

Economic Benefit Assessment



Redevelopment of Blue Dolphin Holiday Resort

Prepared for: Blue Dolpin Development Joint Venture

Australia Asia Middle East

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1 Introduction

The Blue Dolphin Development Joint Venture (BDDJV) has been established to redevelop the site of the existing Blue Dolphin Holiday Resort in Yamba, on the north coast of New South Wales. It is proposed that the existing resort is redeveloped into a high quality master planned residential and resort development in three stages over a five year period, commencing in 2007 and finishing in 2012.

The BDDJV will need support from local and state governments to successfully undertake this development.

This Economic Benefit Assessment has been conducted to determine the economic benefits of the proposed development to the Northern Rivers Region, which incorporates a coastal stretch of land from the Tweed shire in the north to the Grafton and Maclean shires in the south.

The proposed redevelopment will contribute to a greater mix of housing and accommodation options within the Northern Rivers region and especially in the Clarence Valley (A) LGA. This will benefit both local and non-local residents through an increased provision of high quality residential apartments and premium holiday resort units. This provision of accommodation will be accompanied by a complementary mix of recreational facilities and retail outlets. These recreational facilities and retail outlets will also service the general public and local Yamba residents. These include a convenience store, miscellaneous retail, restaurant, bar and coffee shop, gym and day spa.

1.1 Study background

BDDJV is proposing to redevelop the existing Blue Dolphin Holiday Resort in Yamba into a high quality residential apartment and holiday resort facility with an improved provision of retail outlets, amenities and recreation facilities. This will allow for a higher value use of the existing land and also allow for an increased number of permanent residents and tourists in the area.

The provision of this facility will attract new permanent residents and additional visitors to the Yamba area. This will have positive flow on effects for the Northern Rivers Region and especially the Clarence Valley (A) LGA from tourist and resident expenditure. This economic benefit assessment determines the magnitude as well as the proportion of these flow-on impacts that will be incurred in this region.

1.2 Project description

The proposed re-development site is located on the northern side of Yamba Rd, Yamba, and is in close proximity to the town centre, retail precinct and all major facilities. The site is favourably positioned for a residential apartment and holiday resort unit development, with 300 metres of direct access to the Clarence River and Yamba Bay foreshore. Whilst the proposed redevelopment site is approximately two kilometres from the town centre and its retail facilities, there is also an additional provision of retail and recreation facilities within the proposed development.

The indicative staging of the proposed redevelopment is as follows:

- Stage 1 – Construction of 55 residential apartments;

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- Stage 2 – Construction of 117 tourist resort units, recreational facilities including resort day spa and gym, meeting and conference facilities, and retail outlets;
- Stage 3 - Construction of 169 residential apartments.

The development is due to commence in 2007 and reach completion by 2012. Stage one will involve the construction of entirely residential apartments and will occur in the eastern area of the site. Stage two will comprise the construction of all the holiday resort units and the recreational, meeting and conference, and retail facilities. Stage two of the development will occur in the western section of the site. Stage three of the development will occur in the middle area of the site and will incorporate the remaining residential apartments and villas.

As stages one and two are being undertaken many of the existing cabins from the current facility will be relocated to the middle section of the site where the caravan park will continue to operate. Once the development nears completion, the cabins will be relocated to Yamba Waters Holiday Park where this site will be expanded and the facilities there improved to cater for the increased demands of that caravan park.

Relocating these cabins to the Yamba Waters Holiday Park will maintain the current level of budget accommodation in Yamba and not exclude those tourists who seek this type of accommodation from visiting Yamba.

Key elements of the proposed development include:

- 224 residential apartments (with an average size of 125 square metres (sq. m))
- 117 resort units with an average size of 110 sq. m
- A balanced retail provision including the following tenants and floorsizes:
 - Convenience store, Boutique shop, Arts/crafts and souvenir store (450 sq. m)
 - Restaurant (400 sq. m)
 - Bar and coffee shop (250 sq. m)
- Multi-purpose room for meetings and conferences
- Recreational facilities
 - Pool and pool facilities
 - Day spa
 - Tennis courts
 - Gym
 - Kids Club

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1.3 Catchment Area

Yamba is located within the Clarence Valley (A) LGA, but in consideration of this development we have focussed on a wider study area, the Northern Rivers Region of NSW (defined by the ABS as the Northern Rivers Tourism Region).

This aggregation of LGAs was considered an appropriate representation of the study area given their locations in relation to the township of Yamba and other key coastal centres.

The North Eastern area of New South Wales, broadly referred to as the Northern Rivers region (for the purposes of this study) includes the following local government areas:

Tweed Shire Council	Ballina Shire Council
Kyogle Shire Council	Richmond Valley Shire Council
Lismore Shire Council	Clarence Valley Shire Council
Byron Shire Council	

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The development of a significant project such as a tourism development will have local and regional economic benefits in the form of increased employment, income for new workers, output for associated industries, and increases in business profits. Typically such projects have direct economic impacts and indirect impacts.

Direct impacts include the jobs created and the expenditure generated from the project. Indirect impacts reflect the spin-off benefits from the direct employment and expenditure impacts. A technique to measure these indirect impacts is Economic Impact Analysis, or Multiplier Analysis. Multipliers, which are derived from Input-Output tables, capture how a change in activity originating in one industry is transmitted through the economy. Multipliers measure the total activity generated in all sectors of the economy required to satisfy a unit change in the final demand of a given industry (ABS, Cat No. 5246, Cat No. 5209).

1.5 Report Limitations

This report is prepared on the instructions of the party to whom it is addressed and is thus not suitable for use other than by that party. As the report involves future estimates, it can be affected by a number of unforeseen variables. It represents for the party to whom or which it is addressed the best estimates of UrbisJHD Pty Ltd but no assurance is able to be given by UrbisJHD Pty Ltd that the estimates will be realised.

1.6 Report Structure

The report format is driven by the above approach and leads the reader through a logical progression of information and findings. The following section, **Section 2**, reviews the current supply of Resort Unit Accommodation in the township of Yamba. **Section 3**,

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reviews the current supply of Residential Apartment Accommodation in the township of Yamba. **Section 4** examines the economic impacts of the proposed development in terms of output and employment generation, while **Section 5** provides both a conclusion and recommendation.

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2 Visitor resort accommodation

Currently there is a moderate provision of resort and motel accommodation in the township of Yamba with an estimated 234 units ranging mostly in quality from 3.5 stars to 4.5 stars. The proposed redeveloped Blue Dolphin Holiday Resort will be of a five star quality and will thus provide an accommodation product that is not yet available in Yamba. It is expected that this will increase the appeal of Yamba as a holiday destination to the 'luxury traveller' market. Provision of a five star resort in Yamba will also increase the quality and diversity of accommodation offered in the area.

2.1 Proposed Supply

The Development schedule for the Blue Dolphin Holiday Resort redevelopment is provided in the following table. Upon development completion there will be in the order of 224 residential apartments, 117 tourist resort units, 1100 sq.m of retail facilities, 246 sq.m of meeting and conference facilities and 1396 sq.m of recreation facilities.

