TORQUAY TOWN CENTRE

SMALL BUSINESS OFFICE SPACE ASSESSMENT

MCa

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Contents

Executive Summary

This report provides an assessment of future demand for smaller scale office space in the Torquay /Jan Juc area. The analysis makes use of a range of available data and information including: ABS data; results of floor space surveys conducted by MCa and Council; and information on new office space being constructed in Torquay Town Centre.[1]

Business Growth
Torquay has experienced strong growth (2011-2016) in service businesses and jobs, which is driven by a number of factors including: continued growth in population and increased demand for retail, business services, health and community services; its role as the main service centre for the local government area (LGA); the presence of the surf industry as a catalyst for entrepreneurial activity; construction businesses having access to a larger regional market; and a continued strong seasonal tourist market.
At the same time it has experienced a decline in jobs in the wholesale sector and in local manufacturing due to changes in the surf industry.

Overall Torquay remains a small business economy, with most enterprises being small businesses (82% of businesses were sole traders).

Increase in Local Jobs
ABS data on jobs located in the area are available for Surf Coast LGA and for Torquay (SA2).[2] The area has experienced strong jobs growth over the past decade. The number of jobs located in Surf Coast LGA increased from 6000 in 2006 to 8688 in 2016, an increase of 2688 or 44%. Between 2011 and 2016 jobs in Torquay (SA2) increased from 4226 to 5348, with most growth being in population linked services. Torquay is the major centre for employment, and accounted for 62% of the Surf Coast's jobs in 2016, and almost three quarters of the jobs growth.

At an LGA level the major growth was in: tourism related jobs (accommodation and food service); construction – reflecting the level of housing development; population driven services – education, health; professional and administrative jobs; and in arts and recreation services.

For Torquay the population related jobs accounted for 54% of the jobs growth (611); jobs in tourism related industries for 322 or 29%; jobs in business related activities 215 or 15%. This growth has mainly been accommodated in additional retail, office and industrial space.

Working from Home
There has been an increase in persons working from home comprising a combination of solo small businesses and some employees, who have jobs in Melbourne and elsewhere. For Torquay-Jan Juc, persons working at home increased by 398 between 2006 and 2016 (from 239 to 637), an increase of almost 170%. For the Surf Coast LGA 1241 persons were working from home in 2016.

Working from home is projected to increase, with digital technologies enabling more people to work remotely and independently. While many in this group will continue to work from home, some will transition to offices as their business grows, creating a demand for co-working space.

Space Use - Torquay
Businesses in Torquay are concentrated in several precincts: Torquay Town Centre (mainly retail, food service, professional services and business services); West Coast Business Park (mainly large format retail, wholesale and construction services); Baines Crescent/ Surf City / Surf Coast Highway (surf industry – office, retail and warehousing; other wholesale; medical and allied health; building services; health services; and some professional services.)

- Office space in the town centre is mainly occupied by traditional users - banks, financial services, professional services and some allied health services, which require space for client/customer visits.

1 In 2018 Council officers undertook an audit of existing businesses on land zoned Industrial 3 in the Baines Crescent Estate and West Coast Business Park to determine the number and type of businesses operating from office space without any industrial type use associated. Surf Coast Council has a 2018 data base on businesses and floor space in the Torquay Town Centre, and this was used in this analysis.
2 This data is available from the ABS Census Working Population Profiles (WPP) for Torquay (Statistical Area Level 2- SA2) and Surf Coast LGA.

- A health services hub has developed on the Surf Coast Highway to take advantage of lower rents for office space and visibility.
- Office use in the Baines Crescent area comprises surf industry offices, some building industry businesses and a new co-working centre. There are also some other service businesses that need larger spaces (eg. gyms, yoga, and occupational rehab).
- Service businesses in the West Coast Business Park are those requiring larger areas (eg. gym, personal trainers) and several business/professional services companies (marketing & design, architect, ITC services, and employment services.

Several available data bases allowed for a detailed analysis of floor space by type of use for the Torquay Town Centre, Bell Street and the area in and around the Surf City Precinct, Baines Crescent and Surf Coast Highway.[3] The data bases identified a total of 49,219 m2 of floor space, with the major uses being retail and food service accounting for 60% (29,647 m2); office 25% (12,413 m2) and wholesale 14% (7159 m2).

- Torquay Town Centre operates as a regional service centre for Surf Coast residents and as hub for tourist visitors.[4] Retail and food service (including the CBD and Torquay Central) account for an estimated 17,688 m2 of floor space (81% of floor space in Torquay Town Centre) - 60% of retail space in the surveyed locations (Town Centre and Surf City/Highway).
- Retail space in the Town Centre is occupied by: 3 supermarkets; cafes/restaurants, food stores and takeaway businesses; clothing and giftware/homewares; hairdressers/beauty; and other retail. Supermarkets occupied around 50% of the estimated retail space.
- There is an estimated 4148 m2 of office space in the Town Centre, which represents 33% of office space in the surveyed areas.[5] The area in and around the Surf City Precinct has an estimated 7441 m2 of office space, with 3339 m2 on the Highway and 4092 m2 in Surf City (and Baines Crescent). Most of this office space is being used by the surf businesses.

Some new office space is currently under construction in the town centre (9 offices totalling around 1600 m2) in 3 mixed use developments (which also include retail shops).

Trends in Small Business Office Space

Trends in space use include: reductions in space use per employee; more use of open office plans, including hot desking arrangements; service hubs with shared facilities; growth in co-working centres; and the re-use of converted industrial space for offices and other uses.

The *"gig economy"* has emerged with more people working as freelancers and independent contractors.[6]

These space trends are being driven by a number of factors: higher rents in premium locations and lack of office space in some locations; small businesses wanting to reduce their space costs; increasing numbers of start-up businesses (wanting lower cost space and flexibility); and changes in work space design to enable more collaborative teams.

Co-working spaces reflect a combination of collaborative project work between individuals/small businesses; people wanting more creative work spaces; and aspects of business incubation.

Examples of co-working and shared space were examined in the Sunshine Coast, Byron Bay and Newcastle. A co-working space (Workers Hut) was set up in 2017 in Baines Crescent (occupying a building previously used by the surf industry). Another co-working space is being developed in the Surf City Precinct.

- Start-ups and emerging businesses are attracted to the shared space hubs because of flexibility, lower cost and the proximity to like-minded individuals and the business connections, which can be made on site. Most of the operations are offering small office and studio spaces for businesses as well as co-working desks.

3 This excludes the West Coast Business Park.
4 This includes businesses (retail , food service, business services, health services) located in Torquay CBD and the supermarket, retail shops and food service businesses at Torquay Central.
5 This does not include the total of 1600 m2 of office space in the 3 new developments under construction in the Torquay CBD.
6 "Gig Economy" is used to describe the trend for an increasing number of persons who are working independently and flexibly (as freelancers or consultants) on a project basis or task-by-task basis for various employers/businesses. *The Emergence of the Gig Economy* - Thought Leader Paper: Education & Training Policy Team, AI Group August 2016

- Some spaces have a focus on creative industries: mainly digital media – film, photography, and sound, web site and app developers. They also tend to have a cluster of support services, including marketing and advertising.
- Some centres are highly selective and only have certain types of businesses (eg. ICT and tech start-ups).
- Other centres are more open and have professional service businesses and wellness businesses. Small single person businesses are also located in most of the co-working hubs and include: architects, engineers, town planners, property advisors, accountants, boutique legal services and marketing advisors.
- Most of the hubs tend to provide business support through seminars, workshops and events and some have a strong innovation focus, are selective and act as a business incubator.

All of these trends have implications for future demand and provision of space in Torquay. However there is still a demand for traditional offices (for client/patient visits) and this has been the primary market in Torquay Town Centre for shopfront and upper level space in mixed use developments. However even with this market in other locations, there has been the emergence of shared space, with like businesses clustering in hubs (eg. GP clinics with allied health professionals, accountants and financial advisors co-locating).

Future Office Requirements

There are a number of issues affecting future provision of space for small business in Torquay on both the demand and supply side.

- On the demand side these include: the businesses which still require traditional town centre office space and shop front space for client/ patient visits; demand from service businesses needing larger spaces for activities (eg. gyms, wellness centres); new and emerging businesses that want lower cost office space in their start-up phase; and solo businesses and freelancers (in the gig economy) requiring access to shared space; and persons who work part of the week away from their office (eg. a head office in Melbourne).
- Based on modelling of future population growth and maintenance of tourist market, total jobs located in Torquay would increase to around 7970 jobs in 2036 (an increase of 2600 on 2016). [7]
- Given the coastal lifestyle and the entrepreneurial culture, new businesses based in Torquay and servicing broader regional, national and international markets will continue to develop.

Future office space supply is likely to be a mix of traditional office space and co-working space.

Key Issues

From a walkable town, having more small/medium sized service businesses operate in areas adjacent to the town centre is an advantage There are several major issues on the demand and supply side impacting on the office market in Torquay.

In summary, on the supply side there are several factors.

- In future, additional office space will come available with the redevelopment of sites in Gilbert Street and other parts of the town centre.
- Over time some shop front retail space may be used for service businesses, requiring a ground floor location.
- Likely future developments on the Surf Coast Highway (including the large “Horse Paddock” site) will include some office space and medical suites.
- With the changes occurring in the surf industry, significant amounts of space are becoming available in the Surf City Precinct. This space will be repurposed for other uses including office space for small and medium sized businesses.

7 For floor space projections, the model first estimates the increase in activity and employment to service the growth (population driven, tourism driven and new business activity) and then applies an average floor space requirement per employee for each industry sector. The average floor space per employees used are: industrial & wholesale 60 m2; office –business services 20 m2; office- other services 15 m2; office –health and community services 15 m2; and retail & food 15 m2 (small businesses).

In summary, there are several factors driving the demand for space and its location.

- Overall businesses are using less average space per employee compared with past patterns of space use. This is arising from more efficient use of space though open office plans, shared meeting space, reductions in reception areas and other changes.
- Projected population growth will increase the number of local businesses in health and community services and in business and professional services. Not all of these businesses will seek a town centre site (and those that do are likely to be accommodated in future space that comes available in the core of the town centre).
- Medical and allied health businesses have tended to locate on the Surf Coast Highway and this pattern is likely to continue into the medium term.
- New enterprises, entrepreneurs and independent consultants/contractors will have a preference to locate in co-working spaces, with their lower costs and flexibility and the ability to be alongside like-minded workers and business people. These businesses are unlikely to locate in new town centre offices with higher rents, which tend to be prohibitive for start-ups or emerging small businesses.
- In response to demand, co-working spaces are being developed in the Surf City Precinct, with the re-purposing of surf industry office and warehouse space. It is likely that other space will be converted to meet future demand by medium sized businesses.

The combination of these supply and demand factors mean that in our view there will not be a strong demand for office use in Bristol Road and Pearl Street sites and requiring a rezoning.
Sufficient supply of space to accommodate projected future demand will be in other locations that are attractive to businesses (eg. Surf Coast Highway, Surf City Precinct and space that is likely to come available in other parts of the town centre, with future redevelopment of some sites).

Recommendations

1. **That Council at this stage does not undertake a rezoning of the identified areas of Bristol Road and Pearl Street for office use.**
   The demand and supply analysis indicates that there is not a requirement to develop office space for small business in this location, as sufficient supply will be available in other locations, which are often preferred by the small business that are expanding.

2. **That Council monitors the take-up of the 1600 m2 of new office and retail space in the buildings, currently under construction (in Gilbert Street, Pearl Street and Boston Road).**
   New office space in these 3 developments will add around 40% to the town centre's office space (currently estimated to be around 4148 m2). The monitoring should include the type of businesses taking the space and the rents.

3. **That Council continues to maintain its database on businesses and floor space use in Torquay Town Centre. A similar database should be created for the Surf City, Baines Crescent and the Highway precincts.**
   This data is useful for tracking activity in the town centre. Given the changes occurring in the Surf City Precinct, it will be important to have up to date information on businesses and floor space use.

4. **That Council recognises the trend for small businesses and start-ups to utilise shared space in co-working centres**.
   Co-working spaces allow for low cost, flexible workspace for solo businesses and small businesses in a start-up phase.
   Occupants tend to be creative and tech businesses (including info tech, web and mobile apps); design and product development; small professional services businesses (accounting, boutique legal, and marketing); digital content (film, video, sound); event organisers; allied health and wellness businesses; and freelancers. These are business types that are found in Torquay.
   Many co-working spaces (in urban and regional centres) are located in light industrial areas or are in industrial buildings that have been re-purposed.

Encouragement should be given to private sector development and operation of co-working facilities and other office space suitable for small and medium sized businesses.

5. **That Council in planning for future office space requirements for Torquay takes account of future uses of industrial space in the Surf City /Baines Crescent Precinct, and other developments on the Surf Coast Highway.**
   With the changes occurring in the surf industry, some industrial space and office space is becoming available. In addition some office space and medical suites are likely to be included in the future development of the major Surf Coast Highway site.
   In other capital city and regional locations, there has been a re-purposing of industrial buildings and conversion to office space and other uses. For Torquay, this could include future shared office hubs, smaller office suites and co-working spaces.

6. **That Council undertakes a wholesale review of the commercial hierarchy in Torquay.**

   It is now 7 years since the Retail Strategy 2011 was developed. Since the strategy was completed there have been: major changes in the nature of retail activity; new trends emerging in business types and structures; and significant changes occurring in Torquay's surf industry. All of these factors have implications for the future demand and supply of commercial space in the Torquay Town Centre and other precincts.

1. Introduction

This report provides an assessment of future demand for smaller scale office space in the Torquay /Jan Juc area. The analysis was undertaken by MCa <Michael Connell & Assocs.) economic consultants.

The requirements of the study were:

A. Analyse recent trends in occupation classes for the population across Torquay and Jan Juc.

B. Identify growth industries for Torquay/Jan Juc in the small business sector (excluding retail and hospitality).

C. Prepare an estimate of supply and demand for smaller scale office space in Torquay/Jan Juc. This should consider the experience of similar sized towns with growth potential and the needs of growth industries.

Several types of analysis were undertaken to inform this assessment. This included:

- A review of population trends in Surf Coast Shire and the Torquay Jan Juc area.
- A review of trends in jobs located in the area by industry sector.
- An assessment of employed residents and job locations, including estimates of persons working from home.
- An analysis of the business mix in Torquay Jan Juc area.
- An assessment of existing use of space in Torquay Town Centre , Baines Crescent Estate , and West Coast Business Park by industry type. This includes identification of non-industrial businesses located in these estates.
- Population projections and estimates of future industry employment and implications for space requirements.
- Modelling and estimates of future demand for office space for service businesses.
- Analysis of future types of businesses requiring office space, including small businesses.
- A review of trends in the provision of office space for small business in other locations.

The analysis makes use of a range of data and information including: ABS Census data; population projections for Torquay; a Council database (2018) on businesses and floor space in Torquay Town Centre; data from Council's 2018 audit of existing businesses on land zoned Industrial 3 in the Baines Crescent Estate and West Coast Business Park; and information on recent office space being constructed in Torquay Town Centre.[8]

8 Council officers undertook an audit of existing businesses on land zoned Industrial 3 in the Baines Crescent Estate and West Coast Business Park to determine the number and type of businesses operating from office space without any industrial type use associated.

2. Context of the Study

2.1 Torquay Town Centre Strategies

In 2017, Surf Coast Shire Council undertook the Torquay Town Centre Project to create a clear vision for the town centre and to guide its future development. There were two primary outputs from the project: Strategic Investment Facilitation Plan (SIFP); and the Urban Design Framework (UDF)

The SIFP is designed to provide an investment attraction plan to stimulate new development and job creation in the Town Centre. The SIFP principles and a number of the recommendations are in the UDF (approved by Council in December 2017). The key principles are:

1. The Essence of Torquay: outdoor lifestyle and coastal outlook.
2. A People Friendly Place.
3. Expand the Footprint: provide additional space to provide the range and scale of facilities required of the major activity centre serving Torquay and the Surf Coast region.
4. Productive Use of Space
5. The 18 Hour Centre: from 6am to midnight, provide a range of facilities, attractions and activities for residents and visitors.
6. Collaborative Development: Council and landowners working together to unlock the potential within the Torquay Town Centre.

2.2 Study Area

The UDF recommended rezoning the land in Bristol Road (north side) to a zone that would allow small scale office uses, and for land fronting Pearl Street, between Boston Road and Anderson Street (east and west side) the Commercial 1 Zone with a focus on *tourism retail and hospitality to provide additional land for commercial operations now and in the future.*

Regarding land on Pearl Street, Council did not agree that the level of demand envisaged by the UDF for commercial floor space for tourism (*retail and hospitality) was* evident and resolved to rezone a lesser extent of land for retail and hospitality type uses along The Esplanade.

Council adopted the UDF subject to a number of modifications, which included an investigation into small business office space:

"Investigate further the option to rezone land in Bristol Road (north side) and fronting Pearl Street, between Boston Road and Anderson Street (east and west side) to facilitate medium density housing and small business office space including a review of whether the same built form controls proposed for Bristol Road should also apply in Pearl Street."

Map 1: Location of Areas to Consider for Small Business Office Space

Map 2: Torquay Town Centre

3. Business and Employment in Torquay

3.1 Overview

This section examines trends in population, business and employment in Torquay and the Surf Coast Shire. The business mix and business trends have implications for current and future floor space requirements.

There are a number of factors driving businesses and employment located in Torquay. These include:

- Continued growth in population, which is driving increased demand for a range of retail, business, and health and community services.
- Torquay's role as the main service centre for Surf Coast Shire (covering retail, health, business services).
- Torquay as the centre of an international surf industry, and which has been a catalyst for the emergence of businesses linked to the sector. However the role of the industry and the number of jobs in Torquay is declining, with ownership changes and the relocating of some office functions and warehousing.
- An expanding construction sector, associated with housing development in and around Torquay.
- Tourism and the seasonal visitor numbers, with the retail and hospitality industries gearing up for the peaks.

These factors are evident in the growing population, the increased number of jobs in Torquay and the changing demographic profile of the resident population.

3.2 Population and Trends

3.2.1 Population Growth

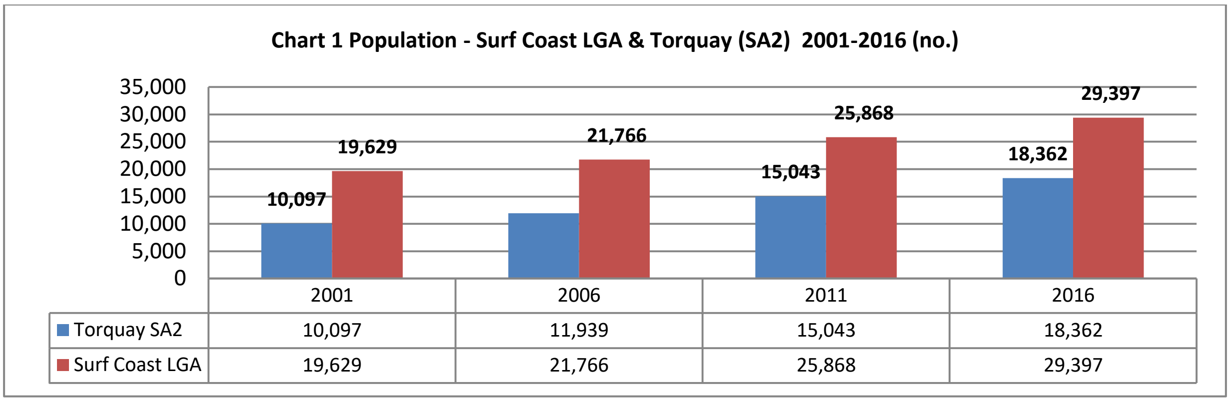
The Surf Coast LGA and Torquay have experienced strong population growth over the 15 years to 2016.

