

# **DRAFT REPORT**

## **Socio-Economic Impact Assessment of the Darwin City Wharf Redevelopment**

*Prepared for*

**Major Projects**

**Northern Territory**

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**URS**

Sustainable  
Development

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This report documents the potential socio-economic impacts of the Darwin City Wharf redevelopment project. It examines existing social and economic conditions in the project area; assesses potential impacts generated by the project; and identifies appropriate mitigation strategy.

## Methodology

The report notes the difficulty in definitively assessing potential socio-economic impacts, given currently limited knowledge of the Master Plan for the development and of the business plan for the proposed convention and exhibition centre. The Socio-Economic Impact Assessment is based on analysis of:

- The existing conceptual plan for the project.
- Quantitative data drawn from Census studies, published research, government and industry strategy documents and reports.
- Qualitative data from community consultation and in-depth stakeholder interviews designed to determine community values, attitudes and concerns in relation to the project.

## Impact assessment

On the basis of this analysis, the report concludes that the Darwin City Wharf redevelopment is likely to result in generally positive socio-economic impacts. The most significant potential negative impacts identified in the Assessment – and one of the most commonly expressed areas of concern for Darwin stakeholders – involve short-term impacts on businesses in the Darwin CBD.

The report assesses socio-economic impacts in a range of areas set out in the study brief. These include impacts in the following areas:

- *The general economic benefits or impacts of the project:* The report finds that it is difficult fully to assess the general economic benefits of the project on the basis of the available project design and business data. However, it assumes that the business case will project significant economic benefits, including positive contributions to the Territory's Gross State Product and balance of trade.
- *Employment:* The report suggests that the development will have positive impacts in generating local direct and indirect employment. Given the Territory's well-established construction, hospitality, entertainment and tourism industries, it is likely that most employment in the construction and operational phases will be locally sourced.
- *Transport:* The report notes that the issue of transport external to the site, and of access to the site, divides Darwin stakeholders and may present some significant negative impacts. While community

consultation has revealed high levels of local demand for car access and on-site car parking, there is also some local concern about existing levels of private vehicle use in Darwin and the potential for increased traffic congestion around the site. The Territory government is faced with a strategic choice between promoting public transport to the site and encouraging private vehicular access. The report recommends a detailed assessment of the full range of costs and benefits related to transport, including market impacts (particularly if local people are deterred from using the site), community equity and convenience, local environmental and amenity factors, and the future development of the CBD.

- *Impacts on existing businesses:* This is the most significant area of potentially negative impact. The report identifies possible short-term and transitional costs for businesses in Darwin's CBD. In the medium- to longer-term, however, if the Master Plan integrates CBD businesses and services into the Wharf site development, and ensures connectivity between the Wharf site and CBD, local businesses are likely to benefit significantly from increased visitor numbers and consumption. Similarly, local businesses in the Stokes Wharf area should, in the longer-term, benefit from greater attractiveness of the City Wharf site; its greater centrality in Darwin's dining and entertainment; and its appeal to local people and visitors.
- *Culture and recreation:* The development should generate significant positive impacts in increasing range of cultural and recreational opportunities for the local community and visitors. In the short-term, there are likely to be transitional costs and increased competition for existing cultural, social and recreational facilities, but in the medium- to longer-term the Wharf development is likely to increase demand, and open new opportunities for existing providers to develop their customer bases.
- *Existing and future land use:* The report suggests that the site is under-utilised, presents low scenic values and is in need of environmental remediation. If the Master Plan is appropriately sensitive to local community concerns and the site's social, heritage and environmental values, the proposed redevelopment should generate significant and sustainable benefits to the region. The project appears to be consistent with the Northern Territory Planning Scheme objectives for future land use and development of the site (although there are some outstanding questions regarding the Scheme's objective to ensure developments on the site are "pedestrian orientated") and can support the achievement of the Territory's broader-scale land use objectives for the city of Darwin and the CBD.
- *Amenity:* The report suggests that the project is likely to have significant positive impacts in improving the site's visual amenity; that the community will benefit from remediation of the site; and the project can support generate important economic, social, cultural and environmental value for Darwin and its population.

This report documents the potential socio-economic impacts of the Darwin City Wharf redevelopment project. It examines existing social conditions in the project area and potential impacts generated by the project, and identifies appropriate mitigation strategy.

### 1.1 Objectives of the Socio-Economic Impact Assessment

The main objectives of the Socio-Economic Impact Assessment, set out in the project brief, call for:

- Analysis of existing socio-economic conditions.
- Assessment of potential impacts.
- Identification of appropriate impact management and mitigation measures.

#### 1.1.1 Situation analysis

The situation analysis includes identification of:

- The socio-economic characteristics of the region (including projected trends over the expected operational life of the project).
- The users of the Darwin metropolitan area that could be directly or indirectly impacted by the project, and associated employment, and social and economic value, of those uses.
- Any pre-existing obligations or constraints associated with current uses and businesses in or around the site.
- Infrastructure and services available within and adjacent to the redevelopment area.

#### 1.1.2 Impact assessment

Based on the above, the Assessment aims to identify and evaluate the potential socio-economic impacts of the proposed redevelopment, including:

- The general economic benefits or impacts of the project.
- Social and economic issues relating to employment potential, "down-stream" employment effects, impact of transport external to the site and demand on current service infrastructure.
- Impacts on existing businesses within, around, or using the facilities in, the redevelopment area.
- Sites of recreational or other socio-economic importance.
- Existing and future land uses in the area.

- 
- The consistency of the project with Northern Territory Land Use Objectives.
  - Potential and anticipated impacts on existing visual amenity, noise levels, and recreational water quality.

### 1.1.3 Impact management

Finally, the Socio-Economic Impact Assessment seeks to identify impact management procedures that may be required to prevent, minimise or mitigate identified potential impacts. These may include:

- Monitoring to identify ongoing or emerging potential future impacts; to assess the adequacy and effectiveness of mitigation measures; and determine the adequacy of baseline data.
- Impact management practices and safeguards proposed to prevent, minimise or mitigate environmental impacts both on-site and adjacent to the redevelopment area during the construction and operational phases of the redevelopment.

## 1.2 The Socio-Economic Impact Assessment report

The report is structured as follows:

- Section 1 describes the nature and objectives of the proposed redevelopment.
- Section 2 describes the site of the redevelopment and broader areas of impact.
- Section 3 discusses existing socio-economic conditions in the area of impact.
- Section 4 assesses the attitudes and values of regional stakeholders and communities.
- Section 5 identifies the range of potential socio-economic impacts associated with the Darwin City Wharf redevelopment.
- Section 6 assesses the magnitude of those potential impacts and proposes a range of impact mitigation measures.
- Finally, Section 7 makes some concluding comments on the future redevelopment of the Darwin City Wharf site.

## 1.3 Sources

The information contained in this report is based on primary and secondary research conducted by URS Australia in April 2004. The following sources were particularly important in informing the content and conclusions of the report:



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- In-depth interviews conducted with X local government, business, environmental and community stakeholders in April 2004.
  - *2001 Census of Population and Housing* (Australian Bureau of Statistics, 2002).
  - *Central Darwin Planning Concepts and Land Use Objectives* (Northern Territory Government Department of Infrastructure, Planning and Environment, 2004).
  - *Darwin City Waterfront Gateway to Darwin and the Australian Outback: Community Consultation Report* (Socom, January 2004).
  - *Darwin City Wharf Redevelopment Preliminary Aboriginal Heritage Assessment: Draft Report* (Austral Archaeology Pty Ltd, April 2004).
  - *Darwin: A Complete Perspective* (Darwin City Council, July 2002).
  - *European Heritage Site Review* (unpublished, 2004).
  - *Northern Territory Tourism Strategic Plan: 2003-2007* (Northern Territory Tourism Commission, 2003).
  - *The Population Growth Prospects of the Darwin Region* (Richard Blandy and Dean Forbes, Austral Asia Economics, 1999)
  - *Potential Economic Impact and Financial Performance of a Darwin Convention and Exhibition Centre: A Summary Report of the PricewaterhouseCoopers Study* (PricewaterhouseCoopers, August 2003).
  - *Territory Economic Review February/March 2004* (Northern Territory Treasury, March 2004).
  - *Territory Tourism: Selected Statistics 2002-03* (Northern Territory Tourism Commission, 2003).

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The precise terms of the final design, construction and operation of the redevelopment project are not yet available. The specific nature of the redevelopment will be set out in the final Master Plan for the overall site, which will define the components of the redevelopment, their locations across the site and the likely staging and timeframe of the redevelopment.

The Socio-Economic Impact Assessment was therefore conducted against the existing conceptual plan for the Darwin City Wharf redevelopment. The following project description, and the impact assessment described in later Sections of this report, necessarily reflects currently limited knowledge of the specific nature of the proposed project.

### 2.1 Project objectives

In broad terms, however, the proposed Darwin City Wharf redevelopment project aims to:

- Revitalise the Darwin waterfront area.
- Establish a significant recreational and lifestyle resource for Darwin residents and intrastate, interstate and overseas visitors.
- Provide a significant stimulus to the business and tourism industries in Darwin and the Northern Territory.

