBD. • There has been a trend in recent years of professional firms looking to improve integration of business units and staff. This is best achieved by larger office floorplates with several consecutive floors that are connected by stairs. This includes floorplates of at least 1300 sq.m, often significantly larger.	• Newer buildings in Parramatta developed over the last 15 years have had floorplates around 1300 sq.m or above. Older buildings with smaller floorplates have faced leasing difficulties[3].

ELEMENT	DESCRIPTION	EXAMPLE OF BEST PRACTICE
Relative affordability	• Shortage of employment land supply in the CBD, combined with high levels of demand result in high office rents and often prices many businesses out of CBD areas. • The more affordable office space options in suburban areas makes those areas more attractive to some relative to a CBD location, or influences decisions around having satellite offices. • While Melbourne's CBD has maintained a competitive advantage with rents not growing to the same levels as Sydney, going forward, this could be an increasing factor in supporting businesses seeking suburban alternatives. There is limited capacity for more employment space in the core of Melbourne's CBD, while Docklands, which has offered an outlet for expansion that has maintained affordability, will also fill up in appropriate locations in coming years. This is expected to place upward pressure on rents in central areas, creating an opportunity for suburban areas.	• Typically rents in Sydney's suburban office precincts are 40%-60% below that of the Sydney CBD, providing an affordable price point for many businesses. • Office rents in Parramatta and Macquarie Park are around $350/ sq.m whereas office rents in North Sydney, St Leonards/Crows Nest and Chatswood are around $500-$600/sq.m
Government support	• Governments can support suburban office markets through various means, such as: • Establishing a conducive planning and policy environment, ensuring suitable zoning regulations and rules that facilitate office development in terms of size, design, and parking requirements, tailored to the unique characteristics of each area. • Relocating government agencies, which can help in creating critical mass. • Supporting and collaborating with industries and invest in essential infrastructure like roads, energy distribution, rail, and airports. • Offering additional crucial components like investing in transport infrastructure to improve accessibility and enhancing the public realm.	• Planning frameworks have long supported a high intensity of development around key activity centres such as Parramatta and North Sydney. • The NSW government's relocation of several agencies to Parramatta, including Sydney Water, the Attorney General's Department, and the Department of Education, has bolstered the area's office market.
Investment attraction	Investment attraction strategies are highly varied across Australia and typically operate at the regional or sectoral level. Investment attraction programs are designed to stimulate economic growth, create jobs and foster innovation across various industries. Types of programs include: • Grants to assist with capital costs along with ongoing operational expenditures. • Tax incentives for new and emerging businesses in certain priority sectors. • Infrastructure funding to support new business to set up or expand in a specific location. • Non- financial support through creating networks, partnership and collaboration opportunities.	• The geographical layout combined with high rents and capacity constraints of the Sydney CBD has naturally created a push towards suburban employment hubs, so these strategies have been less common in the Sydney context. • City of Gold Coast's 'Investment and business attraction program' is an example to attract and expand business in an urban region. It includes financial incentives such as cash rebates for capital investments, including land or building purchases, reimbursement on operational expenditure, relocation assistance along with non-financial assistance packages such as ongoing business support, networking and government facilitation[4].

Source: Urbis. Footnotes: 1. Jones Lang LaSalle (2020) Office Precincts for 2030 and Beyond, Report 4: Future Cities Research, May 2020; [2] City of Sydney, Central Sydney Planning Strategy 2016-2013, updated March 2022; 3. Urbis 2015, Economic Review of Achieving A Grade Office Development In Parramatta CBD; 4. Gold Coast City Council,. New Investment and Attraction Program, GCCC Website April 2024.

Case study: Macquarie Park

What is Macquarie Park?

Macquarie Park is NSW's second largest non-CBD office market, comprising an important cluster of leading universities, hospitals and companies in Sydney's north west, approximately 13km from the CBD. The establishment of Macquarie University in 1964 and rapid growth in housing post-war were instigators for the expansion of Macquarie Park's industrial and scientific sectors. Over the decades, policy has shifted towards encouraging increased research and development activities throughout the precinct. For example, in 1979 the Ryde Planning Scheme required industrial employment uses to have a "research and development" component to take advantage of Macquarie University. In the proceeding years, amenity within the precinct grew to service the larger workforce and student population with the opening of the Macquarie Centre in 1979.

The precinct has since attracted a diverse range of R&D and professional service businesses including Optus, Cochlear, NAB, AMP Capital, Fujitsu and Johnson & Johnson. It has also formalised the business community through the establishment of the Macquarie Park Innovation District (MPID), which represents 380 businesses across the life sciences, digital and technology industries.

The wider precinct, Macquarie Park, was designated as a *Priority Precinct* by the NSW Premier in 2020, while the Sydney Metro extension due for completion in 2024 will ensure it is directly accessible to the Sydney CBD and a broad workforce across Sydney's northern suburbs. Housing development within the precinct has also accelerated. epitomised by the Ivanhoe Estate redevelopment, the largest social housing project in Australia. Bringing housing to the precinct is seen to as a way to increase vibrancy and activity.

Within the next 15 years, the precinct is forecast to increase its overall contribution to the NSW economy to $14bn, representing the second biggest contribution to state GDP behind the joint contribution of the CBD and North Sydney. Growth is expected to occur in the Education, Medtech, Biomedical Sciences and Advanced Manufacturing sectors.

Key success factors:

- Macquarie University as an anchor tenant
- Policy framework to prioritise R&D businesses
- Continued transport and infrastructure investment

- Relative affordability of office spaces compared to CBD
- Government support through range of soft and hard infrastructure initiatives
- Capacity for expansion and ability to accommodate large campus-style office buildings
- Focus on enhancing amenity now residential uses to bring greater vibrancy to the Precinct

Key Stats

- 47,000 jobs
- 894,000 sq.m commercial floor space
- 617,000 sq.m premium grade office space
- Commercial core businesses: 19% pharmaceutical; 25% high tech, computing and technology, 20% electronics; 7% telecommunications
- Macquarie University 45,000 students; 3000 staff.
- Macquarie University Hospital 500 staff
- Macquarie Centre 134,000sqm retail floor area

Timeline

1964 Macquarie University

1979 Planning scheme supports research and development

1981 Macquarie Centre

2009 Macquarie Park train station

2015 Connect MPID

2019 Rail connection to Sydney Metro Northwest

2022 Macquarie Park Place Strategy aims to further diversity and grow Macquarie Park with a further 20,000 jobs and 7650 homes

FIGURE C.1 MACQUARIE PARK IMAGERY

Source: https://greatercities.au/innovation-districts; SRL Business and Investment Case; MPID Annual Report 2022; Draft Macquarie Park Place Strategy 2021; Macquarie Park Innovation Precinct Place Strategy, August 2022

Emerging workspace trends

SHIFT TOWARDS MIXED USES AND ACTIVITIES

Moving towards mixed uses means combining different types of users and activities in one workspace. For instance, this could involve bringing private sector research and development into educational settings, or having office buildings with additional conference or event areas. This mix creates chances for different sectors to collaborate, leading to more innovation and productivity.

INCREASE OF REMOTE WORK

In the aftermath of the COVID-19 pandemic, remote work seems poised to remain, albeit in a scaled-down capacity. According to the ABS Household Impacts of COVID-19 Survey conducted in 202[2,] 30% of individuals worked from home either every day or most days, while 24% worked from home at least once a week. This trend is likely to result in a decreased demand for worker floorspace and alterations in urban travel patterns. Consequently, this has the potential to increase demand for contemporary co-working spaces and suburban business hubs, although businesses offering a network of suburban offices has not materialised to any significant extent to date.

A 'FLIGHT TO QUALITY'

Competition with home offices and neighbourhood workspaces has driven demand for ultra-luxurious workspaces, particularly offices, with larger proportions of floorspace dedicated to high-quality amenities such as wellbeing rooms, end-of-trip facilities, strong environmental credentials, and outdoor areas. Demand for Premium or A-grade office space is therefore high, with secondary stock likely to see reduced interest.

CO-WORKING SPACES

Accelerated by the increase in remote work and a preference for collaborative environments, co-working spaces are a cost-effective workspace solution that allows businesses to adopt flexible workspace strategies and reduce long-term lease commitments. These spaces can also provide flexible spaces for smaller, emerging firms or allow firms to quickly establish a presence in new locations.

TECHNOLOGICAL ADVANCEMENTS

Increased automation and robotics are altering job roles and skill requirements and has led to a reduction in the amount of floorspace required to complete tasks. Predictions indicate that by 2030, one in 16 workers may need to change jobs due to AI disruptions[1]. This impact on employment underscores the importance of businesses locating near emerging tech or other specialist clusters and co-locating with all sectors of industry to increase knowledge sharing and technology spillovers. Technology advancements also require additional infrastructure to support digital capacity.

SUSTAINABLE PRACTICES

Green workspaces with energy-efficient systems and biophilic design elements are gaining popularity, enhancing worker productivity, and attracting talent. Locationally, proximity to urban areas can help to reduce pollution associated with transportation and meet worker and consumer expectations regarding climate and ESG concerns.

Notes: 1.McKinsey & Company (2023) 'What is the future of work?' Available at https://www.mckinsey.com/featured-insights/mckinsey-explainers/what-is-the-future-of-work

Trends influencing typologies and location requirements

Professional services

Require high amenity and high-quality office spaces, increasingly mixed with other activities to allow collaboration and a vibrant amenity. Locations with excellent access to public transport and amenities are critical and increasingly businesses are seeking large sites to accommodate generous floorplates, collaboration spaces and a high level of technology, data and IT infrastructure.