Redevelopment schedule		Table 2.1					
Blue Dolphin Holiday Resort, 2007 to 2012							
	2007	2008	2009	2010	2011	2012	
Accommodation							
Residential apartments	11	44			84	85	
Resort units			59	60			
Retail (sq. m)							
Restaurant			400				
Café and Bar			250				
Miscellaneous retail			450				
Recreational facilities (sq. m)							
Day Spa		600					
Pool facilities		80					
Tennis courts		406					
Gym		100					
Kids Club		210					
Meeting and conference facilities (sq. m)							
Multipurpose room		246					
<i>Source : Woodhead International; UrbisJHD</i>							

According to current projections, the construction of this facility is due to commence in 2007 and reach completion by 2012. The creation of this facility reflects a small addition (14%) to the current supply of overall visitor accommodation in the township of Yamba. The provision of resort units within the proposed redeveloped Blue Dolphin Holiday Resort represents 14% of the overall supply of visitor accommodation in Yamba and 50% of the current supply of resort and motel units in Yamba. This is depicted in table 2.3.

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The boutique characteristics of the proposed Blue Dolphin Resort differentiate it from existing supply in the Yamba area significantly. The current supply of resort and motel accommodation is of an acceptable standard (mostly 3.5 stars to 4.5 stars) however there are no facilities within Yamba that are rated above a level of 4.5 stars. The redeveloped Blue Dolphin Holiday Resort will be of a five star quality. Until now, a five star facility has not been provided in Yamba and it is expected that the inclusion of such a facility will attract visitors from the 'luxury traveller' group to Yamba for a holiday or visit.

The majority of the 117 resort units will be two bedroom apartments (60) with provision of a range of other unit types also. These include detached garden villas, 3 bedroom dual key apartments, 3 bedroom apartments and penthouse lofts. The majority of the 219 residential apartments will comprise two bedrooms plus spa (50), two bedrooms (40) and two bedrooms plus study (40). The provision of resort units and residential apartments offered by the proposed redevelopment is displayed in the following table.

Accommodation types		Table 2.2
Blue Dolphin Holiday Resort, 2006		
	Number residential apts.	Number resort units
1 Bedroom	28	0
2 Bedroom	134	80
3 Bedroom	31	19
Penthouse	31	18
Total	224	117

Source : Woodhead International; UrbisJHD

Redevelopment of the Blue Dolphin Holiday Resort will greatly improve the quality and range of accommodation options in the township of Yamba. Currently there is no provision of five star resort facilities in Yamba. A very limited number of the existing accommodation supply can offer meeting and conference facilities and none can offer the same provision of on-site recreational facilities and retail outlets.

The site also provides 300 metres of waterfront access to the Clarence River which during the warmer months especially is very popular with swimmers, boaters, skiers and recreational fishers.

2.2 Existing supply

In its current form, the Blue Dolphin Holiday resort is ideally located on 5.7 hectares of land fronting the Clarence River, two kilometres west of the Yamba town centre. Currently the resort comprises 69 ensuite sites, 94 powered sites and 2 unpowered sites. The resort also provides a range of recreational, retail and convenience facilities for residents. These include conference facilities, barbeque, café/coffee shop, on site petrol and LPG pumps, swimming pool and tennis court.

The existing supply of resort and motel accommodation in Yamba is provided in the following table. Those accommodation facilities in Yamba that are most comparable with

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the proposed redevelopment are the Angourie Resort and Quality Suites the Cove, but neither facility can offer the same provision of retail, recreation and convenience facilities as the redeveloped Blue Dolphin Holiday Resort.

At present these types of accommodation account for the following proportions of the overall supply of Yamba accommodation:

- Resort/Holiday units account for 12.5% of the visitor accommodation market;
- Motels account for 15.6% of the visitor accommodation market;
- Caravan Parks account for 70.1 % of the visitor accommodation market;
- Unrated Holiday Units and Apartments account for 1.8% of the visitor accommodation market.

Evidently the tourist and visitor accommodation market in Yamba is currently dominated by budget accommodation options such as caravan parks, with this section of the market representing 70.1% of overall supply. As such, there may be an undersupply of higher quality accommodation options within the township of Yamba. Thus the proposed redevelopment of the Blue Dolphin Holiday Resort may assist in providing a more balanced range of accommodation options for visitors and tourists to utilise.

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**Current supply of visitor and tourist accommodation
Yamba, 2006**

Table 2.3

Facility	Accom type	Accom size (no. bedrooms)	Number of units	% Total	Star rating
Resort/Holiday Unit/Apt					
Angourie Resort	Holiday Unit	one and two	66		4.5
Quality Suites The Cove	Apartment	one, two and three	22		4.5
Club Yamba Luxury Hill Top Villas	Holiday Unit	one and two	6		4.0
Cove 6 Yamba	Apartment	one	1		4.0
Pegasus Motel	Holiday Unit	one and two	9		3.5
Total			104	12.5%	
Motels					
Best Western Yamba Beach Motel	Motel	one	15		4.0
Moby Dick Waterfront Resort Motel	Motel	one and two	24		4.0
Surf Motel	Motel	one and two	8		4.0
Oyster Shores Motel	Motel	one and two	27		3.5
Yamba Sun Motel	Motel	one, two and three	16		3.5
Yamba Twin Pines Motel	Motel	one and two	16		3.5
Aston Villa Motor Inn	Motel	one, two and three	24		3.5
Total			130	15.6%	
Caravan Parks					
Blue Dolphin Holiday Resort	Caravan Park	Ensuite/sites	165		
Big 4 Yamba	Caravan Park	Ensuite/sites	54		
Yamba Waters Holiday Park	Caravan Park	Ensuite/sites	150		
Calypso Holiday Park	Caravan Park	Ensuite/sites	162		
The Fishing Haven Caravan Park	Caravan Park	Ensuite/sites	54		
Total			585	70.1%	
Unrated Holiday Units and Apts					
Pembroke	Holiday Units	two	8		
On the Rocks	Apartment	studio and one	4		
Polaris	Holiday unit	three	1		
Seascape	Holiday unit	one	2		
Total			15	1.8%	
Total all accommodation			834		

Source : RACQ accommodation site; UrbisJHD

Key points to note when examining the existing supply of resorts and motels in Yamba are:

- The Angourie Rainforest Resort, positioned on Angourie Rd, Angourie, is approximately 3.5 kilometres from the Blue Dolphin Holiday Resort. It comprises 66 one and two bedroom holiday units in a relaxed rainforest setting. This four and a half star ecotourism resort has an adequate provision of on-site recreational, conference and retail facilities and would complement and assist the Blue Dolphin

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Holiday Resort in raising the profile of Yamba as a holiday destination for the luxury traveller market. (Refer to the appendix 1 for additional information and photographs of this facility)

- Quality Suites the Cove (apartments) is a four and a half star facility located on Queen Street overlooking Yamba Beach. It is located in close proximity to the town centre and the restaurant, recreational and retail facilities located within this precinct. It comprises 22 one, two and three bedroom units and is considered one of the premium accommodation providers in Yamba. This provision of accommodation, whilst of a high quality, provides few additional recreational facilities and no on-site retail facilities. (Refer to the appendix 1 for additional information and photographs of this facility)

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3 Permanent Residential Accommodation

3.1 Proposed Supply

The proposed redeveloped Blue Dolphin Holiday Resort will provide in the order of 224 residential apartments. It is expected that these units will house approximately 372 permanent residents. These residents are expected to originate from both local and non-local areas.