### 2.2 Key project components

Although the specific nature of the project is not yet known, the Northern Territory Government has identified possible components of the redevelopment. From a socio-economic perspective, the key components include:

- A convention and exhibition centre.
- Significant public open space to encourage a diversity of community-oriented recreation, activities and functions.
- Community uses and tourist attractions such as a visitor centre, cultural/heritage interpretation centre, and public buildings.
- Residential "landmark" development.
- Commercial and retail activities, such as cafes and kiosks.
- Hotel(s).
- Serviced apartments.

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- Leisure craft moorings and associated marina-oriented commercial and public transport facilities.
  - A focal ‘landmark’ feature to achieve orientation and create a sense of place.
  - Pedestrian and visual connections between the site and the CBD along the Smith Street axis.
  - A continuous promenade access along the length of the waterfront to maximise public accessibility.
  - Road realignment of McMinn Street and Frances Bay Drive to improve direct vehicle and public transport access, and pedestrian accessibility.

As part of the Wharf’s redevelopment, it will be necessary to remove disused and redundant infrastructure and to remediate contaminated sections of the foreshore to minimise the risk of public exposure to contaminants and allow development of a range of land uses with social and economic benefits.

The redevelopment work is likely to be staged over a period of ten to fifteen years. Likely staging of site preparations and construction are:

- Construction of the Darwin Conference and Exhibition Centre.
- Construction of public infrastructure.
- Construction of residential developments in one or more stages depending on demand.

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The redevelopment of the Darwin City Wharf will have an influence on socio-economic factors at a range of spatial levels. This report addresses project impacts at two levels:

- The Wharf site.
- The city of Darwin, and particularly the Central Business District.

This Section describes the principal areas of influence and the land use objectives defined in the existing planning schemes for these areas. In the Northern Territory, land use planning and strategic planning is the responsibility of the Territory government's Department of Lands Planning and Environment. The City of Darwin Council assesses and comments on all town planning proposals and strategic planning documents. Decisions on land use and development applications are made by the Northern Territory Planning Authority, which comprises Council aldermen and Northern territory government appointees.

### 3.1 The Darwin City Wharf site

The site for the proposed Darwin City Wharf redevelopment covers approximately 25 hectares on the southern end of the short peninsula supporting the Darwin CBD. The site is located immediately to the south of the Darwin CBD and approximately 2 km from the entrance to Darwin Harbour at the head of Frances Bay on the north-east shore of the harbour. The site is bounded to the south and west by the Port of Darwin, to the east by Frances Bay and to the north by the city of Darwin.

The redevelopment site is currently used for industrial purposes, associated with bulk cargo operations and tourism. It includes:

- The former Deckchair Cinema site to the east.
- The former Stokes Hill Power Station site.
- The southern portion of Stokes Hill.
- Land formerly or currently occupied by industrial activities to the south of the base of the escarpment, including Kitchener Drive and the Fort Hill area.
- A portion of the escarpment along the Smith Street axis.
- The tidal areas of Kitchener Bay.

The site does not include Stokes Hill and Fort Hill wharves, the southern portion of the Fort Hill Wharf cargo handling area, the freehold portion of land occupied by *The Jetty* restaurant (Lot 6605) and the Steam Pump-house from the former Stokes Hill power station.

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### 3.1.1 Land use objectives

The Northern Territory Planning Scheme sets out a range of objectives for future land use and development of the Darwin City Wharf site. From the perspective of the Socio-Economic Impact Assessment, the most specifically relevant land use objectives for the site are:

- To develop the Wharf Precinct to be Darwin's primary leisure and entertainment focus.
- To protect and appropriately use declared heritage places and objects as important contributors to the built environment.
- To ensure developments are pedestrian oriented, maximise the waterfront location and conform with the key urban design axes.

## 3.2 Darwin

### 3.2.1 Land use objectives

The Northern Territory Planning Scheme establishes policy for future land use and development, defining the Territory Government's objectives for planning and development over the next 20 years and beyond. The Central Darwin Land Use objectives, set out in the Scheme, aim to establish in Darwin:

- A city of distinction, with its character and style derived from its tropical monsoonal climate, geography, history and culturally diverse population.
- A city structure and built form which takes advantage of climate, heritage values and Central Darwin's peninsular location and harbour setting.
- A lively and vibrant city which enhances the quality of life for its residents, workers and visitors.
- An increased residential component focussed on Central Darwin to revitalise its retail activities.
- An attractive business environment, conducive to economic growth.
- Building designs which are compatible with their surroundings and the tropical climate and are sensitive to amenity issues.
- Appropriate landscaping for a tropical city, the provision of shade being a primary consideration.
- An efficient public transport system, including options for water transport and mass transit.
- An efficient and safe road network, which provides access for private and public transport and service vehicles, without detracting from pedestrian and user safety and amenity.
- A network of pedestrian and cycle paths and facilities.

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- An increased number of accessible parks, open space and foreshore recreational areas.
  - A pedestrian friendly central commercial core providing for the needs of the elderly and disabled.
  - Valued heritage places and objects being appropriately used.
  - A strategic, performance based approach to land use and development decisions.
  - A coordinated and integrated approach to infrastructure development, urban design and landscaping
  - Adequate convenient, unobtrusive car parking facilities, generally under shade, if not shelter.

### 3.2.2 Central Business District

Within this, the Planning Scheme identifies a number of land use objectives specific to Darwin's Central Business District:

- To promote the expansion and intensification of mixed commercial, residential, tourist and retail activity.
- To protect and appropriately use declared heritage places and objects as important contributors to the built environment.
- To develop a city structure based on key urban design axes.
- To increase residential components by encouraging mixed commercial and residential development.
- To develop a city form with the highest buildings and structures concentrated at the centre of the peninsula, stepping down towards the perimeter and optimising the opportunities for harbour views.
- To enhance the amenity of major thoroughfares.
- To create and extend pedestrian links to waterfront developments in adjoining precincts and to open space areas within and around the precinct.
- To create and maintain safe and efficient vehicle and pedestrian access within the precinct with links to adjoining precincts.

This Section discusses existing socio-economic conditions in Darwin and in the Northern Territory more generally. It describes the prevailing socio-economic environment in terms of:

- Demographic characteristics
- Community cohesion and development
- Community infrastructure
- Heritage values
- Economic development and investment
- Key economic sectors
- Employment
- Income

### 4.1 Demographic characteristics

#### 4.1.1 Population

##### Northern Territory

In 2001, the estimated resident population of the Northern Territory was 2110,664. This represented an 8% increase over 1996, and a 20% increase over 1991. Throughout the 1990s, the Northern Territory experienced high population growth with an average annual growth rate of 1.8% compared with 1.2% nationwide. Queensland is the only State or Territory to record a larger increase during this period. The Territory represents 1% of Australia's total population.

Historically, the Territory has experienced a relatively volatile population, with population growth cyclically aligned to major economic developments such as the defence forces relocation in the 1990s. However, a 1999 survey of Territory residents identified a range of broader socio-economic influences on migration to and from the Territory, including:

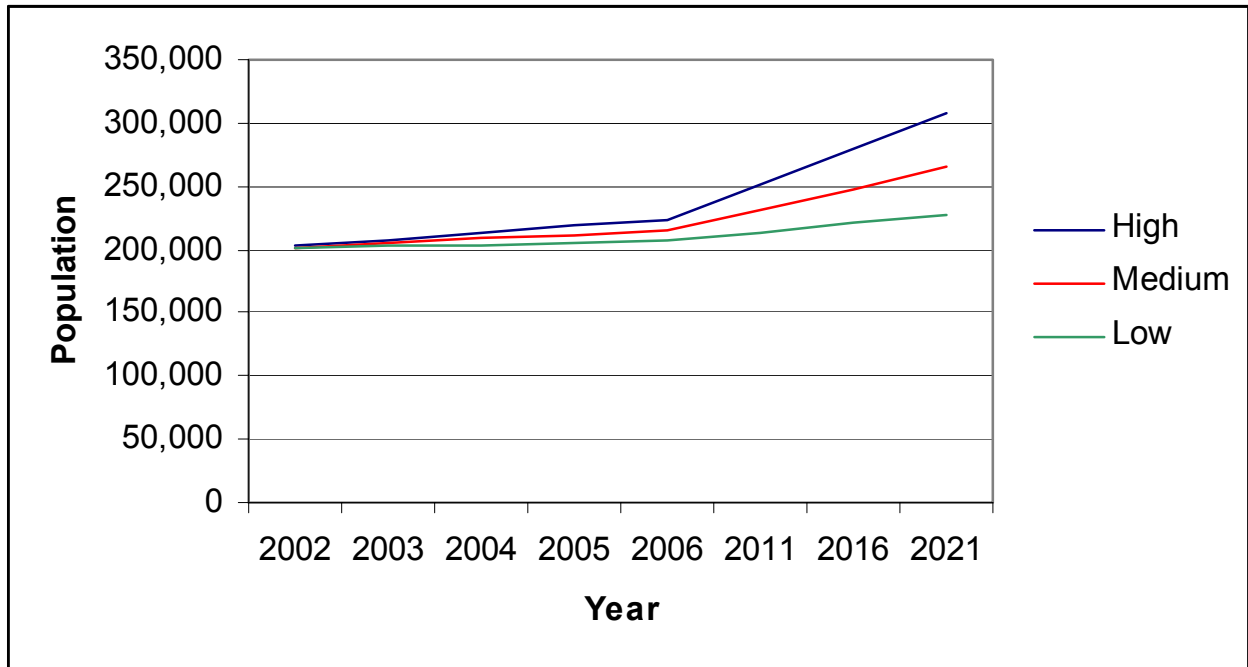
- Lack of professional/higher level work opportunities for progression.
- High costs of living, particularly after retirement and the high cost of air travel.
- Perceived lack of services and facilities in education and health.
- Lifestyle issues such as lack of entertainment.

