

**Summary**  
***'Economic Impact Assessment'***

**Medway Village,**

**Marulan.**

**Greater Goulburn Area**

**New South Wales**

© **Derek C. Kemp**  
***'Prosperous Places'***  
9 Hoylake St  
Indooroopilly  
Qld. 4068  
07 33789 465  
dkemp@gil.com.au

## **'Medway Village': Economic Impact Assessment**

***Disclaimer:***

*The figures in this report are only intended as an indicative, pre-feasibility, scoping analysis. They should not be relied upon to make particular property, individual investment or other financial decisions.*

*Those interested in purchasing, renting, developing or investing in, or near, should commission their own, more detailed, property specific, financial and cash flow analyses and full feasibility studies.*

## ***'Medway Village': Economic Impact Assessment***

### **1.0 SUMMARY OF THE OBJECTIVES OF THE PROPOSED DEVELOPMENT**

This report summarises and explains the economic and social benefits of the *'Medway Village'* development, proposed adjacent to the historic village of *Maluran*, strategically located on the *'Sydney/Canberra Corridor'*.

The main objective of the *'Medway Village'* development is:

*'To create an environmentally sensitive, extension to the historic Maluran 'village' that will demonstrate sustainable, affordable, 'best practice', rural village settlement, as a viable alternative to coastal development and urban sprawl'.*

Other Objectives of the development are:

- a. To provide a desirable, affordable rural village environment for up to 2,500 new residents.
- b. To provide a better quality and more affordable housing choices than those available, or able to be developed elsewhere.
- c. To provide more diversified local employment that will both broaden and deepen local employment opportunities, especially for local young people, and improve local employment self-sufficiency.
- d. To provide important 'entry level', training and jobs, especially for local young people, in 'new economy', recreational and hospitality businesses.
- e. To provide important 'entry level', training and trade jobs, especially for local young people, in local building and construction industries and trades.
- f. To attract recreational and day visitors and tourists that will provide business and employment opportunities locally and in nearby centres.
- g. To incept tourists and visitors using the *'Sydney/Canberra Corridor'* to generate local income and jobs in the greater Goulburn Region.
- h. To provide a greater range of local community, social, retail and recreation opportunities for nearby residents and those living elsewhere in the region.

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### **2.0 THE KEY BENEFITS AND OPPORTUNITIES OF THE 'MEDWAY VILLAGE'**

The key concept underpinning the development of the 'Medway Village' is to:

1. Provide a very high quality, but affordable 'rural village' – designed as a quality but affordable, 21<sup>st</sup> Century 'life-style' community for 2,500 residents.
2. Demonstrate environmentally sensitive approaches to high quality, sustainable, '*Compact, Rural Village Development*' - as a viable living alternative to less sustainable coastal and outer Metropolitan residential development.
3. 'Showcase' the practical application of the broadest range of both passive and active '*Water and Energy Conservation Design*' - easily introduced into local communities, community facilities, individual business and households.
4. Create a '*Recreational and Visitor Attraction of Regional Significance*' - that will enable the Goulburn Region to benefit from intercepting more visitors to Canberra and the snowfields, whilst also provided exceptional local youth and family recreation opportunities.
5. Incorporate a *very high standard of urban design* – including landscaping, dams and water features. (Designed to provide environmental benefits and water efficiency, whilst providing significant, high amenity visitor attractions and recreational settings).
6. Include a *variety 'live/work' and 'studio' business opportunities* – designed to attract business founders and their families. (Especially suited to those engaged in creative, information and design-based activities and those producing high value business and craft products for local tourist, regional and overseas markets).
7. Provide quality '*family outdoor recreational space*' and *unique 'adventure play' places* - that will be attractive to residents, attract visitors and provide additional recreational opportunities for the region's residents and young people. (Provide a 'village green' and 'town square' for community activities, festivals and events).
8. Provide *additional resident and visitor retail and personal services* – including a quality café, restaurant, gourmet deli and 'bush tucker' visitor attraction (That will attract visitors using the '*Sydney/Canberra Corridor*' to stop, then visit the historic village of *Marulan*, so they will spend time locally, then stop and possibly stay over in Goulburn).

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9. Provide opportunities for a range of low-key visitor accommodation – including holiday and weekend rental residences, studio, bed and breakfast accommodation, and possibly a 'backpacker lodge'.
10. Providing opportunities for travellers and coaches to break their journey on their way between Sydney and Canberra. (So that *Maluran* becomes so much more than just the cluster of service station, 'truck stops', it has presently become)

In these ways the *'Medway Village'* will be uniquely positioned to:

- Enhance Regional business opportunities
- Capture and retain more resident and visitor incomes
- Generating greater Regional employment
- Attract and retain 'talented people' and those with scarce technical and trade skills in the Greater Goulburn Region
- Attract and retain new business founders (including those founding hospitality, creative, craft and other 'new economy' businesses)
- Improve local employment outcomes (especially for local young people)
- Provide a greater range of good quality, affordable, residential opportunities
- Diversify and provide quality local recreational opportunities (for all ages, ranging from parents with young families, to teenagers, and the elderly)
- Provide 'diversion activities', and local 'job opportunities' and 'on-the-job' training for local young people and non-mainstream youth.

