

Forrestdale Business Park Profile

September 2023



Introduction

Overview

The report provides an economic snapshot of a selected precinct in the City of Armadale council area. The following topics are explored:

- Economic contribution
- Industry Mix
- Specialisations
- Recent trends

Methodology

Step 1 – Define precincts using ABS Destination Zones

This report defines the employment precincts based on ABS Destination Zones and advice from the City of Armadale. The geographic definitions used in this report are provided on page 3.

Step 2 – Collect data from the ABS Census of Population and Housing

Census employment counts are then estimated for each precinct. Census employment counts are collected for 2016 and 2021.

Step 3 – Model employment estimates based on NIEIR LGA model

Census employment counts undercount the official employment estimate by around 15%. The undercount can vary by industry and between Census periods. To address this issue, we have adjusted the ABS Census employment counts based on the undercount estimated by NIEIR (i.e. compares 2021 Census employment counts by industry with NIEIR 2020/21 employment estimates by industry). This means that the estimates in this report can be compared to the NIEIR LGA estimates in 2016 and 2021.

Step 4 – Model industry value added based on NIEIR LGA model

Industry value added estimates for each precinct is then calculated using the NIEIR LGA worker productivity by industry and precinct employment estimate by industry.

Data notes

Location quotients

Industry specialisations are based on a Location Quotient (LQ) analysis. The LQ is a simple way of seeing which are the main industries in an area, relative to the wider region. LQ shows the percentage of the local precinct characteristic in a particular industry divided by the percentage of the Greater Perth region that this industry makes up. An industry is defined to be specialised in this report if it has an LQ greater than 1.2 and has more than 25 jobs.

Geographic definition

The data contained in this report is based on the precinct boundaries defined in the table on this page.

ABS Destination Zones are used to define the employment precincts. Some Destination Zones do not align with Precinct boundaries. To deal with this, a 'split' based methodology has been used to produce employment statistics for the employment precincts.

This 'split' based approach converts DZ employment by industry estimates to precincts based on an analysis of aerial photography, Google Maps, Australian Business Register data and ABS Census data. This 'split' analysis was completed on an industry basis (1 digit). This means that each industry can have a different DZ split.

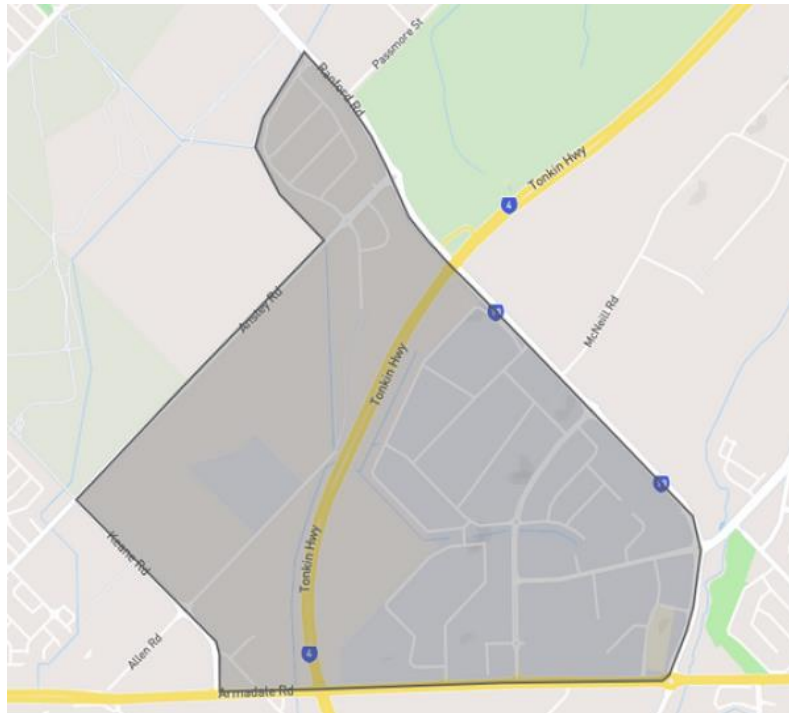
Precinct name	Destination Zone in 2021	Average split
Forrestdale Business Park	513080001	58%
Forrestdale Business Park	511171786	11%

Estimates of economic activity at 2021

The following section utilises 2016 and 2021 ABS Census data and NIEIR modeling to provide a best estimate of the Forrestdale Business Park's key indicators up to 2021.