- Surf Coast LGA's population increased from 19,629 in 2001 to 29,397 in 2016 (an increase of 9748 or 50%).
- Torquay (SA2) - has dominated this growth, increasing from 10,097 in 2001 to 18,362 in 2016 (an increase of 8265 or 82%).[9]
- Torquay SA2 has accounted for 88% of the LGA's population growth over the last 15 years, and as a consequence its share of the LGA's population has increased from 51% in 2001 to 63% in 2016.
- Within Torquay SA2, growth has been concentrated in the Torquay-Jan Juc Urban Area, which had a population of 16,948 in 2016.

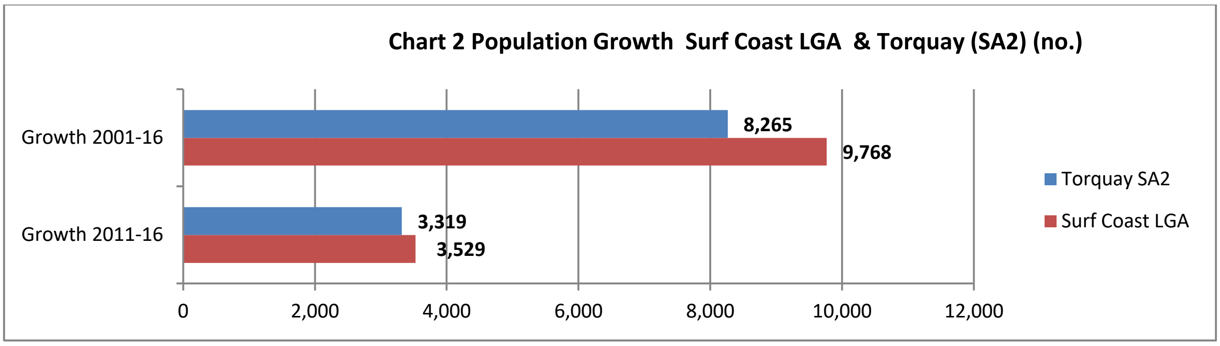
This growth reflects: the attraction of Torquay as a lifestyle location for families and retirees; available land for sub division for housing; its dominance as the regional service centre; local job availability, including the surf industry; and access to a range of professional and other jobs in Geelong.

This population growth has driven growth in local businesses and jobs that are servicing Torquay and the region.

9 Torquay –Statistical Area Level 2 (SA2) is an area which includes Torquay, Jan Juc and some adjacent areas (Area of 126.3 sq. Kms). It represents the main catchment area for Torquay Town Centre. See Appendix A for ABS Maps of the areas.



Source: ABS Census Data 2001-2016. Community Profiles – Resident Population Data



Source: ABS Census Data 2001-2016. Community Profiles – Resident Population Data

Table 1. Population Surf Coast and Torquay 2001-2016

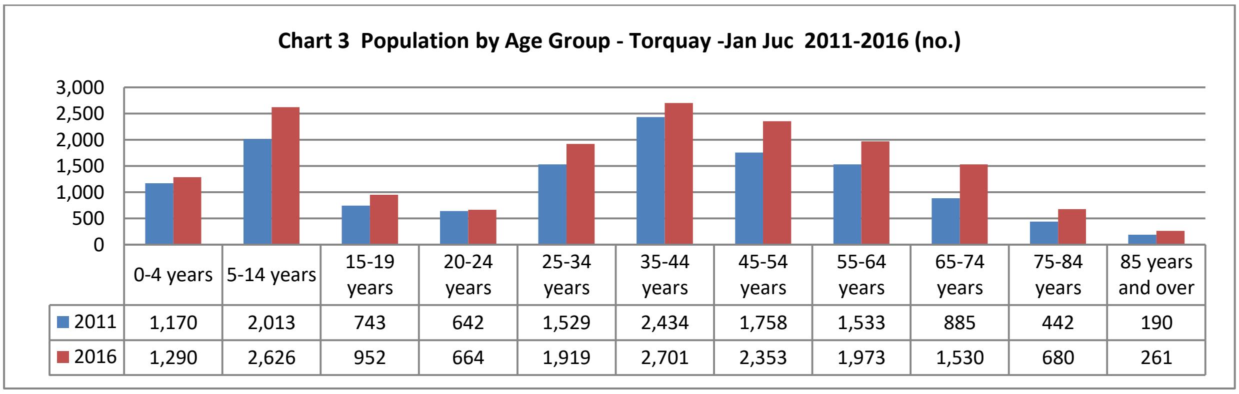
					Growth	Growth	Growth	Growth
					2001-16	2001-16	2011-16	2011-16
Population	2001	2006	2011	2016	no.	%	no.	%
Surf Coast LGA	19,629	21,766	25,868	29,397	9,768	49.8	3,529	13.6
Torquay SA2 (126 sq. kms)	10,097	11,939	15,043	18,362	8,265	81.9	3,319	22.1
Torquay SA2 Share/Surf Coast (%)	51.4	54.9	58.2	62.5				
Torquay - Jan Juc Urban Area (39 sq. kms)	na	na	13,339	16,948	na	na	3,609	27.1
Torquay - Jan Juc Share /Surf Coast (%)	na	na	51.6	57.7				

Source: ABS Census Data 2011 & 2016. Community Profiles – Resident Population Data

3.2.2 Population Characteristics

The population growth has been across the age spectrum from children through to older persons. The following chart and table shows the population by age group for the Torquay - Jan Juc Urban area.

- Reflecting families moving in, there is an increase of 30% in children age 5-14 years and 28% in the 15-19 age group and in the 25-54 age groups.
- Retirement living is captured in growth in the 65 + age groups.



Source: ABS Census Data 2011-2016. Community Profile – Torquay Jan Juc Urban Area

Table 2. Population by Age Group Torquay Jan Juc 2011-2016

Torquay - Jan Juc (UCL213016) 39 sq. Kms				
Age groups:	**2011**	**2016**	**Increase No.**	**% increase**
0-4 years	1,170	1,290	120	10.3
5-14 years	**2,013**	**2,626**	**613**	**30.5**
15-19 years	**743**	**952**	**209**	**28.1**
20-24 years	642	664	22	3.4
25-34 years	**1,529**	**1,919**	**390**	**25.5**
35-44 years	**2,434**	**2,701**	**267**	**11.0**
45-54 years	**1,758**	**2,353**	**595**	**33.8**
55-64 years	1,533	1,973	440	28.7
65-74 years	885	1,530	645	72.9
75-84 years	442	680	238	53.8
85 years and over	190	261	71	37.4
Total persons	**13,339**	**16,948**	**3,609**	**27.1**

Source: ABS Census Data 2011 -2016. Community Profiles Torquay Jan Juc Urban Area.

3.3 Businesses in Torquay

Detailed information on businesses by industry is available from the Australian Business Register. A data set was made available of Torquay businesses by Surf Coast Council for this assessment.[10]

The data set does not provide the number of employees. We can infer from the business type and other information, that most of these are small and medium sized businesses and some of these would be single person businesses working out of home.

3.3.1 Number of Businesses

There were a total of 941 businesses operating in the Torquay area – 17% were in construction, 20% were in professional, scientific & technical services, 8% in health care & social assistance , 10% retail trade, 10% other services, and 4% manufacturing.

Based on the type of business entity, most are likely to be small businesses - 769 (82%) were Individual/Sole Traders, 131 (14%) were an Australian Private Company and only 3 were Public Companies.

10 The Australian Business Register (ABR) is a national database of information collected when businesses and other organisations register for an Australian business number (ABN).

Table 3. Businesses by Industry Sector & Location - Torquay Area 2018

Businesses	Location: Torquay Area					Share of Businesses
Industry Sector	**Bellbrae**	**Bells Beach**	**Jan Juc**	**Torquay**	**Total**	**%**
Accommodation & Food Services	2		3	36	41	4.4
Administrative & Support Services	3		12	46	61	6.5
Agriculture, Forestry & Fishing	3		1	4	8	0.9
Arts & Recreation Services	2		9	20	31	3.3
Construction	8	1	36	111	156	16.6
Education & Training		1	16	39	56	6.0
Electricity, Gas, Water & Waste Services			1		1	0.1
Financial & Insurance Services			3	10	13	1.4
Health Care & Social Assistance	3		21	55	79	8.4
Information Media & Telecommunications	1		8	9	18	1.9
Manufacturing	3	2	6	30	41	4.4
Other	1			4	5	0.5
Other Services	4		11	77	92	9.8
Professional, Scientific & Technical Services	5	1	48	131	185	19.7
Public Administration & Safety				2	2	0.2
Rental, Hiring & Real Estate Services			6	18	24	2.6
Retail Trade	2	1	17	72	92	9.8
Transport, Postal & Warehousing	1		2	6	9	1.0
Wholesale Trade	1		9	17	27	2.9
Total Businesses	**39**	**6**	**209**	**687**	**941**	**100.0**
Share of Businesses (%)	**4.1**	**0.6**	**22.2**	**73.0**	**100.0**	

Source: Australian Business Register Data, 2018

3.3.2 Business Type

The main business type was individual/sole traders (81.7%). Most construction businesses (133), professional services businesses (156), health care providers (68), retail trade (82) and education & training businesses were in this category. Private companies comprised 131 businesses (13.9%).

This indicates that most of the businesses located in the Torquay area are small businesses.

Table 4. Businesses by Type – Torquay Area 2018

Businesses in Torquay Area	Business Type							
Industry Sector	**Australian Private Company**	**Australian Public Company**	**Co-operative**	**Family Partner ship**	**Individual/Sole Trader**	**Local Government Entity**	**Other Incorporated Entity**	**Total**
Accommodation & Food Services	17			1	23			41
Administrative & Support Services	8			2	51			61
Agriculture, Forestry & Fishing	1				7			8
Arts & Recreation Services	3				28			31
Construction	13	1		9	133			156
Education & Training	2		1	2	51			56
Electricity, Gas, Water & Waste Services	1							1
Financial & Insurance Services	9	2			2			13
Health Care & Social Assistance	10				68		1	79
Information Media & Telecommunications	6				12			18
Manufacturing	3			5	33			41
Other					5			5
Other Services	4			4	84			92
Professional, Scientific & Technical Services	23			6	156			185
Public Administration & Safety						1	1	2
Rental, Hiring & Real Estate Services	14				10			24
Retail Trade	7			3	82			92
Transport, Postal & Warehousing	2				6		1	9
Wholesale Trade	8			1	18			27
Total	**131**	**3**	**1**	**33**	**769**	**1**	**3**	**941**
Share of Businesses (%)	**13.9**	**0.3**	**0.1**	**3.5**	**81.7**	**0.1**	**0.3**	**100.0**

Source: Australian Business Register Data, 2018

3.3.3 Businesses by Industry

Appendix B provides detailed information on the businesses located in Torquay Jan Juc area. Based on this and our analysis of space used in Torquay Town Centre and the industrial areas, some inferences can be drawn from the data.

Industrial Space

- The 156 construction businesses covered the full range from housing construction and non-residential building companies to all of the building trades. Based on our analysis of the Baines Crescent and the West Coast Business Park, only the major building companies, building supplies/hire companies and kitchen/cabinet makers had offices/factory space or yards. Most of the tradespersons located in the area do not have an office or depot.
- Manufacturing businesses (41) would be located in industrial premises (the major categories are clothing (11), sports products (6); bakeries (3), cosmetics (4)), as would the transport, postal and warehousing businesses (9) and wholesalers (27).

Retail Space

- Most retailers (92) were operating from shopfront premises in Torquay (72), however there were 19 businesses involved in non-store retailing (eg. online). Major store based groups were: clothing (24); other retail (11), specialised food (7); homewares (4); and flowers (4).
- Accommodation and food services (41) covered: accommodation (9); cafes and restaurants (18); pubs and bars (3); and takeaway food (8).
- Some service businesses use retail space (eg. hair and beauty (31)).

Office Space

- Business services utilising office space include: real estate (12); professional services – accounting (15), legal (4), banks, financial services (8), management consulting (47); and engineering design and consulting (14). Some of these would be home based businesses.
- Creative businesses: the region has a number of businesses including – design services (38); film and video production (8); photography(14); post production (1); architects (11); newspaper/magazine production, book publishing (3); creative artists, writers, performers (17); and performing arts operations (5)
- Other digital services: include data processing and web hosting (1), data storage (1), computer system design and services (24).
- Education and training: covered adult and community education (19); sports and recreation instruction (20); and vocational education (6).
- Health care (79) covered: complementary and alternative health services (32); general practice (6); allied health (11), chiropractic and osteopathic services (5); other health care (7), physiotherapy (4); and specialists (1).
- Services: other major services businesses were in other personal services nec. (43); labour supply services (7); employment and recruitment (3).

3.3.4 Owner Managers

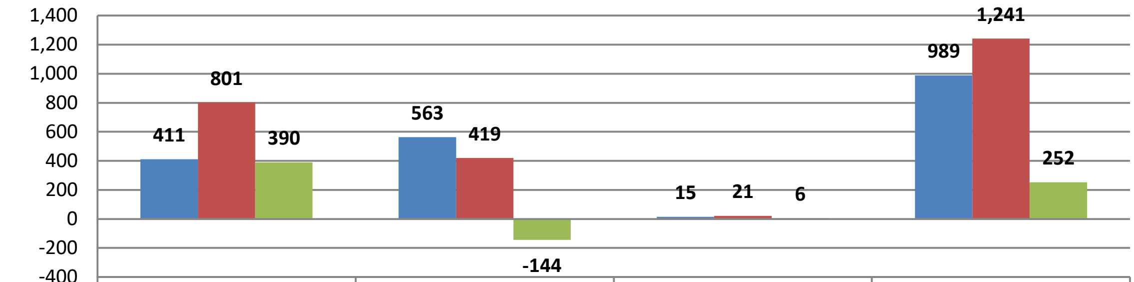
Another indicator of small businesses in the region is ABS Census data on Owner/Managers.[11]

The ABS Census provides data on the number of owner managers and the number of employees in their business. Data is for 3 size categories: nil employees (i.e. a non –employing business with only the owner); 1-19 employees; and 20 employees or more. The nil employee category provides an indication of the number of self-employed persons in single person businesses.

Between 2011 and 2016 there was an increase of 252 owner/managers to 1241 persons. Nil employee businesses increased by 390 to 801. At the same time the number of owner managers employing 1-19 persons declined by 144.

11 ABS Census 2016, Torquay SA2 Working Population Profile (Table W10)

Chart 4 Owner/Managers by Size of Business - Torquay SA2 2011 & 2016



	Nil Employees	1-19 Employees	20 + Employees	Total Owner/Managers
2011	411	563	15	989
2016	801	419	21	1,241
Change	390	-144	6	252

Source: ABS Census 2016, Working Population Profile (Table W10)

The major changes were in several sectors: construction 66, which would mainly be tradespersons and other building services; professional, scientific and technical services 106, which includes consultants, accountants, lawyers, designers, ICT – hardware and software design, development and support, engineers; advertising and market research; vets; and health - GPs and allied heath including dental services, physiotherapy services, chiropractic and osteopathic services, and other allied health services. Financial is likely to be finance brokers and financial advisors. Rental hiring etc. includes residential/non-residential property operators and real estate agents.

Administrative and support services include: employment placement and recruitment services, travel services, office cleaning and gardening services

Education and training is likely to be sports and physical recreation instruction; and arts educators.

Arts and recreation services include creative artists, musicians, writers and performers, fitness centres and gym operation.

Owner managers with nil employees are an indicator of the number of single person businesses.

- Businesses with no employees are in several categories: small single person businesses that are based at home – some of the professional services would be in this category (eg. accountants, consultants),as would be administrative and support services; construction – individual tradespersons; health care may include allied health practitioners, who operate from home or in shared spaces.
- In 2016 there were 637 persons in the Torquay /Jan Juc area working from home. These would be a mix of independent businesses and employees of businesses outside the region, who may work from home over part of the week.

In many of these industry sectors, the single person (owner/manager only) business is not likely to need their own office space and may share space or may operate from home.
This would include some in: professional services, administrative services, financial services; most in arts and recreation services (eg. creative arts operators or personal trainers, surf trainers etc.); and information media.
These types of businesses are potential future users of co-working spaces.

Table 5. Owner Managers with Nil Employees - Torquay SA2 2016

Owner/Managers with Nil Employees in Business Torquay SA2 Industry	Nil Employees 2011	Nil Employees 2016	Change 2011-2016
Agriculture, forestry and fishing	12	8	-4
Mining	0	0	0
Manufacturing	14	27	13
Electricity, gas, water and waste services	0	5	5
Construction	102	168	66
Wholesale trade	11	15	4
Retail trade	22	28	6
Accommodation and food services	10	23	13
Transport, postal and warehousing	5	17	12
Information media and telecommunications	6	10	4
Financial and insurance services	7	20	13
Rental, hiring and real estate services	3	17	14
Professional, scientific and technical services	64	170	106
Administrative and support services	27	65	38
Public administration and safety	0	4	4
Education and training	20	33	13
Health care and social assistance	56	81	25
Arts and recreation services	15	24	9
Other services	30	45	15
Inadequately described/Not stated	7	36	29
Total	**411**	**801**	**390**

Source: ABS Census 2016, Torquay SA2, Working Population Profile (Table W10)

3.4 Employment in Torquay

Torquay has experienced continued strong growth in service jobs and in tourism linked jobs as it consolidates its position as the Surf Coast's major service centre. At the same time there has been a fall in wholesale industry and manufacturing jobs, which mainly reflects changes in the surf industry.

3.4.1 Jobs in the Region

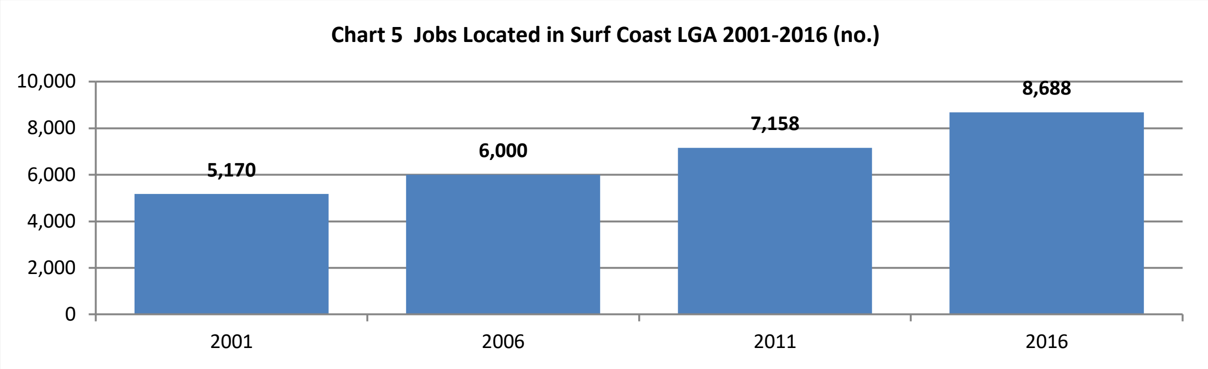
ABS data on jobs located in the area are available for Surf Coast LGA and for Torquay (SA2).[12] The area has experienced strong jobs growth over the past decade.

- The number of jobs located in Surf Coast LGA increased from 6000 in 2006 to 8688 in 2016, an increase of 2688 or 44%.
- At an LGA level the major growth was in tourism related jobs (accommodation and food service); construction – reflecting the level of housing development; growth in population driven services – education, health; an increase in professional and administrative jobs; and in arts and recreation services.
- Manufacturing jobs were static, with a decline in wholesale jobs reflecting changes in the surf industry.