- 
- Environmental issues, such as urban development, increasing tourism and depleting fish stocks.
  - Feelings of isolation.

The link between population growth and economic development is clearly perceived among stakeholder groups. The Territory Government believes that, in order to maximise the Territory's economic potential, it will be necessary to achieve high net population growth. The Government has identified the need to address population issues through a range of policy areas including Indigenous health and social development; employment and skills training; skilled interstate and overseas migration; and environmental management and protection.



Figure 1. Northern Territory Population Projections



Source: Australian Bureau of Statistics

The Australian Bureau of Statistics (ABS) in 2001 established a series of projections for the Territory's future population growth based on three scenarios:

- *High*: Based on high fertility, and high net interstate and overseas migration, this projects a Territory population in 2021 of 308,700.
- *Medium*: Based on low fertility and medium net interstate and overseas migration, this projects a population in 2021 of 265,000.
- *Low*: Based on low fertility and low net interstate and overseas migration, projects a 2021 population of 227,000.

## Darwin

In 2001, there were 109,419 people in Darwin, a 9.9% increase from 1996 and a 24.1% increase over 1991.

By 2000, more than half of the Northern Territory's population (55.2%) lived in the greater Darwin area, which had experienced an annual growth rate of 2.6 over the previous five years.

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In the ABS projections for population growth in the Territory discussed above, there is a range of scenarios for Darwin's population increase:

- *High*: Based on high fertility, and high net interstate and overseas migration, Darwin will experience an average annual growth rate which peaks at 3.1% in 2004 and then declines to 2.4% by 2021.
- *Medium*: Based on low fertility and medium net interstate and overseas migration, Darwin experiences a more rapid decline in growth rate, from 2.3% in 1999 to 1.6% in 2021.
- *Low*: Based on low fertility and low net interstate and overseas migration, Darwin's annual growth rate declines from 2.3% in 1999 to 0.7% in 2021.

### 4.1.2 Age

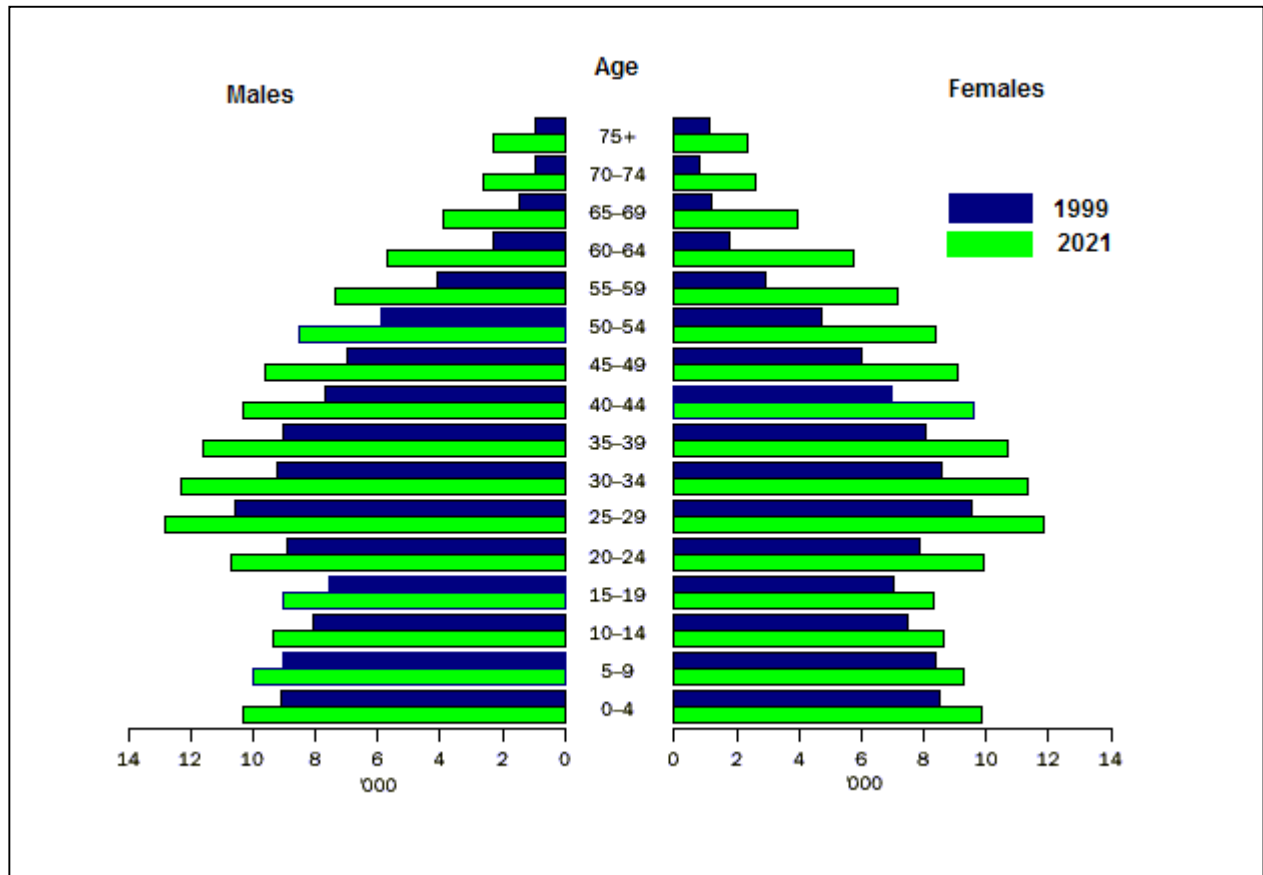
#### Northern Territory

The Figure below describes the current age structure in the Northern Territory, and projected age structure in 2021 based on the medium level assumptions above.

The Northern Territory age distribution indicates a relatively young population, with a high proportion of people in the 25-29 age group. (The age distribution for the Territory's Indigenous population indicates an even younger population, with the most dominant age groups aged less than 10.) In 2001, the Northern Territory's median age was 29.6, significantly younger than the national median age of 35.7. According to the Australian Bureau of Statistics, the median age of the Territory's population is expected to rise at a slower rate than that of Australia's population as a whole. The Territory's median age is projected to rise to between 31.9 and 32.7 by 2021, while the national median age is projected to rise to between 40.3 and 41.5 during the same period.

The proportion of the Territory's population aged 14 years and under is projected to decline from 25.7% in 2001 to 22-23% by 2021. During the same period, the proportion of the territory population aged 15-64 years is projected to rise from 70% to 72%. During the same period, the proportion of the population aged 65 years and above is projected to rise from 3.8% to 9-7% in 2021.

Figure 2. Northern Territory Age Structure 1999-2021



Source: Australian Bureau of Statistics

### 4.1.3 Fertility

#### Northern Territory

The Northern Territory has the highest fertility rate of any Australian jurisdiction with 117.6 babies per 1,000 females. The Territory has a higher proportion of females at child-bearing age than the rest of Australia, particularly among its Indigenous population: the peak age group for mothers giving birth in the Northern Territory was 25–29 years in 2001, compared with the national peak age group of 30–34 years.

### 4.1.4 Gender

The Northern territory is the only State or Territory in Australia in which males outnumber females. The proportions of men and women in the local population have remained stable over recent years: men represent 52.3% of the population; women 47.7%.

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### 4.1.5 Ethnicity

Darwin and the Northern Territory have a culturally diverse population.

In 2000, 9,497 (8.9%) of Darwin's population – and 24.1% of the Northern Territory population – identified themselves as Aboriginal or Torres Strait Islander. Darwin's Indigenous population increased by 13.8% between 1996 and 2001; and by 39.6% between 1991 and 2001. In Australia, only 2.2% of the population are Aboriginal or Torres Strait Islander,

Nearly 30% of the population of Darwin was born overseas, compared with a national average of 25.5%. There are proportionately more Indonesians (including Timorese) and Filipinos in Darwin than in Australia generally. There is also a substantial Chinese community, which has been present since the 19<sup>th</sup> Century and an established local Chinese culture.

In the Territory generally, 31% of the population speak a language other than English at home (compared with 20% nationally). Some 15% of these speak an Indigenous language.

### 4.1.6 Housing

#### Housing stock

The Territory's total housing stock in 1999 was 7320, of which more than half of the dwellings were located in the Darwin/Palmerston area.

#### Home ownership

In 1997, home ownership in the Territory was at 46%, compared with 70% nationally. Lower home ownership and the higher proportion of rented accommodation in Darwin reflects a generally younger and more mobile population and, to some degree, the Darwin's attractiveness to interstate residential investment.