Professional services industry trends:

- Office from "place to work" to "place to meet"
- Rise in WFH – offices are for collaboration
- High level of amenity within and near workplaces
- Flexible workspaces which can adapt to changing needs, range of tenants and uses
- Generative AI and its associated challenges
- Hub and spoke model of large corporates client facing office in CBD and non-client facing offices in suburban location

Implications for building typologies:

- Mixed use office buildings with retail, residential, hotels, conference facilities, amenities etc
- High-quality internal building amenity with spaces for collaboration, socialisation and meeting
- Large, open-plan and column free floorplates
- Building capacity for high level technology, data and IT integration
- Reducing floorspace per worker, but greater emphasis on collaboration and meeting spaces
- Non-client facing offices, particularly outside the CBD

Location requirements:

- Accessibility to public transport
- Amenity including access to F&B, childcare, gyms
- Proximity and accessibility to workers
- Larger lots for larger floorplates
- Proximity to clients, partners and institutions to enable collaboration.

Example professional services typologies:

High rise office: New Times tower, Box Hill is A to B grade office over 16 storeys. Including lower-level retail spaces (3,750sq.m). Total GFA 10,000sq.m.

Mid rise office: Encore, Cremorne 7-stories above heritage building. flexible floor plates are provided to meet the needs of different tenants.

Modern campus: Array Macquarie Park, NSW. A-grade building with over seven levels and large floorplates. A contemporary commercial centre designed to enable flexible and agile working environments. 10,000sq.m GFA.

Mixed use offices: Walk Up Village Collingwood. 13-storey mixed-use development Provides space for dense workspaces, retail, social spaces, and a hotel. 12,000sq.m GFA.

Office studio: Cremorne Studios, Cremorne. 6 - story development, comprising of flexible studio/office spaces. High environmental standards and full site coverage 10,000sq.m GFA

Institution office: Health Administration headquarters in high quality office space. See following page.

FIGURE C.2 PROFESSIONAL SERVICES SPECIFIC TRENDS, BUILDING TYPOLOGIES AND LOCATION REQUIREMENTS

Health

Health services are now commonly integrated into **mixed-use** buildings, featuring medical facilities alongside offices, consultation rooms, research spaces, and medi-hotels. These buildings typically accommodate multiple tenants, offer extensive outpatient facilities, and provide various worker amenities, often catering to a 24-hour workforce. **Clustering** remains crucial in the health sector, enabling the formation of provider networks and facilitating integrated patient care.

Health industry trends:

- Health clusters anchored by tertiary provider and supported by a range of smaller providers, enabling continuum of care and the sharing of facilities.
- Health buildings with mixed uses facilities including office space, research facilities, administration, consulting rooms etc.
- Digital Health Platforms such as Tele-Health, AI powered administrative services, remote diagnostics and virtual wards.
- Transition from single service providers to integrated health providers.
- Medi-hotels
- Increased use of outpatient facilities

Implications for building typologies:

- Mixed use buildings which incorporate health floorspace along with office, consulting suites and research space, hotels
- Buildings to contain a mix of individual or related providers.
- Consolidated floorplans with a focus on open floorplan, modular design and technology integration.
- Emphasis on public facing outpatient facilities.
- Building capacity for high level technology, data and IT integration.
- 24 hour activity in health buildings across a range of functions

Location requirements:

- Cluster health and broad range of health-related uses (i.e. office, hotels, F&B, research space etc)
- Accessibility to public transport
- Ensure safety and accessibility for healthcare shift workers
- Amenity including access to F&B, childcare, gyms

Example health building typologies:

Hospitals: Victorian Heart Hospital, Clayton 8-storey out and inpatient hospital, specialising in cardiac treatments and research. Also used for education and training 206 beds.

Mixed use health: Wellington Stage 1, Box Hill integrated healthcare, research and knowledge precinct. Incl. medical offices, consultation suites, labs, and various other health uses. GFA 50,000sq.m.

Mixed use health: Wickham Private Medical & Hotel (QLD). State-of-the-art medical facility with 7 levels of medical ues, 81-room apartment hotel, dual lobby, ground floor restaurant and pharmacy, conference facilities, gym, and pharmacy. 5,307sq.m medical space, 186sq.m retail, 97sq.m function facilities
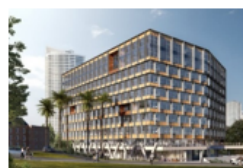
Health Administration: Co-located on the Royal North Shore Hospital site. Provides office space for ten NSW Health Agencies, a café and childcare centre. GFA 30,000sq.m.

Mixed tenure consult centre: Clayton Road Medical centre. Five storey with medical centre, pharmacy & café. Multi-tenanted. GFA 10,000sq.m.

Smaller consulting suites in retail-based environments

FIGURE C.3 HEALTH SPECIFIC TRENDS, BUILDING TYPOLOGIES AND LOCATION REQUIREMENTS

Education

Education buildings are becoming more flexible and adaptable learning spaces. Contemporary tertiary buildings are often mixed use, providing space for industry collaboration and research commercialisation, along with a range of supporting amenities including accommodation and event space. Location factors include ability to cluster proximity to other research institutes, urban amenities and public transport.

Education industry trends:

- Mixed use and precincts approach to new campus buildings to creative activation, knowledge sharing and partnerships with private industry.

- Shift to open plan and consolidated academic offices

- Continued importance of academic and administrative space

- Remote learning and online assessments

- Amenity driven, purpose blended campuses

- Flexible spaces for study and socialising

- Tech enabled workspaces including video conference capability and collaborative software.

- Green space and wellness-oriented design considerations.

- Shift from campus towards integration with surrounding urban area

Implications for building typologies:

- Mixed use educational buildings with range of education, research, office, collaboration, gathering spaces and areas for private companies.

- Decreased worker density for academic spaces

- Emphasis on building flexibility

- Building capacity for high level technology, data and IT integration

- High quality building and public domain amenity

Location requirements:

- Accessibility to public transport

- Amenity including to access to F&B, retail, entertainment, childcare, gyms

- Co-location with another major institutional provider (i.e. health precinct, R&D precinct)

- Integration with surrounding urban area to share amenities and facilities

Example education building typologies

High density schools: Richmond High school in a vertical arrangement, utilising existing site. GFA of 15,000sq.m. Performing Arts Centre open to pubic.

Integrated campus: Melbourne Connect at University of Melbourne has private office, hotel, teaching & events. Designed to encourage collaboration between interdisciplinary organizations and institutions of all levels. GFA 15,000sq.m.

Integrated campuses : 1PSQ an integrated campus of Western Sydney in the Paramatta CBD. Incudes Graduate Schools, Engineering Innovation Hub and library in 19 storey building and to collaborate with surrounding businesses.

Innovation spaces: University of Wollongong Innovation campus acts as a 'business park' . Includes a business incubator and accelerator, commercial office building, and research centres. 50,000sq.m GFA.

Research focus: CSL Global HQ and centre for R&D18-storey facility including seven stories of labs, four levels of office space, and a collaborative bio-incubator for start-ups in Melbourne's biomedical precinct designed to accelerate Australian biotech. GFA of 54,000sq.m, 3,370sq.m site area

FIGURE C.4 EDUCATION INDUSTRY SPECIFIC TRENDS, BUILDING TYPOLOGIES AND LOCATION REQUIREMENTS

Other population services

Whilst representing a range of activities and building typologies, most population services aim to enhance visitation, visitor experience and cross-expenditure opportunities for the local community. This is often achieved by locating in highly accessible and walkable locations, activating public realm, placemaking and delivering a broad mix of uses.

Other population services industry trends:

- Advanced Chat Bots and AI based customer service
- QR code and digital enabled hospitality
- Experiential retail
- Online retail
- Mixed uses and clustering to drive cross usage, activation and vibrancy
- Seamless digital/physical retail including wayfinding
- Increased localisation of shopping centres into community hubs
- Emphasis on creating spaces to engage with community and sense of place.

Implications for building typologies:

- Integration and activation with surrounding public realm
- Visitor focused facilities and amenity
- Multi-purpose trips supported by mixed buildings and precincts with retail, office, residential entertainment, creative, lifestyle and educational uses
- Placemaking and high quality, activated public realm
- Retail floorspace should be walkable and accessible for visitors of all abilities.
- Reducing the environmental impact of the future retail floorspace (including closed loop malls, more efficient water and energy use and recycled materials)

Location requirements:

- Accessibility to public transport for visitors and workers
- Access to large visitor, worker or resident catchments
- Retail and services located proximate to other daily activity to enhance convenience
- Consolidated activity centre core rather than dispersed or less walkable environments

Example other population services typologies:

Entertainment & retail: The Social Quarter at Chadstone Shopping Centre. Mix of entertainment and dining, late night usage. 10,350sq.m. total area

Entertainment: Bridge Road Brewery, East Brunswick. Fine grain dining/brewery development to activate shopfronts
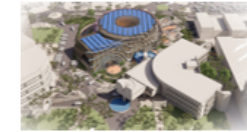
Community: Proposed community hub at Glen Waverley Activity Centre Includes public plaza, library, multi-purpose spaces, and office space with around 6,000sq.m GFA.

Hotels: Hotel Chadstone integrated hotel into a shopping complex. 12-storey, 250 rooms plus event spaces,

Community Spaces: Narrm Ngarru Library, Melbourne integrated into a mixed-use building.

Fine grain retail: Fine grain streetscape at Central Market, Adelaide. Retail within a fine grain street frontage.

FIGURE C.5 OTHER POPULATION SERVICES INDUSTRY SPECIFIC TRENDS, BUILDING TYPOLOGIES AND LOCATION REQUIREMENTS

Industrial

Contemporary, urban industrial precincts (as opposed to larger, state-significant precincts) are becoming increasingly customer and worker focused, resulting in higher amenity mixed employment buildings, with a range of office, storage and light industrial activities. Technology combined with land constraints, is enabling increased floorspace efficiency and higher density buildings. Industrial uses in urban areas also increasingly serve a range of recreation, service and destination uses to surrounding populations.