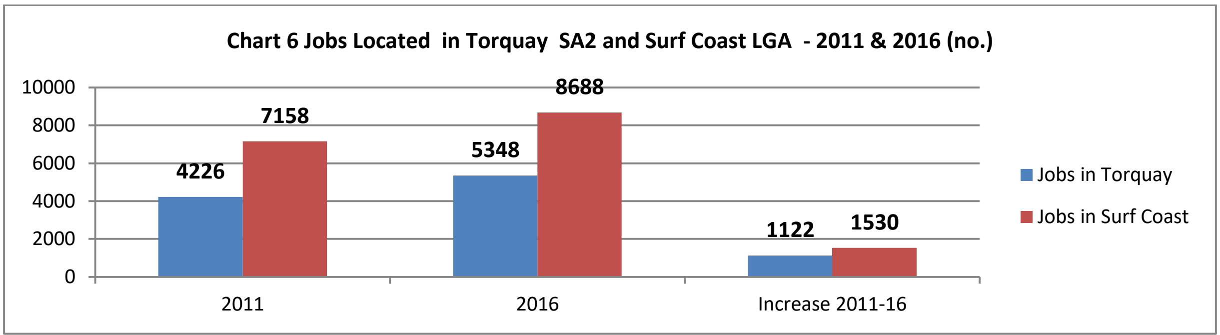
Torquay is the major centre for employment and accounted for 62% of the Surf Coast's jobs.

- As the main industry and service centre it has a concentration of jobs in public administration, wholesale trade, information media, and professional services.
- In the 5 years between 2011 and 2016, jobs in Torquay (SA2) increased from 4226 to 5348, with most growth being in population linked services.
- Over this period, Torquay accounted for 73% of the jobs growth in the Surf Coast LGA (1122 of the total 1530 additional jobs in the LGA).

12 This data is available from the ABS Census 2016, 2011, 2016 Working Population Profiles (WPP) for Surf Coast LGA and Torquay SA2.



Source: ABS Census 2001, 2006, 2011, 2016, Working Population Profile Data (Jobs in the location)



Source: ABS Census 2001, 2006, 2011, 2016, Working Population Profile Data (Jobs in the location). Torquay SA2 & Surf Coast LGA

Table 6. Jobs Located in Torquay SA2 and Surf Coast LGA by Industry Sector 2011-2016

Jobs in Location	Torquay SA2				Change	Torquay	Surf Coast LGA				Change
	2011	Share %	2016	Share %	2011-2016	Share of Surf Coast Jobs 2016	2011	%	2016	%	2011-2016
Agriculture, Forestry and Fishing	73	1.7	87	1.6	14	16.9	449	6.3	515	5.9	66
Mining	0	0.0	3	0.1	3	17.6	12	0.2	17	0.2	5
Manufacturing	217	5.1	247	4.6	30	68.2	329	4.6	362	4.2	33
Electricity, Gas, Water and Waste Services	7	0.2	10	0.2	3	30.3	99	1.4	33	0.4	-66
Construction	585	13.8	588	11.0	3	60.7	964	13.5	968	11.1	4
Wholesale Trade	467	11.1	298	5.6	-169	88.4	500	7.0	337	3.9	-163
Retail Trade	**614**	**14.5**	**732**	**13.7**	**118**	**69.7**	**943**	**13.2**	**1,050**	**12.1**	**107**
Accommodation and Food Services	**596**	**14.1**	**797**	**14.9**	**201**	**57.1**	**1,100**	**15.4**	**1,397**	**16.1**	**297**
Transport, Postal and Warehousing	46	1.1	55	1.0	9	48.7	118	1.6	113	1.3	-5
Information Media and Telecommunications	**39**	**0.9**	**67**	**1.3**	**28**	**89.3**	**54**	**0.8**	**75**	**0.9**	**21**
Financial and Insurance Services	64	1.5	98	1.8	34	75.4	101	1.4	130	1.5	29
Rental, Hiring and Real Estate Services	92	2.2	107	2.0	15	66.0	137	1.9	162	1.9	25
Professional, Scientific and Technical Services	**262**	**6.2**	**353**	**6.6**	**91**	**67.8**	**374**	**5.2**	**521**	**6.0**	**147**
Administrative and Support Services	100	2.4	174	3.3	74	53.4	196	2.7	326	3.8	130
Public Administration and Safety	256	6.1	324	6.1	68	82.0	300	4.2	395	4.5	95
Education and Training	**259**	**6.1**	**405**	**7.6**	**146**	**68.3**	**435**	**6.1**	**593**	**6.8**	**158**
Health Care and Social Assistance	**292**	**6.9**	**454**	**8.5**	**162**	**57.3**	**575**	**8.0**	**792**	**9.1**	**217**
Arts and Recreation Services	70	1.7	89	1.7	19	36.5	166	2.3	244	2.8	78
Other Services	152	3.6	232	4.3	80	73.7	253	3.5	315	3.6	62
Inadequately described/Not stated	35	0.8	214	4.0	179	64.8	53	0.7	330	3.8	277
Total Jobs	**4226**	**100.00**	**5348**	**100.00**	**1,122**	**61.6**	**7158**	**100.00**	**8688**	**100.00**	**1530**

Source: ABS Census 2011 & 2016, Working Population Profile Data, Torquay SA2 & Surf Coast LGA

3.5 Job Trends

3.5.1 Jobs Growth by Industry

The following table shows employment by industry for 2011 and 2016 in Torquay SA2. It clusters industries into 3 categories – population related/influenced; tourism related; and business related. This is designed to be an indicator of the influences on jobs in the area. However it is recognised that industries like food services are also are also servicing the local population.

Torquay has been experiencing strong jobs growth. Between 2011 and 2016 total jobs in the area increased by 1123 (or 27%) to reach 5348 jobs (up from 4225 in 2011)

- The major growth was in population related industries, with an increase of 611 jobs or 54% of the total jobs increase. Major increases were in preschool and school education (129); food retailing (76) and other stored based retail (52); medical and other health care services (73); social assistance services (69).
- Jobs in tourism related industries increased by 322 or 29%. The main increases were in food and beverage services (188); personal and other services (63); building cleaning, and other support services (39).
- Jobs in business related activities increased by 215 or 15%. The main growth was in professional and technical services (64); food product manufacturing (38); computer system design and related services (24); and property operations and real estate.(21)

While almost all industry sectors in Torquay experienced growth , there were job declines in several sectors – wholesale trade with a fall of 170 jobs (from 468 to 298); and some declines across several sectors in manufacturing totalling 45 jobs. The fall in wholesale trade jobs reflects the changes that have been occurring in the surf industry.

These trends have implications for commercial and industrial space.

- Much of the services jobs growth is accommodated in traditional space – medical centres, retail space (eg. food retailing - a new supermarket); and industrial space (eg. food products manufacture).
- The growth in education jobs reflects the expansion of schools to service a larger population.
- Some of the growth in other areas will have included people working from home, in fields such as professional and technical services, computer system design and related services, personal and other services, and some allied health services.
- These areas involve small businesses and are potential candidates for future shared office space and co-working space.

Table 7. Jobs Growth by Industry Sector Torquay SA2: 2011-2016

Jobs in Torquay SA2 Industry Sectors growing 2011-2016 Industry	Industry Group	2011	2016	Growth 2011-16
Population Related				
Medical &other health care services	Health Care & Social Assistance	135	208	73
Residential care services	Health Care & Social Assistance	66	81	15
Social assistance services	Health Care & Social Assistance	57	126	69
Sports and recreation activities	Arts & Recreation	41	55	14
Construction services	Construction	341	365	24
Food retailing	Retail Trade	241	317	76
Other store-based retailing	Retail Trade	333	385	52
Telecommunications services	Information Media & Telecommunications	4	17	13
Auxiliary finance and insurance services	Finance & Insurance	8	43	35
Administrative services	Administrative & support services	49	89	40
Public administration	Public Admin & Safety	235	290	55
Preschool and school education	Education & Training	193	322	129
Construction, nfd	Construction	7	23	16
Total		**1710**	**2321**	**611**
Share %		40.5	43.4	54.4
Tourism Related				
Accommodation and food services, nfd	Accommodation & food services	0	3	3
Accommodation	Accommodation & food services	218	227	9
Food and beverage services	Accommodation & food services	379	567	188
Personal and other services	Other Services	116	179	63
Building cleaning, and other support services	Administrative & support services	49	88	39
Adult, community and other education	Education & Training	45	65	20
Total		**807**	**1129**	**322**
Share %		19.1	21.1	28.7
Business Related				
Food product manufacturing	Manufacturing	33	71	38
Professional, & technical services	Professional, scientific & technical services	243	307	64
Computer system design and related services	Professional, scientific & technical services	20	44	24
Furniture and other manufacturing	Manufacturing	20	31	11
Property operators and real estate services	Rental, Hiring & Real Estate	73	94	21
Information media and telecommunications, nfd	Information media & telecommunications	0	3	3
Publishing (except internet and music publishing)	Information media & telecommunications	19	20	1
Motion picture and sound recording activities	Information media & telecommunications	9	13	4
Internet service providers, web search portals	Information media & telecommunications	0	3	3
Creative and performing arts activities	Arts and recreation services	18	21	3
Repair and maintenance	Other services	33	47	14
Beverage and tobacco product manufacturing	Manufacturing	3	8	5
Wood product manufacturing	Manufacturing	6	9	3
Primary metal and metal product manufacturing	Manufacturing	0	3	3
Postal and courier pick-up and delivery services	Transport, postal and warehousing	23	30	7
Transport, postal and warehousing, nfd	Transport, postal and warehousing	0	3	3
Machinery and equipment wholesaling	Manufacturing	6	14	8
Total		**506**	**721**	**215**
Share %		12.0	13.5	19.1
Total All Industries		**4,225**	**5,348**	**1,123**

Source: ABS Census 2011 & 2016, Working Population Profile, Torquay SA2. MCa analysis August 2018.

3.5.2 Jobs Growth by Occupation

In the 5 years between 2011 and 2016 the total number of jobs in Torquay SA2 increased by 1122 from 4226 to 5348. The major growth was in professional occupations 278; community and personal service workers 267; managers 114; sales workers 124; and labourers and other occupations 141.

The following table classifies the occupations by whether they are mainly influenced by population growth, tourism activity or business activity. An analysis of jobs by occupation shows a broadly similar result to the industry analysis.

- It shows that 47% of the jobs growth between 2011 and 2016 was influenced by population (524 additional jobs); 26% was tourism linked (294 additional jobs) and 19% business related (219 additional jobs).
- Major growth occupations in population linked jobs include: sales jobs 117; education professionals 86; health professionals 46; carers and aides 92; and sports and personal service workers 53.
- In tourism related jobs - the main growth was in hospitality workers 102; food trades workers 63; hospitality, retail and service managers 61; and cleaners and laundry workers 52.
- In business related occupations, the main growth was in business, human resource and marketing professionals 82; engineering and specialist managers 33; chief executives, and general managers 29; arts and media professionals 29; information and communication technology (ICT) workers 15; and engineering technicians 14.

Growth occurred in most occupations, however there were falls in several occupations - personal assistants and secretaries 14; farmers and farm managers 12; and construction trades workers 45.

Some of the occupations that experience growth may be home based and are potential users of shared space or co-working space. These include: some allied health professionals; arts and media professionals; ICT professionals; engineers; and sports and personal service workers.

Table 8. Jobs Growth by Occupation: Torquay SA2 2011-2016

Torquay Occupation	Grouping	2011	2016	Growth 2011-16
Population Related				
Education Professionals	Professionals	153	239	86
Health Professionals	Professionals	103	149	46
Carers and Aides	Community and Personal Service Workers	153	245	92
Sports and Personal Service Workers	Community and Personal Service Workers	90	143	53
Sales Assistants and Salespersons	Sales Workers	410	527	117
Other Labourers	Labourers	55	97	42
Legal, Social and Welfare Professionals	Professionals	42	61	19
Office Managers and Program Administrators	Clerical and Administrative Workers	77	98	21
Inquiry Clerks and Receptionists	Clerical and Administrative Workers	86	101	15
Clerical Workers	Clerical and Administrative Workers	323	356	33
Total		**1492**	**2016**	**524**
Share %		35.3	37.7	46.7
Tourism Related				
Food Trades Workers	Technicians and Trades Workers	102	165	63
Hospitality Workers	Community and Personal Service Workers	169	271	102
Hospitality, Retail and Service Managers	Managers	267	328	61
Food Preparation Assistants	Labourers	98	114	16
Cleaners and Laundry Workers	Labourers	103	155	52
Total		**739**	**1033**	**294**
Share %		17.5	19.3	26.2
Business Related				
Business, Human Resource and Marketing Professionals	Professionals	148	230	82
Arts and Media Professionals	Professionals	44	73	29
Chief Executives, General Managers	Managers	37	66	29
Specialist Managers	Managers	251	284	33
Information and Communication Technology (ICT)	Professionals	27	42	15
Engineering Technicians	Technicians and Trades Workers	58	72	14
Road Drivers	Machinery Operators and Drivers	28	45	17
Total		**593**	**812**	**219**
Share %		14.0	15.2	19.5
Total All Occupations		**4,226**	**5,348**	**1,122**

Source: ABS Census 2011 & 2016, Working Population Profile, Torquay SA2. MCa analysis August 2018.

3.6 Residents in Employment

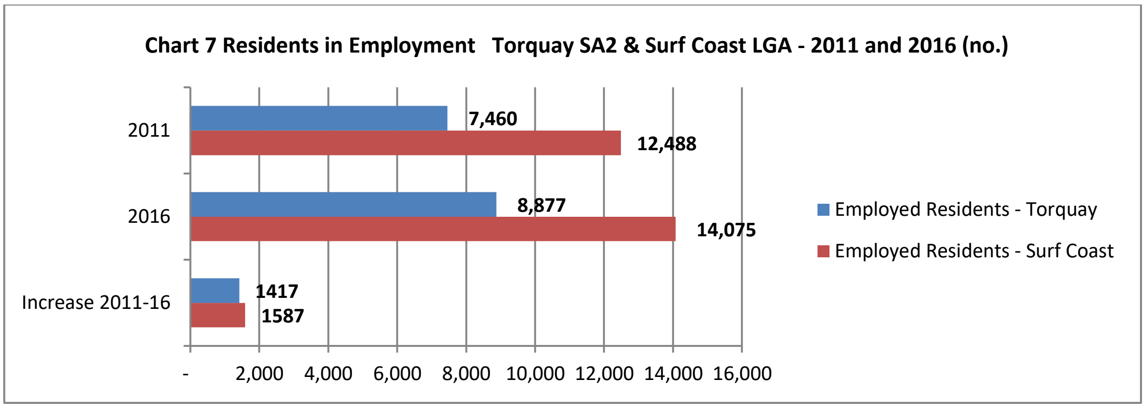
As the population grows the number of residents who are in employment continues to increase.
Journey to work data for the LGA shows that in 2016 - 42% of employed residents held jobs in the Surf Coast and 36% commuted to jobs in Greater Geelong LGA. There are also a significant number of persons who work from home.

3.6.1 Industry of Employment

There has been significant growth in the number of residents in the LGA and in Torquay SA2, who are in employment. Between 2011 and 2016: for the Surf Coast residents in employment increased by 1587 from 12,488 to 14,075; and for Torquay residents, the number increased by 1417 from 7460 to 8877.

This indicates the strong growth that is occurring in the Torquay's population and that most of the new residents in the area are persons in the workforce (and are not retirees).

The main industries of employment of Torquay residents in 2016 were: education and training 1082 (12.2%); health care and social assistance 1181 (13.3%); construction 1035 (11.7%); retail trade 859 (9.7%); professional services 664 (7.5%); and accommodation and food service 651 (7.3%). The number of residents employed in each of these sectors increased between 2011 and 2016.



Source: ABS Census 2011 & 2016, Resident Population Profile Data. Torquay SA2 & Surf Coast LGA

Table 9. Employed Residents by Industry Sector - Torquay SA2 2011 & 2016.

Employed Residents	2011		2016		Change 2011-2016
Torquay SA2	no.	%	no.	%	no.
Agriculture, Forestry and Fishing	75	1.0	99	1.1	24
Mining	21	0.3	29	0.3	8
Manufacturing	560	7.5	511	5.8	-49
Electricity, Gas, Water and Waste Services	82	1.1	76	0.9	-6
Construction	950	12.7	1,035	11.7	85
Wholesale Trade	422	5.7	314	3.5	-108
Retail Trade	743	10.0	859	9.7	116
Accommodation and Food Services	551	7.4	651	7.3	100
Transport, Postal and Warehousing	182	2.4	219	2.5	37
Information Media and Telecommunications	114	1.5	116	1.3	2
Financial and Insurance Services	217	2.9	278	3.1	61
Rental, Hiring and Real Estate Services	125	1.7	158	1.8	33
Professional, Scientific and Technical Services	557	7.5	664	7.5	107
Administrative and Support Services	167	2.2	247	2.8	80
Public Administration and Safety	427	5.7	591	6.7	164
Education and Training	832	11.2	1,082	12.2	250
Health Care and Social Assistance	946	12.7	1,181	13.3	235
Arts and Recreation Services	124	1.7	153	1.7	29
Other Services	226	3.0	286	3.2	60
Inadequately described/Not stated	132	1.8	317	3.6	185
Total Employed Residents	**7,460**	**100.0**	**8,877**	**100.0**	**1,417**

Source: ABS Census 2011 & 2016, Resident Population Profile Data. Torquay SA2

3.6.2 Working from Home

Working from home has increased substantially in the Surf Coast Shire and in Torquay and this is a combination of solo small businesses and working arrangements of some employees, who hold jobs in Melbourne and elsewhere.

Persons working from home are likely to continue to increase as digital technologies enable more people to work remotely and independently. While some people will operate their small business from home on an ongoing basis, others may grow their business to the point where they require office space. This may involve a transition from home to a co-working space, and then to shared office space or their own office suite.

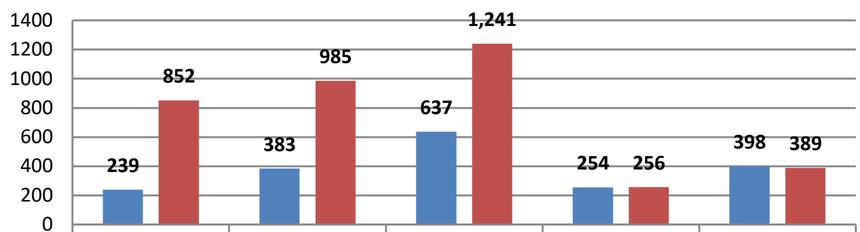
ABS Census data is available which provides information on the number of persons working from home on Census day**.**

- Working from home can be for a number of reasons including: persons operating an ongoing small one person business; business start-ups with an initial home base to save on operating costs; persons who commute to their job in Melbourne, but who may have arrangements to work from home for a day or two per week; persons whose business involves visits to clients and who do not need office space; persons transitioning to retirement while continuing to operate a business part time; and persons who are independent contractors and doing project work.
- The magnitude of each category can only be determined via a survey. However ABS Census data can be used to obtain an indicator of the extent of working from home in Torquay and the Surf Coast and the trends.

The data shows that there is a trend for working at home to increase in the LGA, and with strong growth in Torquay Jan Juc area.

- Surf Coast: the number of people working from home in Surf Coast LGA has increased by 389 between 2006 and 2016 (from 852 to 1241) - 37% increase.
- Torquay-Jan Juc: persons working at home increased by 398 between 2006 and 2016 (from 239 to 637) – an increase of 166%.
- Between 2006 and 2016 the share of employed residents working from home increased from 8.3% to 8.8% for Surf Coast LGA and from 5.0% to 7.8% for Torquay Jan Juc area.
- Between 2006 and 2016 the number of persons working at home in the Torquay Jan Juc area increased by 166%, compared with a growth in residents in employment of 68% over the same period.

Chart 8 Persons Working from Home 2006-2016 (no.)