Public housing made up 14% of housing stock, compared with 6% across Australia as a whole.

#### Housing costs

Darwin households spend significantly more on housing costs (\$150 per week) than those in any other capital city. The comparable figures for Sydney and Melbourne are \$131 and \$99 respectively. Across all capital cities, the average is \$107.

Rental costs in Darwin are relatively high. In 2002, Darwin had the highest median weekly rent for a 3 bedroom house (\$335 in the inner city; \$250 in the northern suburbs) than other states and territories. The median weekly rent for a 2-bedroom unit was second only to Sydney. In June 2002, vacancy rates for rental properties in Darwin were 5.0%.

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In contrast, the sale prices of houses and units in 2002 were lower than in Sydney and Melbourne, but higher than in all other states and the ACT. While the median price of houses in Darwin increased by 3.4% to \$195,000 from 2001 to 2002, prices in the inner city area increased by only 0.9% during the same period and in the northern suburbs fell by 9.3%.

### Household size

The average household size in the Territory has declined significantly over past decades, and is now only marginally above the national average: 2.8 compared to 2.7 in Australia as a whole. Reduction in household size is attributed partly to Darwin's maturing population and to low interest rates. Increased demand for housing is being addressed by residential development in some outlying regions and by medium- to high-density unit development in the city of Darwin.

## 4.2 Community infrastructure

The degree to which Darwin functions as a community may, in part, be evidenced by social interaction and cohesion indicated by the prevalence and uptake of community services; by the existence and operation of voluntary, community-based organisations; and by shared values and attitudes. Research undertaken for this study suggested high levels of satisfaction with Darwin's community services, and high levels of participation in community groups. The question of community values and attitudes is discussed in a later Section.

### Services

Darwin has an extensive range of community services and facilities. These include:

- *Childcare and Education:* Darwin has 20 childcare centres; 24 primary schools; and 8 secondary schools. Boarding facilities exist to cater for students from remote parts of the Territory and from overseas/. The University of the Northern Territory is one of Australia's fastest growing universities, and a major exporter of education services with a large Asian student body.
- *Health:* Darwin has two hospitals: one private, with 150 beds; and one public with 257 beds. The city also has community health care centres in the CBD and Casuarina; crisis, counselling, advocacy and support services; two privately-run nursing homes; a palliative care centre; and the Menzies School of Health Research.
- *Essential services:* The city has five police stations; the Northern Territory Emergency Service; and fire and rescue services.
- *Public housing:* Darwin has a significantly larger proportion of public housing than other capital cities. In 1999, public housing accounted for 14% of Darwin's housing, compared with 6%

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nationally, but this may have reduced somewhat over recent years due to growth in the private sector and the sale of some public housing.

- *Public transport:* The Darwin Urban Transport System operates bus services throughout Darwin, in addition to special services for schools, people with disabilities and the elderly.
- *Cultural facilities:* Notably the Darwin Entertainment Centre, which includes a Playhouse Theatre seating 1070 people and a smaller studio seating 300. The Entertainment Centre hosts local and interstate theatre productions, concerts and dance. Other notable cultural facilities include the Browns Mart Community Arts centre; the Darwin Theatre Company; the Corrugated Iron Youth Arts centre; the Darwin Symphony Orchestra; and the Northern territory Museum and Art Gallery.
- *Recreational and sporting facilities:* In particular, the Marrara multi-sports complex; three Olympic size swimming pools; the Darwin Turf Club; 230 suburban parks; the Darwin Botanic Gardens; and the MGM Grand Casino.
- *Religious centres:* Mosques, temples, churches and other places of worship are located in the city and suburban locations.
- *Community events:* Darwin hosts a number of annual community events including Australia Day Flag Raising and Citizenship ceremonies; Chinese New Year; Bombing of Darwin Commemorative services; Greek Glenti; NT Expo; the Royal North Australian Show; Darwin Fringe Festival; Darwin Cup Carnival; the Festival of Darwin; Oktoberfest; Chinese Moon Festival; and New Year's Eve fireworks.
- *Shopping facilities:* Darwin's population is served by a wide range of shopping facilities, from regional shopping malls to large supermarket centres and smaller local shopping strips.

### Community groups

There is a wide range of non-governmental, community-based organisations serving the particular needs of Darwin's communities. In 2002, these included:

- Business groups
  - Professional associations (44)
  - Pastoral organisations (2)
  - Horticultural organisations (6)
- Rate payers associations:

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- Numerous, throughout Darwin
  - Service clubs:
    - RSL, Rotary, Lions, Toastmasters etc. (17)
    - Social welfare and health organisations (47)
  - Community groups:
    - Aboriginal organisations (9)
    - Arts, crafts and cultural groups (34)
    - Environmental groups (7)
    - Multicultural organisations (50)
    - Recreational clubs (16)
    - Sporting clubs (53)
    - School associations (9)
    - Women's organisations (10)
    - Youth organisations (9)

### 4.3 Heritage

#### European Cultural Heritage

The Darwin wharf precinct has been fundamentally linked to the establishment and development of Darwin:

- The first permanent European settlement was established at Port Darwin with the arrival of Goyder and the establishment of his camp at the base of Fort Hill in February 1869.
- The landing of the cable from Britain for the Overland Telegraph in November 1871.
- The establishment of the Oil Fuel Installation and other strategic defence installations in the 1920s and 1930s.
- The Japanese air raid of February 1942, the first of 19 raids directed at the Wharf area. The attacks caused widespread damage to the wharves, the OFI and other infrastructure and loss of 400-500 lives.

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- The Wharf area has also been a major focal point for migration to Darwin and regional areas, with all people arriving by sea until regular air travel in the 1930s.

The Wharf and neighbouring land and marine areas have significant historic values and are among the most historic parts of central Darwin. The site includes extensive Aboriginal and settler historical heritage features at Stokes Hill.

### Aboriginal heritage values

The Darwin region is part of the traditional lands of the Larrakia Aboriginal people living in close association with the foreshore and the sea and using the freshwater springs of foreshore areas and the resources of the harbour environment. The original landform would have provided vantage points on the two knolls at either end of the bay (Stokes Hill and Fort Hill) and from the escarpment to view the coastline and harbour. These areas and the escarpment also provided an elevated camping area close to the resources of the foreshore. Stokes Hill in particular has been recognised as an important place for ceremony, and the area between the escarpment and Stokes Hill has been reported as being an Aboriginal camp in the past.

Extensive land disturbance within this site has made evidence of this occupation is difficult to find. No archaeological sites or areas or archaeological sensitivity were identified within the site. However, two areas of Aboriginal cultural value were identified, both of which have been recorded as Sacred Sites.

There are two recorded Sacred Sites either within or near the project area:

- One (5073-83) located at Lameroo Beach about 800m to the north-west of the project site, is not expected to be directly affected by the redevelopment.
- A part of Sacred Site 5073-93, covering Stokes Hill, extends into the project area, and is a Restricted Works Area under the Aboriginal Areas Protection Authority Certificate (No. 5073-93).

There are two Native Title claims under the *Native Title Act* 1993 in or near the project areas registered by the Larrakia People (DC96/7), including Lot 5225 (the Stokes Hill area) and part of Lot 5706 (Lameroo Beach to the north-west of the project site). There are no outstanding land claims under the *Aboriginal Land Rights (Northern Territory) Act* 1976 affecting the project area.

## 4.4 Economic structure

The Northern Territory's Gross State Product at around \$9.1 billion (2003 figures) accounts for around 1.3% of Australia's Gross Domestic Product.



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The economic structure of the Northern Territory economy is significantly different to that of Australia generally. Key points include:

- The role of the public sector and defence. There is a higher proportion of public servants in Darwin's labour force than in other capital cities. In 1999-2000, government administration and defence accounted for \$621 million in factor income – representing 9.4% of total factor income in the Territory, compared with 3.6% nationally.
- The mining sector is a significant contributor to the Darwin and Northern Territory economies. In 2001-02 the mining industry accounted for 24% of the Northern Territory's GSP (compared with 5% nationally) and employed 4,600 people. Although mining activity is conducted outside of Darwin, the sector provides substantial flow-on economic benefits to Darwin. In 1999-2000, mining contributed \$1174 million to the Territory's factor income.
- Tourism is an important contributor to the Darwin and Northern Territory economies, and to employment.
- Construction is traditionally an important economic driver in the Northern Territory. Following strong growth in the 1990s, however, the industry accounted for only 3.2% of the Territory's GSP in 2000-2001.
- The Northern Territory has a very small manufacturing sector, compared with the rest of Australia. The sector contributes only around 4.1% to the territory's factor income, compared with 13.1% nationally.
- Darwin has a higher proportion of public housing and private rented accommodation than the rest of Australia.
- Consumer Price Index increases in Darwin have been lower over recent years than in other capital cities. The Darwin CPI increased by 7.5% between 1997 and 2001, compared with 10.1% in all State capitals.

In the longer-term, the Territory's economic development is likely to be influenced by the Timor Sea gas development and on-shore processing, by the development of Darwin's East Arm port and the operation of the recently-opened Adelaide to Darwin railway. These developments offer potential for significant economic stimulus through the establishment of new industries and improved communications with Asia and the rest of Australia.