Other population services industry trends:

- Automation of production processes
- E-Commerce and online stores
- Supply chain efficiency through proximity to suppliers, customers and distribution hubs
- Gentrification of industrial areas towards higher value and mixed uses, serving a surrounding catchment
- Affordable and flexible spaces for startup businesses
- Predictive maintenance and remote monitoring
- Technology enabled processes, maintenance and monitoring
- Enhanced sustainability outcomes

Implications for building typologies:

- Increased floorspace efficiency
- Multi-level warehouses
- Distribution and warehousing spaces
- Data centres
- Higher building and public realm amenity
- Mixed use with office space, commercial showrooms and retail tenancies
- Diversity of uses including visitor focused retail, gyms, education, leisure, breweries, showrooms etc
- Building capacity for high level technology, data and IT integration
- Improved urban realm on site and in the surrounding context

Location requirements:

- Highway and arterial road network access
- Proximity to service consumers in urban locations
- Worker amenity including F&B, childcare, gyms
- Higher visitor amenity, including accessibility and car parking
- Appropriate separation from residential areas

Example industrial building typologies

Modern industrial/ office: Cheltenham Quarter, Cheltenham
Proposed 3-storey commercial and industrial hub located within the Bayside Business District containing 11 purpose-built warehouses, 2,463sqm of offices, three commercial showrooms, and additional retail tenancies.

Modern industrial/office: Work Belrose, Cheltenham
provides office/ warehouses. Adaptive re-use development/ 2 storey with office suits, showroom style warehouses and 'high-tech' units.

Modern business park: Caribbean Gardens, Scoresby
Stage 3 buildings includes campus style modern offices at around 8,000sq.m each across 5 levels with large floorplates of around 1,750sq.m.

High density logistics: Ascent Logistics Centre, Alexandria NSW
Proposed multi-level warehouse including 5,000sqm of A-grade office and wellbeing amenity with access to the M8, and Sydney CBD and Sydney Airport within a 10-minute drive. GFA 27,000sq.m.

Advanced Manufacturing: Moderna mRNA Vaccine Manufacturing Facility, Clayton. Pharmaceutical grade space, employee amenities, 103 car spaces, and laboratories. GFA 16,500sq.m.

FIGURE C.6 INDUSTRIAL SECTOR SPECIFIC TRENDS, BUILDING TYPOLOGIES AND LOCATION REQUIREMENTS

Appendix D
Analysis of employment projections

TABLE D.1 BURWOOD STRUCTURE PLAN AREA EMPLOYMENT FORECASTS

		BUR				BUR ANNUAL CHANGE (NO.)		BUR ANNUAL CHANGE (%)	
		2011	2021	2041		2011-21	2021-41	2011-21	2021-41
Industry:									
Education and Training		2700	4000	6400		130	120	4.0%	2.4%
Health Care and Social Assistance		300	600	800		30	10	7.2%	1.4%
Professional Services		1200	1200	3500		0	115	0.0%	5.5%
Other Population Services		1300	2300	4400		100	105	5.9%	3.3%
Industrial		1100	1000	1800		-10	40	-0.9%	3.0%
Total		6700	9000	16,900		230	395	3.0%	3.2%

		SOUTH EAST REGION					GREATER MELBOURNE			
		2021	2041		ANN. CHANGE (NO.)	ANN. CHANGE (%)	2021	2041		ANN. CHANGE (NO.)
Industry:										
Education and Training		80,800	132,100		2565	2.5%	224,400	410,300		9295
Health Care and Social Assistance		123,400	216,400		4650	2.8%	337,200	658,700		16,075
Professional Services		156,300	283,700		6370	3.0%	666,500	1,166,400		24,995
Other Population Services		243,100	368,300		6260	2.1%	725,500	1,210,000		24,225
Industrial		149,900	211,400		3075	1.7%	423,200	604,100		9045
Total		753,500	1,211,900		22,920	2.4%	2,376,700	4,049,500		83,635

Note: additional final column for GREATER MELBOURNE ANN. CHANGE (%):

Industry	ANN. CHANGE (%)
Education and Training	3.1%
Health Care and Social Assistance	3.4%
Professional Services	2.8%
Other Population Services	2.6%
Industrial	1.8%
Total	2.7%

Source: ABS Census of Population Aged 15+ in 2011 and 2021, cross tabulated by ANZSIC Level 1 industry. BIC 2021 for the forecasted values, summarised by broad industry.

TABLE D.2 REVIEW OF PROFESSIONAL SERVICES AND HEALTH FORECASTS FOR BURWOOD STRUCTURE PLAN AREA

	PROFESSIONAL SERVICES	HEALTH
Is the industry employment projection Consistent with historical growth?	**No**, future growth at 5.3% annually is significantly higher than historical growth which was negligible over the past decade. Low rate of growth in Professional Services persisted from 2011 to 2016, and therefore seems so be less affected by COVID-19.	**Yes**, Health is a small sector in Burwood, but has grown strongly over the last decade, albeit from a small base. Continued growth is reflected the employment projections.
Does the industry employment projection align with either broader industry or regional trends?	**Broadly**, forecast rate of growth professional services in Burwood surpasses that projected for Greater Melbourne. In terms of trends, professional services have a low propensity to locate in suburban locations (refer Section 4). Reversing these trends are likely to require a wide range of supports as outlined in Section 5.	**Broadly**, Employment projections forecast growth rate for Burwood is lower than the comparative regions but reflects the smaller role for this sector in the Structure Plan Area.
Does the industry employment projection align with the competitive strengths of the Structure Plan Area?	**Broadly,** a small role for professional sector aligns with the competitive strengths of Burwood, given the relatively small scale of a future activity centre core and limited existing offices.	**Yes,** small scale of sector growth reflects that health is not a competitive strength of Burwood and is appropriate in this context.
Does the industry employment projection align with the future economic role of the Structure Plan Area, considering the transformative effect of SRL East?	**Broadly,** professional services are likely to be a smaller sector in Burwood, complementing the large educational offer. This is reflected in the employment projections for professional services. The ability to deliver this level of professional services jobs will rely on the ability to leverage the potential collaborative opportunities with the University and to transition the industrial areas towards higher amenity mixed employment uses.	**Yes**, projections consistent with anticipated role of health sector in Burwood going forward, primarily meeting local resident needs.
Overall, is the industry employment projection appropriate for the Structure Plan Area?	**Broadly** Realising the significant shift from stagnant to high growth in professional services are likely to require a number of business attraction strategies, including working with the University to actively attract more businesses to the area and ensuring that the future town centre and nearby commercial areas at Burwood is of a suitable scale and amenity to facilitate this transition.	**Yes,** employment projection for Structure Plan Area is appropriate for the health sector and reflects its role providing some primary health care services for a local population. .

TABLE D.3 REVIEW OF EDUCATION, OTHER POPULATION AND INDUSTRIAL FORECASTS FOR BURWOOD STRUCTURE PLAN AREA

	EDUCATION	OTHER POPULATION SERVICES	INDUSTRIAL
Is the industry employment projection Consistent with historical growth?	**Yes**, BIC reflects that education will continue to drive the local economy and grow strongly through to 2041. Projected growth of this sector at 2.5% annually but this broadly maintains historic trajectory of around an additional 120 workers per annum. Education worker growth will need to be driven by very strong student growth.	**Yes**, future growth rate of other population services at 3.2% is appropriate for Burwood given historic growth in the area was heavily impacted by the construction sector. This construction sector is likely to play a smaller role as the Structure Plan Area transitions towards more intensive uses.	**No**, industrial sector has stagnated over last decade with limited growth. The employment projections anticipate this shifting to positive growth of around 3% annually, creating an additional 40 industrial jobs in the Structure Plan Area annually.
Does the industry employment projection align with either broader industry or regional trends?	**Broadly**, education and training is set to continue to grow strongly at the Greater Melbourne level, at around 3.1% annually. This aligns with strong demand both nationally and internationally for higher education in particular and national forecasts for continued growth in tertiary education sector[1]. Future policy changes around international students may impact long term growth rates.	**Broadly.** Other population services in Burwood are forecast to grow faster than the comparable benchmarks, but this also reflects that a new town centre will be established around the SRL East Station, driving new growth particularly in the retail and F&B sectors. The SRL East Structure Plan - Retail Needs Assessment – Burwood provides the detailed assessment of retail needs for the new Burwood Town Centre.	**No,** the forecasts do reflect that industrial jobs in Burwood industrial precincts have been declining in recent years as these areas slowly transition towards higher value jobs. Preserving industrial land for employment uses is a clear policy intent, but the policies recognise transition towards higher density employment uses, typically away from the industrial sector.
Does the industry employment projection align with the competitive strengths of the Structure Plan Area?	**Broadly**, the presence of three educational facilities is the clear competitive strength of Burwood. The projections rely on significant growth in student numbers across these three campuses to result in staff growth. Furthermore, should Mt Scopus proceed with their plans to relocate to an alternate site, this may result in a net loss of education jobs in the Structure Plan Area but potentially opportunity for expansion of the tertiary or other education offer.	**Yes**, as growth in other population services reflects the role of Burwood as an important education precinct, supported by a high number of workers and students. Furthermore, the introduction of SRL East and associated structure planning will increase the number of workers and residents in the area, further driving demand for a range of other population services. The SRL East Structure Plan - Retail Needs Assessment – Burwood specifically considers the demand generated for retail and F&B stemming from growth in resident, workers and students.	**Somewhat**, the proximity of Deakin University does present some opportunity for higher value and R&D oriented activity within the industrial zoned land. This could deliver some growth in industrial jobs. However, this will require a level of intervention and stakeholder collaboration, particularly with Deakin University to facilitate this growth. At the same time, the balance of the industrial areas are likely to continue to slowly transition to higher intensity employment uses, which is likely to result in a net loss of traditional industrial jobs.
Does the industry employment projection align with the future economic role of the Structure Plan Area, considering the transformative effect of SRL East?	**Broadly**, the employment forecast for education in Burwood are high and are reliant wholly on alignment with the growth plans of key stakeholders, particularly Deakin University. The projections also rely on very strong student growth and Given the growth of online learning, growth in tertiary student numbers may not translate to additional students on campus.	**Broadly**, the other population services forecasts align with the future economic role and support development of a new town centre at Burwood. Other sectors such as arts and recreation and other services are also likely to align with population growth. Forecast growth in construction services may be overstated or could be accommodated through ore office-based development within the industrial areas.	**Broadly,** the employment projections support the growth of higher value industrial jobs, leveraging the presence of Deakin University, however as noted above there is also likely to be a broader loss of traditional industrial jobs as the industrial areas transition towards other employment uses.
Overall, is the industry employment projection appropriate for the Structure Plan Area?	**Potentially**, realisation of the employment projections are wholly dependent on the growth intentions of the educational stakeholders in the Structure Plan Area. Further discussions with Deakin University are necessary to validate their future growth intentions, and with Mt Scopus to better understand their long-term plans.	**Yes**, the employment projections are a reasonable representation of likely growth in other population services. Strong worker, student and resident growth is forecast in the catchment, and more specifically, the Structure Plan Area, which will sustain demand in this sector.	**Potentially**, achieving the industrial forecasts will require strong collaboration and alignment with Deakin University, or other research institutes to grow high value R&D and industrial activity in this location. Otherwise existing market trends are likely to see decline or stagnant growth industrial jobs as the industrial areas transition away from industrial activities.

