

Copper Coast SA Retail Market Profile

Prepared for Copper Coast Council
April 2018



Deep End Services

Deep End Services is an economic research and property consulting firm based in Melbourne. It provides a range of services to local and international retailers, property owners and developers including due diligence and market scoping studies, store benchmarking and network planning, site analysis and sales forecasting, market assessments for a variety of land uses, and highest and best use studies.

Contact

Deep End Services Pty Ltd
Suite 304
9-11 Claremont Street
South Yarra VIC 3141

T +61 3 8825 5888
F +61 3 9826 5331
deependservices.com.au

Enquiries about this report should be directed to:

Chris Abery

Director
Chris.abery@deependservices.com.au

John Deane

Senior Associate
john.deane@deependservices.com.au

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Copper Coast Market Profile - 18 April 2018

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Assumptions and data sources

All spending data includes GST and is expressed in future dollars.

Sources include:

Australian Bureau of Statistics

- 2016 Census
- Dwelling approvals, 2011/12-2016/17
- Estimated resident population, 2001-2016

Copper Coast Council

- Kadina Town Centre redevelopment concept plan

Deloitte Access Economics

- Spend per capita estimates and forecasts by category, 2012-2026

Market Data Systems

- MarketInfo retail spending propensity by category, 2012

South Australia Government

- Department of Planning, Transport and Infrastructure, Population projections for SA2s, 2011-31, Aug 2016 release
- Department of Education & Childhood Development, school enrolment data

South Australia Tourism Commission

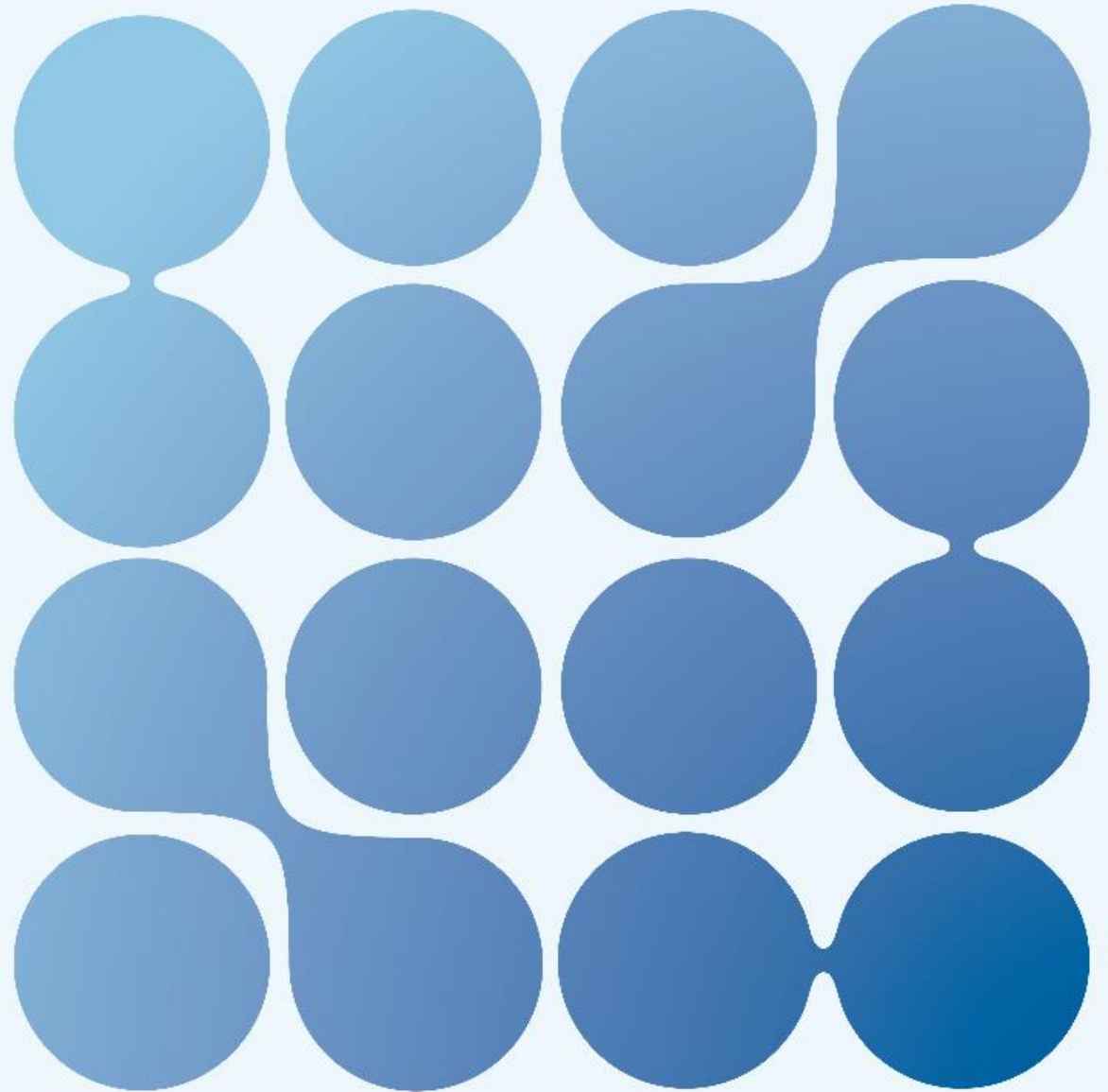
- Tourism data by Local Government Area

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1

Regional context



1.1 Location

South Australia's Yorke Peninsula is a vast region of broadacre farming and coastal and rural townships. The local government areas of Copper Coast, Barunga West and Yorke Peninsula span the 250 km length of the Peninsula, with a population of 28,400 people. Almost half the population live in the closely-situated Copper Coast towns of Kadina, Wallaroo and Moonta.

Kadina (pop. 4,700) lies 8 km inland of Wallaroo (pop. 4,000) on the Spencer Gulf and 15 km north of Moonta and the adjoining coastal villages of Moonta Bay and Port Hughes (pop. 4,700).

Beyond the main townships are the smaller villages of Port Broughton (pop. 1,050) and Bute (pop. 250) to the north and Maitland (pop. 1,050), Port Victoria (pop. 280) and Ardrossan (pop. 1,200) within 40-minutes' drive to the south.

Kadina is the principal commercial and administrative centre for the Yorke Peninsula, hosting a range of local, state and federal government agencies and service providers, a vibrant town centre with national retailers and franchises, major banks, professional services, car dealerships and service industries.

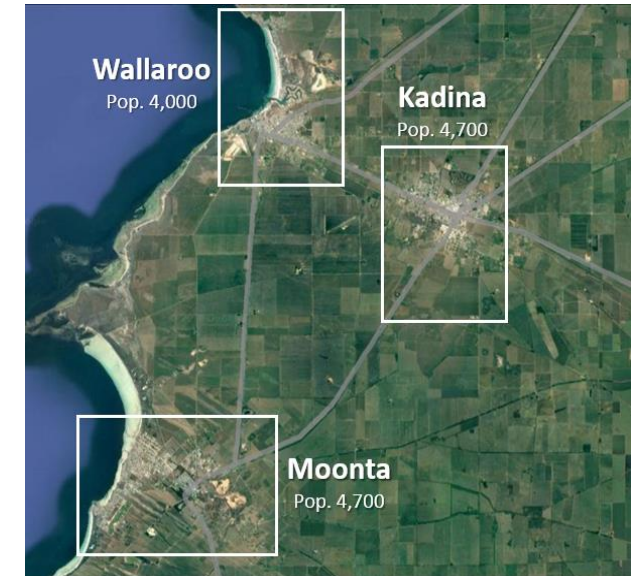
The sea port at Wallaroo has bulk grain handling and commodity facilities and the Peninsula's major health service. The coastal towns of Wallaroo and Moonta attract large seasonal populations and retirees drawn

to the area's temperate climate, heritage attractions, water activities and good local services.

Figure 1—Regional location



Figure 2—Copper Coast townships



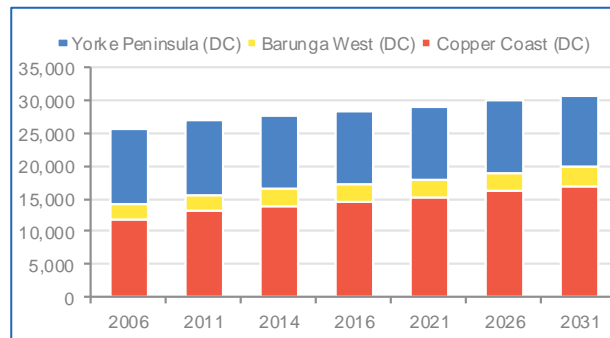
1.2 Yorke Peninsula population

State Government forecasts released before the 2016 Census indicate the Yorke Peninsula will grow to almost 30,000 people by 2026 – an increase of 1,600 people (Figure 3). The Copper Coast townships will accommodate all the region's projected growth with stable population levels across the balance of the Peninsula.

The forecast for Copper Coast of 1.1% average annual growth for the next 10 years (or +161 people per annum) appears conservative based on the last 10 years averaging +278 people per annum.

Copper Coast's share of the Peninsula's population will rise from 51% in 2016 to over 55% in 2031.

Figure 3—Yorke Peninsula region population



Source: DPTI (August 2016)

1.3 Township growth

There has been strong and steady growth in the Copper Coast townships in the last 15 years (Figure 4).

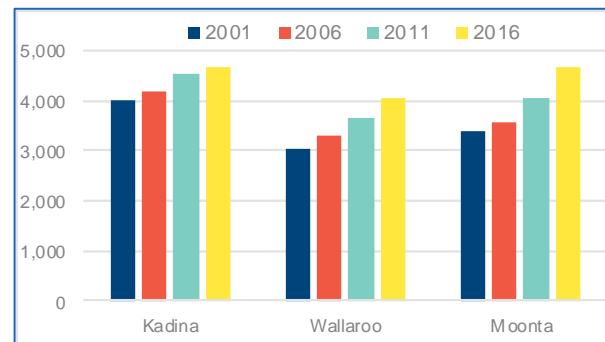
Between 2001 and 2016, Kadina grew by 690 people, Wallaroo by 1,020 and Moonta-Port Hughes by 1,320 people.

At Port Hughes, new owner-occupier and holiday homes are being built in the Patrick's Cove and The Dunes golf course estates.

Wallaroo has become a popular destination for retirees and 'sea changers' with new apartments and housing in the canal estates of Copper Cove Marina. The \$220 million Wallaroo Shores development is under construction on 18.5 hectares of foreshore land. The project will include 650 dwellings, a hotel complex.

resort apartments and retail and restaurant areas. Private works valued at \$7m have been contracted to Council for completion by August 2018.

Figure 4—Copper Coast township growth

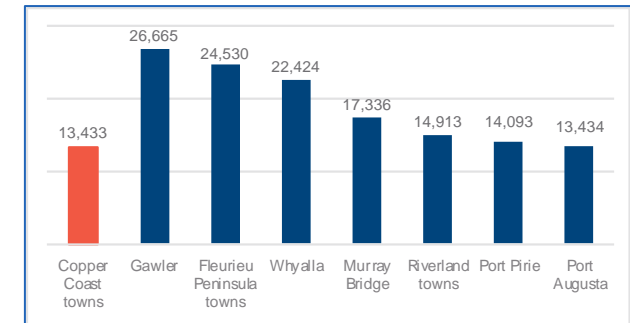


Source: ABS

1.4 Regional comparison

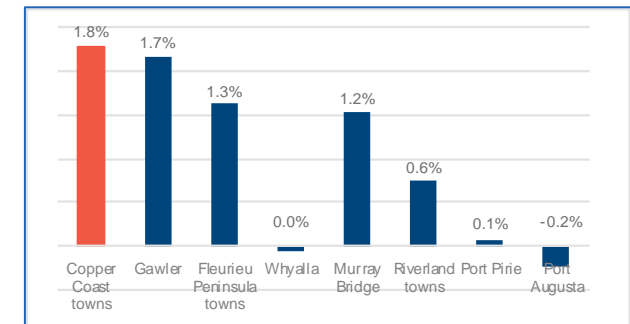
As a single market, the three towns had a 2016 Census population of 13,433 - comparable to the Riverland towns, Port Pirie and Port Augusta (Figure 5).