## Exports

At \$18,128 per person, the Northern Territory maintains the highest export per capita figure for any Australian region (compared with \$6,138 per person nationally).

The Territory's dependence on mining, tourism and defence, however, makes the Territory economy particularly reliant on exports and susceptible to changes in the global economy and security environment. In 2001-2002 total commodity exports decreased by 23% to \$3.6 billion, primarily due to a fall in oil production.

The Northern Territory trade surplus in 2001-2002 was \$3.1 billion.

**Figure 3. Northern Territory Trade 2001-2002**

<b>Commodities</b>	<b>Exports (\$ million)</b>	<b>Imports (\$ million)</b>
Mineral fuels ( <i>petroleum and related products</i> )	\$1,498	\$151
Unclassified commodities ( <i>confidential, uranium, bauxite, alumina, manganese</i> )	\$1 039	\$201
Crude materials ( <i>metal ores, metal products</i> )	\$139	\$5
Food and live animals ( <i>live cattle, meat products</i> )	\$189	\$7
Basic Manufactured Goods ( <i>non metallic mineral, manufacturers metal, wood</i> )	\$40	\$151
Chemicals and related products ( <i>inorganic chemicals, plastics</i> )	\$20	\$8
Machinery/transport equipment ( <i>transport and power generating</i> )	\$6	\$222
Miscellaneous Manufacturing ( <i>general supplies, construction related</i> )	\$38	\$34
Services (2000-02 figure)	\$455	\$246

### 4.4.1 Key industry sectors

#### Tourism

Tourism contributes an estimated 6.8% of the Northern Territory's Gross State Product, and more than 11% of wage and salary earners (compared with 7.1% nationally).

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In 2001-2002, visitors contributed \$1,026 million into the Territory economy. The industry employed nearly 8,400 Territorians. Including indirect employment, the industry employs 14,600 Territorians.

In the 1990s, the Northern Territory experienced an average growth in visitor numbers of 7% annually. During the 1990s, the international sector provided the bulk of tourism growth – to account for over a third of all tourism expenditure – although domestic tourism also grew slowly during this period.

While a large part of the Northern Territory tourism sector has been focused on outback areas, Darwin is increasingly important. It is estimated that visitors stayed a total of 2.75 million nights in Darwin, and spent a total \$303 million locally. The June Quarter 1999 ABS figures showed a 15% increase over the previous year in visitor nights. Although the tourism industry was affected in recent years by exchange rates and international factors such as the World Trade Centre and Bali bombings and the SARS outbreak in Asia, there is evidence that the industry is rebounding. The increase in cruise ship arrivals – in part due to the development of the new cruise ship terminal – is cited as evidence of recovery in the sector.

After a peak in 1999-2000, total visitor numbers have decreased in each of the past three years. Key points include the following:

- In 2002-2003, there was a total of 1.7 million visitors in the Territory. Although intra-territory and international visitor numbers decreased, interstate visitation rose by 6% compared to the previous year.
- Total visitor nights have increased since 2001 as a result of an increase in intraterritory and interstate visitation.
- Interstate visitors continue to have the largest share of nights spent in the NT (5.7 million nights in 2002-2003) with 59% of the total.
- Overall visitor expenditure increased by 5% since 2001.
- Despite a 14% fall in international visitor nights, expenditure by international visitors has marginally increased.

### Minerals

Minerals resource development – including oil and gas – is the Northern Territory's most valuable industry, contributing more \$892 (16.8% of the total) to the Territory's Gross State Product in 1997-1998. The Territory's mining production in 2001 was valued at \$4.1 billion. The value of oil production in the Territory increased more than 85% in 2000-2001 to \$2.6 billion. The Territory has major minerals developments in gold, silver, diamonds, bauxite, manganese, uranium, lead and zinc.

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In addition, the Territory boasts significant offshore oil and gas field in the Timor Sea. The construction of the 3.24 million tonne per annum LNG plant in Darwin Harbour will stimulate the Territory's export earnings through the overseas export of LNG, and the interstate export of gas through the Australian national grid. LNG production will commence in early 2006.

### Agriculture

The value of Northern Territory agribusiness doubled during the 1990s, to around \$358 million in 1997. It is projected to increase to \$658 in 2007. Key agribusiness groups include: cattle and game meat industries; irrigated high value agriculture such as cotton and other crops; horticulture; aquaculture and fisheries development.

### Construction

Construction is traditionally an important economic driver in the Northern Territory. Following its strong growth in the 1990s, however, the industry accounted for only 3.2% of the Territory's GSP in 2000-2001: its lowest level in 10 years, and only the second time during those 10 years that it fell below the national average.

Construction activity increased markedly in 2002, primarily due to the Alice Springs to Darwin railway. Other works of significance include the Port of Darwin expansion, private sector office and retail investment projects, government infrastructure development and continued defence related projects. The upturn in Northern Territory construction activity is expected to continue in 2002-03 due to Timor Sea gas and mining developments, as well as continued growth in tourism and further opportunities arising from the defence presence.

Residential construction is believed to have strengthened since 2001, stimulated in part by Territory and Commonwealth government grants, and is projected to accelerate due to population growth in the years ahead. There have, in addition, been a large number of multi storey unit developments constructed over recent years

### Transport

Darwin is linked to the rest of Australia by an all-weather sealed road which allows freight and passenger transport to reach any part of the country within 3 days. The Stuart Highway is the primary link with other regional centres and with all major cities in Australia.

The completion of the Alice Springs to Darwin railway in early 2004, and completion of Stage 2 of the East Arm Port development, is expected to provide a significant impetus for Darwin to become a major transport hub for the region. The railway and port development will increase international freight

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carriage between the Territory, southern states and Asia. Over time, it is expected that much current interstate road haulage will transfer to rail, with a shift of emphasis of road transport to short-haul.

In 2000, 1,076,080 passengers passed through Darwin's airport: 837,498 (78%) domestic passengers; 169,496 (22%) international passengers. Global trends in the air transport industry, the industry's restructuring and collapse of Ansett in 2001, reduced air transport servicing the Territory during a period of weakening demand. In the domestic market, the loss of capacity caused by the collapse of Ansett has been partially recovered through increased capacity in Qantas, AirNorth and the emergence of Virgin Blue flights into the Territory. Internationally, there has been a decline (to 4) in the number of carriers serving Darwin, although Royal Brunei have both increased capacities.

### 4.4.2 Labour force

#### Northern Territory

In the 12 years to 2000, full-time employment in the Northern Territory increased by 23%, compared with a national increase of 12%. This was largely due to the relocation of defence forces during the 1990s, although there have also been significant broadening of employment opportunities in agriculture, manufacturing and the service industries.

The Territory's workforce profile is significantly different to that of the national as a whole. The Territory's workforce is typically younger, more mobile and transient – and highly responsive to changes in economic conditions and employment opportunities. The dynamic nature of the Territory's labour force is reportedly reflected in high staff turnover, and consequent significant costs to business in recruitment, training and the retention of valuable skills and expertise. It is estimated that interstate migration flows may result in as much as a 10% change in the Territory's population annually.

#### Darwin

In 2001, 52,532 people in Darwin were employed, representing 93.4% of the labour force. Of these, 69.1% were working full-time and 28.1% part-time. The proportion of the local labour force in employment had increased from 92.2% in 1996 and 87.4% in 1991.

In 3,685 people in Darwin were unemployed, representing 6.6% of the labour force – down from 7.8% in 1996 and 12.6% in 1991.

#### Industry of employment

Employment in Darwin's major industry sectors is described below.

**Figure 4. Northern Territory Employment by Industry**

Industry	2001 (No.)	2001 (%)	1996 (%)	1991 (%)
Tourism	8,400	15.9		
Manufacturing	2,762	5.3	5.1	4.6
Construction	3,377	6.4	8.9	6.1
Retail	7,089	13.5	12.4	12.6
Property and business	5,515	10.5	9.0	7.0
Education	4,052	7.7	7.4	7.5
Health and community services	4,392	8.4	9.1	7.7

## Education

Compared with Australia generally, Darwin's population has a slightly higher proportion of people with undergraduate degrees, diplomas and graduate degrees – reflecting Darwin's position as the Territory's administrative, education and research centre. Conversely, there are slightly less skilled vocational people than the national average.

### 4.4.3 Income

Darwin's median weekly individual income for people aged 15 years and over in the 2001 Census was \$500-\$599. While not directly comparable, the median income in 1996 was \$400-\$499, and in 1991 \$300-\$399.

## Expenditure

In 1998-1999, Darwin residents recorded an average weekly household expenditure of \$906 – the highest figure in any capital city. The average weekly household expenditure in Australia's capital cities is \$747. The breakdown of weekly expenditure reveals some significant differences between Darwin and other capital cities, determined in large part by Darwin's particular demographic structure and location:

- Darwin households spend significantly more on housing costs (\$150 per week) than in any other capital city. The comparable figures for Sydney and Melbourne are \$131 and \$99 respectively. Across all capital cities, the average is \$107.