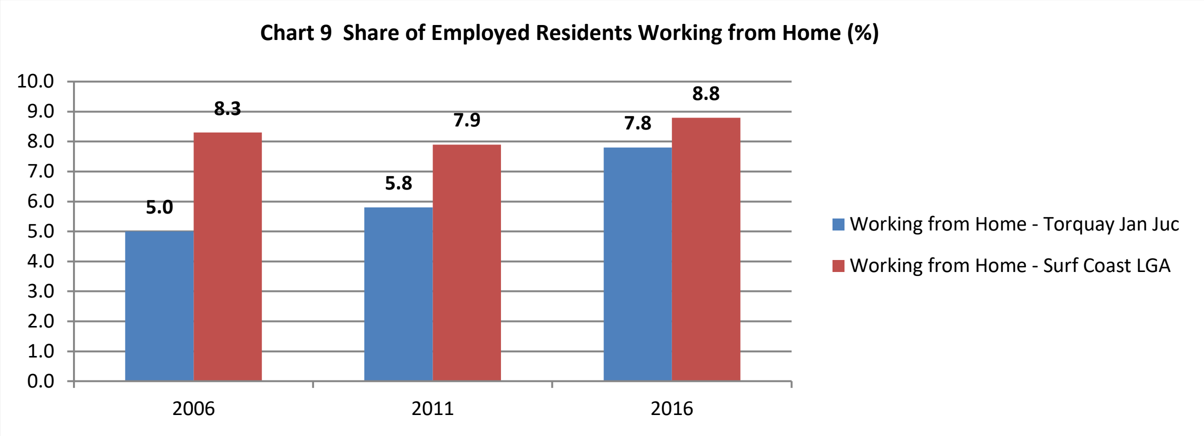


	2006	2011	2016	increase 2011-16	increase 2006-16
Working from Home - Torquay Jan Juc	239	383	637	254	398
Working from Home - Surf Coast LGA	852	985	1,241	256	389

Source: ABS Census 2006, 2011 & 2016 Working Population Profile Data, Surf Coast LGA & Torquay Jan Juc Urban Area

This growth in working from home reflects a number of likely factors: changes in the way that people work (eg. employed by a company but working from home for some days during the week); new businesses starting up in the area; persons working as independent contractors; other home based businesses; and some professional workers transitioning to retirement.

The significant growth in the working from home category is an indicator of the potential for a take up of co-working space.



Source: ABS Census 2006, 2011 & 2016, Resident Population Profile Data & Working Population Profile Data, Surf Coast LGA & Torquay Jan Juc Urban Area

Table 10. Working from Home – Surf Coast LGA & Torquay 2006-2016

Comparison	2006 no.	2011 no.	2016 no.
Surf Coast LGA			
Working from Home - Surf Coast LGA	852	985	1,241
Employed Residents -Surf Coast LGA	10,290	12,490	14,079
Share of Employed Residents Working from Home	8.3%	7.9%	8.8%
Torquay Jan Juc Urban Area			
Working from Home - Torquay Jan Juc	239	383	637
Employed Residents - Torquay Jan Juc	4,819	6,563	8,121
Share of Employed Residents Working from Home	5.0%	5.8%	7.8%

Source: ABS Census 2006, 2011 & 2016, Resident Population Profile Data & Working Population Profile Data Surf Coast LGA & Torquay Jan Juc Urban Area

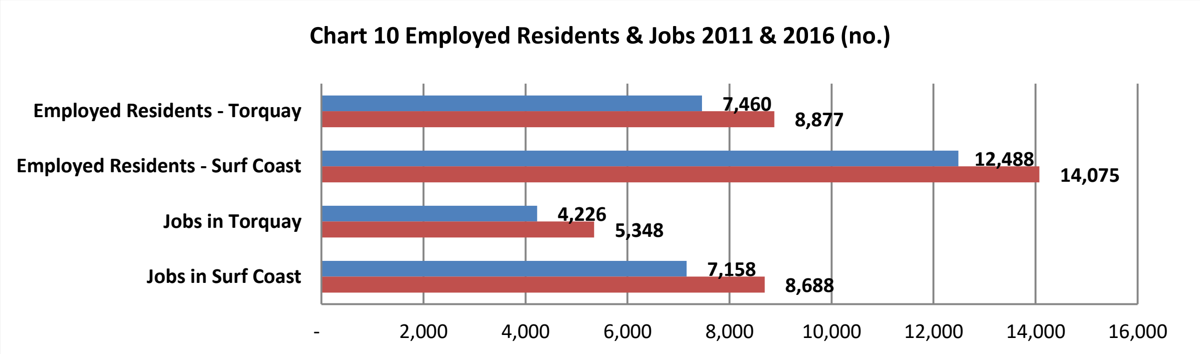
3.6.2 Travel to Work

There are a significant number of persons who travel to jobs outside Torquay and the Surf Coast, with the main location of their jobs being Greater Geelong.

Employed Residents and Jobs

The proximity to Geelong means that many residents employed in health, education and professional services have jobs in Greater Geelong.

A comparison of jobs and residents in employment provides an indicator of local jobs and the extent of commuting outside the region: for the Surf Coast LGA in 2016 there were 5387 more residents in employment than there were local jobs in the LGA; and for Torquay SA2, there were 3529 more residents in employment than there were local jobs in the area.



	Jobs in Surf Coast	Jobs in Torquay	Employed Residents - Surf Coast	Employed Residents - Torquay
2011	7,158	4,226	12,488	7,460
2016	8,688	5,348	14,075	8,877

Source: ABS Census 2011 & 2016, Resident Population Profile Data & Working Population Profile Data, Surf Coast LGA & Torquay SA2

The following table compares jobs located (by industry) in Torquay SA2 with employed residents in Torquay.

The jobs to employed residents percentage is an indicator of extent to which persons hold jobs outside the area. A lower percentage indicates a larger number of employed residents are working outside Torquay.

- For example health care and education have a lower percentage (below 40%), with a majority of persons working in these sectors likely to hold jobs in Geelong.
- Other industry jobs that are concentrated outside Torquay include financial and insurance; and professional, scientific and technical services jobs.
- Retail and accommodation and food services jobs in Torquay would be held by a mix of locals and by persons from outside the area/LGA. This would include a significant number of part time jobs in these sectors. For example there were 797 jobs in accommodation and food service in Torquay, but only 651 employed residents working in this sector.

Table 11. Jobs and Employed Residents – Torquay SA2 - 2016

Torquay SA2	Jobs Located in Torquay	Torquay Residents in Employment	Difference	Jobs/Emp Resident
	2016 no.	2016 no.	Jobs-Emp Residents no.	%
Agriculture, Forestry and Fishing	87	99	-12	87.9
Mining	3	29	-26	10.3
Manufacturing	**247**	**511**	**-264**	**48.3**
Electricity, Gas, Water and Waste Services	10	76	-66	13.2
Construction	**588**	**1,035**	**-447**	**56.8**
Wholesale Trade	298	314	-16	94.9
Retail Trade	732	859	-127	85.2
Accommodation and Food Services	797	651	146	122.4
Transport, Postal and Warehousing	55	219	-164	25.1
Information Media and Telecommunications	67	116	-49	57.8
Financial and Insurance Services	98	278	-180	35.3
Rental, Hiring and Real Estate Services	107	158	-51	67.7
Professional, Scientific and Technical Services	**353**	**664**	**-311**	**53.2**
Administrative and Support Services	174	247	-73	70.4
Public Administration and Safety	324	591	-267	54.8
Education and Training	**405**	**1,082**	**-677**	**37.4**
Health Care and Social Assistance	**454**	**1,181**	**-727**	**38.4**
Arts and Recreation Services	89	153	-64	58.2
Other Services	232	286	-54	81.1
Inadequately described/Not stated	214	317	-103	67.5
Total	**5,348**	**8,877**	**-3,529**	**60.2**

Source: ABS Census 2016, Resident Population Profile Data & Working Population Profile Data, Torquay SA2

Journey to Work

Being able to access jobs in a broader area has been a major attractor for persons moving to Torquay.
At the same time the growth in population has generated an increase in local jobs, particularly in Torquay, which is the major service centre for the Surf Coast Shire.

Data is available at an LGA level for journey to work and shows some clear patterns.[13]

- Almost 80% of Surf Coast residents live and work in the LGA 5859 (42%) or hold jobs in Greater Geelong LGA 5101 (36%).
- Another 1300 (10%) hold jobs in Melbourne City or other metropolitan LGAs.
- Around 2500 residents from other LGAs hold jobs in Surf Coast LGA, with most of these (2200) being residents of Greater Geelong.

Many of the Surf Coast residents working in Geelong, are in several industry sectors – health (at the hospitals); education (Deakin University, TAFE and secondary schools); financial services; professional services; and construction workers employed on projects in Geelong and elsewhere.

Living in Torquay and other locations in Surf Coast provides a coastal lifestyle, while being able to tap into a major regional city labour market (Geelong) or to commute to jobs in the Melbourne metropolitan area.

13 See https://profile.id.com.au/surf-coast/residents

4. Space Use in Torquay

4.1 Overview

Torquay is the major service centre for the Surf Coast. There are several concentrations of businesses – in Torquay Town Centre (mainly retail, food service, professional services and business services); West Coast Business Park (large-scale retail, wholesale and construction); Baines Crescent/Surf City/Surf Coast Highway (surf industry-offices, retail and warehousing; other wholesalers; medical and allied health; offices -building services, professional services.)

- Office space in the town centre is mainly occupied by traditional users - banks, financial services, professional services and some allied health services, which require space for client/customer visits.
- A health services hub has developed on the Surf Coast Highway to take advantage of lower rents for office space and visibility.
- Office use in the Baines Crescent area comprises surf industry offices, some building industry businesses and a new co-working centre. There are also some service businesses that need larger spaces (eg. gyms, yoga, and rehabilitation centre).
- Industrial and wholesale businesses are located in the West Coast Business Park, with large retail/wholesale comprising hardware businesses and a new supermarket. Service businesses in the Business Park are mainly those requiring larger areas (eg. gym, personal trainers) and several business/professional services companies (eg. marketing & design, architect, IT services, and employment services).
- Some new office space is under construction in the town centre (9 offices totalling around 1600 m2) in 3 mixed use developments (which also include shop front retail space).This new space represents around 40% of the current office space in Torquay Town Centre.
- A co working space of 6500 m2 is also likely to come on the market in the Surf City Precinct, with the re-purposing of a former surf industry building.

Lower rents and a need for more space have been the major attractors for smaller service businesses, which are located outside the Torquay Town Centre and in industrial zoned areas.

4.2 Floor Space in Torquay

4.2.1 Current Use of Space

Several sources of data were available to allow for an analysis of floor space and its use. This information comprised: a floor space data base for Torquay Town Centre (CBD and Torquay Central) developed by Surf Coast Council (2018); a survey conducted in 2018 by Surf Coast Council of industrial zoned areas in Surf City/Baines Crescent precinct and the West Coast Business Park; and site visits and analysis conducted by MCa in August 2018.
These 3 data sources were used to analyse floor space use, to identify businesses and to estimate the number of jobs in each location.

Total Floor Space by Use

The data bases allowed for a detailed analysis of floor space by type of use for the Torquay Town Centre, Bell Street and the area in and around the Surf City Precinct, Baines Crescent and Surf Coast Highway.[14]

- The survey identified a total of 49,219 m2 of floor space with the major uses being retail and food service accounting for 60% (29,647 m2); office 25% (12,413 m2) and wholesale 14% (7159 m2).
- Within the Surf City Precinct most of the office space was occupied by surf company operations; and the wholesale space was mainly surf related, but included some building products suppliers.
- Torquay Town Centre operates as a regional service centre for Surf Coast residents and as hub for tourist visitors.[15] Retail and food service (including the CBD and Torquay Central)

14 This excludes the West Coast Business Park.

account for an estimated 17,688 m2 of floor space (81% of floor space in Torquay Town Centre and 60% of retail space in the surveyed locations (Town Centre and Surf City/Highway).

- Retail space in the Town Centre was occupied by: 3 supermarkets; cafes/restaurants, food stores and takeaway businesses; clothing and giftware/homewares; hairdressers/beauty; and other retail. Supermarkets occupied around 50% of the estimated retail space.
- There was an estimated 4148 m2 of office space in the Town Centre, which represented 33% of office space in the surveyed areas.[16] The area in and around the Surf City Precinct had an estimated 7441 m2 of office space, with 3339 m2 on the Highway and 4092 m2 in Surf City (and Baines Crescent). Most of this office space was being used by surf industry businesses.
- The Surf Coast Highway office space is a mix of professional services and health businesses, which have been attracted to the location due to lower rents than the town centre and visibility on the highway. The space is a mix of converted residential buildings, mixed use developments and purpose built properties.

Table 12. Summary: Torquay - Floor Space by Location and Use 2018 (estimates)

	Uses of Floor Space						
Locations	Retail & Food Service F/S m2	Office F/S m2	Wholesale F/S m2	Total F/S m2	Share of Total Floor Space %	Share of Retail Floor Space %	Share of Office Floor Space %
Torquay Town Centre							
Torquay CBD	11613	4148	0	15,761	32.0	39.2	33.4
Torquay Central	6075	0	0	6,075	12.3	20.5	0.0
Total Town Centre	17688	**4148**	**0**	**21,836**	**44.4**	**59.7**	**33.4**
Surf City & Highway						-	
Surf City Precinct (incl. Baines Crescent)	5137	4092	7159	**16,388**	33.3	17.3	33.0
Surf Coast Highway	4030	3349	0	**7,379**	15.0	13.6	27.0
Total Precinct	**9167**	**7441**	**7159**	**23,767**	**48.3**	**30.9**	**59.9**
Bell Street Precinct	2792	824	0	**3,616**	7.3	9.4	6.6
Total All Precincts						-	
Total Floor Space	**29,647**	**12,413**	**7,159**	**49,219**	**100.0**	**100.0**	**100.0**
Share (%)	**60.2**	**25.2**	**14.5**	**100.0**			

Source: MCa analysis based on Floor Space Surveys 2018. (Town Centre includes Torquay CBD and Torquay Central,)

Table 13. Retail Activity in Torquay Town Centre 2018 (estimates)

Retail Activity				
Torquay Town Centre	Floor space m2	Jobs no.	Floor space Share %	Jobs Share %
Food Related				
Supermarkets	8925	235	50.5	41.2
Other Food	734	29	4.1	5.1
Restaurant	1507	50	8.5	8.8
Café/Convenience Restaurant	865	29	4.9	5.1
Food & Drink Premises	829	28	4.7	4.8
Takeaway Food	269	27	1.5	4.7
Total Food (Retail & Food Service)	**13,129**	**398**	**74.2**	**69.8**
Other Retail				
Hairdressing & Beauty	997	33	5.6	5.8
Clothing & Fashion	954	48	5.4	8.4
Giftware/Homewares	707	24	4.0	4.1
Pharmacy	336	11	1.9	2.0
News/Books	397	10	2.2	1.7
Other Retail	1168	47	6.6	8.2
Total Other Retail	**4559**	**172**	**25.8**	**30.2**
Total All Retail	**17,688**	**570**	**100.0**	**100.0**

Source: MCa analysis based on Floor Space Surveys 2018. (Town Centre includes Torquay CBD and Torquay Central,)

15 This includes businesses (retail , food service, business services, health services) located in Torquay CBD and the supermarket, retail shops and food service businesses at Torquay Central.
16 This does not include the total of 1600 m2 of office space in the 3 new developments under construction in the Torquay CBD.

4.3 Office Space in Torquay

4.3.1 Small Business Use

The following tables show the current uses of office space across the precincts by small business (it excludes space occupied by the surf industry). Total office space occupied by small businesses totalled 8187 m2, with 4148 m2 in Torquay Town Centre; 3655 m2 in Surf City/Highway Precinct and 384 m2 in Bell Street.

Major uses are health (GPs, health centres and allied health); professional services (accounting, legal, engineers, architects); financial services (banks and financial advisors); and real estate and property services (agent's offices).

Table 14. Summary of Office Space Use by Small Business 2018 (estimates)

Office Floor Space (m2)				
Small Business Use	Torquay Town Centre m2	Surf City Precinct m2	Bell Street m2	Total m2
Real Estate	697	240	240	1177
Professional, Scientific & Technical Services	771	450	144	1365
Financial & Insurance Services (incl. Banks)	1210	0	0	1210
Health & Medical	701	2659	0	3360
Other Business Services	**546**	306	0	852
Other Services	223	0	0	223
Total	**4148**	**3655**	**384**	**8187**

Source: MCa analysis based on Floor Space Surveys 2018. (Town Centre includes Torquay CBD and Torquay Central). Health & medical includes the Barwon Regional Health Service facility on the highway.

Table 15. Small Business Office Use - Floor Space & Jobs 2018 (estimates)

Business Type	Businesses No.	Jobs (estimate) No.	Floor space (estimate) m2
Torquay Town Centre (including Torquay CBD & Torquay Central)			
Real Estate	5	39	697
Professional, Scientific & Technical Services	8	41	771
Financial & Insurance Services (incl. Banks)	7	52	1210
Health & Medical	8	29	701
Other Business Services	7	26	546
Other Services	4	12	223
Total	**39**	**199**	**4148**
Surf City Precinct (including Surf Coast Highway and Baines Cres.)			
Real Estate & Property Services	1	13	240
Professional, Scientific & Technical Services	5	25	450
Health & Medical	11	79	2659
Other Business Services	2	15	306
Total	**19**	**132**	**3655**
Bell Street			
Real Estate & Property Services	1	8	240
Professional, Scientific & Technical Services	2	8	144
Total	**3**	**16**	**384**
Total Precincts			
Real Estate & Property Services	7	60	1177
Professional, Scientific & Technical Services	15	74	1365
Financial & Insurance Services (incl. Banks)	7	52	1210
Health & Medical	19	108	3360
Other Business Services	9	41	852
Other Services	4	12	223
Total All Precincts	**61**	**347**	**8187**

Source: MCa Floor Space Survey 2018. (Town Centre includes Torquay CBD and Torquay Central). Note this only covers office space used by small business. Floor space for Surf City precinct excludes office space used by the surf companies. Health & medical includes the Barwon Regional Health Service facility on the highway.

4.3.2 Office Space Use -Torquay Town Centre

Most businesses in the Torquay Town Centre are traditional users of office space – those that required their own office for client/patient/customer visits (mainly ground floor shop front space).
These businesses tend to be mainly driven by population size and growth and have located in the town centre. Several new mixed use developments will add around 40% (1657m2) to the current office space in the town centre.

In 2018 office space totalled 4148 m2, and was occupied by a total of 39 businesses with estimated employment of 199 jobs. Office space was mainly located in: Gilbert Street 2311 m2; Pearl Street 720 m2; and Walker Street 400 m2.

Table 16. Location of Office Space – Torquay Town Centre 2018 (estimates)

Service Businesses – Offices			
Town Centre	Businesses no.	Floor space m2	Service Jobs no.
Pearl Street	9	720	36
Gilbert Street	19	2311	105
Bristol Road	1	170	9
Cliff Street	2	141	7
Walker Street	5	400	22
Zeally Bay Road	1	100	6
Fischer St	1	150	8
Boston Street	1	156	7
Torquay Central	0	0	0
Total Torquay Town Centre	**39**	**4148**	**199**

Source: MCa Analysis of Floor Space Survey 2018. (Town Centre includes Torquay CBD and Torquay Central)

The businesses occupying office space in the town centre were predominantly ground floor (shop front) businesses that require space for clients/customers or patients/visitors. Some businesses occupied first floor offices (eg. legal firms, employment services, IT services).

- Health services (8 businesses) covered GP clinics as well as allied health (optical, dental, other allied health). These services occupied around 700m2. This compares with the health hub on the Surf Coast Highway (11 businesses – including Barwon Health) occupying around 2700 m2.
- Office space was occupied by professional services (accountants, legal services, engineers, town planner); financial services (banks, financial advice, insurance); property services (real estate agents, property leasing).