**Blue Dolphin Holiday Resort (Permanent residents)
2006**

Table 3.1

Type of apartment	Number of apts	Avg number of persons per apt	Number of persons
1 Bedroom	28	1.17	33
2 Bedroom	134	1.52	204
3 Bedroom	31	2.19	68
Villa	12	2.19	26
Penthouse	19	2.19	42
Total	224		372

Source : ABS; UrbisJHD

3.2 Existing Supply

The current provision of residential apartments in the township of Yamba is mostly of a modest standard. Most of the existing residential units were built 30 to 40 years ago and as a result the building facades are now looking quite aged. However there is a small provision of newer, high quality residential apartments within Yamba also. These appear to be located in a narrow stretch of land to the south east of the town centre that overlooks Pippi Beach. These apartment complexes appear to be of a reasonably high quality and can be viewed in the following photographs.

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These residential apartments were constructed approximately three to five years ago and reflect a growing demand for higher quality residential accommodation in Yamba. Thus the proposed redevelopment of the Blue Dolphin Holiday Resort may assist in providing an increased amount of higher quality accommodation for permanent residents to occupy.

3.3 Population growth

Population growth is considered a major driver of the demand for residential accommodation. The population projections for the Clarence Valley (A) - Maclean SLA, which incorporates Yamba, in conjunction with other surrounding coastal SLAs, are provided in the following table. These projections give an indication of the location of expected major population growth areas that exist within the Clarence Valley (A) LGA and surrounding SLAs.

Key points to note from the following population projections table are:

- The Clarence Valley (A) – Maclean SLA (which incorporates Yamba) has experienced strong average annual population growth from 1991 to 2001 (2.2% to 2.3%)
- Population growth for the Clarence Valley (A) – Maclean SLA is expected to be 180 to 240 persons per annum over the period 2006 to 2016. This represents a solid average annual growth rate of 1.2% to 1.3% per annum.
- Based on these projected population growth rates from 2006 to 2016, this may represent increased demand for 75 to 90 new dwellings per year in the Clarence Valley (A) – Maclean SLA.
- The population for the Clarence Valley (A) – Maclean SLA is expected to reach almost 20,000 persons by 2011.

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Yamba Study Area
Study Area Population, 1991-2016

Table 3.2

Trade Area Sector	Estimated Resident Population ¹						
	1991	<u>Actual</u> 1996	2001	2004	2006	<u>Forecast</u> 2011	2016
Primary Trade Area							
Clarence Valley (A) - Maclean	13,763	15,441	17,181	18,010	18,370	19,560	20,740
Bellingen (A)	11,785	12,485	12,731	12,720	12,960	13,100	13,250
Clarence Valley (A) - Copmanhurst	3,703	3,837	4,376	4,443	4,920	5,240	5,580
Clarence Valley (A) - Grafton	17,512	17,507	17,432	17,131	17,150	16,760	16,380
Clarence Valley (A) - Nymboida	3,960	4,425	4,438	4,461	4,580	4,690	4,820
Clarence Valley (A) - Ulmarra	4,627	5,005	5,268	5,377	6,900	7,160	7,430
Nambucca (A)	16,730	17,639	18,171	18,525	18,560	18,820	19,080
Coffs Harbour (C) - Pt B	14,988	16,326	16,980	17,511	16,460	17,170	17,880
Primary Trade Area	87,068	92,665	96,576	98,178	99,900	102,500	105,160
Average Annual Change (No.)							
	1991-96	1996-01	2001-04	2004-06	2006-11	2011-16	
Primary Trade Area							
Clarence Valley (A) - Maclean		336	348	276	180	238	236
Bellingen (A)		140	49	-4	120	28	30
Clarence Valley (A) - Copmanhurst		27	108	22	239	64	68
Clarence Valley (A) - Grafton		-1	-15	-100	10	-78	-76
Clarence Valley (A) - Nymboida		93	3	8	60	22	26
Clarence Valley (A) - Ulmarra		76	52	37	762	52	54
Nambucca (A)		182	106	118	18	52	52
Coffs Harbour (C) - Pt B		268	131	177	-526	142	142
Primary Trade Area		1,119	782	534	861	520	532
Average Annual Change (%)							
	1991-96	1996-01	2001-04	2004-06	2006-11	2011-16	
Primary Trade Area							
Clarence Valley (A) - Maclean		2.3%	2.2%	1.6%	1.0%	1.3%	1.2%
Bellingen (A)		1.2%	0.4%	0.0%	0.9%	0.2%	0.2%
Clarence Valley (A) - Copmanhurst		0.7%	2.7%	0.5%	5.2%	1.3%	1.3%
Clarence Valley (A) - Grafton		0.0%	-0.1%	-0.6%	0.1%	-0.5%	-0.5%
Clarence Valley (A) - Nymboida		2.2%	0.1%	0.2%	1.3%	0.5%	0.5%
Clarence Valley (A) - Ulmarra		1.6%	1.0%	0.7%	13.3%	0.7%	0.7%
Nambucca (A)		1.1%	0.6%	0.6%	0.1%	0.3%	0.3%
Coffs Harbour (C) - Pt B		1.7%	0.8%	1.0%	-3.0%	0.8%	0.8%
Primary Trade Area		1.3%	0.8%	0.5%	0.9%	0.5%	0.5%

1. as at June 2004

Source : UrbisJHD

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4.1 Multiplier Analysis

The proposed redevelopment will generate a significant amount of expenditure (output) and employment benefits for the Northern Rivers Region during both the development phase of the project and the operating life of the facility. In addition to direct expenditure and employment benefits there will also be indirect flow on (multiplier) benefits generated in the local region as a result of the development of this project. The following sections examine the direct and indirect output and employment benefits of the proposed development during these phases.

Direct impacts include the jobs created and the expenditure generated from the project. Indirect impacts reflect the flow-on benefits from the direct employment and expenditure impacts. A technique to measure these indirect impacts is Economic Impact Analysis, or Multiplier Analysis. Multipliers, which are derived from Input-Output tables, capture how a change in activity originating in one sector is transmitted through the economy. Multipliers measure the total activity generated in all sectors of the economy required to satisfy a unit change in the final demand of a given industry (ABS, Cat No. 5246).

Multiplier analysis is discussed in more detail in appendix two.

4.1.1 Limitations of Multiplier Analysis

Care needs to be taken when undertaking multiplier analysis as there are certain limitations that need to be considered:

The Australian input-output tables used by the ABS to derive its multipliers relate to flows within the whole Australian economy. When attempting to measure the benefits to a particular region it is important to note that some of the jobs created and output generated will provide benefits outside the region. Thus multipliers for local economies would be smaller than the national multipliers we have used in this analysis. We have tried to allow for this to some degree by identifying direct impacts that are only experienced by the local region, however it is possible that the multiplier impacts identified for the local region may overstate the potential benefit.

Multipliers measure the average flows between an industry and the rest of an economy, which may not be the same as the incremental or marginal flows associated with the additional investment created by a specific project.

Multiplier analysis does not address issues of project profitability or feasibility, nor does it consider the opportunity cost of the proposed project or alternative projects that could be undertaken.

4.2 Local Region Impact

The proportion of total output impacts and total employment impacts that are incurred locally as a result of the development vary according to the sector of the economy and also the level of service provision within the local area. It is our experience that when undertaking regional economic benefit assessments, 40% to 100% of inputs are sourced locally, depending on the input type and the size of the local centre and region. In the order of 60% of professional services expenditure is incurred locally (non capital city), depending on the size and complexity of the project.