Figure 5—Population levels - 2016



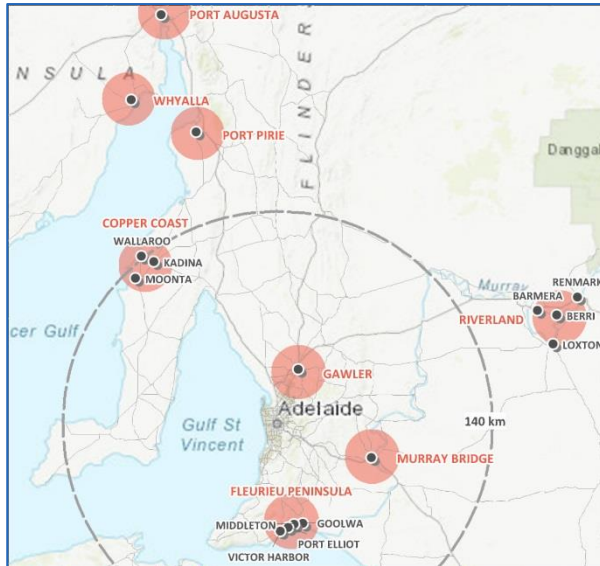
In terms of population growth, the Copper Coast towns had the highest growth rate of all regional areas of South Australia between 2011 and 2016 (Figure 6).

Figure 6—Population growth 2011-16 (% per annum)



Source: ABS

Figure 7—Comparative regions



1.5 Regional economic base

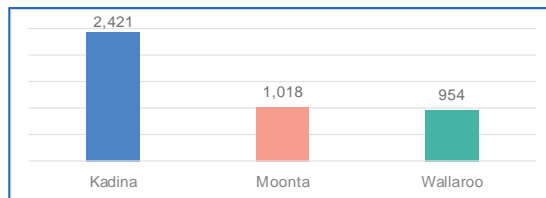
Kadina and Moonta were founded on rich copper deposits mined by Cornish migrants from the mid-1850's. Today, the region's economy is based on arable farming (barley, wheat, legumes, canola, chick peas and field peas), an associated engineering and services sector, commercial fishing, tourism and government services.

The largest industries of employment in the townships are Health care & social assistance (17%) and Retailing (15%) while across the broader catchment of 20,000 people it is Agriculture and fishing (18%).

1.6 Workforce

Although Kadina has a similar population to Moonta, its role as the main centre for the Yorke Peninsula is underlined by the size of its daily workforce. At the 2016 Census, there were 2,421 jobs in Kadina (or 55% of all jobs in three towns) compared to approximately 1,000 each in Moonta and Wallaroo.

Figure 8—Township employment - 2016



The employment mix of each township reflects the varying commercial and service role that each performs within the region (Figure 9).

Kadina

Retail trade is the largest sector in Kadina, providing 18% of all jobs. The town's regional retail role is underlined by floorspace surveys which show Kadina has 60% of all retail floorspace in the three townships.

Other significant sectors in Kadina are Public Administration & Safety - reflecting the local council and state agency offices - Finance & insurance and Education & training.

Pre-schools, a primary school, two secondary schools and a TAFE generate 12% of all jobs in Kadina.

Moonta

Construction is the largest employment sector in Moonta with 16% of all jobs – well above Wallaroo (8%) and Kadina (4%). The strong home building market and coastal lifestyle has attracted builders, trades and other contractors to the town. The 80-hectare Dunes Estate around the championship golf course will ultimately comprise 227 residential lots.

Employment in Commercial accommodation and retailing is also significant in Moonta.

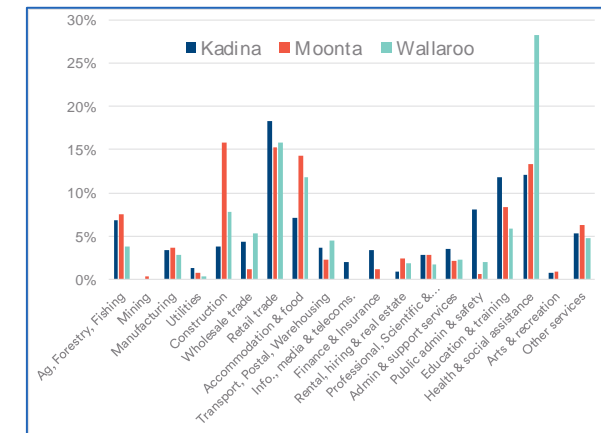
Wallaroo

The Wallaroo Hospital and Health Services dominates employment in Wallaroo, contributing most of the jobs in the Health & Social Assistance sector that makes up

28% of all jobs in Wallaroo - more than double the proportion of other towns.

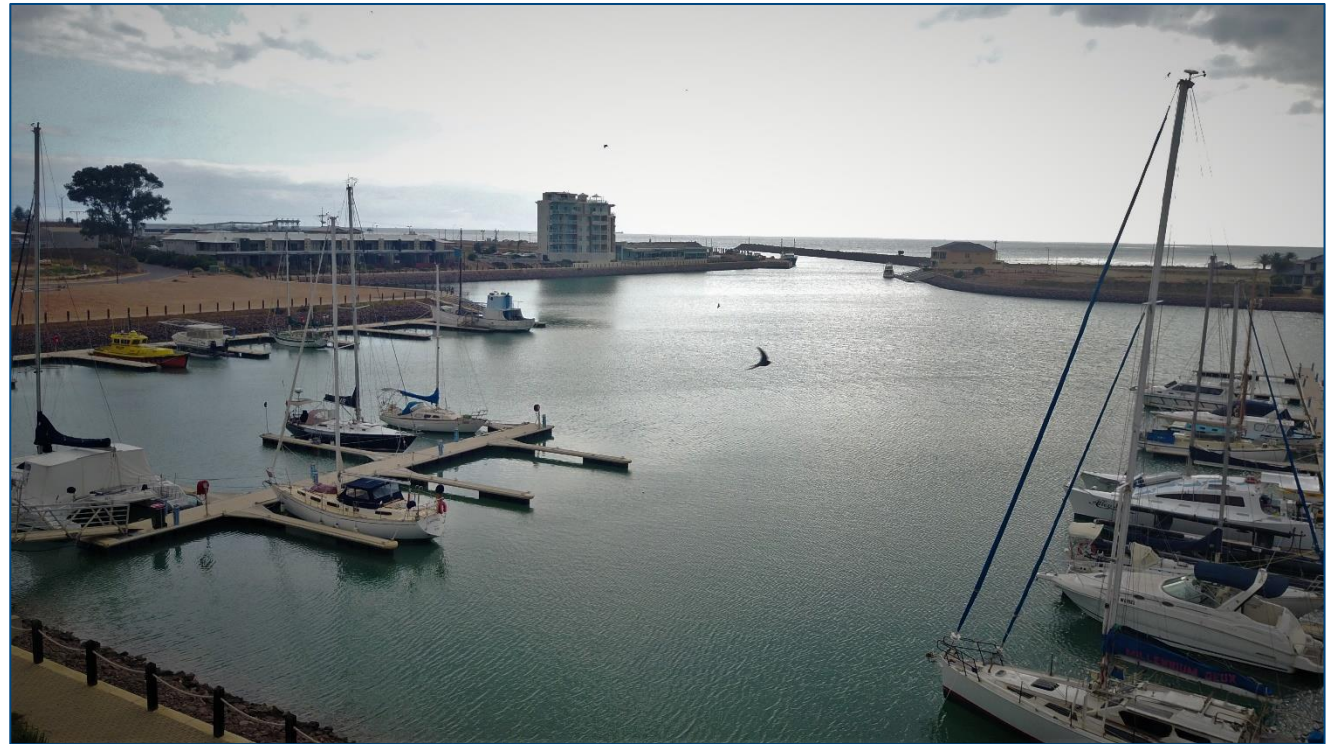
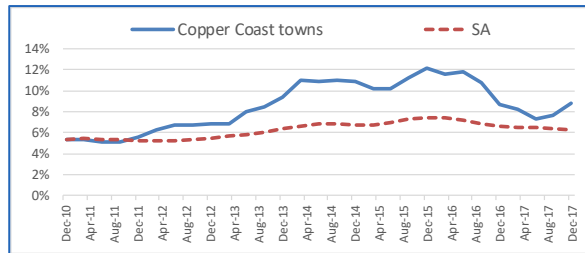
Like Moonta, Accommodation & Food and Retailing are the next largest sectors.

Figure 9—Township workforce by industry - 2016



1.7 Unemployment

The average unemployment rate across Kadina, Wallaroo and Moonta was 8.8% at December 2017 – slightly above the state level (6.2%). Rates had fallen from a peak of 12% in 2015/16 but lifted in late 2017 against a slightly improving state-wide trend.

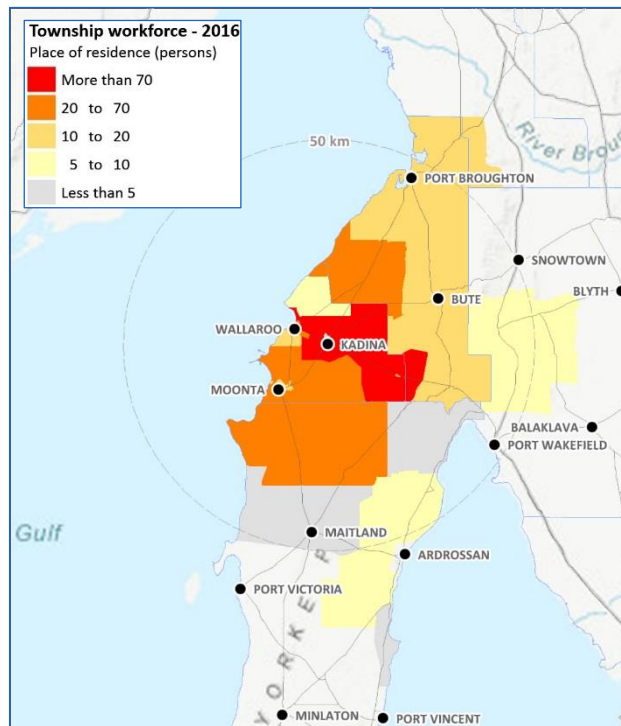
Figure 10—Unemployment

1.8 Workforce catchments

The place-of-residence of each township's workforce is thematically mapped showing the size and spatial pattern of labour drawn to each centre.

Kadina (Figure 11) has a larger workforce than the other towns and draws more deeply and widely, with 54% of its workforce living outside Kadina township.

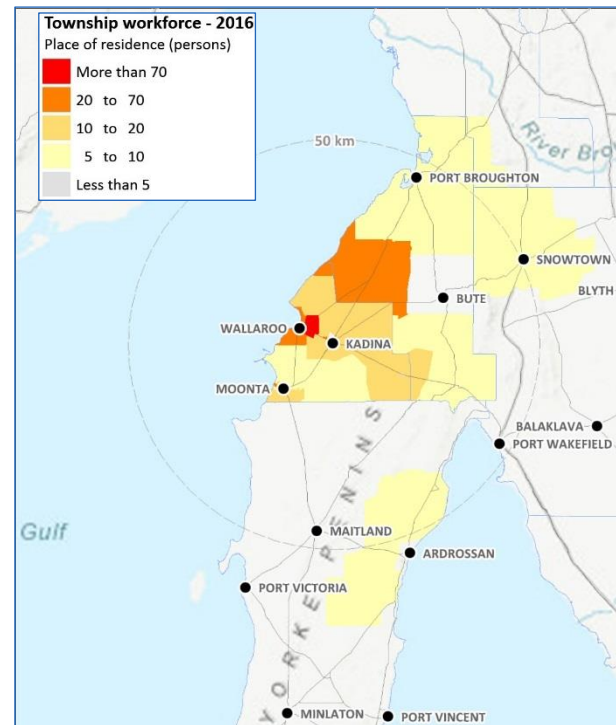
Figure 11—Kadina workforce by place of residence



Source: Census 2016; Deep End Services

Wallaroo (Figure 12) also has a relatively high 47% of its workforce commuting from outside the township, possibly due to the more specialised positions at the hospital and the close proximity of a large workforce at Kadina.

Figure 12—Wallaroo workforce by place of residence

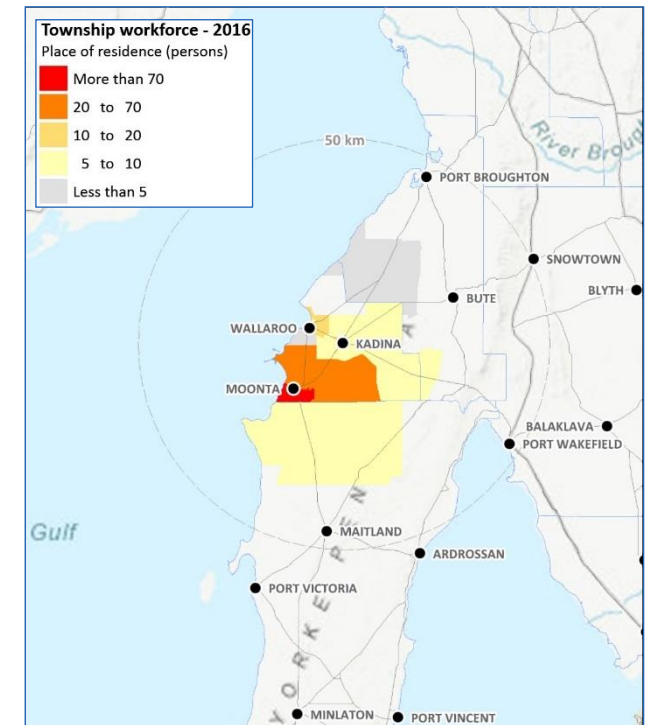


Source: Census 2016; Deep End Services

Moonta (Figure 13) has a more self-contained trade-based workforce with only 33% of jobs filled by people living outside the town.

