



Launceston Chamber of Commerce Policy Statement on Big Box Development

The Launceston Chamber of Commerce (the Chamber) recognises that the bulky goods/ big box/dfo (big box) mode of retailing will come to Tasmanian communities and that consumers are looking for this type of experience. It is of the view that regardless of location their arrival will create major challenges for existing urban and country retail precincts.

Policy Position

The Chamber's policy position is to encourage location of these centres on the fringe of existing retail precincts and ideally close to and within the existing Launceston Central Business District (CBD). If big boxes are located alongside the CBD or in locations that link and strengthen existing retail precincts and support the existing retail hierarchy thereby mitigating negative impacts they can ensure that existing precincts have the opportunity to survive and prosper

Rationale

The Chamber's policy position has been developed based on the national and international experiences and observations that were made during a joint study tour between Launceston City Council, Cityprom and the Chamber examining the impact of big box developments on urban retail precincts in New Zealand in July, 2005.

Whilst the high volume, high turnover, high discount approach has benefits there are a number of risks including:

- Reduction in sales of up to 15% for towns (less than 5,000) with a 30km radius.
- Reduction in the number of stores in close proximity and/or direct competition with a big box – which can lead to high levels of commercial vacancy and loss of locally owned and operated businesses as well as land use and social problems associated with abandoned buildings and 'dead' strips
- Initial growth in big box sales but a decline over time and risk of closure – creating major 'shocks' for employment and local service industries. The growth of internet business is a major challenge to big boxes.
- Increase in carbon footprints associated with location, reliance on private motor vehicles and high energy costs of the infrastructure and its servicing (eg water, waste, lighting, traffic management etc)
- Impact on the character or 'liveability' of an area –

By Locating big boxes near the CBD a number of these risks can be mitigated because:

- *The CBD is the focus of commercial activity and community services and is therefore a major source of income and jobs.*

It is the only commercial centre which offers higher order shopping activity (e.g. department stores).

- I. It is the focus of the public transport system, and*
- II. There are considerable benefits to concentrating commercial services in the CBD and existing commercial centres as this provides efficiencies in terms of total development costs and allows for efficient utilisation of existing infrastructure.*
- III. It will reduce the carbon footprint of big boxes*

The Chamber's position is also supported by a strategy that was developed as part of the Tamar Regional Master Plan (1990) which states in part:

"The aims of the Commercial Centres Policy are to protect the CBD and existing commercial centres, to focus major retail and office development and employment in the CBD and existing commercial centres, to protect the existing hierarchy in the region and to allow for growth where appropriate." (TRMP –Tamar Region Commercial Centre Review –section 3 Commerce (24/4/90))