These benefits and opportunities are only possible because of:

- The commitment the developments proponents and financial backers have to this vision
- The strategic location of the land the proponent already owns at Marulan, and
- Their willingness, and financial capacity, to realise this vision and carry through this project to its successful completion.

Clearly, *Medway* is not "*just another master planned development*" that could be easily duplicated or located anywhere else.

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### **3.0 THE IMPORTANCE OF GROWING 'RURAL VILLAGES'**

The proposed '*Medway Village*' development will demonstrate an environmentally sensitive approach to sustainable *rural village settlement* that provides a viable alternative to coastal development or urban sprawl.

That is also able to reverse the adverse impacts of rural population decline.

The proposed form of rural settlement will also be more ecologically sustainable, more environmentally responsible, and less costly in terms of infrastructure and coastal amenity than concentrated coastal, or typical suburban, or other forms of rural centre development.

#### **The Difficulties Faced By NSW Rural Communities, Such As Marulan**

There is also a persistent trend towards the relocation of rural residents from rural areas and smaller rural settlements to larger rural centres and coastal areas.

This loss of rural population is often accompanied by the loss of rural employment resulting from structural adjustment, especially in the timber industry and dairy industry in NSW, and the introduction of more efficient, labour saving rural production.

This loss of rural population reduces local business viability and increases the per capita costs of serving declining rural centres.

The economic decline and present economic plight of the *Marulan Village* clearly reflects this decline in importance and costs of maintaining services to smaller rural villages.

The most hopeful recent sign has been the growth of *Marulan*, as a fuel and truck stop, comfort stop and fast food stop on the Sydney/Canberra corridor.

But this provides very limited employment, and virtually no benefits for the historic village of *Marulan* and its other, 'non-highway orientated' businesses.

Although, there are hopeful signs of some strengthening in some local businesses, there is clear opportunity for the economic and business resurgence of *Marulan* through the residential development, business development and much greater visitor attraction created by the '*Medway Village*' development.

The incremental decline in the rural population, and the loss of rural employment and income, can have a major impact on the range of retailing, personal services and businesses available locally. Some business may continue even when they are not economically viable until their proprietor retires or dies. Others may survive despite falling local demand, without any ability to expand or provide future employment.

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The cost of maintaining existing and aging community and social infrastructure continues to increase, at the same time as demand is falling. Resulting in increased impost on Council funding, inability to justify new facilities, and the closure of community and social facilities beyond their 'economic life'.

Although the Marulan has adapted to previous declines, Council and the existing businesses and residents of the area will continue to face increased social and economic difficulties if the projected population decline for the Marulan Area is not addressed.

Any decreased in local demand for retail goods and services, will have a major impact on local employment because of the high proportion of local employment in the retail sector.

Incomes are considerably lower than the average for NSW, and high-income jobs scarce.

Therefore, there is little prospect of increased household expenditure making up for this loss of population, or increasing demand for goods and services, without the proposed *Medway Village* development.

### **The Adverse Impacts of 'Coastal Population Growth'**

There is increasing residential pressure on coastal communities in local government areas in New South Wales, and elsewhere along the coastal rim of Australia.

This is making it increasingly difficult to cost effectively accommodate population growth in socially responsible and ecologically sustainable ways in coastal areas of the State, and in coastal areas throughout Australia.

Recent Australian Bureau of Statistics research has established that, contrary to popular belief, only a third of those moving to high growth coastal areas come from capital cities.

The largest proportion (42%) moved from nearby large population centres and over a quarter (27%) from country areas.

Contrary to popular belief, 'Coastal population growth' is not being driven by retirees. Four out of five people (79%) moving to high growth coastal areas are younger than 50 years. Well over a third (39%) being young adults in their twenties to thirties, and 28% are children.

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The large number of 'sea changers' concentrated in high growth coastal areas is threatening to exceed the 'environmental capacity' of these areas to successfully absorb this population growth.

The additional public social and physical infrastructure costs can be excessive, with road construction and local congestion also adversely affecting both residential and environmental amenity.

The number of young people and those already of working age almost always exceeds the ability to provide sufficient meaningful local jobs.

Therefore, there is a pressing need to reduce this drift from 'country to the coast' and to prove and provide the benefits of compact 'rural village' living.

### **The Difficulties and Costs of Urban Development and Suburban Sprawl**

The difficulties faced by Sydney and other major Metropolitan centres are well known.

Reticulated service and other infrastructure costs are very high, and Council contributions particularly high.

This, combined with high raw land prices and greater demand, results in high property prices.

This in turn, produces less affordable housing and results in many residents seeking better quality, affordable housing in outer suburbs, and commute long distances to work.

Environmental problems, infrastructure and fuel costs and pollution are inflated by the lack of local employment, and very long distance commuting, on congested arterials.

Typical suburban development often only provide jobs equivalent to 15% of the resident workforce, and it is exceptional and very unusual to provide jobs equivalent to more than 35% of the resident workforce.

This leaves at least 65% of working residents to commute long distances to employment elsewhere; many school leavers having to leave the area for employment, and many of those with limited skills remaining unemployed.