Note 1: Victoria University Employment Projections to 2033 prepared for Jobs and Skills Australia. From https://www.jobsandskills.gov.au/data/employment-projections

Floorspace methodology and testing

Overview

This section provides further detail on the methodology and supporting data behind the key assumptions in the floorspace modelling. As shown in the purple boxes in the figure adjacent, these are:

- Deriving employment land use shares in order to understand the distribution of employment by industry group across different land use types, and,

- Workspace ratios for each land use type, outlining they key assumptions used for this Structure Plan Area.

Inputs

1. Structure Plan BIC Employment Projections by Industry Group 2041

Projections reviewed to consider if aligned to industry outlook and future vision

Assumptions

2. Distribution of employment by industry group across different land use types.
Informed by:
- Relationship of industry to occupation
- Existing land uses
- Industry trends

3. Workspace Ratios for each land use type
Informed by:
- Current WSR
- Comparable regions
- Quantum of new development

Outputs

4. Future floorspace demand by land use
For each industry group, employment multiplied by respective land use split (1 x 2). Land use employment totalled across all industries and then multiplied by relevant WSR (3).
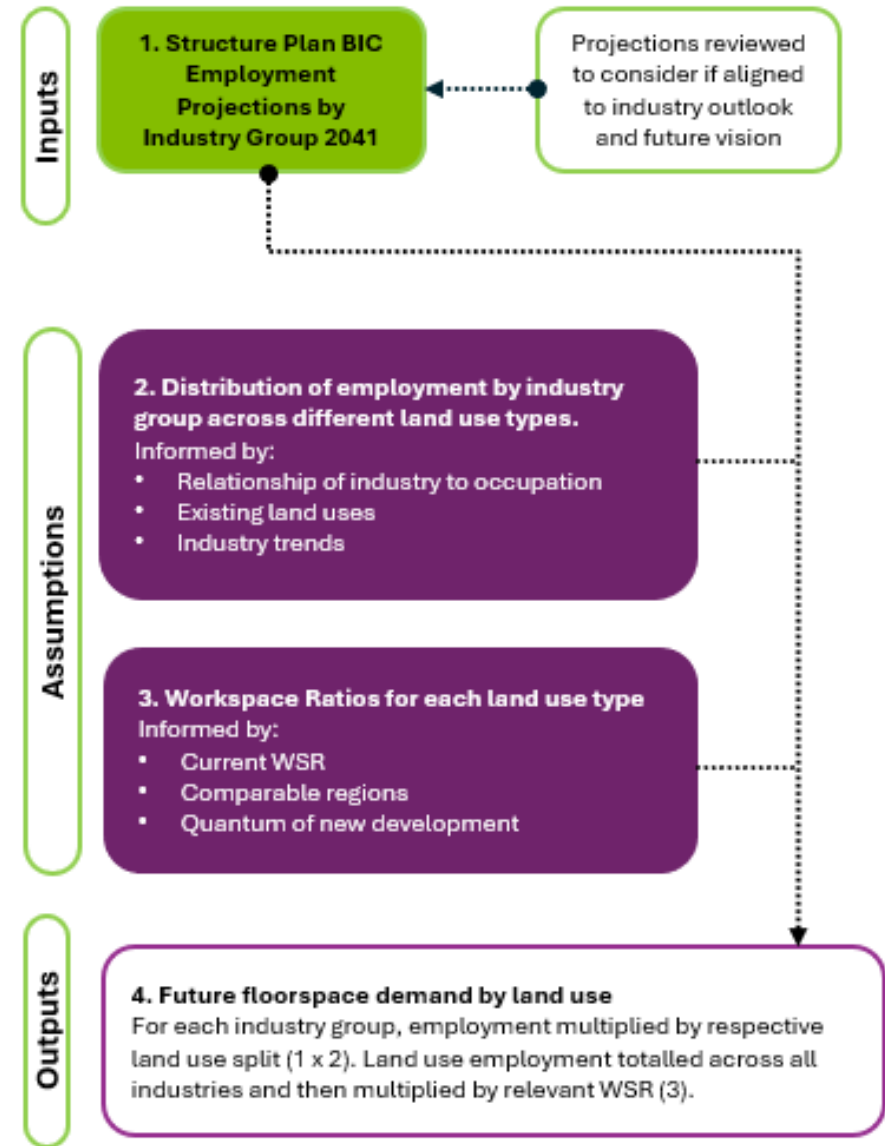
FIGURE E.1 OVERVIEW OF FLOORSPACE DEMAND ESTIMATION APPROACH

Employment land use shares in Burwood

Below are the data inputs used to understand the distribution of workers by employment land use type in the Burwood Structure Plan Area. As detailed in Section 0, this is based on a series of checks:

- **Check 1:** Understanding the relationship between occupations and industries in the Structure Plan Area to provide an indication of the type of floorspace or land use required for the occupation mix.

- **Check 2:** Understanding the existing relationship between occupations and floorspace by looking at the employment floorspace audit of the Structure Plan Area.

- **Check 3:** Projecting the future relationship between occupations and floorspace in 2041 by bringing together long-term industry trends, zoning information and employment floorspace data sets such as City of Melbourne CLUE data, to estimate the future shift in workers by industry toward different floorspace types.
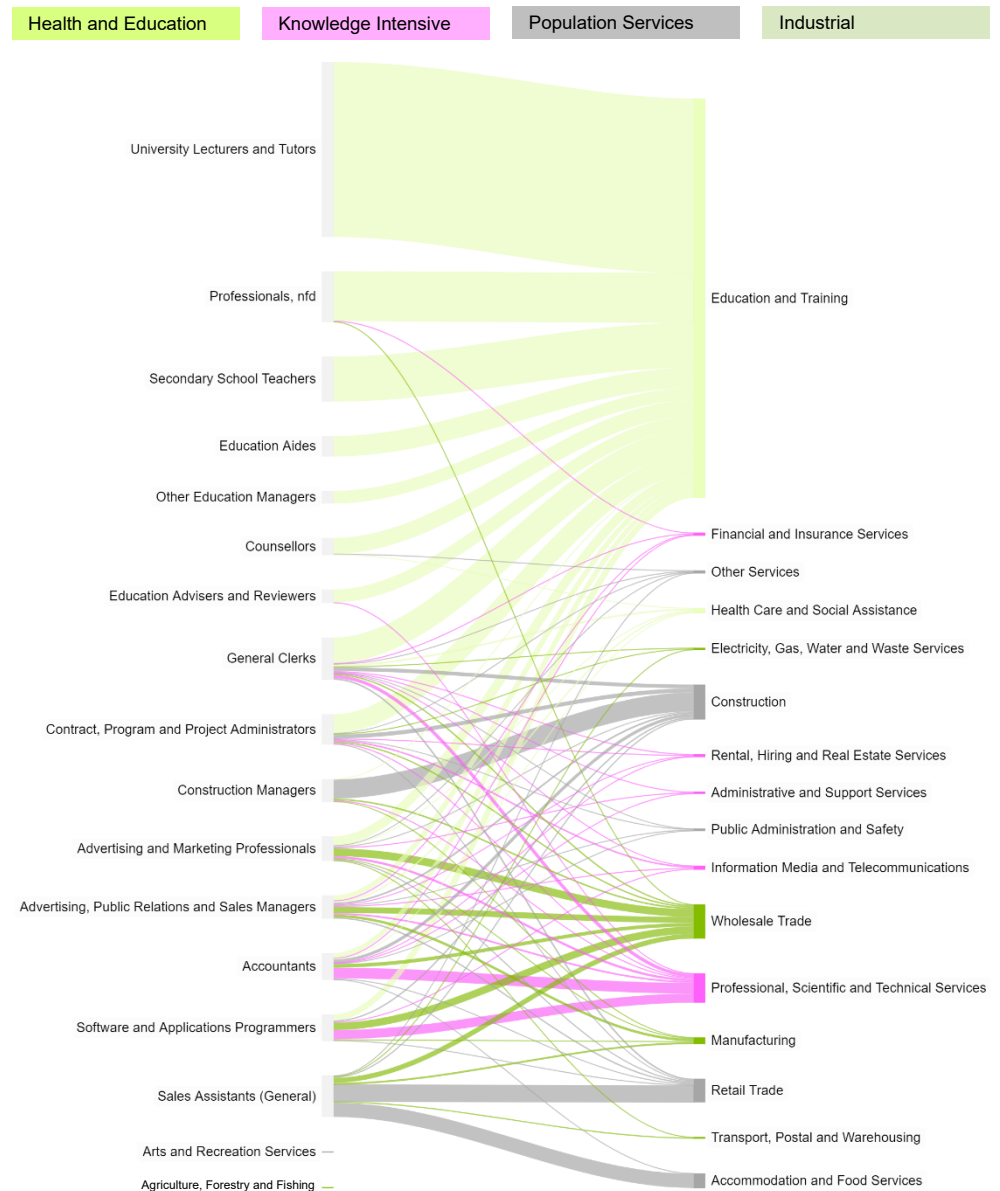
CHECK 1: RELATIONSHIP BETWEEN OCCUPATIONS AND INDUSTRIES