Table 17. Office Space Use by Business Type - Torquay Town Centre 2018 (estimates)

Torquay Town Centre Office Space 2018			
Service Businesses	Businesses No	Jobs (estimate) no.	Floor Space (estimate) m2
Business Services & Other Services			
Real Estate	5	39	697
Legal Services	4	21	373
Financial Planning	1	9	170
Financial Services-Insurance	1	3	61
Banks	5	41	979
Accounting	4	20	398
Travel Services	2	9	144
Information Technology	2	9	182
Building Services	3	9	222
Employment Services	2	4	80
Engineering	0	0	0
Planning	0	0	0
Other Business Services	0	0	0
Consulting Services	1	4	62
Education & Training	1	3	79
Total Business Services	**31**	**170**	**3447**
Health Services			
Medical	2	8	194
Allied Health	5	16	383
Dental	1	5	124
Total Health Services	**8**	**29**	**701**
Total	**39**	**199**	**4148**

Source: MCa Analysis of Floor Space Survey 2018. (Town Centre includes Torquay CBD and Torquay Central)

4.3.3 New Developments – Town Centre

Several new developments will add 1657 m2 of office space. In combination these developments will add a total of 22 ground floor retail shops and 9 offices (8 on first floor). This additional space represents a 40% increase to the current office space in the Torquay Town Centre.

It is also likely that other sites in the town centre that are redeveloped in the future, will include both ground level space suitable for office or retail use and upper level offices (eg. first floor). This would add further to the stock of office space available in the CBD area. In addition current shop front retail space in Torquay Central could potentially be used as office space (eg. professional suites)

Table 18. New Developments – Torquay Town Centre -2018

New Developments		
Location	**Description**	**Office Space m2 (approx.)**
6-8 Boston Road:	2 storey development with 6 ground floor retail shops and 2 first floor offices	439 m2
15-21 Pearl Street	2 storey development with 3 ground floor retail shops & 1 ground floor office	180 m2
2 Cliff Street and 4-6 Gilbert Street	3 storey with 13 ground floor retail shops and 6 first floor offices	1038m2
	Total Office Space	**1657m2**

Source: Surf Coast Council Information, June 2018

4.4 West Coast Business Park

There has been a major expansion in businesses operating in the West Coast Business Park since 2015, with several new buildings currently under construction. While most businesses are industrial or large format retail, some service businesses are operating in the business park.

4.4.1 Business Operations

The West Coast Business Park was primarily developed as an industrial park, with some large format retail operations (hardware and new supermarket), also located in the precinct.

Surf Coast Council conducted a survey of the business park in 2018 to identify businesses located there that are not associated with an industrial activity. The data base from this survey was used as a basis for further analysis, including generating estimates of floor space and employment.

- There are 49 businesses currently operating in the business park and occupying an estimated 29,900m2 of floor space.
- There was around 16,000 m2 in undeveloped sites in the core areas of the business park.
- Major tenants include several large retail /wholesale operations (hardware and a new supermarket) occupying highway sites.
- Most of the current occupiers are industrial related or businesses requiring warehouse space or storage areas. These include wholesalers, building and construction companies, equipment hire, surf industry businesses.
- There are several service businesses located in the Business Park.

Table 19. West Coast Business Park – Businesses and Floor Space 2018 (estimates)

West Coast Business Park	Businesses	Estimated Floor Space	Estimated Employment
Estimates 2018	no.	m2	no.
Type of Business			
Retail			
Supermarket	1	2160	18
Retail & Wholesale	11	11,707	106
Building & Construction			
Building Supplies	1	525	5
Construction Companies	4	1323	24
Construction Materials	4	2335	28
Construction Services	3	1493	16
Wholesale			
Wholesale trade	10	3226	40
Transport & Warehousing	1	726	7
Storage			
Storage	2	2544	11
Manufacturing			
Manufacturing	1	460	8
Services			
Allied Health	1	378	6
Fitness	3	620	10
Food	2	900	9
Professional Services	5	1507	34
Total Businesses	**49**	**29,904**	**322**
Under Construction			
Under Construction	4	2967	-
Vacant Sites	**Sites**	**Site Area m2**	
Vacant Building	1	385	-
Vacant Land	33	15,383	-
Total Vacant Sites	**34**	**15,678**	
Total Space		**45,582**	

Source: MCa analysis of Surf Coast Council 2018 Survey data.

4.4.2 Service Businesses

Some service and retail operations are leasing space in the business park.

- In August 2018 there were 10 service and retail businesses occupying an estimated 2855m2 of space and employing around 55 persons.
- These include: interior design/homewares showrooms; plant nursery; architect; professional services, allied health, café; and gyms and personal trainers.
- Most of these service businesses are located in a business park because they require larger spaces for their operations and traditional office space is not suitable or would be too expensive. Rents are also lower in the Business Park compared with available properties in the Torquay Town Centre.

Table 20. Service Businesses in West Coast Business Park

Business Type	Businesses No.	Estimated Floor Space m2	Estimated Employment No.	Type of Businesses
Allied Health	1	378	6	Physiotherapy,
Fitness	3	620	10	Gym, Taekwondo
Food	1	450	5	Coffee Roaster/Cafe
Professional Services	5	1507	34	Marketing & Design, Architect, IT Services, Employment Services
Total	**10**	**2955**	**55**	

Source: MCa analysis of Surf Coast Council 2018 Survey data.

4.5 Businesses - Surf City Precinct

Total floor space used for office space was estimated at 3960 m2, which is similar to the current office space utilisation in Torquay Town Centre (4148 m2).

Surf City

The major activities are surf industry related activities covering surf brand offices, warehouses, retail operations, and the Surf Museum. Council operations include: the Visitor Information Centre, Library, and Basketball Stadium. There are several other service businesses located in Surf City-cafes, physiotherapy/exercise studio, rehabilitation service, and martial arts studio.

Baines Crescent

Baines Crescent includes a mix of industrial, retail, recreational and office uses. Industrial uses include warehouses for surf products and other products; food service includes several cafes; retail uses include retail showrooms and hardware store; sports/recreational includes -swimming school, gym, personal training, and yoga; office uses include: surf businesses, building company offices, and the co-working space established in 2017.

The co-working facility is being used by a mix of small businesses on both a casual and ongoing basis. A co working space of 6500 m2 is also likely to come on the market in the Surf City Precinct, with the re-purposing of a former surf industry building.

.Surf Coast Highway

The highway strip contains a mix of: surf/adventure industry businesses; health sector businesses including the regional health service, GP clinics and allied health providers; building industry offices – builders and architect; and serviced office space.

The health operations are in a mix of buildings including converted houses. These businesses have clustered in the precinct due to a number of factors: limited suitable space being available in other locations; higher rents in the town centre; and the visibility that the highway sites offer.

Table 21. Services Businesses & Floor Space Estimates – Surf City Precinct 2018 (m2)

Services Businesses	Baines Crescent m2	Perkins St m2	Surf City Plaza m2	Surf Coast Highway/ Geelong Road m2	Total m2
Floor Space (estimate)					
Architect				90	90
Co-working space	480				480
Fitness	979	396	168		1543
Health				144	144
Health Centre - Regional				1437	1437
Professional services	266				266
Total (m2)	**1725**	**396**	**168**	**1671**	**3960**
Employment (Estimate)					
Architect				4	4
Co-working space	26				26
Fitness	20	8	8		36
Health				6	6
Health Centre - Regional				48	48
Professional services				10	10
Total (jobs)	**46**	**8**	**8**	**58**	**130**

Source: MCa analysis of Surf Coast Council 2018 Survey data and site visits. August 2018

5. Future Development in Torquay

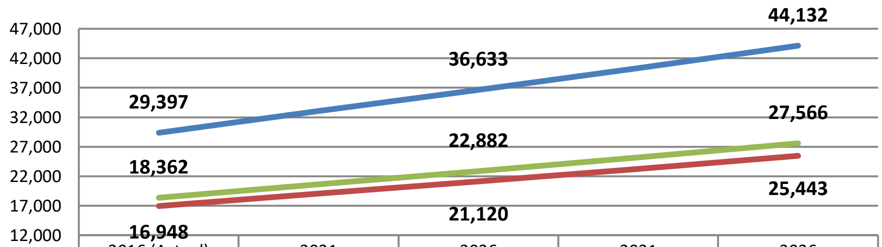
5.1 Population Projections

Future population growth in the Surf Coast, will increase demand for services, generate additional jobs and increase floor space occupied by businesses and other service providers.

Population growth will be the major driver of demand for office space in Torquay and other locations in the LGA. As the regional service centre and major employment location, much of this growth will be focused on Torquay. Other factors driving future demand are the space requirements of businesses servicing national and international markets (eg. surf industry), new business start-ups and growth in some existing businesses.

The population of the Surf Coast is projected to increase to 44,132 by 2036, with Torquay SA2 accounting for 27,566 of this (Torquay Jan Juc Urban Area – 25,443).

Chart 11 Population Projections - Surf Coast Shire & Torquay 2016-2036



	2016 (Actual)	2021	2026	2031	2036
Surf Coast Shire	29,397	33,050	36,633	40,347	44,132
Torquay - Jan Juc Urban Area (39 sq kms)	16,948	19,054	21,120	23,261	25,443
Torquay SA2 (126 sq kms)	18,362	20,644	22,882	25,201	27,566

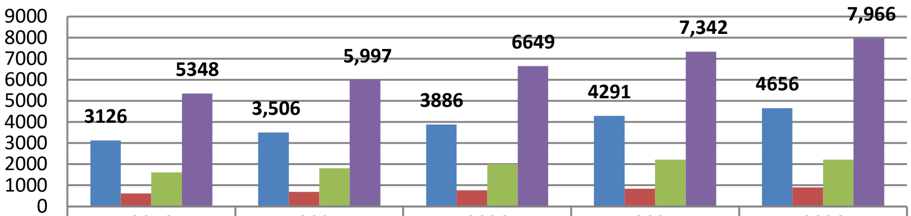
Source MCa projections adapted from Population and Household Forecasts, 2016 to 2036, prepared by .id, the population experts, for Surf Coast Shire Council October 2017.

5.2 Jobs in Torquay

Analysis of jobs by industry sector suggest that of the total jobs (5348) in Torquay in 2016, 3126 or 58% are driven by population of the Surf Coast and 11% (610) are tourism related jobs and 30% (1612) are in businesses servicing broader markets (regional, national and international markets).

- Based on population projections the number of population driven jobs would increase to 4656 by 2036. Total jobs located in Torquay would be 7966 by 2036 (an increase of over 2600 FTE jobs).
- The model generates estimates of growth in population driven jobs. For total jobs it is assumed that the 2016 shares of tourism jobs and business driven jobs remains constant during the period.
- Tourism jobs will be influenced in future by visitor numbers and the development of new accommodation. Tourism jobs are concentrated in accommodation provision, food service and recreational services.
- Business jobs are driven by the level of activity of businesses servicing broader markets (regional, national and international) and business formation and expansion in Torquay.

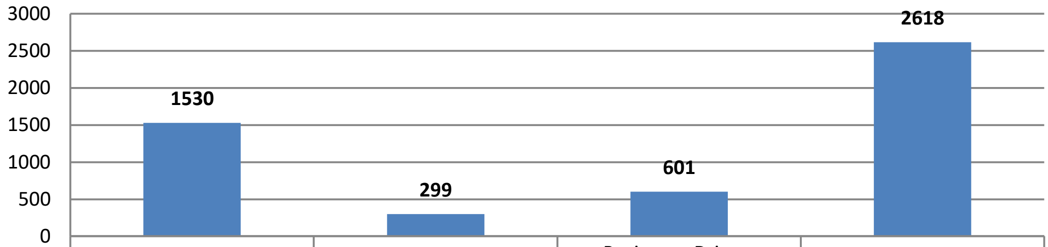
Chart 12 Projected Jobs Located in Torquay SA2 - 2016-2036 (no.)



	2016	2021	2026	2031	2036
Population Driven	3126	3,506	3886	4291	4656
Tourism Driven	610	684	758	837	909
Business - Driven (broader markets)	1612	1,808	2004	2,213	2,213
Total Jobs	5348	5,997	6649	7,342	7,966

Source: MCa modelling and projections November 2018. Torquay SA2

Chart 13 Projected Increase in Jobs Torquay SA2 - 2016-36 (no.)



	Population Driven	Tourism Driven	Business - Driven (broader markets)	Total Jobs
Increase Jobs 2016-36	1530	299	601	2618

Source: MCa modelling and projections November 2018. Torquay SA2

5.3 Future Floor Space Requirements

5.3.1 Growth in Torquay

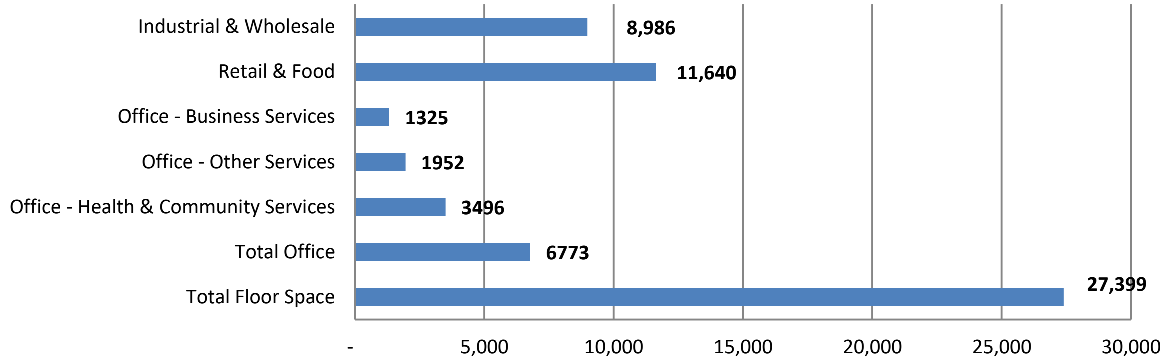
Estimates were developed of the floor space for small businesses required to accommodate the future growth in Torquay.[17]

- In total an additional 6773 m2 of office space would be required in the period to 2036 for small business operations to service this growth. This comprises: 1325 m2 for business services; 1952 m2 for other services; and 3496 m2 for health services (medical and allied health services) and community services.
- Other estimated space requirements include: industrial and wholesale 8986 m2; and retail and food service 11,640 m2.
- Total additional floor space requirements for the period to 2036 for all these activities is estimated at 27,400 m2.

It should be noted that the office space is that required by small businesses servicing the local and regional market. It does not take account of additional public sector facilities that may be required to service a larger regional population (eg. expansion of schools, hospital or regional health service). The office space estimates do not take account of the situation if a large business was attracted to relocate in Torquay from another city or regional location.

17 For floor space projections, the model first estimates the increase in activity and employment to service the growth (population driven, tourism driven and new business activity) and then applies an average floor space requirement per employee for each industry sector. The average floor space per employees used are: industrial & wholesale 60 m2; office –business services 20 m2; office- other services 15 m2; office –health and community services 15 m2; and retail & food 15 m2 (small businesses).

Chart 14 Torquay - Projected Additional Floor Space Requirements to 2036 (m2)



	Total Floor Space	Total Office	Office - Health & Community Services	Office - Other Services	Office - Business Services	Retail & Food	Industrial & Wholesale
Additional Space to 2036 (m2)	27,399	6773	3496	1952	1325	11,640	8,986

Source: MCa modelling and projections, November 2018

Using the scenarios outline below for potential future demand for co-working space:

- If 40% of work at homes move to a co-working space an additional 4400m2 of space would be required between 2016-2036, taking the total increase requirement for office space to 11,140 m2 by 2036.
- If 20% of work at homes move to a co-working space an additional 2184 m2 of space would be required between 2016-2036, taking the total increase requirement for office space to 8957m2 by 2036.

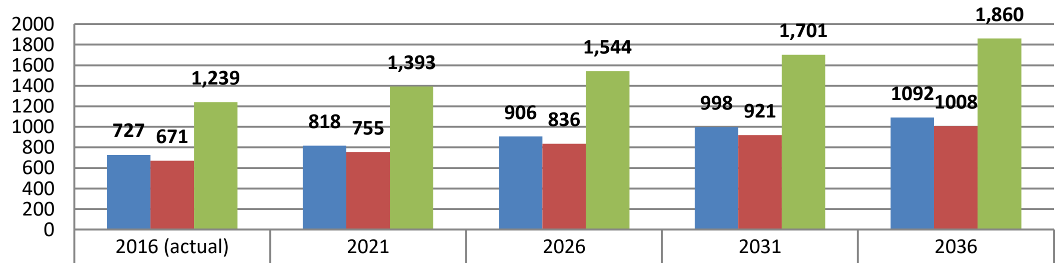
5.3.2 Additional Space - Co Working

There has been significant growth in the working from home category, with a total of 727 persons in this category in Torquay SA2 in 2016.[18]

Based on the projected population growth and associated growth in the resident workforce, this could increase to almost 1100 by 2036.

While most of these persons would continue to work from home, this group constitutes a market for co-working space. The following analysis provides estimates of co-working space demand based on 10%, 20% and 40% of at home workers taking up space.

Chart 15 Projections - Employed Persons Working from Home 2016-2036



	2016 (actual)	2021	2026	2031	2036
Torquay SA2	727	818	906	998	1092
Torquay Jan Juc	671	755	836	921	1008
Surf Coast Shire	1,239	1,393	1,544	1,701	1,860

Source: MCa modelling and projections August 2018. Actuals 2016- ABS Census 2016, General Community Profiles Torquay SA2, Torquay Jan Juc Urban Area, Surf Coast LGA.

18 ABS Census 2016, General Community Profile, Torquay SA2

Several levels of shifts to co-working space by persons working from home were examined (10%, 20%, and 40%).

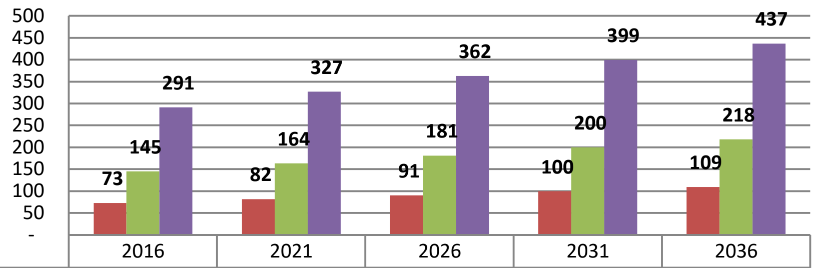
- If 20% had made the move in 2016 1454 m2 of space would have been needed (based on average space of 10 m2 per person) and this would reach 2184 m2 in 2036.
- If 40% of at home workers made the transition, in 2036 there would be a demand for 4367m2 of co-working space to accommodate these persons.

This analysis is designed to be indicative of a transition to co-working by persons working from home.

Co-working space would also accommodate: new start-ups; some business, which downsize from their own space to a co-working space; and other businesses that may set up in Torquay and decide that a co-working facility better suits their needs. This mix of business types has been the trend in co-working internationally and in Australia. Directions in space utilisation are examined in the next section.

Many co-working spaces in other locations are in repurposed industrial buildings or office buildings, and this is the case with the current co-working space in the Surf City Precinct and the proposed much larger space.

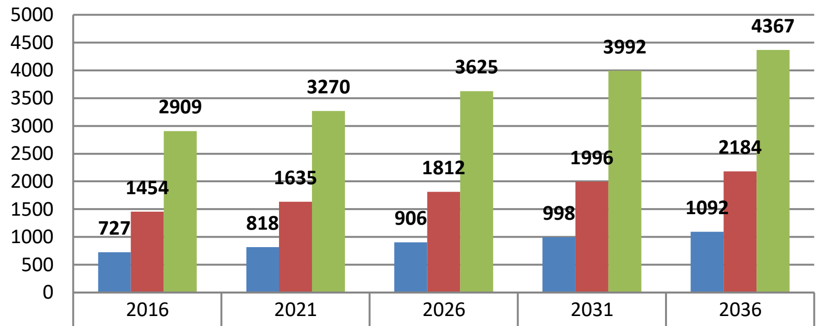
Chart 16 Potential Co-Workers - Torquay SA2 Indicative Estimates 2016-2036 (no.)