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### **4.0 OPPORTUNITIES AND BENEFITS PROVIDED BY 'MEDWAY VILLAGE'**

The *Medway Village* development will more than redress these adverse demographic conditions by:

- Increasing the local resident population by a projected 2,500.
- Attracting residents with greater purchasing power and greater disposable income, and young families with greater household expenditure and greater retail and personal services needs.
- Attracting self-employed business people and their employees with business and employee needs best met locally.
- Providing recreational and visitor opportunities that will encourage both residents and visitors to spend more time, and more money in the Region.

### **4.1 Overview of The Benefits Compared With Alternatives To The Proposal**

The proposed development will provide significant local benefits and greater regional benefits that will exceed those that would accrue from incremental suburban development elsewhere in the Shire.

By providing more resident income and creating more local employment the proposed development will exceed the local employment and local business opportunities typically generated by suburban development.

By attracting additional recreational, day visitors and tourists to the Region, the proposed development will create more trade and employment potential for local businesses in Goulburn and nearby centres.

The overall impact will be to grow the local 'economic pie', rather than merely competing against existing centres for business.

Local residents will gain convenient access to a greater range and variety of local retail goods and personal services because of the increased resident population and the additional visitor demand created by the proposed development.

Quality community, social and recreational facilities, and opportunities for greater social interaction, inter-personal networking and social capital building will be provided at no cost to Council and local ratepayers.

These benefits will far exceed those typically provided by conventional suburban residential developments because of both the quality and nature of the '*Medway Village*' development and the opportunities provided for the shared use of local services and facilities by residents, recreational and other visitors, and available for use by local businesses and their employees.

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### **4.2 The Attraction of Rural Villages To Talented People With Scarce Skills**

Derek Kemp "*Prosperous Places* has established that 33% of talented people with creative, technical and trade skills, who are willing to move for life style reasons, are strongly attracted by 'village communities'.

These are typically working couples, with children, who are most concerned about by the 'quality of life' for their family, and the quality of their own working and living environment, and their personal and family life.

They are motivated to move to improve the 'quality of life' for their family.

Many will willingly move to 'rural villages'. Provided there are quality of the facilities, health services and good education opportunities for their children nearby.

They make 'well thought through', 'balanced', rational decisions based on their combined assessment of both 'business and work opportunities for themselves' and 'quality of life' benefits (for themselves, their partner and their children).

The *Medway* development provides an exceptional opportunity to appeal to these people, and to effectively reduce the drift of young people and 'aspirational' young families away from the Goulburn region.

### **4.3 Other Major Economic Benefits From 'Medway Village'**

The major economic benefits '*Medway Village*' will include:

- Greater provision of local and Goulburn *retail, business and personal services* – to meet the increased local demand from 2,500 additional *residents*, new small, *high value office-based businesses* and the additional *tourists and visitors* attracted to this part of the Region.
- Attraction of '*new economy*' *business founders* and their families – who seek the rural life-style and quality living and recreational environment provided by the 'Medway Village'.
- Attraction and growth of '*high value*' *businesses* – including growing, small 'new economy', creative and information based businesses. (Presently under-represented in the Region).
- Establishment and growth of *local creative, craft and design based businesses*. (Serving local tourist and more distant, inter-State and overseas markets).
- The incubation and successful local 'grow-out' of *home based businesses* – operated by residents of 'Medway Village'. (Many providing high value business services to capital city and more distant markets).

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- A more diversified *tourism and day visitor* base for this part of the Region – including increased '*visitor nights*' because of the extra time spent visiting the '*Medway Village*' and then other attractions in the Region.
- Additional local business from *visitors to the Medway Village* '. (Who will spend more time and money when travelling through this part of the Region).
- Expenditure from *tour operators and coach trip visitors* – attracted by the '*Medway Village*'. (Stopping and spending time in this part of the Region).
- Increased local business from more '*weekend*' and '*day visitors*' - attracted by '*Medway Village*' and spending more time in this part of the Region.
- Additional local business from *weddings, festivals and events* – attracted by the environmental settings offered by the '*Medway Village*'.

### **4.4 The Employment Benefits Provided By 'Medway Village'**

The following employment benefits have been determined from the *Medway Village* development:

- Projected permanent employment of at least 159 jobs (direct, full time equivalent jobs, provided at '*Medway Village*' and *Marulan* after development, beyond the construction phase)
- A total permanent employment impact of at least 660 jobs (comprising these 159 full time equivalent jobs, an additional 295 full time equivalent jobs in Goulburn and the Region)
- A 'flow-on' multiplier affect of an additional 660 jobs in Goulburn and the Region from the expenditure of this additional personal and business income.
- Additional income and employment will be created for Goulburn's local retail and service outlets and in other centres by increased number of day visitors, tour and coach operators and tourists visiting and spending time in the Goulburn Region
- Better balance employment with the provision of some higher skilled jobs and jobs requiring more modest skills.
- Provision of important 'entry level' jobs for local school leavers and training of local young people in the building and construction industries, environmentally responsive housing, energy and water efficiency and in craft industries, environmental management, landscaping and rural, bush care skills.