Figure 2 shows a Sankey chart with the top 15 OCCP level 4 occupations found in Burwood Structure Plan Area as at the 2021 Census to the left, with links highlighting the proportion that are within each of the 19 ANZSIC industries moving to the right. Occupations have the greatest link to floorspace typology, given they describe what an employee does at work.

For Burwood Structure Plan Area, it is noted:

- A large share of workers work in education-related industries. Education is the predominant industry for two of the top three occupations in University Lecturers and Tutors, and Secondary School Teachers.

- Occupations like accountants, general clerks and software and application programmers are spread across several industries and highlight the importance of cross-tabulating occupation and industry to understand floorspace type. For example, a general clerk in retail trade should be in retail floorspace, whilst a general clerk in professional services will likely be in office space.

Source: ABS Census 2021

FIGURE E.2 EMPLOYMENT BY OCCUPATION BY INDUSTRY, BURWOOD STRUCTURE PLAN AREA 2021

CHECK 2 AND 3: RELATIONSHIP BETWEEN WORKERS BY INDUSTRY AND LAND USES IN 2021 (2) AND MOVEMENT TO 2041 (3)

The table adjacent shows the estimated current split of workers by floorspace type in 2021, informed from the land use audit completed for the Structure Plan Area. A description of this audit is in Appendix A.

Table E1 also shows the change projected to 2041 in the proportion of industry jobs in each land use. These shifts are based on observed trends in the typologies of floorspace (such as health workers using office space at a higher intensity) outlined in Section 9. City of Melbourne CLUE data was also considered to estimate the shift in workers by industry toward different floorspace types as well as applying iterative adjustments with future developments outlined in Section 5.

Where appropriate, tests have been undertaken to ensure known future supply would fit within the projected outcomes.

Evidently, office floorspace is likely to play an increasingly important role in Burwood through an uptick in professional services employment and as other industries increasingly use office floorspace.

The education sector is expected to utilise slightly more office-style typologies as educational buildings become more flexible and mixed-use, integrating a greater share of office space within their facilities and optimising some teaching areas.

Burwood currently has a significant industrial area with a range of occupants but the share of employment that is going to industrial floorspace is expected to fall out to 2041. This will be due to two competing impacts:

- Urban industrial floorspace will continue to change, seeing a greater mix of employment activities in these industrial areas. This trend is already occurring in Burwood's industrial precincts as noted in Section 3.5.
- Where not protected or where the occupant is not requiring to be in the locale of Burwood specifically, costs of land and relative highest and best use of land will push out industrial floorspace in favour of higher value activities.

Retail floorspace is the primary use for other population services. This use is expected to increase markedly from a relatively small base to meet the demand for the growing population and employment around Burwood. Retail and accommodation and food services industries are a part of other population services. Between 2021 and 2041 the share of other population services employment in retail typologies is estimated to increase from 29% up to 33%.

TABLE E.1 BURWOOD STRUCTURE PLAN AREA LAND USE SHARE ASSUMPTIONS, 2021 AND 2041

| | INDUSTRY SECTORS | | | | | | | | | |
| | PROF. SERVICES | | HEALTH | | EDUCATION | | OTHER POPULATION SERVICES | | INDUSTRIAL | |
LAND USE	2021	2041	2021	2041	2021	2041	2021	2041	2021	2041
Office	83%	92%	34%	51%	4%	9%	9%	23%	13%	29%
Health	1%	1%	32%	32%	0%	0%	0%	1%	1%	1%
Education	7%	4%	17%	10%	90%	87%	2%	3%	2%	3%
Retail	1%	1%	11%	7%	1%	2%	29%	33%	4%	5%
Industrial	3%	0%	5%	0%	4%	1%	52%	32%	72%	53%
Public Use	4%	2%	0%	0%	0%	0%	2%	3%	3%	5%
Accommod'n	0%	0%	0%	0%	0%	0%	1%	1%	0%	1%
Entertainment / Recreation	1%	0%	0%	0%	1%	1%	4%	5%	0%	0%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Source: ABS, CLUE, VPA, AJM-JV

Workspace ratio approach for Burwood

Workspace ratios represent the amount of floorspace allocated to each worker in a work environment. Although there are typical ranges that are often noted, these can fluctuate depending on factors such as location, industry sector, and the specific needs of individual businesses.

As detailed in Section 7.4, the final workspace ratio is selected following a series of checks:

Check 1: On a land area basis, what will be the density of employment in the Structure Plan and where is this comparable? This will help identify areas around Australia that are currently holding the density of workers that the Structure Plan will hold in the future. This prompts further investigation on the typologies that allow for this. The jobs that are compared are the most comparable industry or set of industries to that floorspace. In the example for office shown below, this is knowledge intensive industries defined for this purpose to include finance, insurance, professional, scientific and technical services, and real estate advisory services.
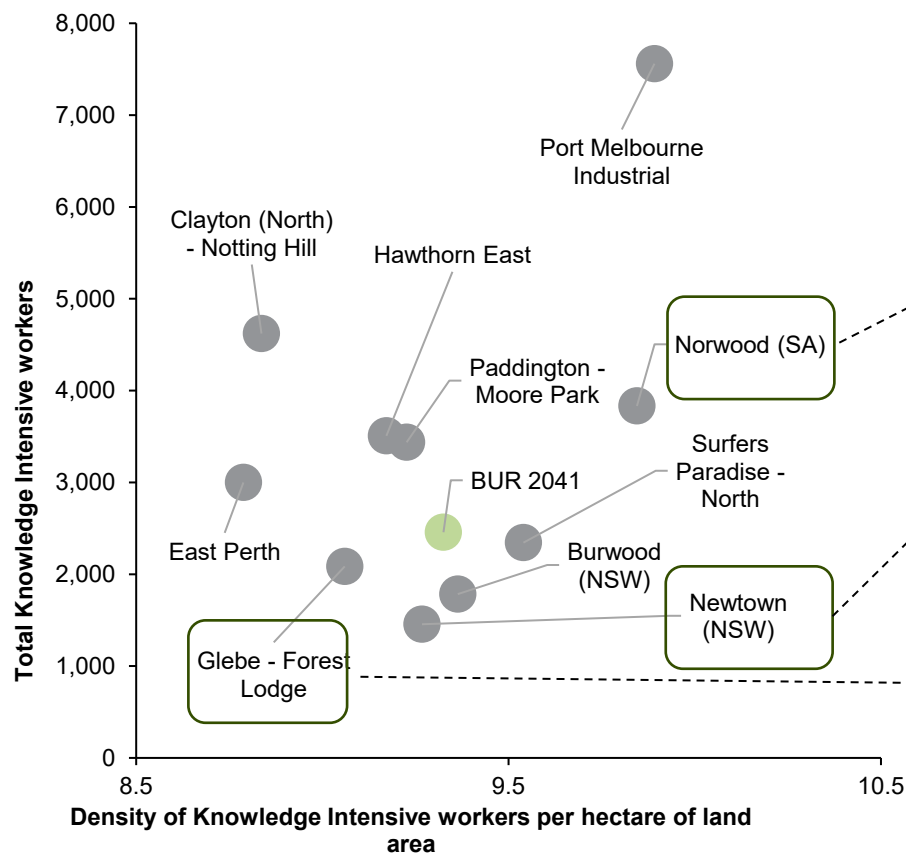

New office stock in comparable areas are either converted old spaces or low to medium density, campus style office developments.