The workforce catchments show high levels of economic interaction and co-dependency between the three townships. Kadina however is clearly the primary centre for employment with its workforce sourced from a broader 50km radius.

Figure 13—Moonta workforce by place of residence



Source: Census 2016; Deep End Services

1.9 Tourism

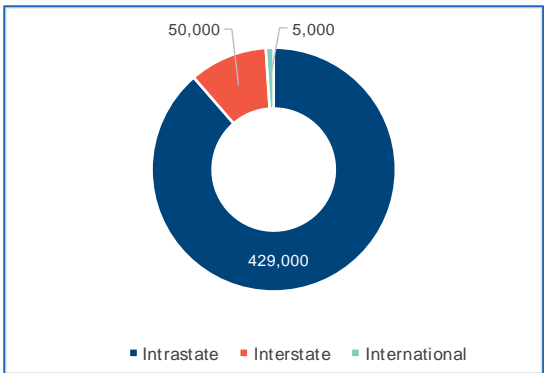
South Australians dominate the Yorke Peninsula visitor market, making up 89% of the 485,000 annual visits and staying 1.7 million visitor nights per year¹. The region also receives 535,000 day-trips per year.

About 95% of all visits and visitor nights are classified as ‘Leisure’ – either for holidays or visiting friends or relatives. Two thirds of all visitors stay in residential accommodation (friend, rented or own dwellings) with 25% either camping or in caravan parks.

Visitors are attracted to the Peninsula’s family friendly reputation and broad range of leisure activities.

In 2013/14, tourism contributed an estimated \$236 million to the Yorke Peninsula’s economy. It employed 900 people directly in the tourism industry and indirectly supported another 1,500 jobs.

Figure 14—Yorke Peninsula annual visitors – 2014-2016



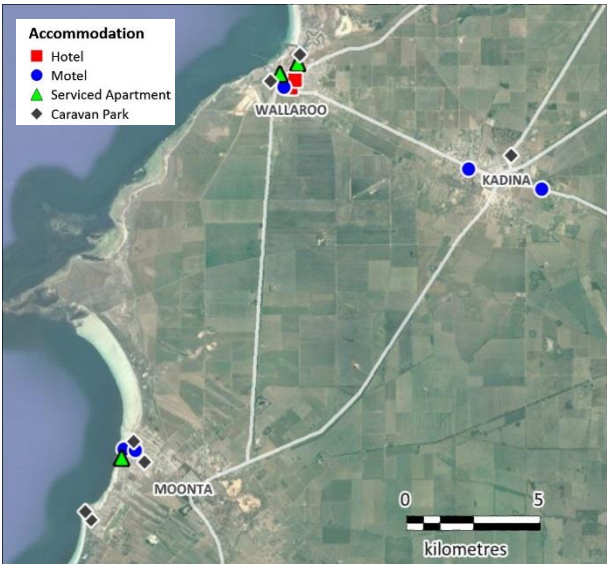
¹ Yorke Peninsula Regional Profile 2014-16. South Australia Tourism Commission.

Source: South Australia Tourism Commission

Commercial accommodation is concentrated at Wallaroo and Moonta – both known for their safe beaches, protected moorings and boat ramps giving access to rich fishing areas.

Wallaroo has a mix of accommodation from motels and guest houses, hotels, serviced apartments and caravan parks. At Moonta, it is mainly holiday units and caravan parks.

Figure 15—Short-term accommodation



Source: Deep End Services

1.10 Town Centre floorspace

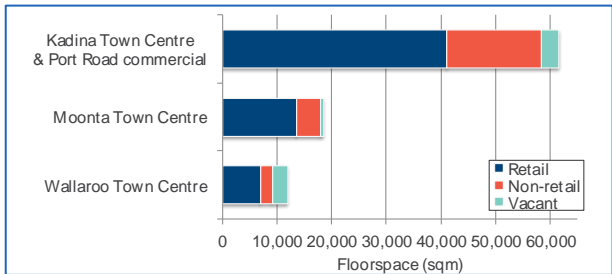
The town centres are defined by the presence of supermarkets, supporting shops and services for residents and cafes, restaurants and amenities for the visitor market.

Kadina has approximately 41,000 sqm of retail floorspace and about 15,000 sqm in other non-retail and commercial uses.

Moonta (13,600 sqm) has about one-third the retail floorspace of Kadina, while Wallaroo (6,900 sqm) is about half the size of Moonta.

Kadina has a large Woolworths supermarket while Kadina and Wallaroo have either new or refurbished Drakes’ Foodland stores.

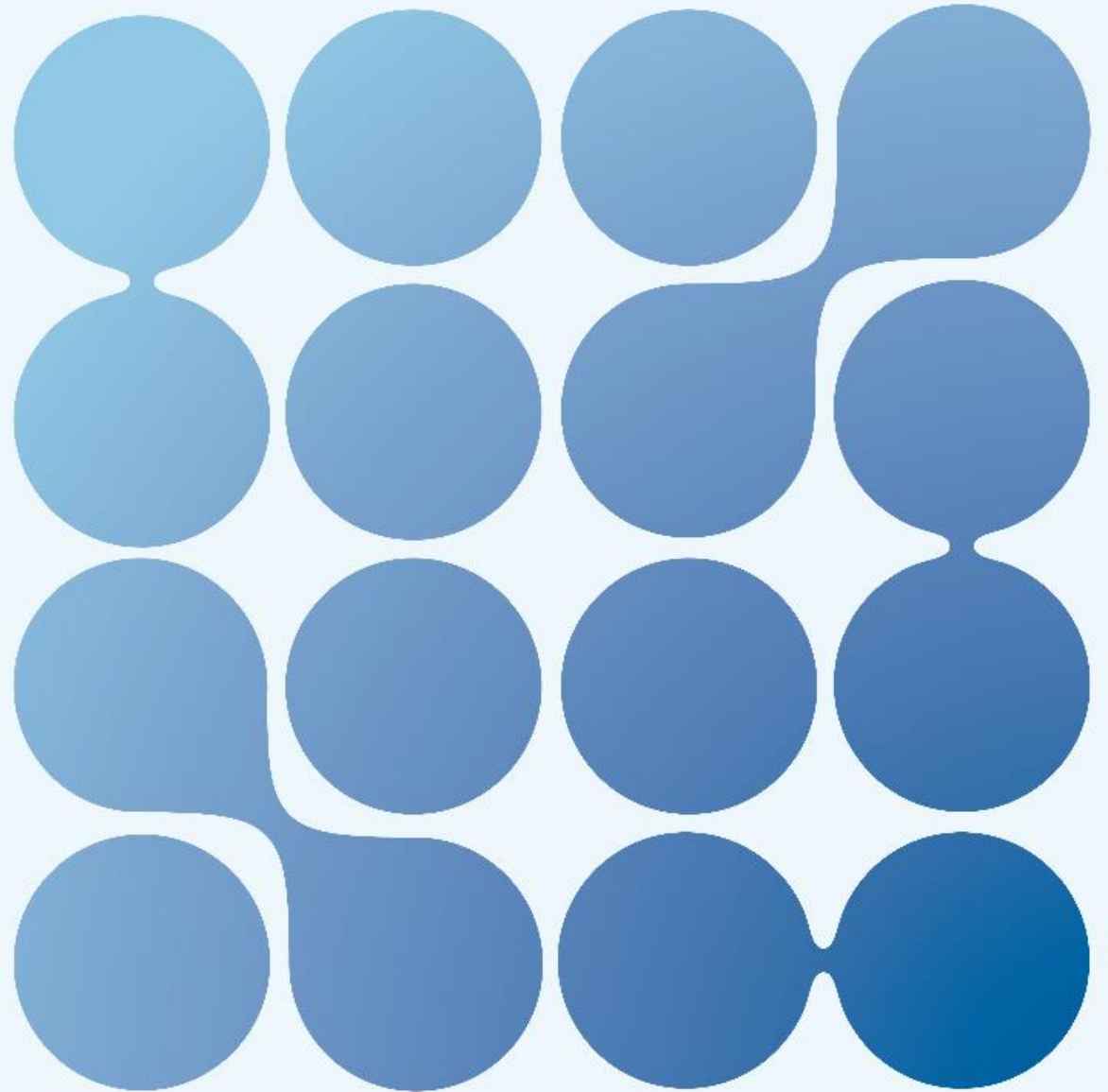
Figure 16—Town centre floorspace comparison



Source: Deep End Services February 2016 survey

2

Catchment area



2.1 Kadina catchment

Kadina's catchment area reflects its role as the major centre for food, comparison goods and personal, financial and government services for the central and northern areas of the Yorke Peninsula.

The primary catchment is defined on the Copper Coast council boundary and is split into four sectors:

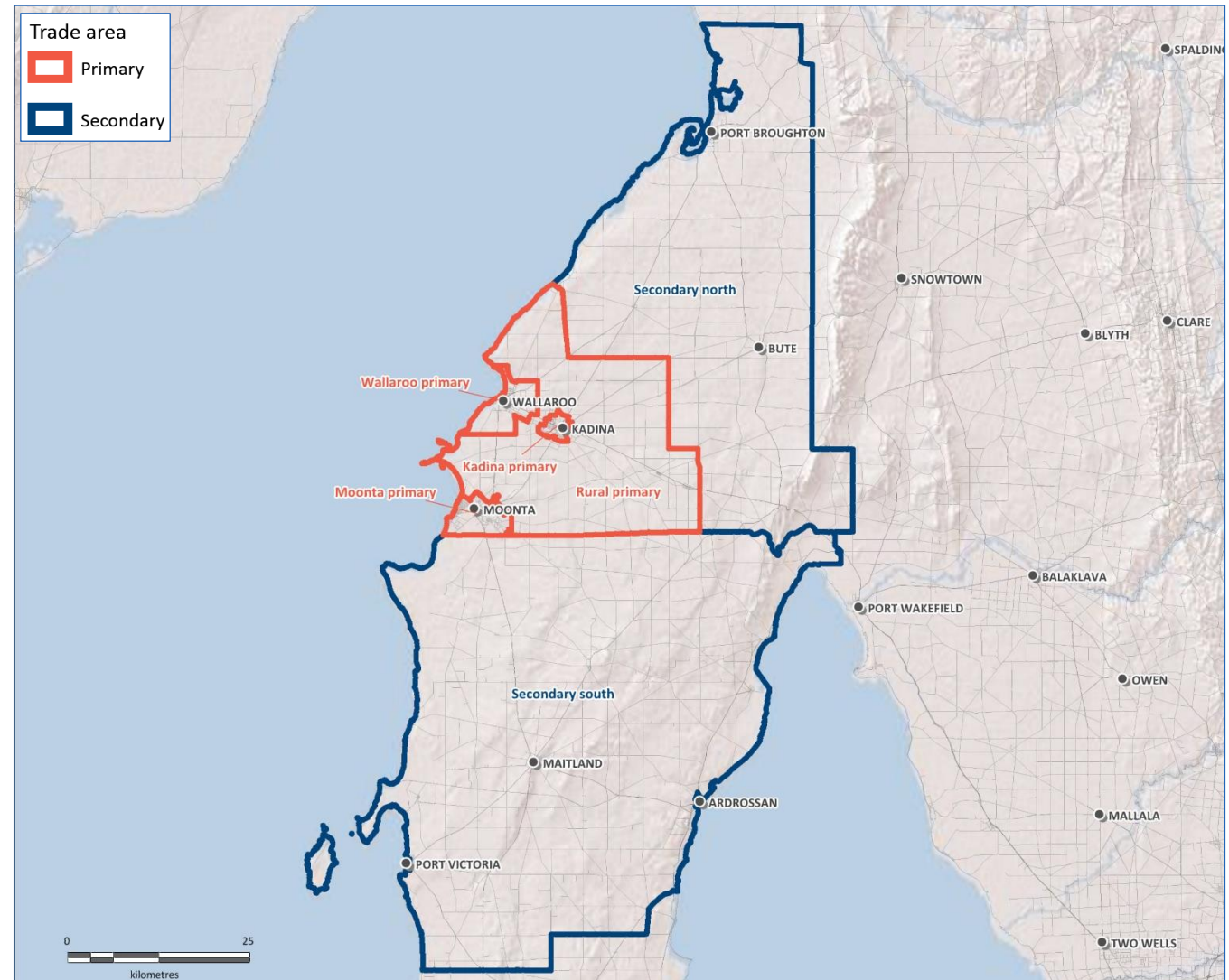
- Kadina
- Moonta
- Wallaroo
- Rural balance

The Secondary north sector covers the Barunga West council area and its main townships - Port Broughton and Bute – which are directly linked by road to Kadina. Port Broughton is 50 km north of Kadina, beyond which Port Pirie would be the dominant centre. The eastern boundary is defined by the Hummock Range.