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- The level of spending on transport is significantly higher in Darwin (\$142 per week) than in Sydney (\$129), Melbourne (\$137) or any other capital city. The average across all capital cities is \$123.
  - The level of spending on food and non-alcoholic beverages is relatively high in Darwin, with each household spending an average \$157 per week, compared with \$135 nationally. Transport costs, which contribute to higher food prices, are one reason for this higher level of expenditure.
  - Darwin households spend significantly more on recreation (\$121 per week) than in any other capital city. The comparable figures for Sydney and Melbourne are \$101 and \$97 respectively. Across all capital cities, the average is \$196.
  - The average level of spending on tobacco is significantly higher in Darwin (\$17 per week) than in Sydney (\$10), Melbourne (\$10) or any other capital city. The average across all capital cities is \$10.
  - Darwin households spend more on income tax (\$248) in an average week than the households of any other capital city apart from Canberra (\$261). The average weekly expenditure on income tax across all capital cities is \$202.
  - Darwin households spend more on mortgage repayments and income tax (\$38) in an average week than the households of any other capital city. The average weekly expenditure on income tax across all capital cities is \$32.
  - Darwin households spend more on superannuation and life insurance (\$33) in an average week than the households of any other capital city apart from Canberra (\$36). The average weekly expenditure on income tax across all capital cities is \$25.
  - Darwin households spend significantly less than the national average on clothing and footwear: \$27 in an average week, against \$36 nationally.

The level of community interaction and of community cohesion may in part be determined by the prevalence of shared values and attitudes. Local community attitudes to the Darwin Wharf Redevelopment project were addressed in a series of workshops conducted by Socom on behalf of the Northern Territory government in January 2004, and by in-depth stakeholder interviews conducted for the Socio-Economic Impact Assessment in April 2004.

### Community attitudes

Seven consultation workshops were conducted by Socom in January 2004 identified community priorities for the Darwin Wharf Redevelopment project. The workshops sought to enable stakeholders to articulate what they thought would make the waterfront:

- An exciting place for national and international visitors who will use the convention centre.
- A place that Territorians would want to visit regularly.
- A place that would enable the local community to mix with visitors so that the latter could understand what made Darwin a wonderful place.

In a positive sense, the workshops suggested that the Darwin community would welcome the redevelopment under a number of circumstances.

- *A Sense of place:* It was suggested that the redevelopment should create a special sense of place, presenting a gateway to Darwin and the Outback from the sea and from the top of the escarpment. The Master Plan should emphasise the *connection* between the land and the water.
- *History and culture:* Workshop attendees urged that the redevelopment respect the history of the site, and make it accessible to locals and visitors alike. It was widely argued that the waterfront redevelopment should provide a showcase for all the cultures represented in Darwin, and for the historical experiences associated with the site.
- *Tropical aspect:* It was suggested that the redevelopment should draw on the tropical savannah climate in its design, architecture and the materials used in its construction. Buildings would need to be both *inside* and *outside*. This would require creation of a sense of space without exposure to the elements, through verandas, shaded pathways and walkways to the convention centre offering protection during the rainy season.
- *Local sense of ownership:* It was argued that the redevelopment should ensure local people had a sense of ownership of the water's edge, and could walk, cycle and relax along the waterfront. There



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was total unanimity that the foreshore should be protected for public use. The greatest demand was for opportunity to walk, cycle or roller skate along the foreshore.

- *Dining options:* Eating and drinking were participants' first choice for waterfront activities. It was suggested that the redevelopment should provided for a range of dining and drinking opportunities that maximised the amenity of the site.
- *Mudflats:* It was suggested that the mudflats should either be reclaimed to enable development, or should be masked from the redevelopment in some way.
- *Residential:* Participants suggested that residential development should be located at the ends of the site; should serve to maximise the public open space in the middle and along the waterfront; and should be consistent with a 'tropical' theme. Stokes Hill should be the primary site for residential development.
- *Exhibition and conference centre:* It was argued that the exhibition and conference centre should look as good from the top of the escarpment as it did from the wharves.
- *Public art:* Participants suggested that the redevelopment should draw people to exhibition and performance spaces which showcases local and international artists and performers, and should offer a home for outdoor music, entertainment and exhibitions. This would imply the need for a public arts policy and genuine commitment to public arts.
- *Boats:* There was an expectation that there would be some form of marina on the site, including facilities for bigger yachts which would be seen as adding significant economic value. Participants suggested the need for improved opportunities for all types of boats and yachts to moor safely and easily.
- *Connection to the CBD:* Participants suggested that the redevelopment should ensure connectivity with the CBD.
- *Access and transport:* Many participants argued the need for on-site car parking to ensure the development's attractiveness and accessibility for Darwin residents. However, some suggested that the waterfront might provide an opportunity to reduce the dominance of the car and encourage people to use public transport.

The consultation process suggested that territorians would be disappointed by the redevelopment if:

- The view from the top of the escarpment was of a rooftop or a building rather than of the waterfront.
- The view from the waterfront masked any views of the escarpment.

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- Access from the CBD did not flow freely.
  - People from the suburbs could not easily access the site.
  - Car parking was not an integral and non-negotiable part of the Master Plan.
  - Much of the site was turned over to car parking.
  - Pathways were not shaded, and at least the key ones weatherproofed.
  - Shaded open space was not made available for picnics.

### Stakeholder interviews

During April 2004 URS conducted a series of in-depth interviews key local government, business, environmental and community stakeholders to assess attitudes to the proposed redevelopment and assess the likely socio-economic impacts of the project. The key points emerging from those interviews were as follows:

- *Planning:* Several stakeholders were concerned that there appeared to be a lack of strategic planning in Darwin. They suggested the need for more medium-term strategic and comprehensive planning to integrate the Darwin City Wharf redevelopment within a broader, community-backed vision for the future development of Darwin and its surroundings. Without such a strategic and integrated approach, there was a danger that the Darwin Wharf redevelopment would not ensure achievement of optimum social and economic benefits at the city level.
- *Stimulus to growth:* A number of stakeholders suggested that, although it might have some negative impacts in the short-term, in the long-term the Wharf development would deliver significant benefits to businesses throughout Darwin. Over time, the development would serve to raise visitor numbers and increase demand for services in both the Wharf and the CBD. It was suggested that the development would provide an important stimulus to tourism in traditionally slower periods of the year, particularly if there was an increase in flights capacity.
- *Consultation:* A number of stakeholders expressed concern over the effectiveness of existing consultation around the redevelopment. They suggested that, for historical and demographic reasons, the local community did not engage adequately in planning decisions. It would be important to ensure that Master Plans and development processes were extensively communicated to ensure appropriate levels of local interest and participation in the decision-making process.
- *Population:* All stakeholders interviewed recognised a need for population growth to ensure the sustainability of Darwin's economic development and quality of life. The redevelopment of the

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Darwin City Wharf could have a positive impact in maintaining or increasing existing population levels.

- *Viability:* There was some scepticism expressed about the viability of the project and, in particular, about the proposed exhibition and conference centre's capacity to attract large numbers of visitors to Darwin. There was a fear that the Wharf redevelopment, as currently envisaged, could divert investment away from more prospective small- and medium-sized business opportunities. One stakeholder suggested that the development was being driven not by market opportunities, but by political expediency.
- *Impacts on the CBD:* Many stakeholders expressed concerns about the impacts of the Darwin City Wharf redevelopment on the viability of the CBD. These included the following:
  - There was concern that, if hotels were built on the Wharf site, this would take business away from existing hotels in the CBD. This was particularly a concern for those hotels which currently struggled to maintain viable occupancy levels during the medium- and low-seasons.
  - There was concern that the Wharf development would seriously impact on the Darwin Entertainment Centre's ability to attract smaller events. It was also suggested, however, that the Entertainment Centre could benefit by attracting some of the smaller events which are associated with all major conferences.
  - If the Darwin Wharf became an important focus for public arts, community activities and dining, this could have a serious negative impact on the attractiveness and sustainability of the CBD for evening events.
  - There was concern expressed that the Wharf redevelopment would miss an important opportunity to give visitors a broader experience of Darwin. It was important to ensure that the CBD was factored into the redevelopment plans, to ensure connectivity between the two sites and to ensure that visitors saw the Wharf and the CBD as part of the same Darwin experience.
  - It was suggested that Darwin City Council would need to develop attractive pedestrian precinct designs to link the Wharf to the CBD.
  - The Wharf redevelopment would require improved coordination between the Northern Territory Government and Darwin City Council to ensure
- *Tropical city:* A number of stakeholders suggested that, with some rare exceptions, Darwin's current design and architecture was not appropriate to its tropical climate and location. There was an opportunity through the Wharf redevelopment to establish an international showcase for tropical

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architecture and design. The Wharf would need to be built for the climate and to promote energy efficiency.