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Based on the sectors involved with this type of development and the level of service provision within the Northern Rivers Region, we expect the following proportions of total output and employment impacts to be incurred locally.

Blue Dolphin Holiday Resort Redevelopment **Table 4.1**
Proportion of total impact incurred in local region, 2006

Sectors of the economy	Output Impact	Employment Impact
Construction	50%	50%
Property and Business Services	75%	75%
Local Government Administration	100%	100%
Accommodation, cafes and restaurants	90%	90%
Petroleum and coal products	25%	25%
Health and Community Services	80%	80%
Transport and storage	75%	75%
Retail trade	40%	40%
Cultural and recreational services	90%	90%
Ownership of dwellings	80%	80%

Source : ABS; UrbisJHD

4.3 Development phase

The proposed redevelopment of the Blue Dolphin Holiday Resort will incorporate a number of key elements. These are displayed in the following table with an estimate of the direct output impact associated with that component.

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Development costs **Table 4.2**
Blue Dolphin Holiday Resort, 2006

Development component	Construction costs	Management/Consultant/Marketing costs
Site preparation	\$201,775	\$50,444
Infrastructure costs	\$5,952,367	\$807,101
Car Park	\$14,628,698	\$1,513,314
Landscaping and lagoon	\$2,774,408	\$453,994
Amenities/facilities ¹	\$3,127,515	\$756,657
Residential accommodation	\$59,523,669	\$6,053,254
Resort hotel accommodation	\$45,096,746	\$5,347,041
Retail floorspace	\$1,866,420	\$151,331
Sales/Marketing		\$6,658,580
Total	\$133,171,598	\$21,791,716

1. Includes tennis court, pool, spa, gym and kids club

Source : Rider Hunt Terotech; UrbisJHD

There are also a significant amount of Government fees and charges associated with the development phase of this resort. This amounts to an estimated \$21 million. The proportion of this total output impact that is incurred locally is quite small though as the majority of these fees and charges relate to the Federal and State Government and hence escape the local region. The estimated Government fees and charges associated with the development phase of this project are provided in the following table. The assumptions that underpin these calculations are provided in the following paragraphs.

Local Government Fees and Charges

The Development phase output impacts have been derived from estimates obtained from the Clarence Valley Council for an integrated residential and resort development within the Clarence Valley with a construction value of \$130 million. The quote for infrastructure charges on an integrated residential and resort facility costing \$130 million to construct is approximately \$0.16 million. This \$0.16 million is comprised of an administration charges, a development application component and an advertising fee and has been used to determine the direct and indirect output impacts.

State Government

The Development phase output impacts comprise stamp duty and land tax charges. These costs have been calculated using the following approach (as administered by the NSW State Govt).

Stamp Duty

Stamp Duty is levied according to the following charging regime:

- \$40,490 (up to \$1 million) + \$5.5 per \$100 or part thereof that the dutiable value exceeds \$1 million.

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For this assessment we have assumed that the land value of the property is approximately \$14 million (RP Data and UrbisJHD) and thus the stamp duty payable is approximately \$0.77 million.

Land Tax

Land Tax is payable on the UCV of the property at a rate of 1.7% of total land value. In this assessment we have assumed that the UCV of the property is \$14 million. Thus the land tax payable is approximately \$0.24 million.

Federal Government

For this assessment, the associated GST costs are estimated at approximately \$20 million. In this instance GST was levied on the cost of the land and also levied on the total estimated sale prices of the units and apartment (minus an input credit for the GST on the land).

These estimated Government fees and charges are provided in the following table.

Blue Dolphin Holiday Resort		Table 4.3
Development phase govt charges, 2006		
Govt charge	Development phase	
Federal Govt		
GST	\$20,309,484	
State Govt		
Stamp Duty	\$771,021	
Land Tax	\$242,801	
Local Govt		
Infrastructure charges	\$160,000	
Total Govt	\$21,483,306	
<i>Source : Clarence Valley Council; NSW Land Tax State Revenue Website; UrbisJHD</i>		

4.3.1 Development phase output impacts

The development phase of this project is expected to directly generate \$176 million of output of which \$83 million is estimated to be incurred locally in the Northern Rivers Region. The construction, and property and business services sector accounts for almost all of the development phase output impact that is incurred locally. This output will have flow on multiplier benefits that are estimated in the following table.

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Table 4.4

Development phase output impact (\$M), 2006

Sectors	Direct impact	Initial impact	Industrial support effects	Type 1	Consumption Induced Effects	Type 2	Total
Construction							
Cost	\$133.2						
Multiplier	1.000	0.466	0.438	0.904	0.962	1.866	2.866
Impact	\$133.2	\$62.1	\$58.3	\$120.4	\$128.1	\$248.5	\$381.7
Local Impact	\$66.6	\$31.0	\$29.2	\$60.2	\$64.1	\$124.2	\$190.8
Property and Business Services							
Cost	\$21.8						
Multiplier	1.000	0.474	0.377	0.851	1.135	1.986	2.986
Impact	\$21.8	\$10.3	\$8.2	\$18.5	\$24.7	\$43.3	\$65.1
Local Impact	\$16.3	\$7.7	\$6.2	\$13.9	\$18.6	\$32.5	\$48.8
Government Administration (Local)							
Cost	\$0.2						
Multiplier	1.000	0.405	0.317	0.722	1.506	2.228	3.228
Impact	\$0.2	\$0.1	\$0.1	\$0.1	\$0.2	\$0.4	\$0.5
Local Impact	\$0.2	\$0.1	\$0.1	\$0.1	\$0.2	\$0.4	\$0.5
Government Administration (State)							
Cost	\$1.0						
Multiplier	1.000	0.405	0.317	0.722	1.506	2.228	3.228
Impact	\$1.0	\$0.4	\$0.3	\$0.7	\$1.5	\$2.3	\$3.3
Local Impact	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Government Administration (Federal)							
Cost	\$20.3						
Multiplier	1.000	0.405	0.317	0.722	1.506	2.228	3.228
Impact	\$20.3	\$8.2	\$6.4	\$14.7	\$30.6	\$45.2	\$65.6
Local Impact	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Impact	\$176.4	\$81.1	\$73.4	\$154.4	\$185.2	\$339.6	\$516.1
Local Impact	\$83.1	\$38.8	\$35.4	\$74.2	\$82.8	\$157.1	\$240.2

Source : ABS; UrbisJHD

The estimated **\$83 million** (direct output) that will be spent locally during the development phase of this project is estimated to indirectly generate an additional **\$157 million** of output in the local region through flow on multiplier impacts. This amounts to a total output impact in the local region of **\$240 million** during the development phase of the proposed project. This represents a substantial and valuable contribution to local businesses within the Northern Rivers Region.

In addition to the output impact benefits generated during the development of this project there will also be ongoing output impacts generated during the operating life of the project.

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4.3.2 Development phase employment impacts

The development phase of the proposed project is expected to directly generate an estimated 779 employment years, of which 330 will be incurred locally. Given the five year development period of this project this would equate to 66 FTE jobs on an annualised basis. It is expected that the proposed redeveloped Blue Dolphin Holiday Resort will also indirectly generate 454 employment years locally through production and consumption induced impacts. This equates to 91 FTE jobs on an annualised basis. In total this represents an additional 618 employment years (**124 FTE jobs** on an annualised basis) to the Northern Rivers Region.