	2016	2021	2026	2031	2036
Move to Cowork (10% - work @ homes)	73	82	91	100	109
Move to Cowork (20%- work @ homes)	145	164	181	200	218
Move to Cowork (40% - work @ homes)	291	327	362	399	437

Source: MCa modelling and projections November 2018

Chart 17 Indicative Co-working Space Requirements - 2016-2036 (Estimates m2)



	2016	2021	2026	2031	2036
Move to Cowork (10% - work @ homes)	727	818	906	998	1092
Move to Cowork (20%- work @ homes)	1454	1635	1812	1996	2184
Move to Cowork (40% - work @ homes)	2909	3270	3625	3992	4367

Source: MCa modelling and projections November 2018

5.3 Trends in Space Utilisation

5.3.1 Overview

Trends in the use of office space including: improved efficiency and reductions in space per person; creation of service hubs; and growth of shared space and co-working models. All have implications for future demand and provision of space in Torquay.

There are a number of trends in the use of office space by businesses, which have implications for future space use and requirements in Torquay.

- The gig economy has emerged with more people working as freelancers and independent contractors.[19]
- These trends include: reductions in space use per employee; more use of open office plans, including hot desking arrangements; shared office space and shared services; growth in co-working centres; and the re-use of converted industrial space for offices and other uses.
- These trends are arising from several factors: higher rents in premium locations and lack of office space in some locations; small businesses wanting to reduce their space costs; increasing numbers of start-up businesses – wanting lower cost space; growth in independent contractors and freelancers; and changes in office design to enable more collaborative work teams.
- The development of co-working spaces have also been driven by factors including: a growth in flexible working arrangements, with people operating off-site for part of the week; collaborative project work between individuals/small businesses partnering; and people wanting to locate in more creative work spaces, where they can be stimulated through interaction with other co-workers (rather than the isolation of working from home). There are also elements of business incubation for start-ups in many co-working sites.
- There is still a demand for traditional office (for businesses needing to accommodate client/patient visits) and this has been the primary market in Torquay Town Centre for shopfront and first floor space in mixed use developments. However even within this market, in other locations, there has been the emergence of shared space, with like businesses clustering in hubs (eg. GP clinics combining with allied health professionals; accountants and financial advisors co-locating).
- These hubs tend to reduce the total demand for office space, compared with the situation where the businesses were occupying their own individual offices. In hubs businesses may be sharing reception areas, meeting rooms, consulting rooms, kitchens etc.

5.3.2 Co-Working and Shared Space

A driving factor for some of the smaller hubs is the rise of freelancers and start-ups, tech change, and a shift toward self-employment/contracting among millennials.

While there has been a long history of serviced offices in city centres, co-working is a development over the last decade. It has a number of features which make it ideal for the development and incubation of new small businesses.

- Gig Economy: a growing number of workers are moving from traditional 9 to 5 employment to working independently on a task-by-task basis for various employers. There is a demand from millennials for flexible work and freelancing opportunities.[20]
- In Australia, the largest freelance categories are web, mobile and software development (44%), followed by design and creative (14%), customer and admin support (13%), sales and marketing (10%) and writing (8%).[21] These occupation groups are found in many of the co-working spaces around Australia.

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19 Gig Economy" is used to describe the trend for an increasing number of persons who are working independently and flexibly (as freelancers or consultants) on a project basis or task-by-task basis for various employers/businesses.

20 The Emergence of the Gig Economy - Thought Leader Paper: Education & Training Policy Team, AI Group August 2016 P3

21 The Emergence of the Gig Economy - Thought Leader Paper: Education & Training Policy Team, AI Group August 2016 P4

Co-working spaces are essentially shared workspaces, which offer flexible and affordable office space for persons looking to move out of a home office; working in a project team; developing a start-up; or working remotely from head office during part of the week.

- These spaces tend to have more of a collaborative/ creative/interactive/innovation culture and typically attract creative occupations, ICT developers, marketing businesses, website developers, designers, digital content developers (film, video, and sound); entrepreneurs and tech start-ups.
- They also offer flexible space for freelancers, emerging small businesses, independent consultants, and for out-posted employees of businesses with capital city headquarters.
- Most centres are open to any users, while some are selective to ensure a desired mix of businesses. This is particularly the case in some of the tech hubs, where operators are also investors in start-ups.
- Some co-working spaces act as incubators, with operators providing programs, mentoring start-ups and taking equity shares.
- Most spaces offer small individual offices for teams as well as co-working rooms/desks for individuals.
- Spaces operate on the basis of membership packages with fee levels determined by the frequency of use and type of facilities used (eg. a desk or a small closed office). For a small business there is the flexibility of not having a long term lease on office space and the ability to scale up on the site.
- Many larger companies are using the co-working model in the design of their own offices or even using co-working centres to locate specialist project teams for periods of time.
- Most of these businesses/independent consultants/contractors attracted to co-working would be unlikely to lease their own space in a traditional office building.

A co-working space (established in 2017) occupies a former surf industry warehouse/office in Baines Crescent. There is shared office space on offer on the Surf Coast Highway, and a co-working space may go into the new development at 4-6 Gilbert Street. The Baines Crescent co-working space offers individual offices and work stations and has a mix of co-workers, including small businesses requiring a single office, independent contractors and a representative of an international company.

A large centre is likely to commence operations in converted surf industry space in Surf City Precinct. With this scale, Torquay is likely to become one of the larger regional co-working locations.

5.3.3 National Trends - Office Market

"While co-working spaces had their origins in serviced offices and as an incubator for start-ups, they are becoming seen as seen as a more flexible real estate solution for small and medium business."
Source: *All hands and hounds to the hub* – AFR December 27 2017-January 1 2018 P 41

Co-working is a major trend, which is now influencing metropolitan and regional property markets in Australia and overseas. A recent report (2018) by Knight Frank Research has highlighted trends.[22] There has been a major expansion in co-working spaces in Melbourne since 2016, and this growth is predicted to continue.

- In late 2017 there were 14 operations (city centre or inner suburbs) occupying space of more than 1000m2, and together they had a total of 28,674 m2 of space. These major operations include The Commons, Hub Melbourne and Inspire 9.
- The co-working spaces are leasing existing buildings, including converted industrial buildings and going into some new office buildings.
- According to the Knight Frank report, Melbourne, Sydney and Brisbane now have a total of 239 co-working spaces occupying a total of 116,955m2 (of which 56% of this space is in Melbourne).
- Many companies are incorporating collaborative and shared spaces in their own office design (eg. NAB, ANZ, Exxon Mobil, professional services firms - legal, accounting consulting.)

22 Bridging the Gap: Melbourne's Coworking Culture Knight Frank Research Briefing 2017 P1

- Some international operators are coming into the market (eg WeWork), and some major developers are including purpose designed co-working spaces in their new buildings (eg. GPT has its own flexible space operation called Space & Co).
- Some of the global operators are offering flexible space, already set up for larger corporate work teams (eg. for teams of 50 or 100 workers).
- Some mid-sized businesses are also moving into co-working/shared space centres.

The co-working model leads to a reduction in space requirements and office costs.

- Conventional office floor plans, with single business occupancy are based around one person per 10-15 m2, with substantial additional space required for reception, meeting rooms, kitchens etc.
- The shared model is designed around sharing of all common areas and facilities. With duplication of common areas removed, space per person can be reduced to around 7 m2 per person. As all workers are not present at all times, a given co-working space can accommodate a greater number of co-workers across a week. [23]
- A number of co-working operations are in converted industrial buildings (eg. in the Richmond/Cremorne area).

Co-working tends to attract creative and tech businesses (including web, ICT and app development), along with professional services businesses.

- One of the largest global operators WeWork now has a mix that comprises: financial and legal 21% ; ICT and software 15%; advertising and PR 11%; media /arts 7%; tech services 6%; education 5% ; and other 35%.[24]
- Some smaller regional co-working centres tend to have a mix of creative industries and sole operators in professional services, consulting and allied health and wellness.

Source: https://theurbandeveloper.com/articles/is-the-conventional-office-leasing-model-dead

Source: https://theurbandeveloper.com/articles/is-the-conventional-office-leasing-model-dead

23 Bridging the Gap: Melbourne's Coworking Culture Knight Frank Research Briefing 2017 P1; https://theurbandeveloper.com/articles/is-the-conventional-office-leasing-model-dead

24 We Work out to shake up global office market, The Weekend Australian July 14-15 2018 P28

6. Trends in Other Locations

6.1 Small Business and Office Space

Local property markets are operating for traditional users of office space – mid-sized professional services businesses – legal, accounting, engineers, architects; financial and property services (banks, financial advisors real estate) medical and allied health business (medical clinics, allied health).

However there are some changes occurring with a tendency for like activities or complementary operations to cluster in hubs or to co-locate within a building. For emerging and established small businesses and sole practitioners the shared space model has been growing in capital cities and regional areas. Shared spaces allow a business to economise on space it has to pay for (eg. sharing of meeting rooms or kitchens and amenities), while still having their own office in a building.

Rubber Desk (https://www.rubberdesk.com.au/) and www.creativespaces.net.au provides online directories of co-working spaces across Australia.

6.2 Shared Space Examples

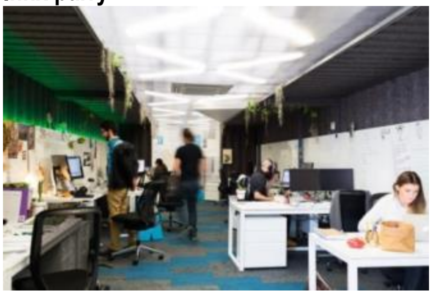
Appendix F details shared space operations in several locations – Sunshine Coast area (Noosa, Sunshine Beach, and Maroochydore); Byron Bay; and Newcastle. These examples illustrate trends in the shared space model.

Start-ups and emerging businesses are attracted to the shared space hubs because of flexibility, lower cost, the proximity to like-minded individuals in similar fields and the business connections which can be made on site.

- Most of the operations are offering small office and studio spaces for businesses as well as co-working desks.
- Several of the operations have a focus on creative industries: mainly digital media-film, photography, and sound, web site and app developers. They also tend to have a cluster of support services, including marketing and advertising.
- Other centres are more open and have professional service businesses and wellness businesses that require space for meeting clients/patients.
- Small businesses/single person businesses are also located in most of the co-working hubs and include: architects, engineers, town planners, property advisors, accountants, boutique legal services and marketing consultants.
- Several also have a local office of a larger national or state operation.
- Most of the hubs tend to provide business support through seminars, workshops and events.
- Several of the hubs have a strong innovation focus, are selective in co-workers, and act as an incubator for some businesses, with staff delivering formal business start-up or accelerator programs on a fee basis. This has been the focus of some major co-working spaces in Melbourne and Sydney.
- Collaboration between businesses is encouraged and often develops informally from the proximity.
- The hubs operate in a mix of building types, including: purpose built studios; fit-outs of existing office buildings; in heritage buildings; and in converted industrial/warehouse buildings.

The following are some images of several of the centres examined. innx.parry in Newcastle is located in converted warehouse space and two of the Byron Bay examples are located in industrial areas.


Innx.parry


Innx.parry


innx.Hunter


Board Room Noosa


Work Pod Byron Bay


Startinno Byron Bay


Innx.parry


The Production Hub Newcastle

Board Room Noosa


Work Pod Byron Bay


Startinno Byron Bay

7. Issues and Recommendations

7.1 Overview

'It is often difficult for small 'start up' businesses to establish within areas like the Town Centre due to the lack of appropriately sized and costed spaces. Torquay has a long and continuing association with entrepreneurial small business. At the moment, the high costs and limited floor space available in the Town Centre mean that this activity is not occurring within the Town Centre.

…there is a significant benefit in drawing more of these creative and experimental businesses into the Town Centre. The mix of businesses can define the "character" of a town centre as much as the built form. There is an opportunity to assist in the provision of smaller spaces within the Town Centre to provide these spaces, which can conversely provide a spin off benefit for the Town Centre in increasing diversity and activity through the introduction of smaller or more innovative businesses.'

Source: Strategic Investment Facilitation Plan (SIFP), Surf Coast Council 2017

There are a number of issues affecting future provision of space for small business in Torquay on both the demand and supply side.

- On the demand side these include: the businesses which still require traditional town centre office space and shop front space for client/ patient visits; demand from service businesses needing larger spaces for activities (eg. gyms, wellness centres); new and emerging businesses that want lower cost office space in their start-up phase; and solo businesses and freelancers (in the gig economy) requiring access to shared space; and persons who work part of the week away from their office.
- There are trends in business size, operating models and office design, which are reducing the amount of space that an individual business leases.
- Some other factors impacting on future demand in Torquay include: continued population growth which is generating an increase in the demand for health services, community services and some business services; and growth in the tourism market, with its impacts on the retail and hospitality businesses.
- There is also a need to encourage entrepreneurial and innovative businesses to develop to provide future employment opportunities.

On the supply side there are a number of issues including: new town centre office space and shop front retail in mixed use developments; significant industrial space/office space in the Surf City Precinct that is becoming available with changes in the surf industry; potential future development on Gilbert Street sites, which may include upper floor office space; further development in the West Coast Business Park; and future development on the .Surf Coast Highway site ("Horse Paddock"), which would include medical suites and some office space.

7.2 Demand Factors - Office Space

Torquay offers an attractive environment for emerging businesses. It offers a coastal lifestyle and an entrepreneurial history in Rip Curl, Quicksilver and other surf businesses. For example, Rip Curl has often been the incubator for new ideas and a training ground for persons, who have later developed own business. In view of the changes in the surf industry, it will be important to encourage new ventures in Torquay.

The major driver for traditional office space will be businesses that require space for client/patient visits. These businesses will expand with the continued growth in population of Torquay and the Surf Coast.

- This includes health (doctors, specialists) and allied health services (physio, optometrist, hearing clinics, podiatrists, disability services etc.) - clinics, professional rooms; and medium sized professional services businesses – accounting, financial advisors, lawyers, consultants etc.; and other service businesses.
- The type of space required would be ground floor shop front in mixed use developments – particularly for health-related activities and upper floor offices for professional services. Some of these businesses are likely to take up office space in the Torquay Town Centre and in the

case of medical and health take up future space developed on the Surf Coast Highway site. These businesses can usually afford town centre rents.
- There is also a demand for wellness /sports related services - gyms, personal trainers, yoga /pilates studios, martial arts etc., which require larger areas and have tended to utilise space in the industrial precincts (eg. Baines Crescent and West Coast Business Park). With the increase in population and emphasis on healthy living and fitness these activities will expand.

There are a number of other categories, which will require space and these include:

- Small professional service businesses, including architects, consulting engineers, town planners, building companies, which may co-locate in an office building and share meeting and amenity space.
- Allied health and wellness businesses that may cluster in hubs or collocate with medical practices.

Shared space models are increasing in appeal to a range of small businesses.

- Emerging small businesses are may not be linked to a local /regional market, but may be developing or delivering services for state, national or even international customers. They are entrepreneurial, are attracted by a coastal lifestyle and want to live and work in the area. They are influenced by the innovation in other industries (eg. surf industry) and may have worked in or provided services to that sector.
- These businesses may be in a range of sectors including: ICT – software and hardware; web and mobile apps; graphic design; digital content; product design, and other creative disciplines.
- They want to interact with other local entrepreneurs and have daily exposure to ideas. This is why co-working spaces are often attractive to these types of businesses.
- Co-working spaces in other locations are designed for growth, allowing for a transition from a single desk, to a small office, and then to a small suite to accommodate a business owner and employees as the enterprise expands.
- Shared spaces are also attractive to solo operators/freelancers, who need an office address, occasional meeting space and a desk in a work environment.
- Co-working spaces in coastal locations (like Noosa and Byron Bay) are also marketing themselves for day use for business persons, who may be on a family vacation but still need to undertake some work.

7.3 Supply Factors - Office Space

There are a number of supply factors, which have impacted on office space and the location of types of businesses in Torquay.

7.3.1 Current Supply

- Some health and allied health functions have clustered on the Surf Coast Highway – in proximity to Surf City and near the regional health service. This has occurred largely due to limited space being available in the town centre, lower rents and visible highway locations.
- Office space in Torquay Town Centre is mainly occupied by traditional users – professional services, business services, health services and banks. These are mid-sized employing businesses, which require their own space, in proximity to nearby parking for their visitors. Most of this supply is ground floor shop front space or first floor space.
- There is one dedicated office building in the town centre, which has a number of smaller businesses as tenants, mainly in business services fields.
- Total space being used for offices in the Torquay Town Centre was estimated to be 4148 m2 in 2018.[25]
- The new development at 4-6 Gilbert Street includes 1038 m2 of upper level office space, there is another 620 m2 in mixed use developments in Pearl Street and Boston Road. In combination this 1658 m2 additional space represents around a <u>40% increase</u> to the current office space in the town centre (4148 m2), and would take it to an estimated total of 5816 m2.

25 Existing office floor space estimate of 4148 m2 based on MCa analysis of Surf Coast Shire survey of floor space in Torquay Town Centre (2018).

7.3.2 Future Supply

There is some potential for additional office space to become available in the medium to longer term.

- Any future development on Gilbert Street sites (beach end) is likely to see mixed use with ground level retail/services/hospitality uses and some upper level office space.
- Proposed future development on the major Surf Coast Highway site *("Horse Paddock"*), will include some medical/health space and office space.
- Surf City /Baines Crescent precinct - changes in the surf industry (with warehousing operations located elsewhere) are seeing significant warehouse and office space becoming available.
- In the absence of new sole tenants, this space would need to be repurposed for other uses (eg. shared office space, smaller industrial spaces, gyms etc.).
- A large co-working facility is being planned for re-purposed space previously occupied by a major surf business.

The recently established co-working space in Baines Crescent (Workers Hut) is a good example of repurposing space. It has taken over space (office /warehouse) previously occupied by a surf industry operation. It houses several small businesses in a mix of small individual offices and a co-working room with capacity for up to 20 persons. It also has reception facilities, meeting rooms and fast internet access. This facility shares the characteristics of many other shared work spaces in Melbourne and elsewhere, which are located in converted industrial buildings.

7.3.3 Bristol Road and Pearl Street Sites

The sites identified in the two locations have a total area of approximately 18,600 m2: Bristol Road 9000 m2; and Pearl Street 9600 m2.

If rezoned for office space and developed this would add a considerable amount of space. The amount of office space would depend on: the particular sites developed; the density of development; and the type of development. For example a mixed use development would most likely combine ground floor and first level commercial space, with apartments on upper levels.

For illustrative purposes only, if the entire area became mixed used developments, with ground floor office space only this would deliver a total of 8200 m2 of lettable office space.[26] This would be equivalent to around double the current floor space (4148 m2) in the town centre used for offices.

However it is highly unlikely that this entire area would be fully developed as office space (even if demand was identified). Development decisions are based on an assessment of future demand and the supply of space available; occupancy rates, and the returns that can be generated through leasing.

There are a number of key considerations for the future.

Service Businesses & Space Requirements

- There are benefits from encouraging small business activities adjacent to a town centre. It provides additional day time activation, utilises the town centre facilities and infrastructure (including parking for clients and visitors) and diversifies the range of jobs.
- Space in the town centre would likely be taken up by businesses, which are population growth linked; have client/customer/patient visitors and require traditional ground level or first floor level 1 office space.
- Some of the future uses may see the development of hubs. For example, a clustering of medical and allied health businesses in a building; or a colocation of professional service businesses, with some shared facilities. This trend is reducing the overall level of space required.
- While some of this clustering will occur in the town centre, medical and allied health businesses have developed on Surf Coast Highway sites.