The Secondary south sector extends 70 km south covering the central Peninsula town of Maitland, Ardrossan on Gulf St Vincent and Port Victoria on Spencer Gulf.

Kadina also draws on lower areas of the Yorke Peninsula through regional sporting fixtures and the supply of agricultural equipment and services.

Figure 17—Catchment area



Source: Deep End Services

2.2 Population

Kadina's primary catchment had a population of **14,451** people at the 2016 Census. Between 2011-2016 it grew by 1,300 people or 259 people per annum – a slightly lower rate than the previous 5 years (296 per annum).

While the southern coastal areas of the Fleurieu Peninsula had the highest absolute increase in population in regional SA (+3,138 between 2011-2016), the 5-year increase on the Copper Coast (+1,300) was similar to the larger cities of Murray Bridge (+1,329) and Mt Gambier (+1,171). In the 5-year period, Copper Coast recorded the largest percentage growth rate of any Council area in regional SA.

The two secondary catchments had 6,410 people bringing Kadina's catchment to **20,861** in 2016. The secondary areas had small positive rates of growth.

Kadina and Moonta had almost identical township population levels of approximately 4,700 people each while Wallaroo was about 15% smaller at 4,048.

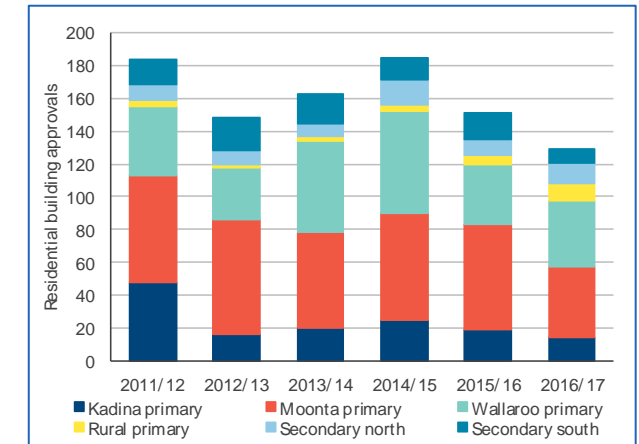
About 42% of growth in the catchment has been at Moonta, with 26% at Wallaroo and 14% at Kadina. Small townships and rural areas contributed 20%.

The distribution of dwelling approvals across the catchment from 2012 to 2017 (Figure 18) shows the solid contribution of Moonta and Wallaroo. The spatial pattern of residential dwelling approvals is shown in Figure 19 for the last available year (2017).

Table 1—Catchment area population

Catchment area sector	Actual			Projected		
	2006	2011	2016	2018	2021	2026
<u>Population</u>						
Kadina primary	4,172	4,530	4,695	4,765	4,870	5,045
Moonta primary	3,562	4,076	4,690	4,950	5,340	6,090
Wallaroo primary	3,317	3,666	4,048	4,228	4,568	5,568
Rural primary	623	882	1,018	1,068	1,143	1,268
Total Primary	11,674	13,154	14,451	15,011	15,921	17,971
Secondary north	2,597	2,522	2,644	2,704	2,743	2,803
Secondary south	3,705	3,734	3,766	3,786	3,801	3,826
Total	17,976	19,410	20,861	21,501	22,465	24,600
<u>Pop. growth (No. p.a.)</u>						
Primary	-	296	259	280	303	410
Secondary north	-	-15	24	30	13	12
Secondary south	-	6	6	10	5	5
Total	-	287	290	320	321	427
<u>Pop. growth (% p.a.)</u>						
Primary	-	2.4%	1.9%	1.9%	2.0%	2.5%
Secondary north	-	-0.6%	0.9%	1.1%	0.5%	0.4%
Secondary south	-	0.2%	0.2%	0.3%	0.1%	0.1%
Total	-	1.5%	1.5%	1.5%	1.5%	1.8%

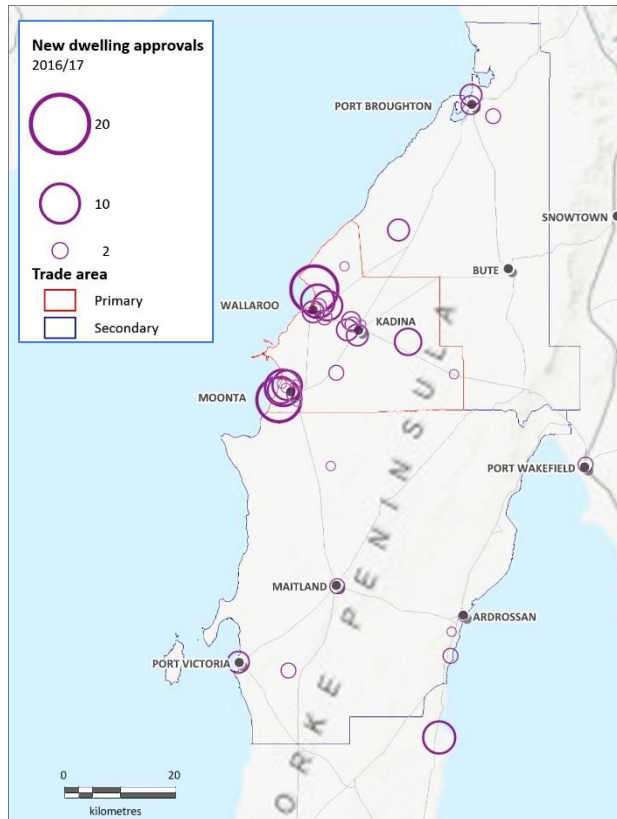
Figure 18—Dwelling approval trends



Source: ABS



Figure 19—Dwelling approvals by small statistical area - 2017



Source: Deep End Services; ABS

Local government area population forecasts are prepared and published by the State Government (DPTI) however the last available series (2015) pre-dates the 2016 Census.

Copper Coast's actual population at the 2016 Census (14,451) was higher than estimated by DPTI in their last forecasts (14,116). DPTI's projections appear highly conservative as their future annual growth rates to 2021 and 2026 average just 160 new residents per annum compared to actual growth rates in the last 10 years of 278 new residents per annum.

Population growth on the Copper Coast in the next 10 years will be driven by a range of demographic forces and demand and supply-induced factors including:

- Low levels of natural population increase (i.e. births minus deaths)
- High levels on in-migration which will continue to offset any outward migration of young residents to Adelaide for work or education and older people for health and aged care. The largest growth factor will be soon-to-be-retired or retired people moving permanently into dwellings owned but previously used on an occasional basis and others selling elsewhere and buying into the coastal areas. A survey² in 2012 of non-resident rate payers of the Copper Coast found that one-third of absentee owners intend to move to the Copper Coast on a permanent basis.
- The influx of older people is likely to increase as Adelaide's population of baby-boomers ages and moves into retirement. Adelaide's inner and northern suburbs have been a rich source of new residents for the Copper Coast.

- New housing estates and aged living options drawing new residents to the Copper Coast over alternative areas. Housing estates at Port Hughes have catered to a need in the area while the construction of Wallaroo Shores will provide other forms of medium density housing well-suited to small families and retirees.
- Service and amenity improvements throughout the townships including new businesses (ALDI), recreation facilities and CBD improvement schemes.

On these observations there is every likelihood that Copper Coast will exceed its historic 10-year average growth rate of 278 new residents per annum, moving to 300 people per annum to 2026 and 400 per annum by 2031, as projects such as Wallaroo Shores are developed drawing in new residents and the peak of the baby boomer retirement years is reached in Adelaide.

In addition to the resident population, the spending market available to retailers and other businesses is boosted through the course of the year by non-resident ratepayers who occupy their coastal home on weekends or during holiday periods. Based on frequency-of-use data collected by the University of Adelaide, the effect of this absentee owner group is an additional 7% increase in the resident population of the Copper Coast over the course of a year.

² Survey of non-resident and resident ratepayers of the District Council of the Copper Coast (January 2012), Professor Graeme Hugo & Professor Kevin Harris.

Population levels are also boosted by the similar occupation of rented homes and holiday units, commercial accommodation and caravan parks.



2.3 Population characteristics

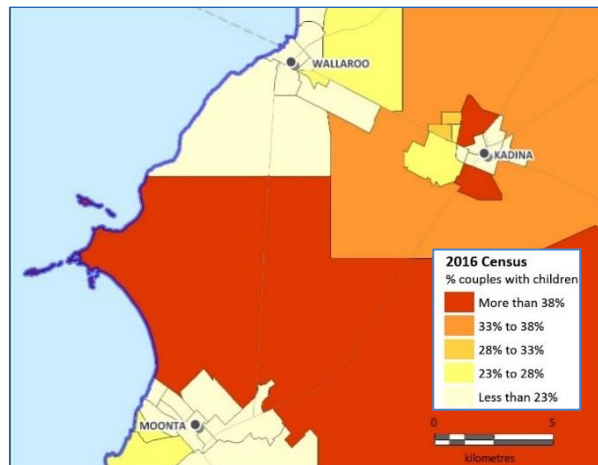
Demographic and housing data for the catchment area is shown in Table 2 while specific characteristics are presented below with thematic maps.

Households

The Copper Coast townships are distinguished by older, retired populations at Moonta and Wallaroo which show up in various Census variables.

Families with children make up 35% of households in Kadina but just 26-28% in Wallaroo and Moonta. Couples without children are much higher in the coastal towns while single-person households (32%) are similar across all three towns, as older single people potentially move to Kadina with better services.

Figure 20—Couples with children (% all households)

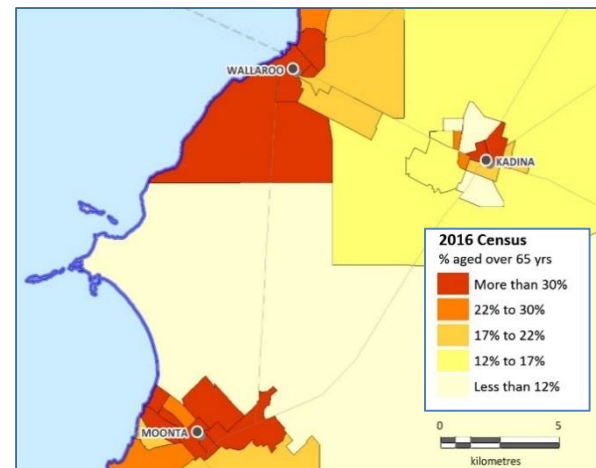


Source: Deep End Services; ABS

Age

35% of Moonta's population is 65 years or over, followed by Wallaroo (31%) and Kadina (23%). The SA average is just 18% highlighting the strong attraction of the coastal area for retirees.

Figure 21—Age > 65 years



Household income

Average household income levels are lower where there is a higher proportion of retirees and others on support payments. Household incomes are 28% below the SA average in Moonta and Wallaroo and -20% below in Kadina.

Unoccupied dwellings

On Census night, 35% of dwellings at Moonta and 31% at Wallaroo were vacant, revealing the large weekend and holiday home market and possibly

retirees travelling in other parts of Australia during winter months. The vacancy level at Kadina was just 11%.