Blue Dolphin Holiday Resort **Table 4.5**
Development phase employment impacts (FTE years), 2006

Sectors	Direct impact	Initial impact	Industrial support effects	Type 1	Consumption induced effects	Type 2
Construction						
Multiplier		0.500	0.333	0.833	1.000	1.833
Impact	500	250	167	417	500	917
Local Impact	250	125	83	208	250	458
Property and Business Services						
Multiplier		0.500	0.167	0.667	1.333	2.000
Impact ¹	105	53	18	70	141	211
Local Impact	79	40	13	53	105	158
Government Administration (Local)						
Multiplier		0.300	0.200	0.500	0.900	1.400
Impact ²	1	0	0	1	1	2
Local Impact	1	0	0	1	1	2
Government Administration (State)						
Multiplier		0.300	0.200	0.500	0.900	1.400
Impact ³	8	2	2	4	7	11
Local Impact	0	0	0	0	0	0
Government Administration (Federal)						
Multiplier		0.300	0.200	0.500	0.900	1.400
Impact ⁴	164	49	15	4	1	0
Local Impact	0	0	0	0	0	0
Impact	779	355	201	496	650	1,141
Local Impact	330	165	97	262	357	618

1. Impacts derived from expenditure estimate

2. Impacts derived from expenditure estimate

3. Impacts derived from expenditure estimate

4. Impacts derived from expenditure estimate

Source : ABS; UrbisJHD

Economic Benefit Assessment

4.4 Operating phase

During the operating life of the proposed redeveloped Blue Dolphin Holiday Resort there will be additional output and employment impacts derived from the operating activities of this facility. These operating impacts have been determined separately for the resort unit component, the residential apartment component and the combined total facility impact in the Government administration sector.

4.4.1 Resort Unit output impacts

The resort unit component of the proposed development (117 units) will generate direct and indirect ongoing output impacts in the accommodation, cafes and restaurants sector.

The average annual expenditure from visitors on accommodation, food and drink, shopping, entertainment and other miscellaneous items on an ongoing basis is calculated as follows:

Tourist expenditure on accommodation

Number of holiday units x 2005 average takings per room night occupied x days per year x 2005 average room occupancy rate =

$$117 \times \$104 \times 365 \times 57\% = \text{\$2.5 million}$$

Tourist expenditure on food and drink, shopping, entertainment and other items has been calculated as follows:

Number of holiday units x 2005 average overnight guest room expenditure by item of expenditure x days per year x 2005 average room occupancy rate =

$$117 \times \$238 \times 365 \times 57\% = \text{\$5.8 million}$$

Average overnight visitor expenditure has been adjusted to reflect the average number of guests per room and the increased affluence, and thus higher discretionary spending capabilities of those guests likely to utilise the resort facilities. The original overnight visitor expenditure figures are sourced from ABS Cat 8635. The number of guests per room was obtained from the 2005 persons/room occupancy averages for the Northern Rivers Tourism Region for Hotels, Motels and Serviced Apartments with 15 or more rooms. This is provided by the ABS.

The total tourist expenditure on accommodation, food and drink, shopping, entertainment and other miscellaneous items amounts to an estimated **\$8.3 million** (\$2.5 million + \$5.8 million). This is a reflection of the visitor expenditure expected from the 117 resort units provided by this development.

Once fully operational the ongoing direct output associated with running the resort component of the proposed redeveloped Blue Dolphin Holiday Resort, including the on-site recreational and retail facilities, is estimated at **\$8.3 million** per annum (in constant 2006 dollar terms). Some of these operating costs will be completely incurred locally with a proportion being incurred on items sourced from outside the region.

Economic Benefit Assessment

Blue Dolphin Holiday Resort (Tourists/Visitor expenditure)
Operating phase output impact (\$M), 2006

Table 4.6

Sectors	Direct impact	Initial impact	Industrial support effects	Type 1	Consumption Induced Effects	Type 2	Total
Accommodation, cafes and restaurants							
Cost	\$8.3						
Multiplier	1.000	0.502	0.439	0.941	1.050	1.991	2.991
Impact	\$8.3	\$4.2	\$3.7	\$7.8	\$8.7	\$16.6	\$24.9
Local Impact	\$7.5	\$3.8	\$3.3	\$7.1	\$7.9	\$14.9	\$22.4
Impact	\$8.3	\$4.2	\$3.7	\$7.8	\$8.7	\$16.6	\$24.9
Local Impact	\$7.5	\$3.8	\$3.3	\$7.1	\$7.9	\$14.9	\$22.4

Source : ABS; UrbisJHD

The resort component of the proposed redeveloped Holiday Resort is expected to directly generate **\$8.3 million** annually on an ongoing basis, of which an estimated **\$7.5 million** will be incurred locally. It is also expected to indirectly generate an additional **\$14.9 million** per annum in output through multiplier impacts. In total this represents **\$22.4 million** in both direct and indirect output for the Northern Rivers Region as a result of the operation of the resort unit component of the redeveloped resort.

4.4.2 Residential apartment output impacts

The residential apartment component of the proposed development (224 apartments) will generate direct and indirect ongoing output impacts in a range of sectors as a result of the expenditure of the permanent residents who occupy these facilities.

It is expected that the 224 residential apartments will attract a mix of new (non-local) and existing (Yamba) residents. As existing residents relocate to the redeveloped facility, this will provide an opportunity for new residents to purchase the homes of the existing residents and relocate to Yamba to live. Thus, whilst there will be a blend of local and non-local residents who take up apartments in the resort, in effect the redeveloped facility will allow for an estimated 224 new households to move to the township of Yamba. Thus the operating output impacts associated with the residential apartment component of this resort is based on the household expenditure effects of 224 households. The amount of expenditure expected to be incurred in this range of sectors is contained in the following table.

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Blue Dolphin Holiday Resort
Permanent resident expenditure, 2006

Table 4.7

Sector of economy	Total annual expenditure (\$)
Retail trade	\$4,765,196
Ownership of dwellings	\$2,108,476
Transport & storage	\$1,484,749
Cultural & recreational services	\$1,278,548
Health & community services	\$511,541
Petroleum & coal products	\$258,880
Total	\$10,407,389

Source : ABS 2003-04 Household expenditure survey; UrbisJHD

As depicted in the table above, the largest proportion of permanent resident expenditure is directed towards the retail trade sector (46%), ownership of dwellings (20%), transport and storage sector (14%) and the cultural and recreational services sector (12%).

These permanent resident expenditure estimates have been calculated from results published in the ABS 2003-04 Households expenditure survey. The following table indicates how these figures were derived.

Permanent resident expenditure on a range of items has been calculated as follows:

Number of apts x avg weekly household exp per category x weeks in a year

Expenditure on current housing = $224 \times \$181 \times 52 = \$2,108,476$. This same methodology applies to the other household expenditure items in the following table. Average household weekly expenditure has been adjusted to present day terms (2006).