26 This is based on buildings comprising 60% of sites and 70% of ground floor building areas being lettable.

Small Businesses & Shared Space

- Small business start-ups and emerging businesses would not be looking for traditional space but rather shared space in a co-working environment. This provides lower cost and flexible space, without a need to lock into leases.
- For space, flexibility and cost reasons, regional co-working spaces are tending to use converted industrial/warehouse space in business parks/zones.
- These converted spaces are seen as more “edgy” work environments, which provide creative spaces for like-minded entrepreneurs. Those occupying space tend to be a mix of creative businesses in fields including digital content (film, video); and info tech, web development and apps. They also attract solo operators and freelancers across a range of areas, who want a small workspace (desk or office).

Office Space in Other Precincts

- There is pressure for the development of office space in the Surf City precinct, with re-use of warehouse space no longer needed for the surf industry.
- Future development of the large Surf Coast Highway site *(“Horse Paddock”)* would include some space for health and medical businesses and other office space.
- The land in Bristol Road (north side) and fronting Pearl Street, between Boston Road and Anderson Street (east and west side) is in a good location for medium density housing and some mixed use space..
- Given the likely rents for any new space developed, this space would be more likely to attract established business seeking a town location rather than start-ups or emerging businesses.
- However these businesses will have other options, with future redevelopment of sites in Gilbert Street, likely to include some upper level office space or ground floor retail space that could also be used as offices.
- In addition some of the retail shops in Torquay Central would also be suitable for future office use, if there was a decline in specialist retail activity.

7.4 Key Issues and Recommendations

7.4.1 Key Issues

From a walkable town, having more small/medium sized service businesses operate in areas adjacent to the town centre is an advantage. The Bristol Road and Pearl Street sites meet this objective and could provide substantial amount of office space, while expanding the footprint of Torquay Town Centre and its role as a regional service centre for the Surf Coast.
There are several major issues on the demand and supply side impacting on the office market in Torquay.

In summary, on the supply side there are several factors.

- In future, additional office space will come available with the redevelopment of sites in Gilbert Street and other parts of the town centre.
- Over time some shop front retail space may be used for service businesses, requiring a ground floor location.
- Likely future developments on the Surf Coast Highway (including the large “Horse Paddock” site) will include some office space and medical suites.
- With the changes occurring in the surf industry, significant amounts of space are becoming available in the Surf City Precinct. This space will be repurposed for other uses including office space for small and medium sized businesses.

In summary, there are several factors driving the demand for small business space and its location.

- Overall businesses are using less average space per employee compared with past patterns of space use. This is arising from more efficient use of space though open office plans, shared meeting space, reductions in reception areas and other changes.
- Projected population growth will increase the number of businesses in health and community services and business and professional services. Not all of these businesses will seek a town centre site (and those that do are likely to be accommodated in future space that comes available in the core of the town centre).
- Medical and allied health businesses have tended to locate on the Surf Coast Highway and this pattern is likely to continue into the medium term.

- New enterprises, entrepreneurs and independent consultants/contractors will have a preference to locate in co-working spaces, with their lower costs and flexibility/ scalability and the ability to be alongside like-minded workers and business people. These businesses are unlikely to locate in new town centre offices with higher rents, which tend to be prohibitive for start-ups or emerging small businesses.
- In response to demand, co-working spaces are being developed in the Surf City Precinct, with the re-purposing of surf industry office and warehouse space. It is likely that other space will be converted to meet demand by medium sized businesses.

The combination of these supply and demand factors mean that in our view there will not be a strong demand for office use in Bristol Road and Pearl Street sites and requiring a rezoning.
Sufficient supply of space to accommodate projected future demand will be in other locations that are attractive to businesses (eg. Surf Coast Highway, Surf City Precinct) and space that is likely to come available in other parts of the town centre (with future redevelopment of some sites).

7.4.2 Recommendations

1. **That Council at this stage does not undertake a rezoning of the identified areas of Bristol Road and Pearl Street for office use.**
   The demand and supply analysis indicates that there is not a requirement to develop office space for small business in this location, as sufficient supply will be available in other locations, which are often preferred by the small business that are expanding.

2. **That Council monitors the take-up of the 1600 m2 of new office and retail space in the buildings, currently under construction (in Gilbert Street, Pearl Street and Boston Road).**
   New office space in these 3 developments will add around 40% to the town centre's office space (currently estimated to be around 4148 m2). The monitoring should include the type of businesses taking the space and the rents.

3. **That Council continues to maintain its database on businesses and floor space use in Torquay Town Centre. A similar database should be created for the Surf City, Baines Crescent and the Highway precincts.**
   This data is useful for tracking activity in the town centre. Given the changes occurring in the Surf City Precinct, it will be important to have up to date information on businesses and floor space use.

4. **That Council recognises the trend for small businesses and start-ups to utilise shared space in co-working centres**.
   Co-working spaces allow for low cost, flexible workspace for solo businesses and small businesses in a start-up phase.
   Occupants tend to be creative and tech businesses (including info tech, web and mobile apps); design and product development; small professional services businesses (accounting, boutique legal, and marketing); digital content (film, video, sound); event organisers; allied health and wellness businesses; and freelancers. These are business types that are found in Torquay.
   Many co-working spaces (in urban and regional centres) are located in light industrial areas or are in industrial buildings that have been re-purposed.
   Encouragement should be given to private sector development and operation of co-working facilities and other office space suitable for small and medium sized businesses.

5. That Council in planning for future office space requirements for Torquay takes account of future uses of industrial space in the Surf City /Baines Crescent Precinct, and other developments on the Surf Coast Highway.

With the changes occurring in the surf industry, some industrial space and office space is becoming available. In addition some office space and medical suites are likely to be included in the future development of the major Surf Coast Highway site.
In other capital city and regional locations, there has been a re-purposing of industrial buildings and conversion to office space and other uses. For Torquay, this could include future shared office hubs, smaller office suites and co-working spaces.

6. That Council undertake a wholesale review of the commercial hierarchy in Torquay

It is now 7 years since the Retail Strategy 2011 was developed. Since the strategy was completed there have been: major changes in the nature of retail activity; new trends emerging in business types and structures; and significant changes occurring in Torquay's surf industry. All of these factors have implications for the future demand and supply of commercial space in the Torquay Town Centre and other precincts

References

ABS Census Community Profiles (Resident Population Data): Surf Coast LGA, Torquay (Statistical Area Level 2- SA2), and Torquay Jan Juc Urban Area (2006, 2011, 2016)

ABS Census Working Population Profiles (WPP): Surf Coast LGA and Torquay (Statistical Area Level 2- SA2) (2006, 2011, 2016)

Australian Business Register Data, 2018 - Torquay Jan Juc Area

Bridging the Gap: Melbourne's Coworking Culture Knight Frank Research Briefing 2017 P1

Business Database - Torquay Town Centre and Torquay Central, Surf Coast Council 2018

Business Survey & Database - Baines Crescent Estate and West Coast Business Park, Surf Coast Council 2018

Coworking Spaces Directory: Rubber Desk https://www.rubberdesk.com.au/

Coworking Spaces Directory: Creative Spaces www.creativespaces.net.au

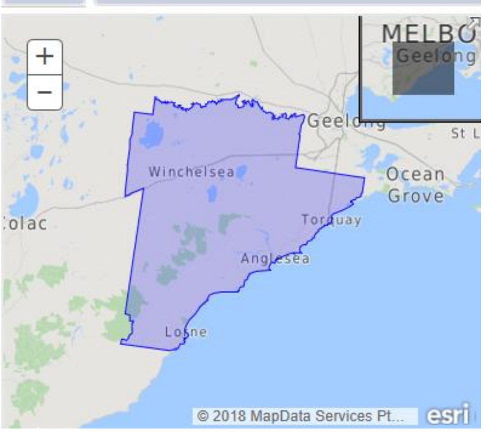
Population and Household Forecasts, 2016 to 2036, Surf Coast LGA, Torquay Statistical Area Level 2- SA2) and Torquay Jan Juc, prepared by .id, the population experts, for Surf Coast Shire Council October 2017, https://forecast.id.com.au/surf-coast

The Emergence of the Gig Economy - Thought Leader Paper: Education & Training Policy Team, AI Group August 2016

We Work out to shake up global office market, The Weekend Australian July 14-15 2018

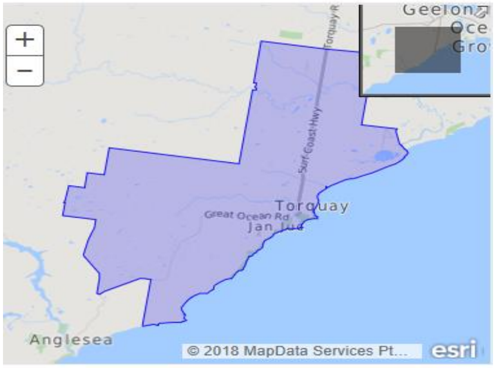
Appendix A: ABS Area Maps - Census 2016

Surf Coast LGA (Area = 1552.7 sq. Kms)



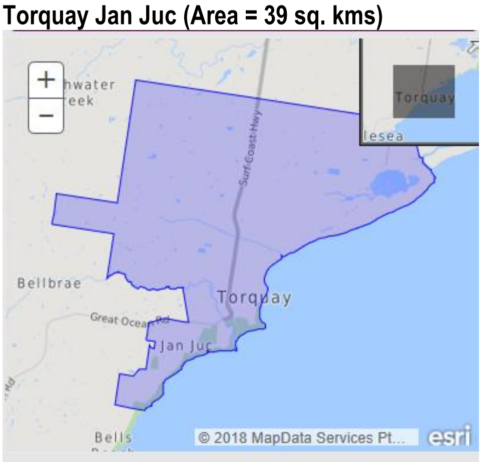
ABS data for the Surf Coast LGA covers the above areas, with the total area being 1552 square kilometres.

Torquay SA2 Statistical Area Level 2 (Area= 126.3 sq. Kms)



Data for Torquay Statistical Area Level 2 (SA2) covers the above area of 126 square kilometres. Statistical Areas Level 2 (SA2) are medium-sized general purpose areas that represent a community that interacts together socially and economically. SA2s generally have a population range of 3,000 to 25,000 persons. SA2 are a functional area from which people come to access services at a centre.

Torquay Jan Juc (Area = 39 sq. kms)



Data for Torquay Jan Juc covers the above area of 39 square kilometres.

Appendix B: Businesses in Torquay

Table 22. Businesses by Industry Torquay Area

Businesses	Location				
Industry/Business Type	**Bellbrae**	**Bells Beach**	**Jan Juc**	**Torquay**	**Total**
Accommodation & Food Services	**2**		**3**	**36**	**41**
Accommodation	1		1	7	9
Cafes and Restaurants	1		1	16	18
Catering Services				3	3
Licensed Clubs (Hospitality) Operation				1	1
Pubs, Taverns and Bars				2	2
Takeaway Food Services			1	7	8
Administrative & Support Services	**3**		**12**	**46**	**61**
Building and Other Industrial Cleaning Services	1		3	17	21
Document Preparation Services				1	1
Employment Placement and Recruitment Services				3	3
Gardening Services			5	8	13
Labour Supply Services	2			5	7
Office Administrative Services			2	3	5
Other Administrative Services n.e.c.			2	3	5
Travel Agency and Tour Arrangement Services				6	6
Agriculture, Forestry & Fishing	**3**		**1**	**4**	**8**
Beekeeping				1	1
Forestry				1	1
Other Agriculture and Fishing Support Services	1			2	3
Other Livestock Farming n.e.c.			1		1
Other Onshore Aquaculture	2				2
Arts & Recreation Services	**2**		**9**	**20**	**31**
Amusement Parks and Centres Operation	1			1	2
Health and Fitness Centres and Gymnasia Operation				5	5
Horse Training (Racing)	1				1
Musicians and Entertainers			1		1
Other Creative Artists, Writers and Performers			7	10	17
Performing Arts Operation				2	2
Performing Arts Venue Operation				1	1
Sports and Physical Recreation Administrative Service			1	1	2
Construction	**8**	**1**	**36**	**111**	**156**
Air Conditioning and Heating Services		1		1	2
Bricklaying Services				1	1
Carpentry Services	2		3	26	31
Concreting Services			1	9	10
Electrical Services			8	17	25
Fire and Security Alarm Installation Services				1	1
Glazing Services				1	1
House Construction	1		3	8	12
Landscape Construction Services	1		5	13	19
Non-Residential Building Construction	1		1	3	5
Other Building Installation Services	1			2	3
Other Construction Services n.e.c.			4	8	12
Other Heavy and Civil Engineering Construction n.e.c.				1	1
Other Residential Building Construction				2	2
Painting and Decorating Services			3	3	6
Plastering and Ceiling Services			1	1	2
Plumbing Services	1		7	9	17
Roofing Services				2	2
Site Preparation Services	1				1
Tiling and Carpeting Services				3	3
Education & Training		**1**	**16**	**39**	**56**
Adult, Community and Other Education n.e.c.		1	4	14	19
Arts Education			1	7	8
Flying School Operation				1	1
Preschool Education				1	1
Special School Education			1		1
Sports and Physical Recreation Instruction			7	13	20
Technical and Vocational Education and Training n.e.c.			3	3	6

Businesses	Location				
Industry/Business Type	Bellbrae	Bells Beach	Jan Juc	Torquay	Total
Electricity, Gas, Water & Waste Services			**1**		**1**
Solid Waste Collection Services			1		1
Financial & Insurance Services			**3**	**10**	**13**
Auxiliary Insurance Services			1		1
Banking				1	1
Financial Asset Broking Services				1	1
Financial Asset Investing				1	1
Non-Depository Financing				1	1
Other Auxiliary Finance and Investment Services			2	6	8
Health Care & Social Assistance	**3**		**21**	**55**	**79**
Accommodation for the Aged Operation				1	1
Child Care Services				3	3
Chiropractic and Osteopathic Services			1	4	5
Complementary and Alternative Services	1		12	19	32
General Practice Medical Services				6	6
Other Allied Health Services (Mainstream)			5	6	11
Other Health Care Services n.e.c.			2	5	7
Other Social Assistance Services	1		1	7	9
Physiotherapy Services	1			3	4
Specialist Medical Services n.e.c.				1	1
Information Media & Telecommunications	**1**		**8**	**9**	**18**
Book Publishing				1	1
Data Processing and Web Hosting Services			1		1
Electronic Information Storage Services				1	1
Internet Service Providers and Web Search Portals				3	3
Libraries and Archives				1	1
Magazine and Other Periodical Publishing	1				1
Motion Picture and Video Production			7	1	8
Newspaper Publishing				1	1
Post-production Services and Other Motion Picture and Video Activities				1	1
Manufacturing	**3**	**2**	**6**	**30**	**41**
Aircraft Manufacturing and Repair Services				1	1
Bakery Product Manufacturing (Non-factory based)				3	3
Boatbuilding and Repair Services				1	1
Cleaning Compound Manufacturing				1	1
Clothing Manufacturing	1	1	3	6	11
Cosmetic and Toiletry Preparation Manufacturing				4	4
Cut and Sewn Textile Product Manufacturing				1	1
Jewellery and Silverware Manufacturing			1		1
Leather Tanning, Fur Dressing and Leather Product Manufacturing			1		1
Medical and Surgical Equipment Manufacturing				1	1
Metal Coating and Finishing				1	1
Other Electrical Equipment Manufacturing	1				1
Other Food Product Manufacturing n.e.c.				1	1
Other Furniture Manufacturing				1	1
Other Manufacturing n.e.c.				2	2
Other Wood Product Manufacturing n.e.c.				1	1
Prefabricated Metal Building Manufacturing				1	1
Toy, Sporting and Recreational Product Manufacturing	1		1	4	6
Wooden Furniture and Upholstered Seat Manufacturing		1		1	2
Other Services	**4**		**11**	**77**	**92**
Automotive Body, Paint and Interior Repair n.e.c.	1			3	4
Automotive Electrical Services			1	1	2
Business and Professional Association Services				2	2
Hairdressing and Beauty Services	1		2	28	31
Labour Association Services				1	1
Laundry and Dry-Cleaning Services				2	2
Other Automotive Repair and Maintenance	1			3	4
Other Machinery and Equipment Repair and Maintenance				2	2
Other Personal Services n.e.c.	1		8	34	43
Other Repair and Maintenance n.e.c.				1	1

Businesses	Location				
Industry/Business Type	Bellbrae	Bells Beach	Jan Juc	Torquay	Total
Professional, Scientific & Technical Services	**5**	**1**	**48**	**131**	**185**
Accounting Services	1		2	12	15
Advertising Services				3	3
Architectural Services			6	5	11
Computer System Design and Related Services	1		5	18	24
Engineering Design and Engineering Consulting Services			1	13	14
Legal Services				4	4
Management Advice and Related Consulting Services n.e.c.	3		11	33	47
Market Research and Statistical Services			1	1	2
OHAS Consultancy			1		1
Other Professional, Scientific and Technical Services n.e.c.				2	2
Other Specialised Design Services		1	14	23	38
Professional Photographic Services			5	9	14
Scientific Research Services				3	3
Surveying and Mapping Services			1	2	3
Veterinary Services			1	3	4
Public Administration & Safety				**2**	**2**
Fire Protection and Other Emergency Services				1	1
Local Government Administration				1	1
Rental, Hiring & Real Estate Services			**6**	**18**	**24**
Heavy Machinery and Scaffolding Rental and Hiring			1		1
Other Goods and Equipment Rental and Hiring n.e.c.			2	4	6
Other Motor Vehicle and Transport Equipment Rental and Hiring				1	1
Passenger Car Rental and Hiring				1	1
Real Estate Services			2	10	12
Residential Property Operators			1	2	3
Retail Trade	**2**	**1**	**17**	**72**	**92**
Book Retailing				1	1
Chemist or Pharmacy Operations			1		1
Clothing Retailing			5	19	24
Computer and Computer Peripheral Retailing				1	1
Cosmetics, Perfumes and Toiletry Goods Retailing by Direct Marketing (Except Commission Based)				1	1
Disposal Stores (Second Hand Goods Retailing Except Pawn broking/ Antiques)		1			1
Entertainment Media Retailing			1		1
Floor Coverings Retailing				1	1
Flower Retailing	1		2	2	5
Footwear Retailing				1	1
Fruit and Vegetable Retailing				2	2
Garden Supplies Retailing			1		1
Houseware Retailing			1	3	4
Motor Vehicle Parts Retailing n.e.c.				2	2
Non-Store Retailing n.e.c.			3	16	19
Other Electrical and Electronic Goods Retailing				1	1
Other Personal Accessory Retailing				1	1
Other Specialised Food Retailing	1			6	7
Other Store-Based Retailing n.e.c.			2	9	11
Pets Retailing				2	2
Retail Commission-Based Buying and/or Selling n.e.c.				2	2
Sport and Camping Equipment Retailing				2	2
Supermarket and Grocery Stores			1		1

Businesses	Location				
Industry/Business Type	Bellbrae	Bells Beach	Jan Juc	Torquay	Total
Transport, Postal & Warehousing	**1**		**2**	**6**	**9**
Aircraft Charter and Lease				1	1
Other Road Transport (Except Taxi)			1	1	2
Other Transport n.e.c.				1	1
Postal Services	1			1	2
Road Freight Transport				2	2
Taxi Driver			1		1
Wholesale Trade	**1**		**9**	**17**	**27**
Clothing and Footwear Wholesaling			1	3	4
Commission-Based Wholesaling			2	3	5
Industrial and Agricultural Chemical Product Wholesaling				1	1
Jewellery and Watch Wholesaling			2	1	3
Kitchen and Dining ware Wholesaling				1	1
Liquor Wholesaling			1		1
Other Electrical and Electronic Goods Wholesaling				2	2
Other Goods Wholesaling n.e.c.	1		1		2
Other Grocery Wholesaling				3	3
Paper Product Wholesaling				1	1
Pharmaceutical and Toiletry Goods Wholesaling			1		1
Timber Wholesaling				1	1
Toy and Sporting Goods Wholesaling			1	1	2
Other	**1**			**4**	**5**
Unable to obtain industry details	1			4	5
Total All Businesses	**39**	**6**	**209**	**687**	**941**