FIGURE E.3 BURWOOD 2041 WORKER DENSITY BY LAND AREA COMPARED TO AUSTRALIAN SA2'S

Source: 2021 ABS census for population aged 15+ workers by ANZSIC industry, imagery from real commercial advertising

Check 2: Understanding existing WSR in the Structure Plan Area, by combining by combining the audit of floorspace in the Structure Plan Area and the analysis of workers recorded by the ABS Census 2021. This provides a baseline for future shifts to be incorporated from, and more accurately estimate the need for floorspace. This is then shown in comparison to benchmarks from the City of Melbourne, City of Sydney and Perth to gain an understanding on where the Structure Plan sits currently and why. To bring the floorspace audit in line with the benchmark comparisons a translation of floorspace from GBA to GLA has to occur. This is estimated using building level data from CLUE 2016 as shown in Figure E.
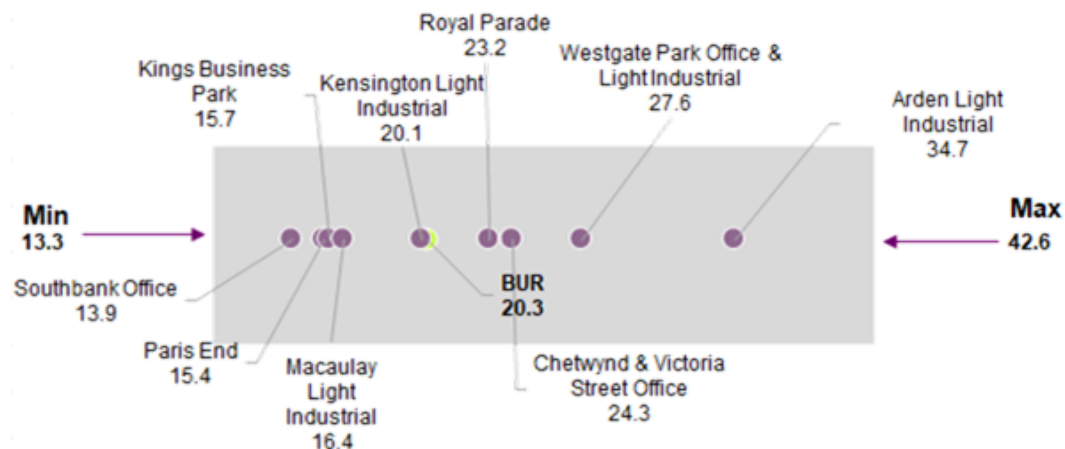
Burwood currently sits in the lower end of the range for workspace ratios due to the small amount of space and the high proportion of dedicated office space within the mix, such as at the Greenwood Business Park.

Given the typologies observed above, future floorspace will likely push workspace ratios marginally lower, but not as low as if there were CBD scale, high rise office buildings.

FIGURE E.4 BURWOOD OFFICE WSR IN COMPARISON TO BENCHMARKS

Check 3: Again, bringing together benchmark data from the City of Melbourne and City of Sydney, the annual volume of floorspace growth in different areas is considered. This is checked against the range of growth scenarios that emerge by applying the 10th and the 90th percentile of workspace ratios in Check 2 against forecast the forecast jobs by type in the structure plan. For example, below shows that Burwood would grow at between 2400 and 6000 sq.m per annum from 2021 to 2041 if either the 10th percentile (14.5 sq.m per worker) or the 90th percentile (27 sq.m per worker) from Check 2 are applied to Burwood's 2041 office jobs estimate.
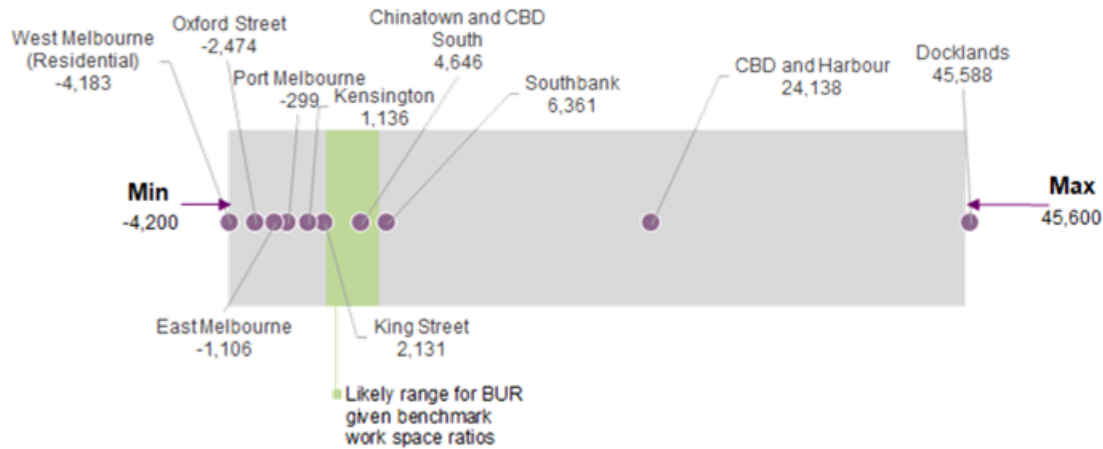
Future growth in Burwood is likely to be between what was observed in King Street (Sydney) up to Southbank (Melbourne).

Given the typologies and type of precinct that Burwood is, it is likely that it would not err towards the high-rise, inner city Southbank and more towards the mixed density King Street area in Newtown, Sydney.

FIGURE E.5 OFFICE 10 YEAR ANNUAL GROWTH BY VOLUME (SQ.M)

Source for both figures: City of Melbourne 2016 Census of Land Use and Employment, detailed information with breakdown of floorspace types by building. CLUE (City of Melbourne floorspace census), FES (City of Sydney floorspace census) and PLUC (Perth land use census) data to get a range of workspace ratios to compare with Burwood)

Check 4: Given a certain level of space as "new" and a certain level as "renovated" at different scenarios of growth, there will be a quantity of space left over as old floorspace in the Structure Plan Area. Within CLUE data, older floorspace has either remained constant or increased in its workspace ratio over time. By applying this assumption, the range of workspace ratios that can be applied to the Structure Plan Area can be further limited.

TABLE E.2 BURWOOD STRUCTURE PLAN AREA WORKSPACE RATIO ASSUMPTIONS

LAND USE	EXISTING WORKSPACE RATIO 2021	WORKSPACE RATIOS IN KNOWN BENCHMARK AREAS[1]	FUTURE PRECINCT COMPARABLE LOCATIONS[2]	TESTING WSR AGAINST Projected Employment Floorspace Growth	RECOMMENDED WORKSPACE RATIO FOR STRUCTURE PLAN 2041
Education	64.2 [GLA], 75.6 [GBA]	30.4 - 110.6 [GLA]	Darlinghurst, Southbank - East, South Yarra - West, Surry Hills, North Sydney - Lavender Bay	The share of education floorspace in Burwood will shift further towards Deakin University out to 2041 given the capacity for growth on this site relative to the other education providers in the area. This may increase further if Mount Scopus vacates. Tertiary education has a lower workspace ratio than secondary education space. Growth should also be high relative to benchmark areas given the significant weighting of education floorspace. A slight shift down to 70.6 sq.m per worker gives the expected shift in older floorspace whilst also allowing for growth that is around the 75th percentile of comparable areas.	60.0 [GLA], 70.6 [GBA]
Industrial	85.8 [GLA], 94.1 [GBA]	54.7 - 481.1 [GLA]	Murarrie, Braeside, Geebung, Bibra Industrial, Richmond (South) - Cremorne	Industrial floorspace is the second largest use by total floorspace in Burwood. Some of this space is expected to be converted to other uses such as office, particularly along the highway. New floorspace will also be different, with greater land values emerging, sites will be forced to be more efficient with their space. Workspace ratios have been reduced to 87.8 sq.m per worker, pushing below the mid-point of benchmark areas.	80.0 [GLA], 87.8 [GBA]
Office	20.3 [GLA], 26.4 [GBA]	14.5 - 27.0 [GLA]	Newstead - Bowen Hills, Barton, Richmond (South) - Cremorne	Office based employment will grow by nearly five times out to 2041. This will lead to significant additions of floorspace. New office floorspace has low workspace ratios. High density office precincts like Docklands and Southbank have new space at between 12 – 14 sq.m whilst campus style or medium density areas push out towards 14 – 18 sq. m. Burwood is likely to err towards the latter given comparable areas, and this will push the overall WSR down to 22.1.	17.0 [GLA], 22.1 [GBA]
Retail	36.5 [GLA], 43.3 [GBA]	20.8 - 48.6 [GLA]	South Yarra - South, Glebe - Forest Lodge, Abbotsford, Hornsby - East, Rosebery - Beaconsfield	Retail floorspace is discussed in detail in the SRL East Structure Plan - Retail Assessment – Burwood. Retail based jobs are expected to double between 2021 – 2041 from a low base. With most jobs expected in specialty shop space rather than the current extent of low density large format retail showrooms the WSR down to 30.9 from 43.3.	29.5 [GLA], 30.9 [GBA]
Entertainment / Recreation	106.0 [GLA], 129.8 [GBA]	25.4 - 265.6 [GLA]	Parramatta - North, Albert Park, Randwick - South, Bondi Junction - Waverley, Paddington - Milton	Entertainment and recreation floorspace in the future structure plan will be oriented towards indoor entertainment for the future workers, residents, and students. This includes gyms, bars and arts workshops. These spaces are more comparable with retail floorspace on a workspace ratio basis. As a result, future workspace ratios should reduce significantly.	80.0 [GLA], 98.0 [GBA]
Public Use	44.6 [GLA], 59.4 [GBA]	24.9 - 428.8 [GLA]	Hobart, Canberra Airport, Greenway	There will only be around 170 more public use jobs in Burwood out to 2041. There is not expected to be significant growth in floorspace as a result, and workspace ratio declines will be predominantly to increase efficiency of existing space whilst leaving room for limited expansion.	30.0 [GLA], 40.0 [GBA]
Health	17.1 [GLA], 20.2 [GBA]	17.9 - 101.8 [GLA]	Fitzroy, South Yarra - West, Melbourne CBD - East	Similar to public use, there will not be much expansion of health floorspace. There are significant health precincts in neighbouring regions. Future space is expected to increase slightly in workspace ratio.	18.0 [GLA], 21.2 [GBA]
Accommodation	134.8 [GLA], 186.3 [GBA]	153.7 - 604.6 [GLA]	Melbourne CBD - North, Brisbane City	Accommodation floorspace ratios have been increased to better match the benchmark areas and allow for expansion of one or two commercial accommodation buildings that will accommodate worker, student and resident growth.	160.0 [GLA], 221.2 [GBA]

Note: Retail floorspace figure in this table is the mid-point of the GBA range outlined in the Retail Needs Report.