Economic Benefit Assessment

Blue Dolphin Holiday Resort
Permanent resident expenditure, 2006

Table 4.8

Expenditure group	Avg Household Weekly Expenditure (\$)	Proportion of total g & s expenditure	Total weekly exp. (\$)	Total annual exp. (\$)
Current housing exp.	\$181	20.3%	\$40,548	\$2,108,476
Domestic fuel and power	\$22	2.5%	\$4,978	\$258,880
Food and non-alcoholic beverages	\$153	17.1%	\$34,211	\$1,778,992
Alcoholic beverages	\$24	2.7%	\$5,351	\$278,269
Tobacco products	\$14	1.5%	\$3,027	\$157,425
Clothing and footwear	\$31	3.5%	\$6,930	\$360,335
Household furnishings and equipment	\$47	5.3%	\$10,508	\$546,416
Household services and operation	\$51	5.7%	\$11,439	\$594,826
Medical care and health exp.	\$44	4.9%	\$9,837	\$511,541
Transport	\$127	14.3%	\$28,553	\$1,484,749
Recreation	\$110	12.3%	\$24,587	\$1,278,548
Personal care	\$14	1.6%	\$3,107	\$161,571
Miscellaneous goods and services	\$76	8.5%	\$17,065	\$887,362
Total goods and services exp.	\$893	100.0%	\$200,142	\$10,407,389

Source : ABS 2003-04 Household expenditure survey; UrbisJHD

Once fully operational the ongoing direct output associated with the permanent residents that occupy the residential apartment component (224 apts) of the proposed redeveloped Blue Dolphin Holiday Resort will amount to **\$10.4 million** per annum on an ongoing basis (in constant 2006 dollar terms). Some of these operating costs will be completely incurred locally while others will escape the region. The proportions of these operating output impacts that will be incurred in the local region are illustrated in table 4.1 These proportions have been calculated according to the sector type, level of local service provision and size of the local centre and region.

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Blue Dolphin Holiday Resort (Permanent resident expenditure)

Table 4.9

Operating phase output impact (\$M), 2006

Sectors	Direct impact	Initial impact	Industrial support effects	Type 1	Consumption Induced Effects	Type 2	Total
Petroleum and coal products							
Cost	\$0.3						
Multiplier	1.000	0.432	0.317	0.749	0.382	1.131	2.131
Impact	\$0.3	\$0.1	\$0.1	\$0.2	\$0.1	\$0.3	\$0.6
Local Impact	\$0.1	\$0.0	\$0.0	\$0.0	\$0.0	\$0.1	\$0.1
Health and Community Services							
Cost	\$0.5						
Multiplier	1.000	0.210	0.165	0.375	1.627	2.002	3.002
Impact	\$0.5	\$0.1	\$0.1	\$0.2	\$0.8	\$1.0	\$1.5
Local Impact	\$0.4	\$0.1	\$0.1	\$0.2	\$0.7	\$0.8	\$1.2
Transport and storage							
Cost	\$1.5						
Multiplier	1.000	0.442	0.354	0.796	1.023	1.819	2.819
Impact	\$1.5	\$0.7	\$0.5	\$1.2	\$1.5	\$2.7	\$4.2
Local Impact	\$1.1	\$0.5	\$0.4	\$0.9	\$1.1	\$2.0	\$3.1
Retail trade							
Cost	\$4.8						
Multiplier	1.000	0.481	0.388	0.869	1.376	2.245	3.245
Impact	\$4.8	\$2.3	\$1.8	\$4.1	\$6.6	\$10.7	\$15.5
Local Impact	\$1.9	\$0.9	\$0.7	\$1.7	\$2.6	\$4.3	\$6.2
Cultural and recreational services							
Cost	\$1.3						
Multiplier	1.000	0.413	0.331	0.744	1.053	1.797	2.797
Impact	\$1.3	\$0.5	\$0.4	\$0.9	\$1.3	\$2.2	\$3.5
Local Impact	\$1.1	\$0.5	\$0.4	\$0.8	\$1.2	\$2.0	\$3.1
Ownership of dwellings							
Cost	\$2.1						
Multiplier	1.000	0.134	0.107	0.241	0.140	0.381	1.381
Impact	\$2.1	\$0.3	\$0.2	\$0.5	\$0.3	\$0.8	\$2.9
Local Impact	\$1.7	\$0.2	\$0.2	\$0.4	\$0.2	\$0.6	\$2.3
Impact	\$10.4	\$4.0	\$3.2	\$7.1	\$10.6	\$17.8	\$28.1
Local Impact	\$6.3	\$2.2	\$1.8	\$4.0	\$5.9	\$9.9	\$16.2

Source : ABS; UrbisJHD

The residential apartment component of the proposed redeveloped Holiday Resort is expected to directly generate **\$10.4 million** annually on an ongoing basis, of which an estimated **\$6.3 million** will be incurred locally. It is also expected to indirectly generate an additional **\$9.9 million** per annum in local output through multiplier impacts. In total this

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represents **\$16.2 million** in both direct and indirect output for the Northern Rivers Region as a result of the residential apartment component of the redeveloped resort.

4.4.3 Total output impacts in the Government sector

The combined effect of the residential and resort component of this facility in the Government Administration sector has also been determined. The resort as a whole will generate direct and indirect ongoing output impacts as a result of its rates, water, sewerage, and waste management charges expenditure. The amount of expenditure expected to be incurred in the Local Government sector on an ongoing basis has been estimated at **\$334,949** per annum and has been calculated as follows.

General rates

According to the Clarence Valley Council Management Plan, rates are charged at 0.2882 cents per dollar of Unimproved Capital Value plus a base amount of \$200. This equates to **\$41,162** per year. This was calculated as follows: $\$14,282,388 \text{ (UCV)} \times 0.002882 + \$200 = \$41,162$.

Water charges

Based on benchmarks for potable water consumption in NSW (90,340 litres/person/year) it is expected that the resort component of the facility will use 12,050 kL per year and the residential component will use 33,606 kL per year. This amounts to 45,656 kL per year. This figure multiplied by the relevant price of water (\$1.58 per kL) amounts to **\$72,137**.

The usage of water for the resort component has been calculated as follows: $117 \text{ (no. of resort units)} \times 365 \text{ (days/year)} \times 57\% \text{ (avg occupancy rate)} \times 2 \text{ (avg no. persons per room)} \times 90,340 \text{ (avg potable water/person/year)} = 12,050 \text{ kL}$.

The usage of water for the residential apartment component has been calculated as follows: $372 \text{ persons (estimated number of people to occupy residential component)} \times 90,340 = 33,606 \text{ kL}$.

Sewerage charge

According to the Clarence Valley Council Management Plan, sewerage charges are calculated according to the number of connections involved. Assuming that each resort unit and residential apartment had at least one toilet then this would amount to **\$163,680**. This was calculated as follows: $224 + 117 \times \$480 \text{ (per connection charge)} = \$163,680$.

The domestic waste management charge

According to the Clarence Valley Council Management Plan, the domestic waste management charge amounts to \$170 per year for a 2 bin service. Assuming that each resort unit and residential apartment required the use of 2 bins then this would amount to **\$57,970**. This was calculated as follows: $224 + 117 \times \$170 = \$57,970$.

Therefore the total estimated charge for general rates, water charges, sewerage charges and domestic waste management charges is **\$334,949** per annum.

Once fully operational the ongoing direct output that the entire resort will provide to the Government administration sector is estimated at \$0.6 million per annum, of which \$0.33 million will be incurred locally in the form of taxes, water charges etc. The remaining

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\$0.24 million consists of land tax expenditure collected by the state government. As a result this \$0.24 million will escape the local region.