Figure 22—Average Household income

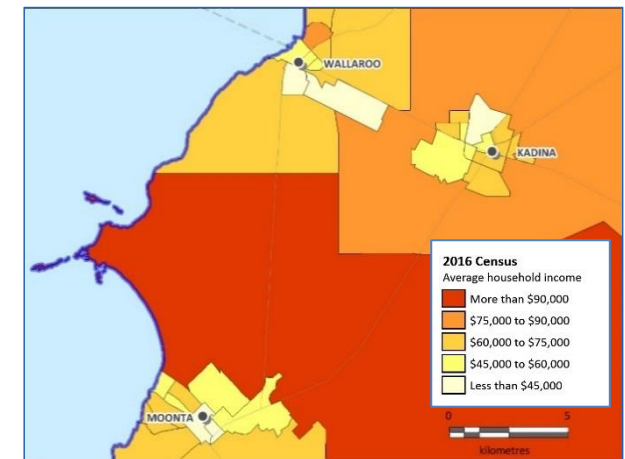
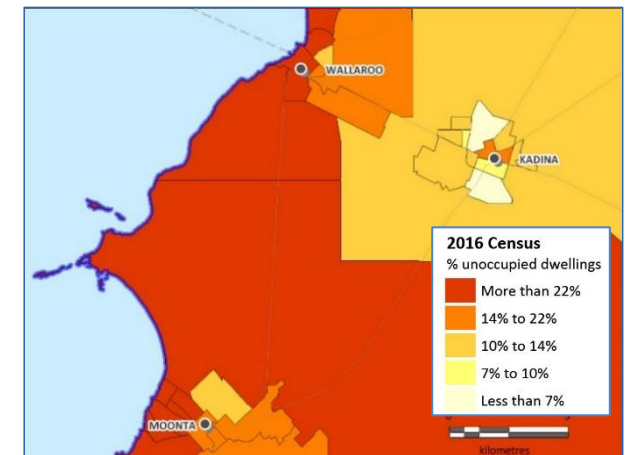


Figure 23—Unoccupied dwellings



Other characteristics

Compared to the South Australian averages the catchment area shows other characteristics:

- Workforce participation rates are about 20% below the SA average, a level consistent with other rural and regional areas.
- Low tertiary education levels and a low proportion of white collar workers
- A high proportion of Australian-born residents.
- High levels of home ownership – again typical of an area with retirees and rural areas.
- Detached dwellings are the dominant housing from with town houses and semi-detached dwellings making up just 5% of all homes in the three townships.
- Couples without children are the largest household type averaging 28% across the catchment but peaking at 40% in Moonta and 37% at Wallaroo.
- Lone person households make up almost one in three households in the three large townships.

Table 2—Trade area demographics

Demographic characteristic	Kadina primary	Moonta primary	Wallaroo primary	Rural primary	Secondary north	Secondary south	Total catchment	SA	Index. Catchment to SA.
<u>Persons and dwellings</u>									
Usual resident population	4,585	4,573	3,988	994	2,582	3,687	20,409	1,676,653	-
Total private dwellings	2,156	3,272	2,775	454	1,876	2,490	13,023	765,669	-
- % unoccupied	11%	37%	33%	19%	38%	36%	31%	12%	2.60
Average household size ⁽⁵⁾⁽⁷⁾	2.30	2.12	2.10	2.66	2.14	2.16	2.19	2.42	0.90
<u>Economic indicators</u>									
Workforce Participation rate ⁽²⁾	51%	41%	41%	61%	45%	49%	46%	58%	0.79
Unemployment rate ⁽²⁾	9.1%	7.5%	10.1%	6.9%	5.5%	5.7%	7.7%	7.5%	1.03
White collar workers ⁽²⁾	34%	36%	36%	46%	51%	53%	41%	47%	0.88
Bachelor degree or higher ⁽²⁾⁽³⁾	7%	7%	6%	8%	7%	7%	7%	19%	0.37
<u>Age group</u>									
0-9	11%	9%	10%	13%	9%	11%	10%	12%	0.86
10-19	13%	9%	8%	14%	8%	10%	10%	12%	0.88
20-34	16%	11%	12%	15%	10%	11%	13%	19%	0.65
35-49	18%	13%	14%	22%	15%	14%	15%	19%	0.78
50-64	19%	24%	25%	22%	25%	25%	23%	20%	1.20
65+	23%	34%	31%	13%	32%	28%	29%	18%	1.56
Average age	42.4	49.0	48.1	38.6	49.1	46.5	46.4	40.4	1.15
<u>Annual household income ⁽¹⁾⁽³⁾⁽⁵⁾</u>									
<\$33,800	29%	31%	33%	24%	35%	31%	31%	24%	1.32
\$33,800 - \$78,200	42%	46%	45%	37%	41%	39%	43%	36%	1.18
\$78,200 - \$130,300	19%	17%	14%	23%	13%	19%	17%	23%	0.73
\$130,300 - \$182,400	7%	4%	5%	10%	7%	7%	6%	10%	0.61
>\$182,400	2%	2%	3%	6%	4%	4%	3%	7%	0.40
Total	100%	100%	100%	100%	100%	100%	100%	100%	
Average household income	\$64,408	\$57,728	\$58,916	\$79,127	\$63,334	\$65,482	\$62,364	\$80,521	0.77
<u>Country of birth ⁽¹⁾</u>									
Australia	94%	88%	91%	96%	93%	94%	92%	76%	1.21
England	3%	8%	4%	4%	5%	4%	5%	6%	0.79
New Zealand	1%	1%	1%	0%	0%	0%	1%	1%	0.65
Other	2%	4%	4%	0%	2%	2%	3%	17%	0.16
<u>Occupied private dwelling tenure ⁽¹⁾⁽⁴⁾⁽⁵⁾⁽⁶⁾</u>									
Fully owned	40%	46%	42%	47%	59%	55%	47%	34%	1.41
Being purchased	33%	28%	24%	35%	21%	23%	27%	37%	0.72
Rented	27%	26%	35%	18%	20%	21%	26%	30%	0.88
<u>Dwelling type ⁽¹⁾⁽⁴⁾⁽⁷⁾</u>									
Separate house	94%	90%	92%	100%	95%	98%	94%	78%	1.20
Townhouse/semi-detached	6%	4%	6%	0%	3%	1%	4%	15%	0.28
Apartment	0%	5%	2%	0%	1%	1%	2%	7%	0.29
<u>Household composition ⁽⁴⁾⁽⁵⁾</u>									
Couples with children	23%	18%	18%	36%	20%	21%	21%	29%	0.71
Couples without children	32%	40%	37%	34%	38%	36%	36%	28%	1.31
One parent family	12%	8%	10%	10%	7%	8%	9%	11%	0.82
Lone person	31%	32%	32%	19%	33%	33%	32%	28%	1.11
Group	2%	2%	3%	2%	2%	2%	2%	4%	0.59

Source: Deep End Services; ABS

2.4 Retail spending

Retail spending levels at the small area level are modelled from ABS Household Expenditure Survey results and local area income and other characteristics.

Average annual spending per capita by Copper Coast area residents in seven major categories is shown in Figure 24.

Annual spending on Food & Groceries is modelled at \$5,864 per capita or about 2.9% above the SA average. Packaged liquor is about 2% below average.

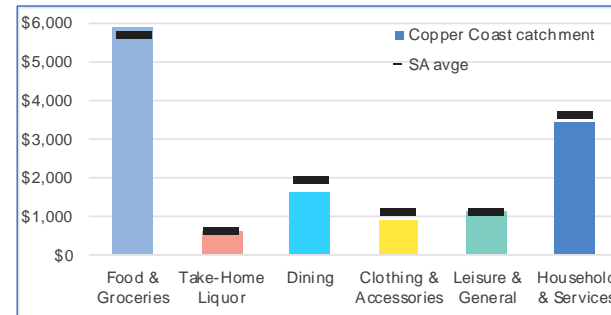
The discretionary spending categories of dining out & restaurants, clothing & accessories, leisure & general (comprising recreational goods, books & stationery) and cosmetics and household goods and services are all slightly below the SA average – reflecting the older and lower income profile of the catchment.

The average annual per capita spending level of \$13,477 for catchment area residents is about 3.5% below the SA average.

Population estimates combined with per capita spending levels generate the retail spending market for each major product group (Table 3).

The overall spending market in 2018 is estimated at \$289.8 million. More than two-thirds is generated by the Primary catchment. Food & Groceries is the largest category at \$126 million or 43% of all spending.

Figure 24—Retail spend per capita, 2018



Source: Deep End Services; ABS; DPTI, MDS; Deloitte Access Economics

Table 3—Catchment area spending, 2018

Category	Primary (\$m)	Secondary (\$m)	Total (\$m)
Food & Groceries	88.0	38.1	126.1
Take-Home Liquor	9.1	4.1	13.3
Dining	23.5	10.5	34.0
Clothing & Accessories	13.4	5.9	19.3
Leisure & General	16.1	7.7	23.8
Household Goods	42.9	19.7	62.6
Services	7.4	3.2	10.6
Total	200.4	89.3	289.8

Source: Deep End Services; ABS, MDS; Deloitte Access Economics

2.5 Escape spending

A 2012 survey and report of Copper Coast ratepayers by the University of Adelaide gathered data on where residents shop for food and groceries and non-food, household goods and clothing.

Kadina and Moonta residents are strongly aligned to their own supermarkets with little cross-shopping to other centres. At the time, Wallaroo residents divided their food spending between Wallaroo and the close

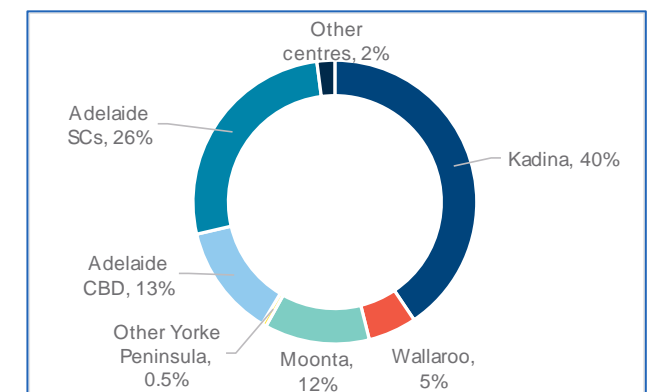
and larger centre of Kadina. The new Drakes supermarket at Wallaroo in 2015 is likely to have captured a higher share of local food spending.

Survey data on the more discretionary clothing, household goods and other non-food products showed that 33% of Copper Coast residents shop in the Adelaide CBD on a monthly basis and 50% in other Adelaide centres on a similar frequency.

Modelling the behavioural responses to all centres and applying differential spending levels by frequency of visit, indicates that Copper Coast residents direct about 39% (or \$28.4 million in 2018) of their available \$72.4m of non-food spending to centres in Adelaide.

This is a significant level which could be captured by a wider and better range of retailers in the three main centres of the Copper Coast.

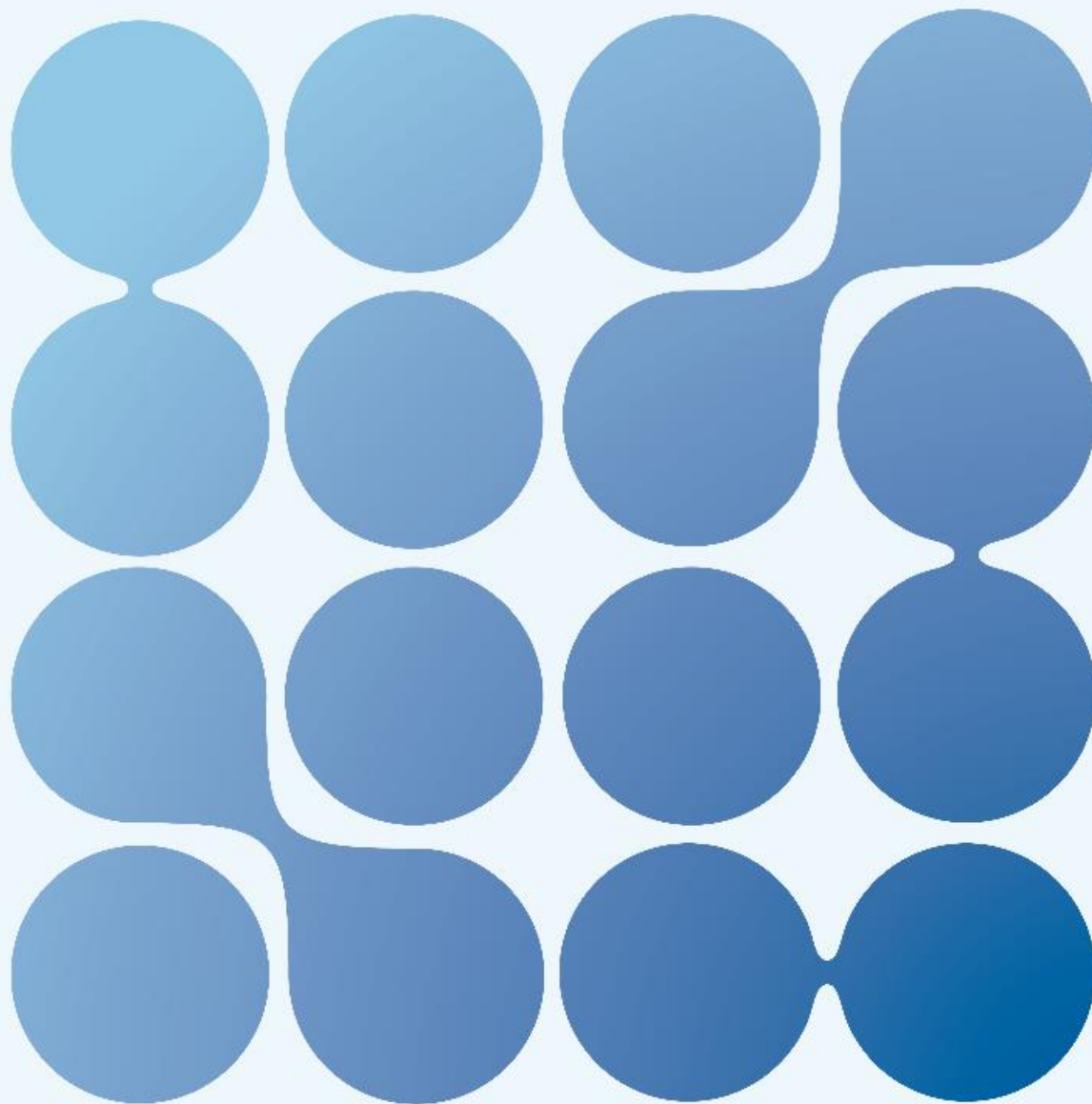
Figure 25—Distribution of Copper Coast residents' spending on clothing, leisure & household goods



Source: Deep End Services; University of Adelaide (2012)

3

Township profiles



3.1 Kadina

Overview

Kadina is the Yorke Peninsula's principal retail and service centre and the main inland stop for visitors to the coastal townships.