Source: AJM-JV. Notes (1) The 10th to 90th percentile of workspace ratios were selected from the selected benchmark locations to remove outliers (2) Comparable locations were selected based on a review of employment density and development and building typologies across major Australian cities, similar to the anticipated outcomes in the Structure Plan Area

Accommodation
72.3%

Public Use
75.0%

Office
76.8%

Entertainment / Recreation
81.7%

Health
84.9%

Education
85.0%

Industrial
91.2%
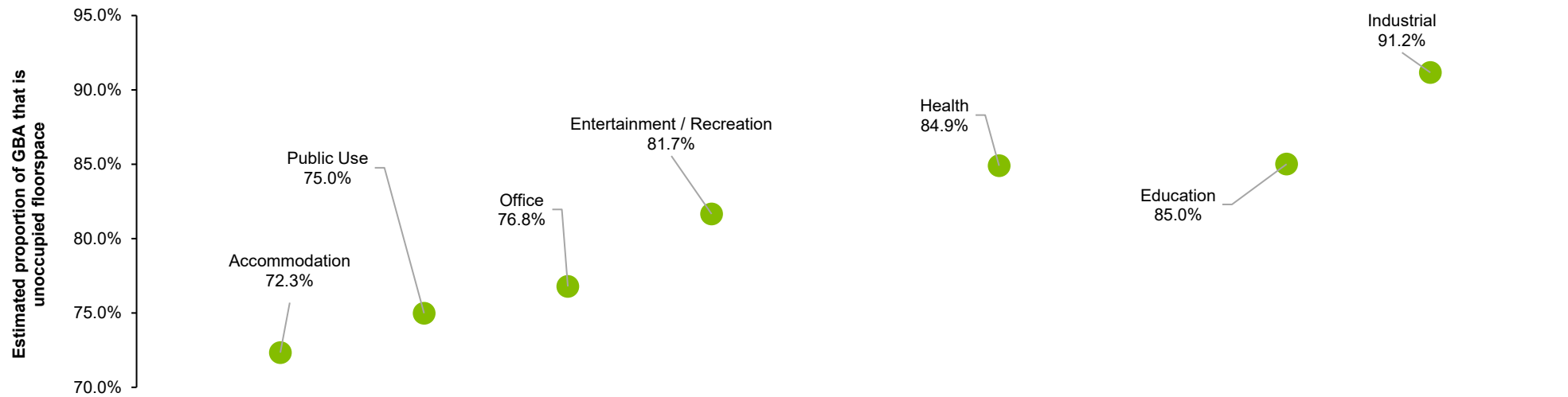
FIGURE E.6 BURWOOD STRUCTURE PLAN AREA GLA AS A SHARE OF GBA

Source: City of Melbourne building level CLUE data, obtained in 2017 for the calendar year 2016

Appendix F
Peer review report

Suburban Rail Loop East Precinct Planning Peer Review of Economic Technical Report Burwood Station Precinct

14/02/2025

1.1 Scope of Peer Review

SGS Economics and Planning (SGS), led by Julian Szafraniec, have been engaged by White & Case together with Clayton Utz acting on behalf of the Suburban Rail Loop Authority (SRLA) to provide a peer review of the Burwood Economic Profile Report (Technical Report) for the purpose of informing the Structure Plan (SP) and draft planning scheme amendment (PSA) for the Burwood structure plan area (SPA).

SGS was first engaged in relation to this matter in early 2024, and through an iterative approach, has reviewed the housing and economic technical reports for all six SRL East precincts, along with the land use scenario and capacity assessment (LUSCA) report. This peer review report documents SGS' findings as they relate to the Technical Report (dated February 2025).

The peer review advice addresses:

- The appropriateness of the methodology used to translate employment projections (developed as part of the Business and Investment Case (BIC)) into various employment floorspace needs for the Burwood SPA, specifically for the purposes of informing the SP and draft PSA.

- Understanding if the results of the analysis have then been appropriately presented and suitable precinct recommendations have been developed to inform the SP and draft PSA.

The peer review does not consider:

- Broader macro and regional trends, alternative employment growth forecasts for the SRL corridor or station precincts, or the appropriateness of earlier studies, such as the BIC.
- Other technical reports or matters, such as urban design, traffic and community infrastructure.
- The extent to which the recommendations from the Technical Report were ultimately used and implemented in the Burwood SP and draft PSA.

1.2 Summary of peer review

The remainder of this peer review document is structured as follows:

- **Section 1.3** provides a summary and peer review of the appropriateness of the method used in the Technical Report for the purposes of informing the SP and draft PSA. This is consistent across all six precinct peer review reports as a consistent method was applied.
- **Section 1.4** provides a peer review of the results and recommendations for Burwood SPA specifically.
- **Section 1.5** provides final concluding remarks from the peer review of the Technical Report.

SGS ECONOMICS AND PLANNING – SUBURBAN RAIL LOOP EAST PRECINCT PLANNING PEER REVIEW OF ECONOMIC TECHNICAL REPORT - BURWOOD STATION PRECINCT

1

1.3   Appropriateness of methodology, assumptions and limitations

The Technical Report is split into four Parts, along with an Executive Summary and a set of Appendices. The same overall structure, and method, for determining employment needs within the SPA has been used consistently across all six SRL East precinct reports. In summary the structure is as follows:

- Executive Summary provides an overview of the analysis and recommendations in the report.
- Introduction (Section 1) details the scope, key definitions, key assumptions, limitations and how the report relates to other technical reports and the SP process.
- Parts A and B provide a summary of key regional and local policy and employment trends.
- Part C contains the core analysis work and details how employment projections were reviewed and translated into various employment floorspace needs for the Burwood SPA specifically.
- Part D provides recommendations specific to Burwood to inform the SP and draft PSA.

The advice contained within this section of the peer review report focuses on the appropriateness of the methodology used (primarily documented in Part C) along with key definitions, assumptions and limitations (largely summarised in Section 1 and the Appendices of the Technical Report). It also provides some commentary related to the appropriateness of the contextual research contained in Parts A and B.

Key inputs and interactions with other background technical reports

Given the scale of SRL, the evidence base to inform the SP process includes many technical and background reports which investigate specific issues and combine into an overall package.

A key input into the Technical Report is the 1600m catchment precinct employment projections which were derived using CityPlan as part of the BIC (August 2021). This is documented in Section 1.6 and in Appendix A of the Technical Report. How they have been used, limitations and uncertainty associated with those inputs are also clearly noted. This includes noting that these projections are strategic and should be considered indicative and that material events (i.e. COVID, 2021 Census) have occurred since their development. A key feature of the analysis method, discussed later, is also a review of these projections against the latest market trends and drivers to identify where risk and interventions might be considered as part of the SP process.

Another key input for the Technical Report is the 2021 ABS Census. The Technical Report appropriately notes that this data was collected during COVID-19 restrictions and that caution should be applied when using place of work employment data from that Census period. To mitigate this, the report also utilises 2011 and 2016 ABS Census and other datasets as part of the analysis to provide additional context, which is an appropriate response.

The Technical Report also interacts with other technical reports, including directly inputting to LUSCA (which SGS has separately completed a peer review of) and the SP. The scope and interactions with these other technical reports and the SP has informed the approach taken in the Technical Report. These interactions and broader body of work are clearly documented at Section 1.7 of the Technical Report and have been considered as part of the peer review - rather than considering the Technical Report purely in isolation.

SGS ECONOMICS AND PLANNING – SUBURBAN RAIL LOOP EAST PRECINCT PLANNING PEER REVIEW OF ECONOMIC TECHNICAL REPORT - BURWOOD STATION PRECINCT

2

Appropriate specification and application of definitions

For the Technical Report to appropriately inform a SP process, it is critical that any analysis directly relates to the SPA and planning horizon in question. Further, any definitions should be clearly defined and consistently applied to ensure results can be interrogated and correctly used in subsequent work.

These definitional aspects are primarily documented in Section 1 and Appendix A.

- **Geography:** the Technical Report results and recommendations specifically relate to the whole SPA (as summarised in Section 1.8 of the Technical Report). Various inputs consider alternative geographies, including a '1600m catchment' definition, travel zones and Local Government Areas. The Technical Report does not fully clarify the fact that the 1600m catchments were originally used for BIC employment projections, with assumptions made in the Technical Report analysis to apportion this down to the SPA. In Appendix A there is some commentary on spatial misalignment limitations generally, which are common in this type of analysis, but the specific method is not clarified. However, review of the results for each SRL precinct (further discussed in Section 1.4) indicate the apportionment is within plausible ranges and further analysis of the resulting SPA employment results as part of the method process has determined their suitability for informing the SP process. While the link to the BIC and clarification of approach appears to be lacking, I believe it has not actually materially impacted the results and recommendations used to inform the SP.

  In addition, the Technical Report includes no sub-precinct results, beyond high-level locational recommendations and opportunities in Section 11. While more spatially detailed analysis could often be contained within a Technical Report such as this, that analysis has been completed in the LUSCA and with input from other technical reports, such as Urban Design. When considered as a package of technical reports which inform the SP process, I believe this is an appropriate approach, but increases the importance of having clear definitions that are consistently applied across all technical reports.

- **Time horizon:** the Technical Report analysis considers employment needs out to 2041 (20 years from 2021 or 17 years from 2024). I believe this an appropriate planning horizon for SP purposes and is consistent with the planning horizon for housing.