Blue Dolphin Holiday Resort (Residential apts and resort units) **Table 4.10**
Operating phase output impact (\$M), 2006

Sectors	Direct impact	Initial impact	Industrial support effects	Type 1	Consumption Induced Effects	Type 2	Total
Government administration (Local)							
Cost	\$0.3						
Multiplier	1.000	0.405	0.317	0.722	1.506	2.228	3.228
Impact	\$0.3	\$0.1	\$0.1	\$0.2	\$0.5	\$0.7	\$1.1
Local Impact	\$0.3	\$0.1	\$0.1	\$0.2	\$0.5	\$0.7	\$1.1
Government administration (State)							
Cost	\$0.2						
Multiplier	1.000	0.405	0.317	0.722	1.506	2.228	3.228
Impact	\$0.2	\$0.1	\$0.1	\$0.2	\$0.4	\$0.5	\$0.8
Local Impact	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Impact	\$0.6	\$0.2	\$0.2	\$0.4	\$0.9	\$1.3	\$1.9
Local Impact	\$0.3	\$0.1	\$0.1	\$0.2	\$0.5	\$0.7	\$1.1

Source : ABS; UrbisJHD

Thus the redeveloped resort is expected to directly generate **\$0.6 million** in operating output for the Government administration sector. This comprises rates, water charges, sewerage charges, domestic waste management charges and state government land taxes. **\$0.3 million** of this amount will be incurred locally. This \$0.3 million is also expected to indirectly generate an additional **\$0.7 million** per annum in output through multiplier impacts. In total this represents approximately **\$1.1 million** in both direct and indirect output for the Northern Rivers Region as a result of the entire resort.

4.4.4 Operating phase employment impacts

Once the redevelopment of the Blue Dolphin Holiday resort accommodation facilities is completed it is estimated that there will be 30 FTE employees required to operate the on-site retail, and recreational facilities. These 30 FTE employees will be involved in the operation of the hotel/serviced apartments, restaurant, bar & coffee shop, arts & crafts/souvenir shop, convenience store and day spa. Thus once the redevelopment is completed and the on-site facilities are operating, the ongoing employment impacts will be incurred within the accommodation, cafes and restaurant sector.

On an ongoing basis the redeveloped resort is expected to directly generate **30 FTE jobs**, of which **27 FTE jobs** will be generated locally. The direct and indirect employment benefits to the Northern Rivers Region as a result of the proposed development are displayed in the following table. The proposed development is estimated to indirectly generate **27 FTE jobs** through production and consumption induced impacts. In total this

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represents an additional **36 FTE jobs** for the Northern Rivers Region. This is reflected in the following table.

Blue Dolphin Holiday Resort (once redevelopment is completed)						Table 4.11
Operating phase employment impacts (FTEs), 2006						
Sectors	Direct impact	Initial impact	Industrial support effects	Type 1	Consumption Induced Effects	Type 2
Accommodation, cafes and restaurants						
Multiplier		0.333	0.222	0.556	0.778	1.333
Impact	30	10	7	17	23	40
Local Impact	27	9	6	15	21	36
Impact	30	10	7	17	23	40
Local Impact	27	9	6	15	21	36
1. Impacts derived from employment estimate						
Source : ABS; UrbisJHD						

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5 Conclusion

The proposed redevelopment of the Blue Dolphin Holiday Resort provides a range of significant benefits to the Northern Rivers region and its residents. This section highlights the key benefits resulting from the project and provides a recommendation in relation to the future development of the project.

5.1 Contextual Findings

- The creation of **\$516 million** in direct and indirect output impacts during the development phase, of which **\$240 million** will be incurred in the local Northern Rivers Region during the five year development period of the project.
- The Resort component of the redevelopment will generate **\$25 million** per annum in direct and indirect output impacts during the operation of the facility of which **\$22 million** will be incurred in the local Northern Rivers Region on an ongoing basis. Over a 20 year operating period this would equate to **\$440 million** in direct and indirect output impacts for the Northern Rivers Region.
- The Residential apartment component of the redevelopment will generate **\$28 million** per annum in direct and indirect output impacts during the operation of the facility of which **\$16 million** will be incurred in the Northern Rivers Region on an ongoing basis. Over a 20 year operating period this would equate to **\$320 million** in direct and indirect output impacts for the Northern Rivers Region.
- The total Resort will generate **\$1.9 million** per annum in direct and indirect output impacts during the operation of the facility of which **\$1.1 million** will be incurred in the Northern Rivers Region on an ongoing basis. Over a 20 year operating period this would equate to **\$22 million** in direct and indirect output impacts for the Northern Rivers region.
- The generation of **228 FTE jobs** during the five year development period of which **124 FTE jobs** will be incurred within the local region.
- The generation of **40 FTE jobs** on an ongoing basis from the operation of the proposed development of which **36 FTE jobs** will be local.

5.2 Summary of Benefits

The key benefits of the proposed project are:

- The proposed redevelopment will increase the employment opportunities for the Northern Rivers region which has an unemployment rate 4.9% higher than the NSW non-metropolitan
- Currently budget accommodation accounts for an estimated 70% of the accommodation market in Yamba. Thus there may be an undersupply of resort accommodation and hence an opportunity to increase this segment of the market to cater for expected increased demand and also raise the tourism profile of Yamba.
- The recent establishment (three to five years ago) of high quality residential apartment complexes may indicate an increased demand by permanent residents in Yamba for the type of accommodation proposed by this development.

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- Strong expected future population growth to Clarence Valley (A) Maclean SLA (incorporates Yamba) of 1.2% to 1.3% average annual growth over the period 2006 to 2016 is expected to create strong demand for future residential accommodation in Yamba.
- Based on these projected population growth rates from 2006 to 2016, this may represent increased demand for 75 to 90 new dwellings per year in the Clarence Valley (A) – Maclean SLA.

An important consideration in relation to this study and this project is the implication of the project not proceeding. If BDDJV cannot gain appropriate support and assistance for this project there will be a significant lost opportunity in the generation of output and employment benefits for the Northern Rivers Region, particularly its residents and businesses.

5.3 Recommendations

Based on the economic benefits identified in this study, and the future tourist and permanent resident accommodation requirements in Yamba and surrounding areas, we believe the redeveloped Blue Dolphin Holiday Resort is of regional significance to the Northern Rivers Region. The proposed redevelopment provides substantial economic benefits including the creation of local output and employment opportunities and the provision of tourist and permanent resident accommodation. On this basis we believe it is fundamental that the Clarence Valley Council and NSW Dept of Planning supports the proposed development and as a matter of priority assists in the facilitation of the development of this project.

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Appendix 1 - Visitor Resort Accommodation

Angourie Rainforest Resort

The Angourie rainforest resort is located at 166 Angourie Rd, Angourie, which is approximately 2.7 km from the Yamba town centre. It is considered a four and a half star eco-tourism resort that caters for family holidays, weddings and conferences. The facilities of this eco-tourism resort include a conference centre, day spa, restaurant and bar, tennis court, heated pool, games room and nature trails.

Whilst the Angourie Resort is of a high quality, it is considered to have an inferior provision of facilities to that offered by the redeveloped Blue Dolphin Holiday Resort. The Angourie Resort is positioned in a rainforest setting and as a result benefits from its offering of nearby bush walks and nature trails. It does however fail to offer water views, breezes or access. These are chief attractions for those visitors seeking a coastal getaway. In its current form, this facility provides the best level of accommodation amenities and facilities in Yamba and importantly it offers an eco-tourism alternative for visitors and tourists. This facility comprises 66 one and two bedroom units.