It has a rich history from its Cornish mining origins and a broad based commercial area with a range of well-preserved hotels and heritage-listed commercial and public buildings.

Kadina is strongly tied to the fortunes of the rural sector on the central and north Yorke Peninsula. The fertile soil, temperate climate and reliable rainfall patterns support a productive rural sector which underpins Kadina's economic base and its supporting industries.

The town has government agencies and service providers and regional level leisure and education facilities. National retailers and franchises, major banks, professional services, car dealerships and service industries are the base of a vibrant town centre.

Kadina's industrial area has a range of transport and logistics, rural supplies and engineering services supporting the town and regional farming sector.

Kadina is well-connected to Adelaide. The Princes Highway (Port Wakefield Highway) is a divided 4-lane carriageway from Adelaide's northern suburbs to Port Wakefield (75km) with the bitumen-sealed Copper Coast Highway extending the last 50 km from Port

Wakefield to Kadina. An aerodrome 5 km west of Kadina accommodates emergency services aircraft, ultralights, microlights, paragliders and helicopters.

The Kernewek Lowender Copper Coast Festival is a biennial cultural event celebrating the region's Cornish heritage. It is held jointly in Kadina, Moonta and Wallaroo and attracts up to 50,000 people.

Other attractions at Kadina are the Farm Shed Museum and tourist centre, annual show and field days.

Education

In 2013, the Kadina Primary School and Kadina Memorial High School merged forming the Kadina Memorial School. The R-12 school serving Kadina, Wallaroo and the rural district has grown steadily to more than 1,200 students.

Harvest Christian College is Kadina's second R-12 school, with around 300 students.

TAFE SA's Kadina campus is the only tertiary education facility on the Copper Coast offering Award and Short courses.

Employment

Industry sectors employing over 200 people in Kadina in 2016 were:

- Retail Trade (427)
- Health & Social Assistance (284)
- Education & Training (276)

These reflect Kadina's commercial and service sector with major retailers such as Woolworths, Target, Reject Shop, Cheap as Chips and McDonald's, government agencies such as Regional Disability Support Services and Centrelink and educational facilities from early learning to TAFE.

Major Projects

Kadina CBD Redevelopment

Copper Coast Council will complete a major redevelopment of its CBD infrastructure, roads, footpaths, public areas and landscaping in July 2018 (refer page 19). The works will upgrade ageing infrastructure, improve disability access and pedestrian movement and safety, provide shade and other amenity improvements, upgrade and level pavement surfaces and improve traffic flow within and through the area.

Development sites & new retailers

As part of the CBD Redevelopment, a 250-metre section of the Copper Coast Highway has been realigned to the south, creating two development sites and a new CBD access road to Draper Street via a new roundabout on Frances Terrace.

ALDI has purchased the western site of 6,100 sqm and will develop a 1,770 sqm store. Construction is expected to start in May 2018 with an opening before Christmas 2018. The second commercial site opposite ALDI presents an opportunity for other new retailers or commercial tenants.

Sport & leisure centre

Just east of the Kadina CBD, the Copper Coast Sport and Leisure Centre has undergone a \$10.5 million redevelopment. The works include:

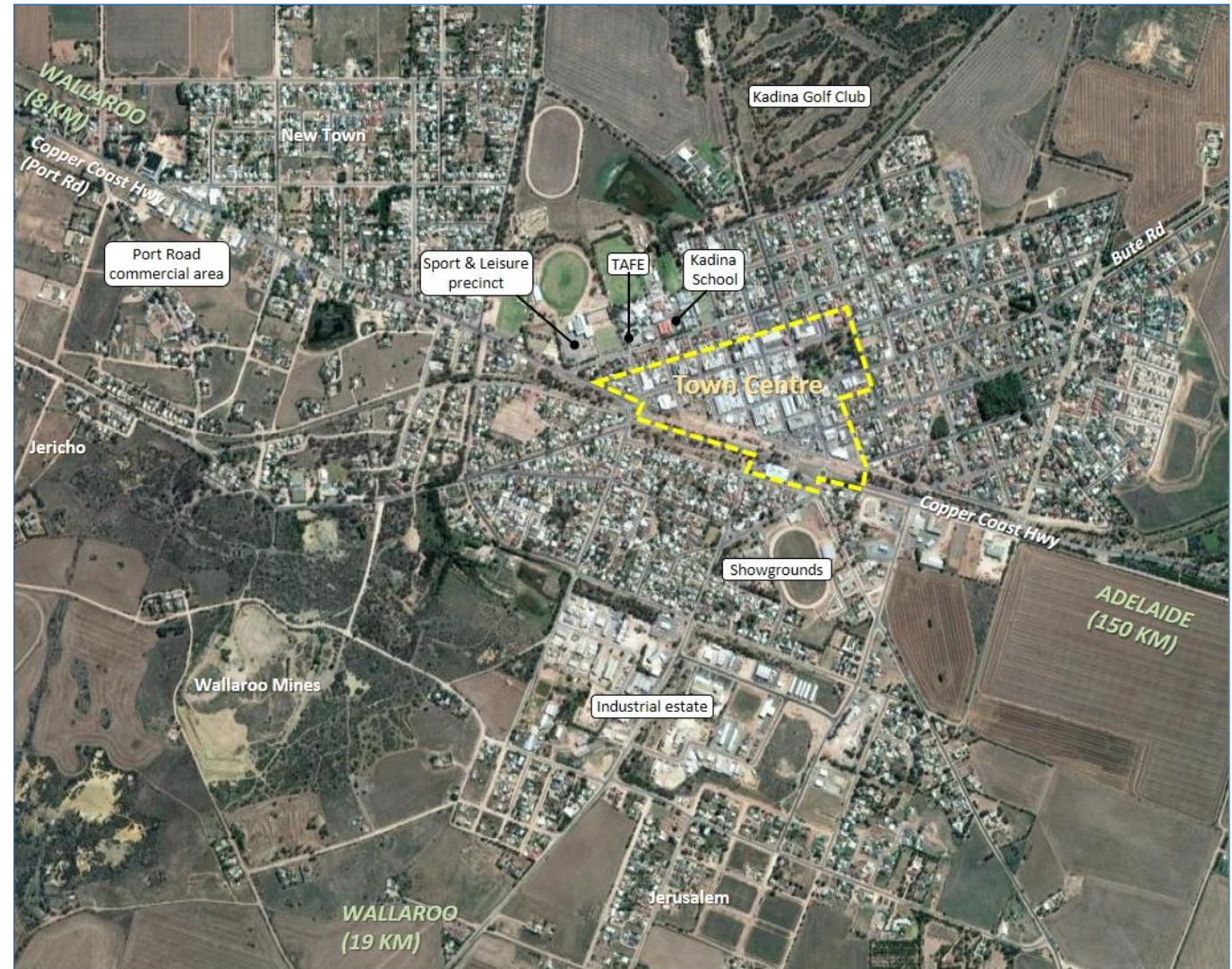
- three new multipurpose undercover courts;
- renovation of the show court with permanent seating;
- relocation of the gym;
- child and vacation-care facilities;
- resurfacing the tennis and netball courts and installation of new light towers

The leisure centre is an important community asset drawing people from across the Yorke Peninsula. It can now host major regional and State-level competitions that will increase visitation levels to Kadina.

Other projects

- \$3m redevelopment of the former BP site on Frances Terrace with an OTR fuel station and Hungry Jack's restaurant;
- Rezoning of the land at the Showgrounds to facilitate the relocation of automotive uses;
- Potential refurbishment of Woolworths;
- Future redevelopment of the former (cleared) Mobil site; and
- Development opportunities at the east end of the CBD.

Figure 26—Kadina township



Kadina CBD

The Kadina CBD covers a large triangular-shaped area extending 3-4 blocks north of Copper Coast Highway. It straddles two main east-west streets (Taylor St & Graves St) which are bisected by six north-south running streets. The centre has approximately 140 retail, commercial and service businesses.

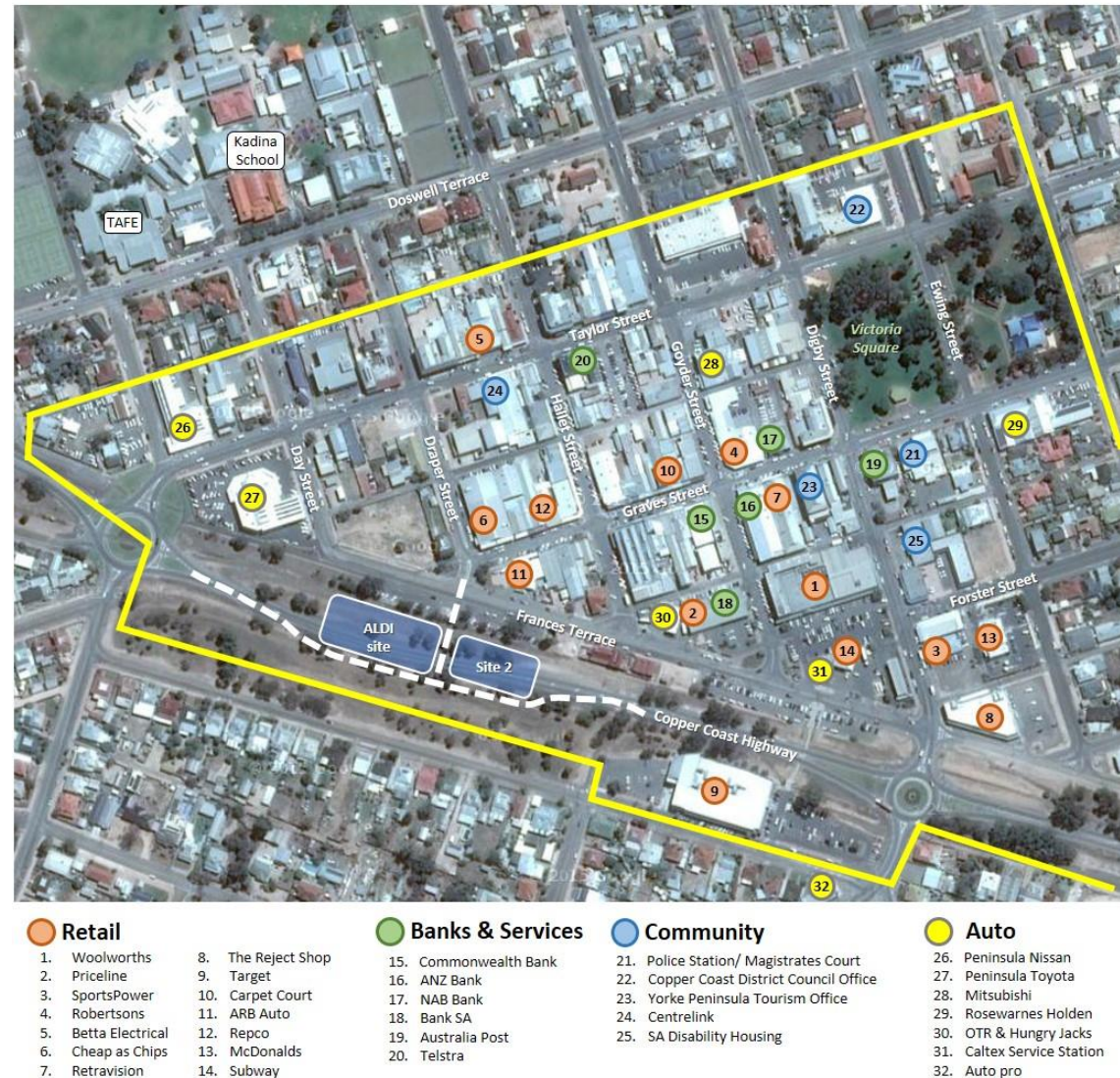
Graves St is the central axis where small shops, services and banks have historically established, extending into adjoining blocks.