- *Heritage:* The Wharf was an area of significant historical and heritage significance, especially in relation to Aboriginal history and culture, first settlement and World War II. A number of stakeholders suggested that this implied both a risk and an opportunity. If the development was sensitive to the historical significance of the site – and incorporated appropriate interpretation/information facilities – it could both attract additional visitors to Darwin and establish connections with heritage areas in Smith Street and through to the CBD.
- *Transport and access:* Environmentalists were concerned that the development should not be dependent on private transport. If it was so dependent, it would create congestion, reduce air quality and diminish the amenity of the site itself. It was suggested that a ‘park-and-ride’ scheme, through which visitors could park in the CBD or on the outskirts of the city, would provide a more sustainable means of access to the Wharf.
- *Landscape:* It was suggested that the escarpment had significant environmental, landscape and heritage value. Stakeholders were concerned that the escarpment’s scenic and ecological values should be safeguarded in the Wharf redevelopment.
- *Construction:* There was particular concern expressed about potential impacts during construction. These related to increased noise, traffic and disturbance during the construction period, and to potential impacts on marine hydrology and ecology.
- Finally, concern was expressed about the potential impacts of the development on *Itinerants*, who traditionally used part of the city’s foreshore during certain times of the year. The development would need to reflect the seasonality of local populations in areas adjacent to the development.

This Section sets out potential socio-economic impacts of the Wharf development, and identifies appropriate mitigation measures.

### Impact Categories

Socio-economic impacts are likely to be caused by both direct and indirect changes to the environment as a result of the development. Socio-economic impacts and possible measures of effect are set out in the figure below.

**Figure 5. Socio-Economic Impact Categories and Measures of Impact**

Socio-Economic Impact Categories	Possible Measures of Impact
Demographic characteristics	<ul style="list-style-type: none"> <li>• Number of people/households affected by the Wharf redevelopment</li> <li>• Changes in the demographic structure of the area during construction and operation of the Wharf development</li> <li>• Changes in in-migration patterns as a result of Wharf development</li> <li>• New residential development as result of the Wharf development</li> <li>• Changing home ownership patterns during Wharf development and operation</li> <li>• Changes in availability and accessibility of residential properties</li> <li>• Changes in property values as result of Wharf development</li> <li>• Number of properties subject to compulsory acquisition and compensation</li> </ul>
Social patterns and linkages	<ul style="list-style-type: none"> <li>• Changes in community linkages and cohesion as a result of Wharf development</li> <li>• Community participation in development decision-making</li> <li>• Change in access to community services and facilities as a result of Wharf development</li> <li>• Change in access to cultural, social, recreational and sporting facilities as a result of Wharf development</li> <li>• Change in number/activity of voluntary community-based organisations as a result of Wharf development</li> </ul>
Heritage	<ul style="list-style-type: none"> <li>• Impact on sites of particular heritage value, Aboriginal and settler</li> </ul>
Economic factors	<ul style="list-style-type: none"> <li>• Contribution of Wharf development to Gross State Product</li> <li>• Change in Territory's balance of trade during construction and operation of the Wharf</li> <li>• Business closures as result of Wharf development</li> <li>• New businesses established as a result of Wharf development</li> <li>• Changing household expenditure patterns during Wharf development and operation</li> <li>• Changing median income levels during Wharf development and operation</li> <li>• Distribution of economic costs and benefits as a result of Wharf development</li> </ul>

Employment	<ul style="list-style-type: none"> <li>• Employment generated by the construction and operation of the Wharf development</li> <li>• Employment in service industries associated with Wharf development</li> <li>• Changes in local market for construction services and materials during construction period</li> </ul>
Education and training	<ul style="list-style-type: none"> <li>• Education and training provided by project developers</li> <li>• New education and training opportunities generated to support construction and operation of the Wharf development</li> </ul>
Access	<ul style="list-style-type: none"> <li>• Usage of the Wharf site: locals, interstate visitors, international visitors</li> <li>• Accessibility of the site for local communities</li> <li>• Impacts on local roads and access to site during construction period</li> </ul>
General amenity	<ul style="list-style-type: none"> <li>• Change in landscape conditions affecting amenity: eg the escarpment, mudflats</li> <li>• Change in recreational development and opportunities</li> <li>• Community satisfaction with development</li> <li>• Consistency of Wharf development with tropical location</li> <li>• Change in site's attractiveness to community</li> <li>• Change in overall value of site to future generations</li> </ul>

### Impact assessment

The socio-economic impacts of the Darwin City Wharf development have been assessed according to:

- *Qualitative data:* Drawn from community consultation and in-depth stakeholder interviews designed to determine community values, attitudes and concerns in relation to the project.
- *Quantitative data:* Drawn from Census studies, published research, government and industry strategy documents and reports.

The potential socio-economic impacts of the Darwin City Wharf development, level of impact and proposed mitigation measures, are set out below.

**Figure 6. Potential Socio-Economic Impacts, Level of Impact and Mitigation Measures**

Potential socio-economic impacts	Level of impact
Demographic characteristics	
The population will increase as a result of the construction and operation of the Wharf	A very small but positive impact on the local population size. Unlikely that there will be significant influx of workers during construction or operational phases of the development. In any event, demographic profile of construction workers – relatively young, mobile and unmarried – similar to host population. Overall, no significant impact on the demographic character of Darwin.
Increasing pressure on housing capacity	No significant impact on housing availability. Very small impact on Darwin's population size, and net increase in residential property stock through the Wharf development. Employment likely to be largely locally sourced.
Upward pressure on property values	No significant long-term impact on property values. Increased residential property, and attractiveness of Wharf site, may place short-term pressures on residential market. But unlikely significantly to influence property prices and should in the medium-term be absorbed by Darwin's housing market.
Social patterns and linkages	
Community division over Wharf development	Stakeholder and community consultation suggests Wharf would have no significant impact on community cohesion. Community differences over Wharf design and development unlikely to impact on community or on the project.  However, Aboriginal communities not yet consulted over project. Do not anticipate substantive negative impacts on Aboriginal community or heritage, but lack of consultation itself may be seen as marginalising Aboriginal community and excluding it from decisions over Darwin's future development.
Community participation in development decision-making	No significant negative impacts. But there may be opportunity costs – the Wharf development an important opportunity to engage community around strategic issues related to Darwin's future development and character. Discussion with local stakeholders suggests community is not yet sufficiently engaged.
Increased pressure on community services and facilities as a result of Wharf development	No significant impact. The Wharf redevelopment and rise in visitor numbers may result in small increase in demand for health and emergency services. This likely to be absorbed within management planning and budgeting processes for those services, and unlikely to impact on broader population's access to community services and facilities.
Increased pressure on access to cultural, social, recreational and sporting facilities as a result of Wharf development	No significant long-term impact. Short-term, Wharf development likely to increase local competition in cultural, social and recreational sectors. However, Wharf development likely to increase visitor numbers and demand for those facilities, and raise Darwin's profile as a centre for the arts and entertainment. The Wharf development may also offer an opportunity to develop a Darwin-wide strategy for the arts.

Pressure on viability of existing cultural, social, recreational and sporting facilities.	Short-term likely to be transitional costs and increased competition. But longer-term, Wharf development likely to increase demand, and open new opportunities for existing providers to develop their customer bases.
Change in the number and activity of community-based organisations as a result of Wharf development	No significant impact. Wharf development unlikely to negatively affect viability of community-based organisations. May, however, offer opportunities for organisations in areas such as heritage, culture and community development.
Change in individuals' participation in community-based organisations as a result of Wharf development	No significant impact on individuals' participation in community-based organisations.
Heritage	
Conservation of local heritage values	Potentially significant positive impact, but depends on Master Plan. Wharf development offers important opportunity to promote local heritage values – Aboriginal and settler – and to improve local and visitor appreciation of historical and cultural significance of the site.
Economic factors	
Change in Gross State Product as a result of Wharf development	Difficult to assess without access to full business case for the proposed convention and exhibition centre. Assume that business case will project significant economic benefits at local and Territory levels.
Change in Territory's balance of trade during construction and operation of the Wharf	Again, difficult to assess without access to full business case for Wharf development. Assume business case based on substantial increase in interstate and international investment and participation.
Change in CBD business environment as result of Wharf development	May be some significant short-term and transitional costs for local businesses. However, depends on nature of Master Plan and, in particular, integration of CBD businesses and services into Wharf site development, and connectivity between Wharf site and CBD. Medium- to longer-term, local businesses likely to benefit significantly from increased visitor numbers and consumption.
Change in neighbouring business environment – eg Stokes Wharf – as a result of Wharf development	Short-term, construction activities may have negative impact on of Stokes Wharf cafes and restaurants. Longer-term, those businesses likely to benefit from greater attractiveness of the City Wharf site, and greater centrality of the site in Darwin's dining and entertainment.
Changing household expenditure patterns during Wharf development and operation	No significant changes in household expenditure patterns. Wharf development unlikely to impact on those areas where Territory costs higher than national average – eg housing, transport, food and energy. Territory population already spends proportionately more on entertainment.
Changing median income levels during Wharf development and operation	Small positive benefits in incomes, but unlikely to impact median levels in Darwin or territory overall.
Distribution of economic costs and benefits as a result of Wharf development	Difficult to assess without access to business case or Master Plan. If Wharf development requires high levels of investment from individual businesses, or focuses exclusively on high-end consumer market, distribution of benefits likely to be very narrow. This seems unlikely. More probable the Wharf Master Plan will favour mixed development – enabling broader participation of local businesses and local consumers in range of dining and entertainment enterprises.