Source: Australian Business Register Data, 2018

Appendix C: Job Trends - Industry

Table 23. Jobs Located in Surf Coast LGA by Industry Sector 2006-2016

Surf Coast LGA				Shares			Change	Change
Surf Coast Jobs	2006 (no.)	2011 (no.)	2016 (no.)	% 2006	% 2011	% 2016	2006-16 (no.)	2011-16 (no.)
Agriculture, forestry & fishing	541	449	515	9.0	6.3	5.9	-26	66
Mining	12	12	17	0.2	0.2	0.2	5	5
Manufacturing	312	329	362	5.2	4.6	4.2	50	33
Electricity, gas, water & waste services	113	99	33	1.9	1.4	0.4	-80	-66
Construction	**759**	**964**	**968**	**12.7**	**13.5**	**11.1**	**209**	**4**
Wholesale trade	427	500	337	7.1	7.0	3.9	-90	-163
Retail trade	**777**	**943**	**1,050**	**13.0**	**13.2**	**12.1**	**273**	**107**
Accommodation & food services	**923**	**1,100**	**1,397**	**15.4**	**15.4**	**16.1**	**474**	**297**
Transport, postal & warehousing	115	118	113	1.9	1.6	1.3	-2	-5
Information media & telecommunications	39	54	75	0.7	0.8	0.9	36	21
Financial & insurance services	83	101	130	1.4	1.4	1.5	47	29
Rental, hiring & real estate services	151	137	162	2.5	1.9	1.9	11	25
Professional, scientific & technical services	**253**	**374**	**521**	**4.2**	**5.2**	**6.0**	**268**	**147**
Administrative & support services	**129**	**196**	**326**	**2.2**	**2.7**	**3.8**	**197**	**130**
Public administration & safety	**217**	**300**	**395**	**3.6**	**4.2**	**4.5**	**178**	**95**
Education & training	**334**	**435**	**593**	**5.6**	**6.1**	**6.8**	**259**	**158**
Health care & social assistance	**455**	**575**	**792**	**7.6**	**8.0**	**9.1**	**337**	**217**
Arts & recreation services	141	166	244	2.4	2.3	2.8	103	78
Other services	161	253	315	2.7	3.5	3.6	154	62
Inadequately described/Not stated	58	53	330	1.0	0.7	3.8	272	277
Total	**6,000**	**7,158**	**8,688**	**100.0**	**100.0**	**100.0**	**2,688**	**1,530**

Source: ABS Census 2006, 2011 & 2016, Working Population Data (Jobs in the location)

Jobs by Industry: 2011 -2106

Table 24.Jobs by Industry Sector Torquay SA2: 2011-2016

Jobs by Industry Torquay SA2	2011	2016	Change 2011-16		2011	2016	Change 2011-16
Agriculture, forestry & fishing				**Accommodation & food services**			
Agriculture, forestry and fishing, nfd	0	0	0	Accommodation and food services, nfd	0	3	3
Agriculture	64	69	5	Accommodation	218	227	9
Aquaculture	4	0	-4	Food and beverage services	379	567	188
Forestry and logging	0	0	0	Total	**597**	**797**	**200**
Fishing, hunting & trapping	0	0	0				
Agriculture, forestry & fishing support services	5	12	7				
Total	**73**	**87**	**14**	**Transport, postal & warehousing**			
				Transport, postal and warehousing, nfd	0	3	3
				Road transport	10	6	-4
Mining				Rail transport	0	0	0
Mining, nfd	0	0	0	Water transport	0	0	0
Coal mining	0	0	0	Air and space transport	4	5	1
Oil and gas extraction	0	0	0	Other transport	6	0	-6
Metal ore mining	0	0	0	Postal and courier pick-up and delivery services	23	30	7
Non-metallic mineral mining and quarrying	0	0	0	Transport support services	0	3	3
Exploration and other mining support services	0	3	3	Warehousing and storage services	3	3	0
Total	**0**	**3**	**3**	**Total**	**46**	**55**	**9**
Manufacturing				**Information media & telecommunications**			
Manufacturing, nfd	19	9	-10	Information media and telecommunications, nfd	0	3	3
Food product manufacturing	33	71	38	Publishing (except internet and music publishing)	19	20	1
Beverage and tobacco product manufacturing	3	8	5	Motion picture and sound recording activities	9	13	4
Textile, leather, clothing and footwear manufacturing	89	79	-10	Broadcasting (except internet)	4	3	-1
Wood product manufacturing	6	9	3	Internet publishing and broadcasting	0	0	0
Pulp, paper and converted paper	0	0	0	Telecommunications services	4	17	13
product manufacturing	4	0	-4	Internet service providers, web search portals and	0	0	0
Printing	0	0	0	data processing services	0	3	3
(including the reproduction of recorded media)	8	3	-5	Library and other information services	3	4	1
Petroleum and coal product manufacturing	0	0	0	**Total**	**39**	**67**	**28**
Basic chemical and chemical product manufacturing	4	0	-4				
Polymer product and rubber product manufacturing	8	9	1				
Non-metallic mineral product manufacturing	3	0	-3	**Financial and insurance services**			
Primary metal and metal product manufacturing	0	3	3	Financial and insurance services, nfd	7	6	-1
Fabricated metal product manufacturing	9	5	-4	Finance	37	39	2
Transport equipment manufacturing	8	0	-8	Insurance and superannuation funds	13	11	-2
Machinery and equipment manufacturing	3	5	2	Auxiliary finance and insurance services	8	43	35
Furniture and other manufacturing	20	31	11	**Total**	**65**	**98**	**33**
Total	**217**	**247**	**30**				

Jobs by Industry Torquay SA2	2011	2016	Change 2011-16		2011	2016	Change 2011-16
Electricity, gas, water & waste services				**Rental, hiring & real estate services**			
Electricity, gas, water and waste services, nfd	0	0	0	Rental, hiring and real estate services, nfd	0	0	0
Electricity supply	0	0	0	Rental and hiring services (except real estate)	15	9	-6
Gas supply	0	0	0	Property operators and real estate services	73	94	21
Water supply, sewerage and drainage services	3	0	-3	**Total**	**88**	**107**	**19**
Waste collection, treatment and disposal services	7	4	-3				
Total	**10**	**10**	**0**				
				Professional, scientific & technical services			
				Professional, scientific and technical services, nfd	0	0	0
Construction				Professional, scientific and technical services (except	0	0	0
Construction, nfd	7	23	16	computer system design and related services)	243	307	64
Building construction	226	181	-45	Computer system design and related services	20	44	24
Heavy and civil engineering construction	10	15	5	**Total**	**263**	**353**	**90**
Construction services	341	365	24				
Total	**584**	**588**	**4**				
				Administrative & support services			
				Administrative and support services, nfd	0	0	0
Wholesale trade				Administrative services	49	89	40
Wholesale trade, nfd	6	8	2	Building cleaning, pest control and other	0	0	0
Basic material wholesaling	47	33	-14	support services	49	88	39
Machinery and equipment wholesaling	6	14	8	**Total**	**98**	**174**	**76**
Motor vehicle and motor vehicle parts wholesaling	3	0	-3				
Grocery, liquor and tobacco product wholesaling	11	7	-4				
Other goods wholesaling	395	234	-161	**Public administration & safety**			
Commission-based wholesaling	0	3	3	Public administration and safety, nfd	0	3	3
Total	**468**	**298**	**-170**	Public administration	235	290	55
				Defence	0	0	0
				Public order, safety and regulatory services	20	24	4
Retail trade				**Total**	**255**	**324**	**69**
Retail trade, nfd	25	16	-9				
Motor vehicle and motor vehicle parts retailing	0	3	3				
Fuel retailing	14	13	-1	**Education & training**			
Food retailing	241	317	76	Education and training, nfd	3	11	8
Other store-based retailing	333	385	52	Preschool and school education	193	322	129
Non-store retailing	0	0	0	Tertiary education	18	10	-8
				Adult, community and other education	45	65	20
Total	**613**	**732**	**119**	**Total**	**259**	**405**	**146**

Jobs by Industry Torquay SA2	2011	2016	Change 2011-16
Health care & social assistance			
Health care and social assistance, nfd	7	8	1
Hospitals	26	26	0
Medical and other health care services	135	208	73
Residential care services	66	81	15
Social assistance services	57	126	69
Total	**291**	**454**	**163**
Arts & recreation services			
Arts and recreation services, nfd	0	0	0
Heritage activities	8	16	8
Creative and performing arts activities	18	21	3
Sports and recreation activities	41	55	14
Gambling activities	3	3	0
Total	**70**	**89**	**19**
Other services			
Other services, nfd	0	0	0
Repair and maintenance	33	47	14
Personal and other services	116	179	63
Private households employing staff and undifferentiated goods	0	0	0
and service-producing activities of households for own use	4	4	0
Total	**153**	**232**	**79**
Inadequately described	36	163	127
Industry of employment not stated	0	53	53
Total	**4,225**	**5,348**	**1,123**

Source: ABS Census 2011 & 2016, Working Population Profile, Torquay SA2

Appendix D: Jobs Trends- Occupations

Table 25. Jobs by Occupation Torquay SA2: 2011-2016

Jobs by Occupation	Persons		Change	Jobs by Occupation	Persons		Change
Torquay SA2	2011	2016	2016-11		2011	2016	2016-11
Managers				**Clerical & Administrative Workers**			
Managers, nfd	11	17	6	Clerical and Administrative Workers, nfd	0	0	0
Chief Executives, General Managers and Legislators	37	66	29	Office Managers and Program Administrators	77	98	21
Farmers and Farm Managers	49	37	-12	Personal Assistants and Secretaries	53	39	-14
Specialist Managers	251	284	33	General Clerical Workers	91	105	14
Hospitality, Retail and Service Managers	267	328	61	Inquiry Clerks and Receptionists	86	101	15
Total	**615**	**729**	**114**	Numerical Clerks	140	155	15
				Clerical and Office Support Workers	35	32	-3
Professionals				Other Clerical and Administrative Workers	57	64	7
Professionals, nfd	10	5	-5	**Total**	**539**	**585**	**46**
Arts and Media Professionals	44	73	29				
				Sales Workers			
Business, Human Resource and Marketing Professionals	148	230	82	Sales Workers, nfd	3	0	-3
				Sales Representatives and Agents	112	120	8
Design, Engineering, Science and Transport Professionals	209	211	2	Sales Assistants and Salespersons	410	527	117
Education Professionals	153	239	86	Sales Support Workers	113	117	4
Health Professionals	103	149	46	**Total**	**638**	**762**	**124**
Information and Communication Technology (ICT)	0	0	0				
Professionals	27	42	15	**Machinery Operators & Drivers**			
Legal, Social and Welfare Professionals	42	61	19	Machinery Operators and Drivers, nfd	3	0	-3
Total	**736**	**1,014**	**278**	Machine and Stationary Plant Operators	7	17	10
				Mobile Plant Operators	27	25	-2
Technicians & Trades Workers				Road and Rail Drivers	28	45	17
Technicians and Trades Workers, nfd	3	3	0	Store persons	33	30	-3
Engineering, ICT and Science Technicians	58	72	14	**Total**	**98**	**115**	**17**
Automotive and Engineering Trades Workers	35	45	10				
Construction Trades Workers	278	233	-45	**Labourers**			
				Labourers, nfd	7	13	6
Electro technology and Telecommunications Trades Workers	55	61	6	Cleaners and Laundry Workers	103	155	52
Food Trades Workers	102	165	63	Construction and Mining Labourers	63	78	15
Skilled Animal and Horticultural Workers	102	102	0	Factory Process Workers	24	28	4
Other Technicians and Trades Workers	68	94	26	Farm, Forestry and Garden Workers	26	37	11
Total	**701**	**781**	**80**	Food Preparation Assistants	98	114	16
				Other Labourers	55	97	42
Community & Personal Service Workers				**Total**	**376**	**517**	**141**
Community and Personal Service Workers, nfd	0	0					
Health and Welfare Support Workers	50	55	5	Inadequately described	35	52	17
Carers and Aides	153	245	92		0	0	0
Hospitality Workers	169	271	102	Occupation not stated	10	37	27
Protective Service Workers	16	23	7				
Sports and Personal Service Workers	90	143	53				
Total	**478**	**745**	**267**	**Total All Jobs**	**4,226**	**5,348**	**1,122**

Source: ABS Census 2011 & 2016, Working Population Profile, Torquay SA2

Appendix E: Journey to Work

The following tables show information on employed residents, jobs and journey to work patterns for LGA residents

Table 26. Surf Coast Residents & Jobs

Surf Coast LGA	Surf Coast Jobs	Surf Coast Employed Persons	Difference	Jobs/Emp Resident
	2016	2016	Jobs-Emp Residents	%
Agriculture, Forestry and Fishing	515	470	45	109.6
Mining	17	51	-34	33.3
Manufacturing	362	758	-396	47.8
Electricity, Gas, Water and Waste Services	33	127	-94	26.0
Construction	968	1,646	-678	58.8
Wholesale Trade	**337**	**1,343**	**-1,006**	**25.1**
Retail Trade	**1,050**	1,339	**289**	**78.42**
Accommodation and Food Services	**1,397**	1,184	**216**	**118.3**
Transport, Postal and Warehousing	113	371	-258	30.5
Information Media and Telecommunications	75	159	-84	47.2
Financial and Insurance Services	**130**	**363**	**-233**	**35.8**
Rental, Hiring and Real Estate Services	162	248	-86	65.3
Professional, Scientific and Technical Services	521	974	-453	53.5
Administrative and Support Services	326	438	-112	74.4
Public Administration and Safety	395	859	-464	46.0
Education and Training	**593**	**1,570**	**-977**	**37.8**
Health Care and Social Assistance	**792**	**1,789**	**-997**	**44.3**
Arts and Recreation Services	244	317	-73	77.0
Other Services	315	459	-144	68.6
Inadequately described/Not stated	330	528	-198	62.5
Total	8,688	14,075	-5,387	61.7

Source: ABS Census 2016, Resident Population Profile Data & Working Population Profile Data, Surf Coast LGA

Table 27. Journey to Work – Surf Coast LGA 2016

Surf Coast LGA Journey to Work 2016	Persons No.	Share %
Job Location of Surf Coast Residents	**no**	**%**
Surf Coast (S)	**5859**	**41.7**
Greater Geelong (C)	**5101**	**36.3**
No Fixed Address (Vic.)	752	5.4
Melbourne (C)	638	4.5
Colac-Otway (S)	255	1.8
Wyndham (C)	183	1.3
Hobsons Bay (C)	97	0.7
Port Phillip (C)	90	0.6
Golden Plains (S)	84	0.6
Yarra (C)	82	0.6
Brimbank (C)	78	0.6
Hume (C)	70	0.5
Maribyrnong (C)	61	0.4
Total	**13,350**	**95.0**
Other	497	5.0
Total Employed Residents	**13,847**	**100.0**
Resident Location of Persons holding Surf Coast Jobs		
Surf Coast (S)	**5859**	**67.4**
Greater Geelong (C)	**2200**	**25.3**
Colac-Otway (S)	165	1.9
Golden Plains (S)	127	1.5
Wyndham (C)	30	0.3
Ballarat (C)	19	0.2
Melbourne (C)	17	0.2
Moonee Valley (C)	17	0.2
Port Phillip (C)	16	0.2
Total	**8450**	**97.2**
Other	107	2.8
Total Jobs in Surf Coast	**8557**	**100.0**

Source: Australian Bureau of Statistics, Census of Population and Housing 2016. Data from profile.id – (.id, the population experts) Surf Coast LGA

Appendix F: Small Business Space – Other Locations

Facility	Location	Description	Type of Tenants
Sunshine Coast Region			
EcomNoosa Business Village https://www.ecomnoosa.com.au/about	Noosaville	Commercial space - operates as a hub for small businesses. Provides small offices and shop front spaces	Businesses include: e-commerce, digital design, photography, arts festival organiser, wholesaler – cosmetics, fashion design and service businesses – catering, beauty, communications.
Junction 2 Co-working Noosa **https://junction2.co/**	Noosa Heads	Purpose-built co-working space in Noosa for start-ups, small & micro-business. Individual offices for teams up to 12 persons, single person offices and co-working desks and meeting rooms and receptionist. Involved in delivering entrepreneurial programs of Office of Chief Entrepreneur.	Businesses include: freelancers, sole-traders and small and micro-business. Involved in delivery of entrepreneurial programs.
Noosa Boardroom https://noosaboardroom.com.au/	Noosaville	Serviced offices, casual offices, virtual offices and large co-working space. Meeting Rooms and consulting offices available for hire by for casual and regular users.	Businesses include: clinical psychologists; financial advisors; accounting and financial services; property management services; ICT company local office; animal welfare group; property maintenance services; town planner; events organiser; web developer; and legal services. All tend to be sole operators or have a small number of employees.
Duke Douglas – Coworking http://dukedouglas.co/	Sunshine Beach	Smaller co-working space for creatives - architecturally designed studio space. Has individual offices and a co-working studio.	Focus is on permanent, part-time and casual creative persons working both independently or collaboratively on projects
Common Collective https://commoncollective.com.au/#about	Maroochydore	Medium sized co-working space housing casual users and ongoing businesses – freelancers, entrepreneurs and small teams	Businesses include: Pilates business, branding and design studio, branding consultant, copy writer, marketing and advertising consultant; web and apps designer; online national tourism guide (regional team)
Inbox Workspace https://inboxworkspace.com.au/about/	Maroochydore	High quality shared office space and co-working space in an office building. Board rooms, meetings rooms and reception areas.	Focus in on entrepreneurs, established small business owners, and emerging businesses.

Facility	Location	Description	Type of Tenants
Byron Bay			
StartInno https://www.startinno.com/#byron-bay-life	Byron Bay	Start-up incubator and co-working hub for creative occupations. Offers studio offices and co-working space and meeting rooms. Delivers its own high performance business coaching and mentoring programs. Provides paid start-up, incubation and accelerator programs for small businesses. Has staff of 5 delivering programs.	Focus is on incubating emerging creative industries businesses and tech businesses.
The Work Pod www.theworkpod.co/en/about	Byron Bay	Co-working space with a focus on creative industries. Provides small office suites and co-working studio, meeting rooms. Businesses tend to be in digital media.	Businesses include: creative: animation, film directors, digital editors; photography web site developers; business services - marketing consultant,, social media marketing consultant digital media consultants; and book keeping service.
Newcastle			
The Production Hub www.theproductionhub.com.au	Newcastle City Centre	Shared space comprising co-working studio, small office space, meeting rooms and creative workshop space. Accommodates a range of professionals, small businesses, and micro-businesses.	Businesses include: property consultant, IT consultant, software developer, business consultant, video and online production, town planning, finance broker, ecommerce consultant, architect, mining equipment office, start-ups advisor, and photographer.
Innx <2 locations> **innx.parry** **innx.hunter** https://innx.com.au/why/	City Centre: Hunter Street Newcastle West Parry Street Newcastle West	Large operation offering shared space at two sites in central Newcastle. It has a major focus on innovation, and creation of new ideas and businesses. • **innx.hunter** is in a main street heritage building and has co-working space and 4 large studio offices and meeting rooms. • **innx.parry** occupies 3 adjacent renovated warehouses. It has 16 studio spaces and communal work areas. It offers hot desks, permanent desks and studio spaces. **Innx** offers master classes in innovation and business workshops/seminars.	Businesses include: marketing, creative design, post production , video production, photography, audio post and sound design, digital design, advertising agency, branding consultants , environmental consultant, consultant engineer, architect, magazine publishing, education, company regional offices.

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