Major retailers have developed on larger peripheral sites. Woolworths (3,200 sqm) has a key position at the southern entry while a small Target store is on Railway Terrace, south of the Highway. Other large retailers include Cheap as Chips (1,300 sqm), The Reject Shop (600 sqm), Betta Electrical (550 sqm) and Priceline. McDonalds and Subway have stores with Hungry Jacks under construction.

Kadina has a good range of banks (4) and community and government services, mainly at the east end. Small furniture, electrical, auto and homewares retailers are on Taylor Street and the west end of Graves St.

Kadina CBD has 4 car dealerships which underline its regional service role.

Figure 27—Kadina CBD



Source: Deep End Services; Nearmap

Figure 29—Kadina CBD redevelopment images



3.2 Moonta – Moonta Bay – Port Hughes

Moonta, Moonta Bay and Port Hughes is the fastest growing area on the Copper Coast – increasing by over 600 people between 2011 and 2016 to 4,700 at the last Census.

The resort area is popular for its safe beaches, good boating facilities and village centre with hotels, cafes and restaurants in well-preserved historic buildings. Retirees are settling in the area as it offers a range of housing options and the sought-after coastal lifestyle, recreation facilities and retail services.

The attractions of the area's Cornish mining heritage include the National Trust Museum, Moonta Mines National Heritage Area, Moonta School of Mines and Tourist Railway.

Other popular family attractions are the Moonta Bay Jetty, the Council-developed Splash Town Water Park at Moonta Bay and the Statewide Cinema in the Moonta Town Hall. Council's redevelopment of the Port Hughes boat ramp has improved its capacity and safety.

The Greg Norman-designed Copperclub Golf Course at Port Hughes is rated one of the best layouts in South Australia.

Population growth has been driven by several factors:

- The Community Wastewater Management Scheme has fully sewered Moonta, Moonta Bay

and Port Hughes enabling the subdivision of large residential lots previously serviced by septic tanks.

- At Port Hughes, new permanent and holiday homes in the Patrick's Cove estate.
- New homes in the 227-lot Dunes estate situated around the Copperclub Golf Course.
- New or expanding lifestyle villages for the over 50's.
- Conversion of former holiday homes to permanent residences.

The tourist market is well catered for with popular caravan parks at Port Hughes and Moonta Bay which have a steady occupancy with travelling retirees throughout the year. Elsewhere, there is a good range of motel, serviced apartment and B&B accommodation.

Local schooling is provided with the Moonta Area School (1-12) which had 500 enrolments in 2016. A \$4 million upgrade is being planned as part of the Building Better Schools Program.

A small public hospital closed in Moonta in 2013 with an aged care service continuing to operate in the facility with on-site medical staff.

Employment

Industry sectors employing more than 100 people in Moonta and Port Hughes at the 2016 Census were:

- Construction (155)
- Retail Trade (149)
- Accommodation & Food (140)

- Health & Social Assistance (130)

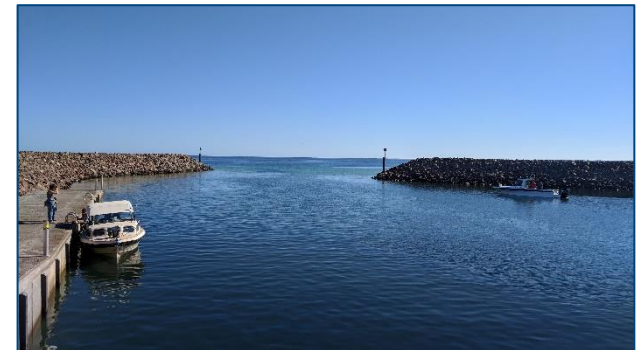


Figure 30—Moonta Bay – Moonta – Port Hughes



Source: Deep End Services; Nearmap

Moonta Town Centre

The Moonta Town Centre is situated in the old township grid, close to the mines but 2km from Spencer Gulf. The coastal residential areas developed away from the Town Centre after the mine closed in 1923.

Moonta has about 70 retail and commercial businesses and a low vacancy rate reflecting the compact nature of the centre, the township's recent growth and a visible tourist market drawn to its heritage elements and attractive streetscape.

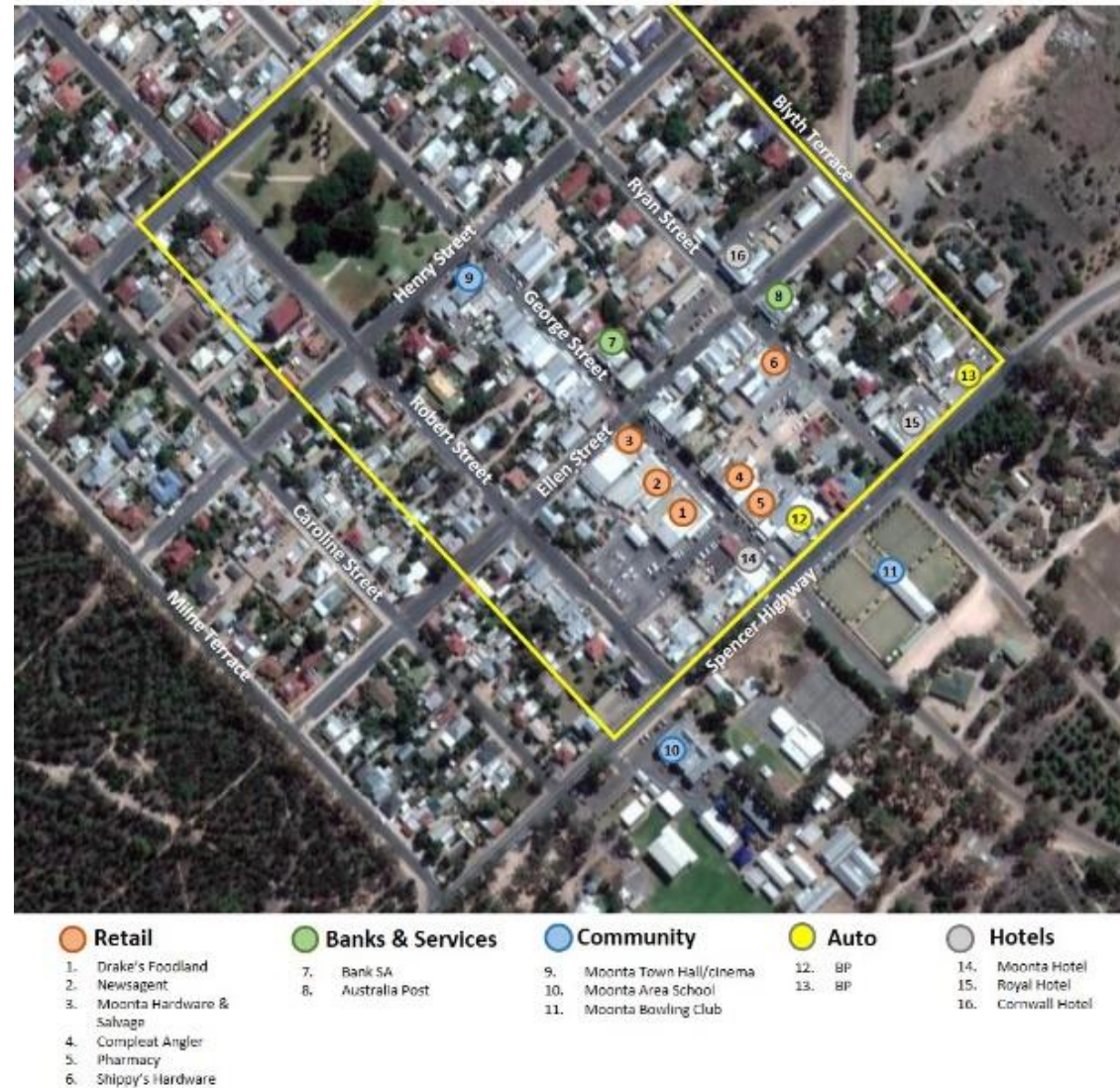
The compact centre is based on a 2-block length of George Street with other buildings along Ellen and Ryan Streets.

The focus is a recently upgraded Drakes Foodland of approximately 1,400 sqm with off-street parking. A pharmacy, newsagent, cafes and other services are grouped near Drakes at the southern end of George Street.

The centre has notable sandstone heritage buildings including the Town Hall at the north end (opposite Queen Square Gardens) which is home to a Cinema. There are 3 hotels, a school and community facilities close by.

Council is preparing a Town Centre Master Plan which has progressed through the first stage of community consultation.

Figure 31—Moonta Town Centre



Source: Deep End Services; Nearmap

3.3 Wallaroo

Wallaroo is a popular coastal town and major grain port on the Spencer Gulf, a short 8km drive west of Kadina. The 2016 population of just over 4,000 people has grown steadily over the last 15 years.

The town was founded in the 1850's on cereal cropping and a copper smelter processing ore from Kadina - both shipped out via the Wallaroo port. The local economy is now based on tourism, a large retired population base, a regional hospital and the deep-sea port which hosts a bulk grain storage and export facility operated by Viterra. Wheat and barley are the main commodities shipped from Wallaroo.

During warmer months a fleet of prawn trawlers and crab boats operate from the Wallaroo Marina. These and other leisure boats support a small boat servicing industry.

The Copper Cove Marina with its protective rock walls was built in the 1990's. It has pens for leisure and commercial fishing boats, a public boat ramp and a large residential canal estate with private berths affording a safe passage to Spencer Gulf. Today, the marina lots are about 60% developed.

A hotel and 7-level serviced apartment building on the marina provides premium accommodation for the town. Other sites on the marina have similar development potential.

A small coastal subdivision known as North Beach lies just north of Wallaroo with a large retiree population

and holiday homes. New homes are being gradually built in the area on elevated blocks with coastal views.

A second area of new housing is Investigator Heights, a subdivision of about 120 lots on the eastern entry to Wallaroo, from Kadina.

Wallaroo has two schools - Wallaroo Primary (132 students) and St Mary MacKillop (R-7) with 135 enrolments.

The town's largest employer is the Wallaroo Hospital and Health Services. As the only hospital for the Copper Coast, it is a 28-bed facility with general and palliative care, allied health services and 24-hour emergency.

For visitors, Wallaroo has a range of caravan, camping and accommodation options. The main outdoor attractions are Wallaroo Beach with its new protected swimming enclosure, the jetty used by recreational anglers and divers and boating.

Other local facilities include the Wallaroo Heritage and Nautical Museum, the irrigated 18-hole Wallaroo Golf Club and the adjoining Community Sports Club which has an outdoor bowling rink and a unique indoor bowling facility that hosts state-wide events.

Employment

The largest industries of employment in Wallaroo at the 2016 Census reflect the regional service role of the hospital and the importance of tourism.

- Health & Social Assistance (263 jobs)

- Retail Trade (149)
- Accommodation & Food (140)

Future developments

Wallaroo Shores is a \$220 million master-planned development of the former Incitec Pivot site. The 18.5 ha of foreshore land has sweeping views over Spencer Gulf and will link the Town Centre and Copper Cove Marina with residential, tourist and commercial uses.

Initial planning approvals include 100 2-storey townhouses with four-star resort facilities and a function centre to be managed by Mantra Group. Other elements of the Master Plan include a residential subdivision, lifestyle village for over 50's and a commercial precinct close to the Town Centre.

Council is contracted to develop \$7m of private works which are scheduled for completion in August 2018.

Other potential developments at Wallaroo are:

- Potential king fish farming in pens off Wallaroo and changes to existing fishing zones to allow farming of finfish and other marine species.
- Undeveloped land holdings at Copper Cove Marina for residential and apartment buildings.
- Extended residential subdivisions at North Beach on zoned and serviced land.

Figure 32—Wallaroo



Source: Deep End Services; Nearmap

Wallaroo Town Centre

The Wallaroo Town Centre was originally established around the rail head with shops on John Terrace and Owen Terrace, close to the port and former copper smelter.

Retailing is now centred on Owen Terrace with other establishments, hotels and public buildings spread around the former rail reservation which Council has developed as an attractive central parkland.

The centre has about 25 retail and service businesses and about 7,000 sqm of retail space. Owen Terrace has a tree-lined streetscape with old commercial buildings and awnings where a pharmacy, newsagent, cafes, restaurants and services are situated in the two blocks north of Spencer Highway.

In 2015, Wallaroo Central opened on the south side of Owen Terrace. It houses a Drakes supermarket (2,500sqm) - which relocated from an old centre on Hughes Street - and 9 shops including a liquor store, café, restaurant, sports store and Australia Post.