Employment	
Employment generated by the construction of the Wharf development	Positive benefits – some local direct and indirect employment will be generated – but no significant change in Territory employment. Existing strength of Territory construction industry, and relatively long timeframe for construction activities, suggest demands of construction likely to be absorbed by existing local businesses and employment likely to be sourced from local area.
Employment generated by the operation of the Wharf development	Positive benefits in some local direct and indirect employment. Given existing strength of hospitality, entertainment and tourism industries in Northern Territory, likely that most employment will be locally sourced.
Competition for construction capacities, skills, materials	No significant impacts. Existing strength and capacity of local construction industry suggests Wharf development's demands for construction capacities, skills and resources, not likely to create shortages elsewhere or to overheat local market.
Employment in service industries associated with Wharf development	Some positive benefits in generating employment in local service industries, but unlikely to have long-term significant impact.
Education and training	
Education and training provided by project developers	Positive benefits in education and training in appropriate skills during construction and operation. But unlikely to have significant impact on existing skills profile in the Territory.
New education and training opportunities generated to support construction and operation of the Wharf development	Positive benefits in education and training, but unlikely to have significant impacts on existing training resources and capacities in the Territory.
Access	
Usage of the Wharf site: locals, interstate visitors, international visitors	Depends on the Master Plan, but likely to have significant positive impact in increasing local community and visitor use of to the site.
Accessibility of site for local communities	Divisive issues and potentially significant negative impact. Depends on Master Plan decisions. Difficult trade-off between economic returns on development, community convenience and environmental factors. High levels of local demand for car access and car parking may be difficult to accommodate on-site. Some local concern about dependence on private transport, and potential congestion around site, and support for public transport options. Requires more detailed transport assessment to identify full range of costs and benefits in relation to local access and attractiveness of site, local traffic conditions, environmental concerns and economic impacts on CBD.
Construction activities impact on local roads and access to the site.	Some impacts during construction phase, but no long-term significance.

General Amenity	
Change in landscape conditions affecting amenity: eg the escarpment, mudflats	Depends on Master Plan. If development sensitive to landscape values of the site, and particularly to importance of the escarpment, potentially significant positive impacts. On the waterfront, important opportunity to remediate existing site with very low scenic value.
Change in recreational development and opportunities	Significant positive impact in increasing range of recreational opportunities for local community and visitors.
Community satisfaction with development	Potentially significant impact in reducing local market for Wharf entertainment and dining facilities. Community essentially concerned with landscape, historical, cultural and design features, and impacts on CBD. Requires ongoing community consultation to ensure local support for project design and development.
Consistency of Wharf development with tropical location	No significant impact likely. However, potential direct economic and environmental costs in power generation and supply.  Also potential opportunity costs if design not consistent with tropical location: the Wharf likely to be major landmark development, and opportunity for Darwin to showcase tropical design and architecture.
Change in site's attractiveness to community	Significant positive impact. Existing site not attractive to community.
Change in overall value of site to future generations	Significant positive benefit in remediation of site and generation of important economic, social, cultural and environmental values.

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### 7.1 Assessment of impacts

Although it is difficult to be definitive, given our currently limited knowledge of the site Master Plan and the business plan for the proposed convention and exhibition centre, the Darwin City Wharf redevelopment is likely to result in generally positive socio-economic impacts. The most significant potential negative impacts – and one of the most commonly expressed areas of concern for Darwin stakeholders – involve short-term impacts on businesses in the Darwin CBD.

As stated in Section 1.1.2 above, the Socio-Economic Impact Assessment was conducted to identify and evaluate the potential socio-economic impacts of the proposed redevelopment. These impacts included the following:

- *The general economic benefits or impacts of the project:* The report finds that it is difficult fully to assess the general economic benefits of the project without access to the final design specifications and the business case for the proposed convention and exhibition centre. However, we assume that the business case will project significant economic benefits at local and Territory levels; that the Wharf development will contribute positively to the Territory's Gross State Product; and that, in attracting increased interstate and international investment and visitor numbers, the development will contribute positively to the Territory's balance of trade.
- *Social and economic issues relating to employment potential, "down-stream" employment effects, impact of transport external to the site and demand on current service infrastructure:* The report suggests that the development will have positive impacts in generating local direct and indirect employment. The existing strength of the Territory's construction industry, and the relatively long timeframe for construction activities, suggests that construction demands are likely to be absorbed by existing local businesses and that employment is likely to be sourced from local area. Similarly, given the Territory's well-established hospitality, entertainment and tourism industries, it is likely that most employment in the operational phase of the development – both on-site and in associated services – will be locally sourced.
- The issue of transport external to the site, and of access to the site, divides Darwin stakeholders and may present some significant negative impacts. Community consultation revealed high levels of local demand for car access and car parking, which may be difficult to accommodate on-site and may impact the general amenity of the site. On the other hand, there is some local concern (particularly among environmentalist groups) about existing levels of private vehicle use in Darwin, and potential traffic congestion around the site; and support for public transport options, possibly including a 'park and ride' scheme linked to car parking in the CBD. In addition, the Northern Territory Planning

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Scheme land use objectives aim to ensure that developments on the site are pedestrian oriented. The Territory government, in assessing the Master Plan proposals, will need to make a strategic choice between promoting public transport to the site and encouraging private vehicular access. This may involve some trade-off between market impacts (particularly if local people are deterred from using the site), community equity and convenience, local environmental and amenity factors, and the future development of the CBD. This question will require a more detailed analysis of the full range of costs and benefits related to available transport and access options.

- Clearly, the development will increase demands on current service infrastructure – for example, on transportation, power and utilities – which will need to be considered in the assessment of Master Plan proposals. There is no evidence, however, that these will generate significant negative impacts for Darwin, its population or the viability of the development.
- *Impacts on existing businesses within, around, or using the facilities in, the redevelopment area:* This is the most significant area of potentially negative impact. The report identifies possible short-term and transitional costs for businesses in Darwin's CBD. However, this may be addressed by the Master Plan if it encourages the integration of CBD businesses and services into the Wharf site development, and connectivity between Wharf site and CBD. If those elements are included in the Master Plan, CBD businesses should, in the medium- to longer-term, benefit significantly from increased visitor numbers and consumption.
- It is likely that, in the short-term, construction activities will have some negative impact on Stokes Hill Wharf cafes and restaurants. In the longer-term, however, those businesses are likely to benefit from greater attractiveness of the City Wharf site; its greater centrality in Darwin's dining and entertainment; and its appeal to local people and visitors.
- *Sites of recreational or other socio-economic importance:* Overall, the development should generate significant positive impacts in increasing the range of recreational opportunities for local community and visitors. In the short-term, the Wharf development is likely to increase local competition in cultural, social and recreational sectors. However, in the medium- to longer-term, the Wharf should increase visitor numbers and demand for those facilities, and raise Darwin's profile as a centre for the arts and entertainment. It may also offer an opportunity to develop a Darwin-wide strategy for the arts. In the short-term, therefore, there are likely to be transitional costs and increased competition for existing cultural, social and recreational facilities, but in the longer-term the Wharf development is likely to increase demand, and create opportunities for existing providers to develop their customer bases.

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- *Existing and future land uses in the area:* The site is currently used for industrial purposes, associated with bulk cargo operations, and for some tourism and recreational activities. This is a prime waterfront site, with significant socio-economic potential and important heritage and environmental values in the escarpment, which currently is under-utilised, presents low visual amenity values and requires environmental remediation. If the Master Plan is appropriately sensitive to social, heritage and environmental values inherent in the site, the proposed redevelopment should generate significant and sustainable benefits to the region.
  - *The consistency of the project with Northern Territory Land Use Objectives:* The project appears to be consistent with the Northern Territory Planning Scheme objectives for future land use and development of the site, although there are some outstanding questions related to the degree to which the development will be “pedestrian orientated”. The relevant land use objectives include:
    - To develop the Wharf Precinct to be Darwin’s primary leisure and entertainment focus.
    - To protect and appropriately use declared heritage places and objects as important contributors to the built environment.
    - To ensure developments are pedestrian oriented, maximise the waterfront location and conform with the key urban design axes.
  - However, it will also be important to ensure in the Master Plan for the site that the development supports achievement of the Territory’s broader-scale land use objectives for the city of Darwin and the CBD. These promote a city of distinction, with its character and style derived from its tropical monsoonal climate, geography, history and culturally diverse population; with its built form taking advantage of its climate, heritage values and harbour setting; which enhances the quality of life for residents, workers and visitors; and provides a business environment conducive to economic growth. The development should be consistent with the Territory’s objective to promote the expansion and intensification of mixed commercial, residential, tourist and retail activity in the CBD.
  - *Potential and anticipated impacts on existing visual amenity, noise levels, and recreational water quality:* The redevelopment is likely to have significant positive impacts: the existing site has low visual amenity value for the local community or visitors. The site is relatively isolated from residential properties and unlikely to have significant noise impacts. If the Master Plan is sensitive to the concerns expressed by local people, the community is likely to benefit from remediation of the site and the generation of important economic, social, cultural and environmental values.

# Limitations

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The methodology adopted and sources of information used by URS are outlined in this report. URS has made no independent verification of this information beyond the agreed scope of works and URS assumes no responsibility for any inaccuracies or omissions. No indications were found during our investigations that information contained in this report as provided to URS was false.

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