The following two photographs provide an indication of the type of holiday units and cabins that the Angourie Resort has to offer.



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Moby Dick Waterfront Resort Motel

The Moby Dick Waterfront Resort Motel is located at 27 to 29 Yamba Road, Yamba. This resort motel is located adjacent to the Blue Dolphin Holiday resort and also has direct access to Clarence River. It is rated as a four star motel that offers large units with kitchenettes. This motel also offers an adjacent boat ramp for boating and fishing enthusiasts and provides a tennis court. This facility comprises 24 one and two bedroom motel rooms.



Best Western Yamba Beach Motel

The Yamba Beach Motel is located on the corner of Queen and Clarence Streets atop of Yamba Hill overlooking Yamba Beach. It is located in close proximity to the town centre and all the retail and restaurant facilities located within this precinct. It comprises 15 one bedroom units.

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Quality Suites the Cove

Quality Suites the Cove (apartments) are a four and a half star facility located at 4 Queen Street Yamba overlooking Yamba beach. It is located adjacent to the Yamba Beach Motel and is thus also in close proximity to the town centre and all associated facilities. It comprises 22 one, two and three bedroom units.



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Appendix 2 - Multiplier Analysis

We noted above that Multiplier Analysis was an appropriate technique for measuring the wider economic benefits generated by a particular development project. This approach involves identification of the range of impacts created by a project and the application of appropriate input-output multipliers to reflect the industry wide impacts resulting from the proposed project.

Direct, Indirect, and Induced Impacts

The total impact of any economic activity (development of a project) on an economy consists of direct, indirect, and induced impacts. Direct impacts are the immediate effects of the impacting activity (jobs, income, and purchase of inputs). Indirect impacts are the effects that occur in the sector as a result of the input purchases made by the impacting industry. Induced impacts are the changes in other sectors brought about by the increased consumer spending due to the initial direct and following indirect effects.

Types of Multipliers

Economic impact multipliers take into account both production induced effects and consumption induced effects.

Production Induced Effects

Production induced effects are the amount of output required from all industries in the economy to produce the initial one dollar of extra output and all the subsequent induced output. Production induced effects incorporate First Round Effects and Industrial Support Effects.

First Round Effects (Initial) – the amount of output required from all industries of the economy to produce the initial one-dollar of extra output from an industry.

Industrial Support Effects – the first round output from all industries will induce extra output from all industries, and in turn, these will induce extra output, and so on. The induced output from the first round output is the industrial support output.

Consumption Induced Effects

To produce the initial and the production induced output, wage and salary earners will earn extra income which they will spend on commodities produced by all industries in the economy. This spending will induce further production by all industries. The output resulting from this further induced production is the consumption induced output.

Multiplier Effect

The most common types of multipliers used are those that measure output, value added, income, and employment. For this study we have used only output and employment multipliers. These have been derived from the Australian National Accounts Input-Output Tables 1996-97 as prepared by the Australian Bureau of Statistics (ABS). These are the only multipliers available for Victoria. These multipliers are essentially the most relevant for measuring impacts from development projects.

Output multipliers measure the contribution to Gross Domestic Product (GDP) subtracting for leakages from the project in the form of imports or services (labour). Output multipliers

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measure the net increase in economic activity resulting directly and indirectly from a change in final demand.

Employment multipliers measure the total change in employment due to a one-unit change in the labour force in a specific sector or due to a specific activity.

During both the development and operating phases of the proposed development, new jobs would be created for the local region. In addition to the creation of these direct jobs there would be flow on employment impacts resulting in indirect jobs.

Type 1 and Type 2 Multipliers

The multipliers used to measure the flow on impacts of an initial impact are referred to as Type 1 (direct and indirect impacts) and Type 2 (direct, indirect, and induced impacts) multipliers.

Type 1 multipliers represent the initial impact on final demand plus the additional output required from other industries in the economy needed to supply the additional demand of the industry receiving the initial impact. The initial impact consists of the employment and value added directly generated from the industry that related specifically to the project in question. The industrial support captures flow-on effects that occur as the industry that is initially impacted on, changes its demand for inputs required from other industries. These industries will in turn respond by changing their input demands leading to additional activity and so on. The sum of the initial impact combined with the industrial support forms the Type 1 multiplier. (Source: Queensland Government, Input-Output Tables, 1996-97, page 23)

Type 2 multipliers represent the initial impact on final demand, the industrial support resulting from the initial impact (i.e. the Type 1 multiplier), plus changes in consumption by the household sector in response to income changes resulting from the change in output (consumption induced). The inclusion of consumption induced effects means that Type 2 multipliers are larger than Type 1 for the same industry. Depending on the type of impact being modelled, Type 2 multipliers are generally considered to overstate the true impact as they implicitly assume that new employees were previously unemployed and consuming nothing.

appendices

Appendix 3 – Demographic profile

Table X.X

Key Socio-Economic Characteristics of the Trade Area Population, 2001

Characteristics	Yamba Study Area	Balance of NSW Avg
Average Per Capita Income	\$15,052	\$17,981
Per Capita Income Variation	-16.3%	
Household Income		
\$0 - \$15,600	19.0%	16.8%
\$15,600 - \$36,400	50.5%	38.1%
\$36,400 - \$78,000	24.3%	31.7%
\$78,000 +	6.1%	13.4%
Average Household Size	2.5	2.62
Usual Residents Personal Income		
\$0 - \$15,600	55.0%	45.6%
\$15,600 - \$36,400	34.4%	35.1%
\$36,400 - \$78,000	9.5%	16.8%
\$78,000 +	1.2%	2.5%
Usual Residents Average Per Capita Income	\$14,824	\$17,857
Usual Residents Per Capita Income Variation	-17.0%	
Age Distribution		
Aged 0-14	18.9%	21.8%
Aged 15-24	7.9%	12.4%
Aged 25-39	14.6%	19.0%
Aged 40-59	27.1%	26.7%
Aged 60+	31.5%	20.1%
Average Age	43.4	37.5
Dependency Ratio ¹	50.4%	41.9%
Housing Status		
Owner/Purchaser	75.7%	72.6%
Renter	24.3%	27.4%
Labour Force (2001)		
Employed	5,144	931,412
Unemployed	849	95,197
Labour Force	5,993	1,026,609
% Unemployed	14.2%	9.3%
Labour Force Participation	42.2%	55.6%
Managers & Administrators	10.4%	10.6%
Professionals	14.4%	15.5%
Para Professionals	13.1%	11.4%
Tradespersons	12.6%	13.8%
Clerks	3.8%	3.5%
Sales & Personal Services Workers	24.1%	25.5%
Plant & Machine Operators & Drivers	10.2%	9.0%
Labourers & Related Workers	11.4%	10.7%
Birthplace		
Australian Born	91.8%	89.2%
Overseas Born	8.2%	10.8%
• Asia	0.6%	1.1%
• Europe	5.8%	7.4%
• Other	1.9%	2.2%

¹ Dependency Ratio refers to the proportion of the population between 0-14 and over 60 years

² Undertaking Tertiary Education refers to the proportion of the population aged over 18 years

Source : ABS Census of Population and Housing 2001; UrbisJHD