Wallaroo is a compact and attractive centre with heritage buildings and modern retail outlets. The business mix provides a basic range of weekly services to residents with food and beverage outlets catering to the visitor market. Owen Terrace and Wallaroo Central have leasing opportunities suited to a range of small retailers.

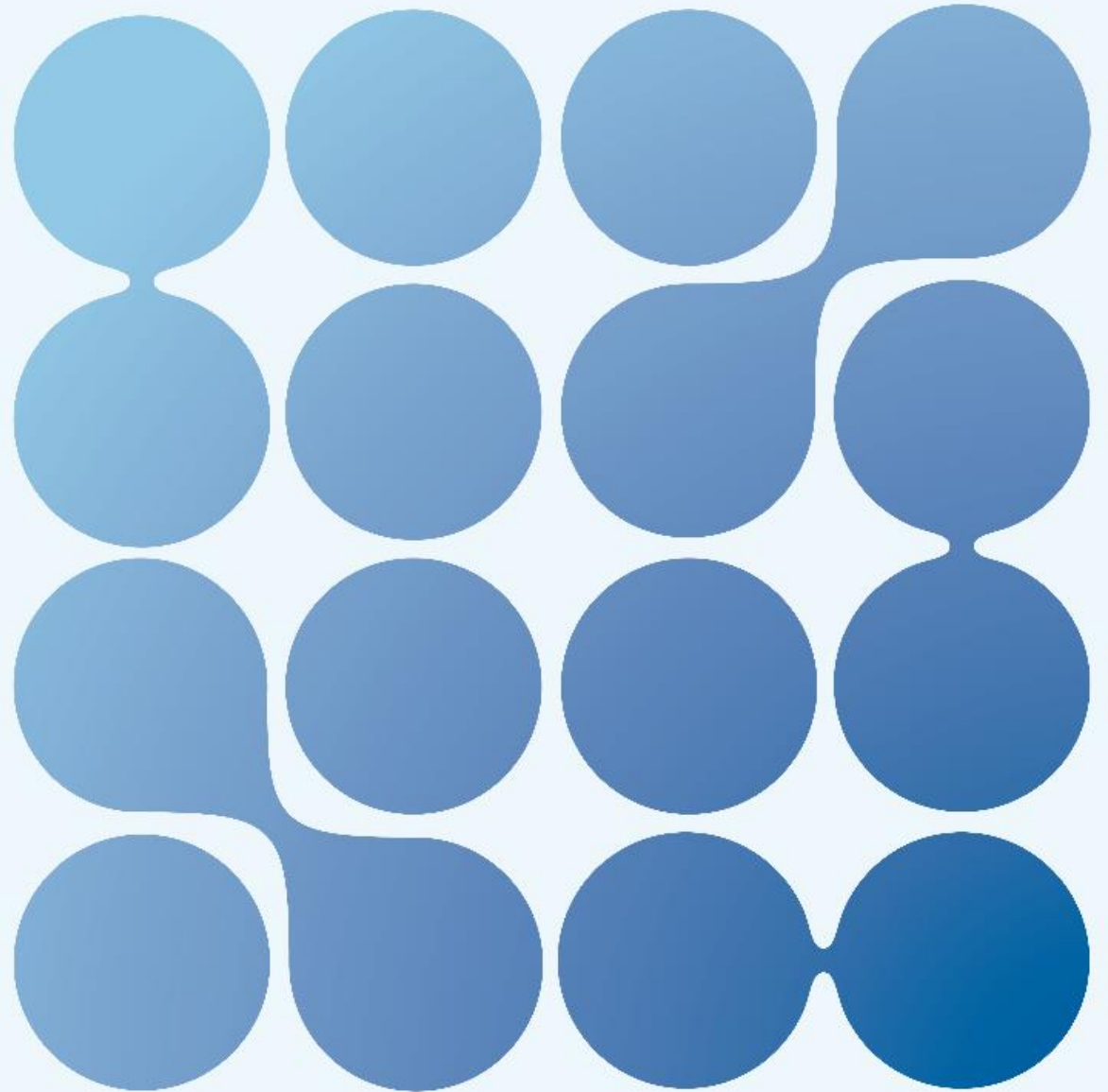
Figure 33—Wallaroo Town Centre



Source: Deep End Services; Nearmap

4

Opportunities



4.1 Kadina

The Kadina Town Centre presents a strong opportunity for the establishment of new independent retail businesses and the extension of existing national or franchised store networks from Adelaide or other regional areas of South Australia.

Kadina has the advantages of:

- A stable economic base. Agriculture and primary production, tourism, retailing and government services have lower volatility than other cities dependent on mining, industry and resources.
- Existing retail, business and government services which operate on a regional catchment across the central and northern areas of the Yorke Peninsula – an area of over 20,000 people.
- A local or primary catchment of 14,000 people across Kadina, Moonta and Wallaroo.
- Population growth across the three towns at higher rates than other regional areas.
- Large seasonal population increases and travelling visitors throughout the year.
- A supportive Council investing heavily in renewing the CBD with upgraded infrastructure and works to enhance access, parking and pedestrian comfort and safety. These works are equally beneficial to businesses.
- An ALDI supermarket opening in 2018 bringing price and range competition and drawing new or more frequent shoppers to Kadina.

- New development sites created by the CBD works and enhanced prospects for other underutilised land holdings.
- A redeveloped leisure centre bringing more sporting participants and visitors to Kadina.
- Good road connections and a short travel time from Adelaide enabling cost efficient supply chains.
- A large, available workforce.



In view of Kadina's characteristics and a review of other regional cities and major retailers and franchises, the following list of potential retailers / categories would be potentially suited to Kadina now or in the future.

Some retailers will duplicate existing businesses however a growing regional market requires competition and choice within its retail and business sector.

Mini-majors

- Best & Less

Specialty food & liquor

- Organic baker
- Natural foods
- Independent wine store

Hospitality

- Bar / boutique brewery
- Thai restaurant

Franchised food

- Dominos
- KFC
- Red Rooster / Oporto
- Pizza Hut
- Sushi

Specialty shops

- Mid-range fashion (Katies, Millers, Suzanne Grae, Noni B)
- Youth fashion
- Footwear
- Gifts / small homewares
- Mobile phones / telecoms.
- Electronics / games

Retail / personal services

- Massage
- Day spa
- Nail salon
- Audiology

- Flight centre

Large format

- Camping / outdoor supplies
- Radio rentals
- Beaumont tiles
- Discount city carpets
- Dreamland
- Godfreys / Leading appliances
- Petstock
- Solomon's flooring
- Toyworld

Banks / financial services

- Westpac,
- Bendigo Bank
- People's Choice Credit Union

Non- retail

- Fitness centre / Pilates

Fuel

- Coles Express

4.2 Moonta

Moonta is a compact and vibrant village centre with attractive streetscapes, historic buildings and businesses drawing on the area's rich Cornish heritage

and visitor market. The 80 retail and business premises provide a good range of services covering most of the essential needs for a population of 4,700 people.

Survey data shows residents have strong loyalty to the existing supermarket, largely due to the town's distance from Kadina (compared to Wallaroo) and a strong operator in Drakes. Retaining high levels of grocery spending is beneficial to the centre and supports other retailers who can leverage the customer traffic.



While the township population is similar to Kadina, Moonta has a more constrained catchment and has developed as a boutique village centre without the higher-level services. This lesser role and its historic location in-land, away from the sprawling coastal areas has seen it develop about one-third of the retail and commercial floorspace of Kadina.

For the most part, Moonta Town Centre has not grown beyond the original limits of the commercial centre laid out in the mid-1800's. It has maintained a pedestrian scale and intimacy with the main retailers serving weekly needs grouped around Drakes at the southern end of George Street with cafes and services extending north along George and Ellen Streets.

The centre has a low vacancy rate but opportunities are present for new businesses in existing buildings or by redevelopment of properties within the Town Centre zone. Major discretionary goods such as furniture, electrical and large homewares should be encouraged to locate at Kadina which leaves Moonta to service its resident and visitor market with food and groceries, limited non-food items, retail and personal services and cafes and restaurants.



Moonta has grown at a faster rate than Wallaroo and Kadina, although growth is in the older age groups which have different needs. Moonta has 34% of its population aged over 65 (South Australia 18%) and a high proportion in the 50-65 years cohort.

It also has the highest proportion of unoccupied dwellings (37%) which underlines the high seasonality of the population. This is positive for the town but presents challenges for retailers through both peak and non-peak periods.

Cafes and restaurants are not over-represented in the Town Centre although some recent additions are evident. This could be due to its location away from the beach side areas and camping grounds and the local traffic function of George Street. The Town Centre also has a unique setting, positioned in the original township with a close population of 500 people which is surrounded by large areas of community land and the historic mining reserves. This results in only a small population within a walkable distance of the Town Centre and most of the coastal population dependant on car access.

The age profile, visitor market and continued growth of the township would see the following potential retail and business opportunities in the Moonta Town Centre:

- An expanded or relocated supermarket. The existing Drakes Foodland is about 1,400 sqm and has recently upgraded indicating its continued operation from the current site for some time. The store however is small relative to the recent new Drakes at Wallaroo (2,500 sqm) which services a smaller market and may look to expand in the future.

- New or expanded retail and personal services including medical practitioners and health therapists (in shops or boutique offices), optometry and audiology, skin care, hairdressers and beauticians.
- Other services and products for the middle and older age groups such as financial and estate planning, accountants, travel agency, home maintenance, personal and home security, aged care services, mobility aids, hobbies & crafts and computer repairs & support.
- Pilates and fitness.
- Age-relevant fashion and accessories and outdoor / leisure clothing.
- Services to the new home-building / renovation market including home improvement products and homewares.
- For permanent residents and the day trip / and visitor market, a broader range of cafes and restaurants with outdoor / footpath dining, arts & crafts, unique homewares, day spa & beauty.

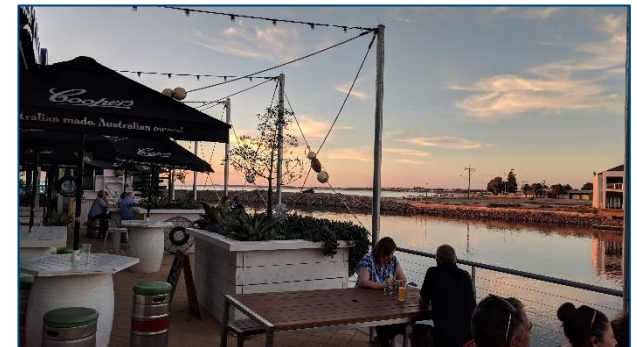
4.3 Wallaroo

Wallaroo is the smallest of the three Copper Coast townships with 4,000 people. Its close and direct (8km) road link to Kadina and the effect of the larger inland centre on Wallaroo's catchment has historically limited Wallaroo to a smaller provision of shops and services.



The population has a similar aged profile to Moonta and high proportion of absentee ratepayers.

The new Wallaroo Central complex, built in 2015, relocated and extended an existing Drakes supermarket to Owen Terrace with 9 new shops. The development has consolidated Wallaroo's retail activity to the historic and compact precinct close to the foreshore and adjacent to the Wallaroo Shores development site.



New off-street parking and Council's landscaping of the former rail land with other road works has created

an attractive town centre and environment for new businesses. The open area is framed by old public buildings, hotels and commercial buildings on John Terrace.



The new retail floorspace is still being absorbed by the market with leasing opportunities in Wallaroo Central and in the historic 3-block section of Owen Terrace.

The current small retail and business mix in the centre could be characterised as serving some daily and weekly needs with a newsagent, pharmacy, Australia Post, liquor store, hardware store, a range of retail and personal services, health professionals and several cafes and restaurants.

The catalysts for new business and retail growth at Wallaroo are:

- The completed Town Centre and other foreshore projects by Council which encourages residents and visitors to the beachside areas to park and explore the Town Centre.
- Wallaroo's ongoing population growth.

- The growing visitor and day trip market.
- The staged development of Wallaroo Shores which will bring new permanent residents, quality accommodation for travellers and convention facilities for the business market and employment opportunities. New retail and commercial premises will also be part of the development.
- The large specialist employment base and visitors to Wallaroo Hospital.
- The potential to draw residents from Kadina to the foreshore and town centre amenities.

Having regard to the above and the existing business mix, the opportunities for new retailers / businesses at Wallaroo are somewhat similar to Moonta and include:

- Cafes and unique casual dining.
- Take away food (differentiated).
- Specialty food retailers to complement the supermarket (bakery, butcher, natural foods)
- Arts & crafts.
- Antiques, gifts and small homewares.
- Discount variety store.
- Health professionals including optometrist, audiologist, physiotherapy, podiatrist.
- Bank / credit union.
- Aged care services.