  Employment and floorspace: how a job, or worker, is defined, and counted, can heavily influence how the results should be interpreted and used in other work. The definition of a job has been defined in Section 1.5, with the definition also consistent with the standard ABS definition. Job classifications by industry, based on standard ANZSIC definitions and a custom land use classification has also been documented. Various floorspace ratios have also been defined in Section 1.5 and used consistently throughout this report and in other technical reports. I believe these definitions are all clear and appropriately applied throughout the Technical Report.

Suitability of background policy and economic potential

Given the SRL precincts exist within an established urban context, it is critical that there is some analysis of the broader context and current state of the precinct and the economy. This contextual analysis helps establish the baseline trends and informs the economic and employment potential and plausibility of projections, key assumptions and the recommendations.

Part A and B of the Technical Report includes this contextual analysis:

- **Part A** details the relevant strategic context at state and local government level as well as providing a baseline understanding of the current economic outcomes for the precinct which provides the relevant

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economic and employment data. Most data has been sourced from the ABS Census, but more recent data sources provide up to date context and additional information to inform the future outlook.

- **Part B** details the role of suburban employment hubs and the potential growth trajectory for professional jobs in the SPA. The report details key factors to support development in the precinct as well as case studies for other similar locations. This section also considers trends in specific industries, the changing nature of work and how this will influence future needs for the SRL precincts, as well as an analysis of strengths, weaknesses, opportunities and constraints for the SRL precinct.

Analysis of economic context is comprehensive, and the assessment of the SRL precinct policy status and potential seems reasonable. Part B further details the relevant trends and drivers influencing the SRL precinct and provides comprehensive and appropriate employment implications that should be considered when assessing the suitability of the employment projections and their alignment with established market conditions. The structure and use of consistent industry categories also enables this contextual analysis to be easily tracked and translated into the subsequent work around review of the forecasts and recommendations.

Identifying future employment floorspace needs

The core purpose of the Technical Report is to estimate the economic and employment floorspace potential of the SPA, to inform subsequent technical reports and the SP and draft PSA process.

Part C and Appendix D and E of the Technical Report details the method used to review and estimate the employment floorspace requirements. The broad steps are provided in Section 7.2, as follows:

- <u>Review</u> of employment projections (from the BIC) by industry group.
- Determine the distribution of employment across different <u>land use types.</u>
- Establish <u>workspace ratios</u> for each land use type.
- Calculate future <u>floorspace demand</u>.

These steps are discussed in further detail below:

- The first step involves a **review of employment projections** for the SPA from the BIC. As noted earlier, it is unclear from the Technical Report how employment projections for the SPA have been derived from the 1600m catchment data contained in the BIC. Despite this, they do seem broadly reasonable and consistent with BIC projections.

  It is clearly stated that projections have not been refined and only one future scenario (from the BIC) is considered. Instead, the focus of the review is to clearly highlight where growth is supported by the market/ trends or where risk exists or intervention is required. There are a range of suitable ways this aspect of the analysis could have been completed. Alternative or adjusted employment projections could have been developed as a result of the review. However, this would have required much broader (metropolitan wide) analysis (given the scale of SRL) to determine the plausibility of redistributions from/to other locations across Melbourne, which would have significantly expanded the scope of the Technical Report and potentially duplicated previous work. While updated projections and additional scenarios would be helpful, and might have addressed some limitations in the current projections, for the purpose of informing the development of the SP, reviewing the existing projection set, with clear commentary on risks, areas of flexibility, key opportunities and interventions required, is still an appropriate and efficient approach. This approach accepts that projections are inherently uncertain and places more focus on the general guidance and implications around the employment

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projections for the SP to consider, rather than additional analysis that seeks to refine a single employment projection outlook which the SP should plan to.

▪ The **translation of employment by industry to land uses** is an effective approach that recognises the differences between employment industries and the spaces that different businesses within an industry occupy. This is important when seeking to convert the employment into floorspace requirements for the SP. The translation matrix has been derived based on local employment industry and occupation data, a comprehensive synthesised local land use audit and consideration of planning policy and economic trends. This method is clearly documented, and I believe results in a robust translation matrix which is specific to the SRL precinct and potential economic change in its future.

▪ **Workspace ratios** for each land use type and specific to the SRL precinct are derived from the City of Melbourne – Census of Land Use and Employment (CLUE) data and the local floorspace audit. It is also noted that the workspace ratios have been adjusted to reflect changes in built form attributes of new versus old floorspace as well as changes due to flexible working arrangements. This is all clearly documented and further evidenced with benchmarks in Appendix E. These ratios are all within typical industry standard ranges and the detailed approach ensures a more robust estimate of floorspace is calculated, as it reflects differences unique to each SRL precinct.

▪ Workspace ratios are then applied to employment by land use to determine floorspace requirements. This estimated demand is then thoroughly **tested against a range of market criteria and case studies** by land use type to determine how likely it is to be delivered by the market and what interventions and other consideration should be considered by the SP. I believe this is a robust assessment of the employment floorspace requirements within the SPA which clearly demonstrates some key opportunities and challenges or risks for certain employment sectors across the SRL precinct and which the SP will need to consider.

1.4   Station precinct analysis findings and recommendations

The following section considers how the method was applied to Burwood SPA specifically and provides a review of the results and recommendations that have been developed.

Employment projection and spatial allocation

Table 1 below shows how employment growth is allocated to the SPA, relative to the wider 1600m catchment definition using data in Table 8.1 of the Technical Report. The second row, presenting the *SPA as share of 1600m Catchment* has been separately calculated to help with the peer review process. As of 2021 the SPA represents 96 per cent of the 1600m catchment for employment and is anticipated to capture 82 per cent of net employment growth. While this is a reduction in the share allocated to the SPA area, this is in line with other SRL East precincts and recognises some dispersed employment within the wider catchment area (i.e. along Warrigal Road or Burwood Highway)

For comparison, as of 2021 the SPA for all six SRL East precincts combined represents 73 per cent of their respective 1600m catchment's employment and combined they are estimated to capture 84 per cent of the 1600m catchment employment growth by 2041.

While the share of employment growth allocated to the SPA is less than the current proportion, I believe this is still appropriate. The vast majority of employment growth is still directed into the SPA and core neighbourhoods and is consistent with recent market trends and policy planning.

Table 1: Employment change by geography, 2021-2041

	Projected employment (no.)		Change (no.)
	2021	2041	2021-2041
Structure Plan Area	9,000	16,900	7,900
SPA as share of 1600m Catchment	*96%*	*89%*	*82%*
1600m Radius Area	9,400	19,000	9,600
South East Region	753,500	1,211,900	458,400
Greater Melbourne	2,376,700	4,049,500	1,672,800

Source: Derived from Table 8.1 of the Economic Profile Assessment, AJM, Feb 2025

Employment and floorspace requirements by land use type.

Overall, the analysis indicates Burwood will need to plan for 16,900 jobs (7,900 additional) that will require an additional 270,900 square metres of floorspace to be provided. This results in an average workspace ratio across all land use types of 52 square metres per worker, which appropriately reflects the dominance of education employment and mix of other industrial, retail and office uses.

The following table summarises the results from Table 9.2 of the Technical Report as a share of the SPA total. This highlights that the majority of additional employment floorspace will be Office and Education related (69 per cent combined). This reflects education broadly hold its employment share, continuing to grow inline with the precinct overall. While Office based employment will double its share of the precinct, representing a big shift for the precinct. There is only modest growth in health, public use, accommodation and industrial floorspace which is not a key feature of the Burwood precinct and the Technical Report identifies this accordingly.

Table 2: Share of SPA employment and floorspace by land use, 2021-2041

	Total jobs % of SPA	Average WSR (GBA per worker)	Floorspace 2021, (GBA) % of SPA	Floorspace 2041, (GBA) % of SPA	Add' Floorspace 2021-2041 (GBA) % of SPA
Education	35%	71	48%	48%	49%
Health	2%	21	1%	1%	1%
Office	34%	22	7%	14%	30%
Public use	2%	40	1%	1%	2%
Retail	11%	32	6%	6%	7%
Accommodation	1%	221	1%	1%	3%
Ent / Rec	2%	98	3%	3%	4%
Industrial	15%	88	33%	25%	5%
Total	**100%**	**52**	**100%**	**100%**	**100%**

Source: Derived from Table 9.2 of the Economic Profile Assessment, AJM, Feb 2025

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I believe the analysis appropriately translates the employment projections into relevant floorspace requirements for the SPA, to inform the SP process. The detailed assessment in the Technical Report then highlights a number of risks, challenges and opportunities in realising this outcome for the SP to consider and address. The assessment also clearly highlights that the employment projections are not fundamentally unrealistic, while they will still require some considerable shifts in existing market trends, other supportive interventions or flexibility in how some outcomes are achieved. I believe this combined analysis and market assessment should provide sufficient guidance for the SP process.

Recommendations

Section 11 of the Technical Report includes 14 Recommendations and 3 Opportunities to inform the development of the SP and draft PSA. These recommendations cover various aspects of different employment sectors including Office, Health, Education, Retail and Entertainment, Industrial and other employment. They highlight the scale and form of growth that should be planned and identify potential conflicts or barriers that should be addressed via the SP process.

In addition, the recommendations consider the preferred location for various employment uses within the SPA. There is a strong focus on the role of Deakin University and the creation of new office precincts in the Town Centre and along Burwood Highway. In general, these locational recommendations are appropriate and will need to be balanced alongside other technical reports as part of the SP process.

1.5   Concluding comments of peer review

Overall, I believe, the final Technical Report's approach, findings and recommendations are an appropriate evidence base to inform the Burwood SP and draft PSA.

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