Snapshot: Forrestdale Business Park

The Forrestdale Business Park is a major industrial site strategically located at the intersections of Tonkin Highway and Armadale Road in Forrestdale, Western Australia. It accommodates a range of commercial, mixed business industrial activities. The precinct supported 2,474 jobs in 2021 which represented around 11% of all jobs in the City of Armadale. The number of workers in the precinct was estimated to have increased by 81% between 2016 and 2021.



Headline indicators, 2021



Employment

2,474

11% of total jobs in LGA



Gross Value Added

\$380m

16% of total value added in LGA



Output

\$1,038m

21% of total output in LGA



Businesses

229

Performance over last 5 years

Employment

80.7%

Value Added

67.7%

Output

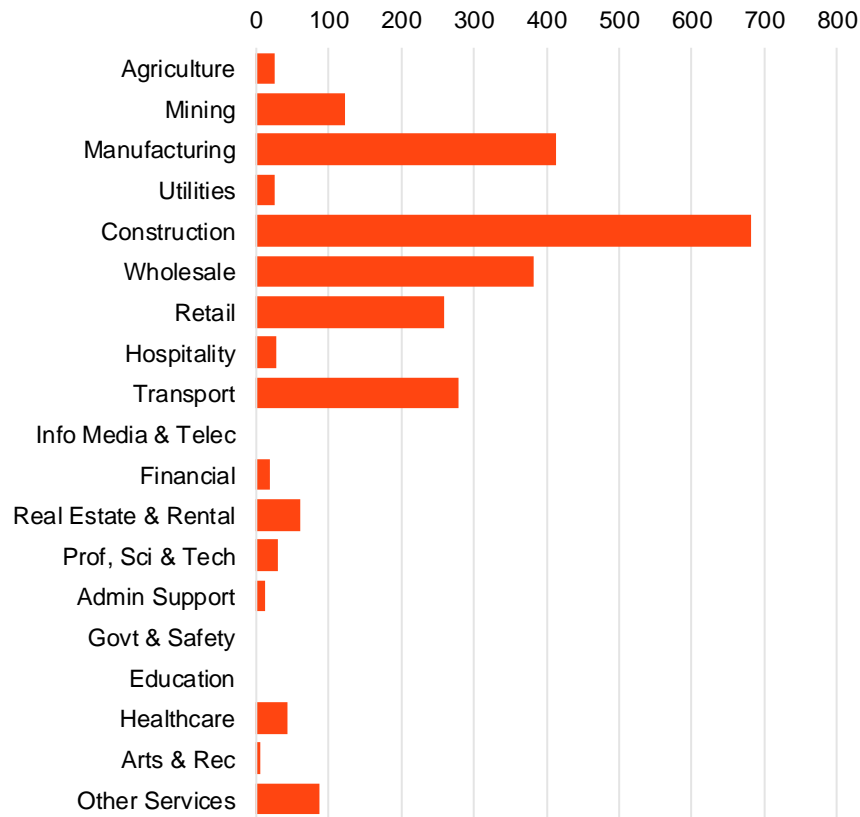
42.3%

Industry Profile: Forrestdale Business Park

The largest employing industry was Construction with 682 jobs, or 28% of total jobs. Other important sectors include Manufacturing and Wholesale Trade. The precinct's key specialisations include Machinery & Equip Wholesaling (11.9), Primary Metal and Metal Product Mfg. (5.2) and Road Transport (4.2).

Industry importance, 2021

Employment by industry



Main employing industries

Construction

682 jobs, \$105m value added

Manufacturing

413 jobs, \$60m value added

Wholesale Trade

382 jobs, \$79m value added

Key specialisations*

LQ - Compared to Greater Perth

Machinery & Equip Wholesaling (11.9)

Primary Metal and Metal Product Mfg. (5.2)

Road Transport (4.2)

The location quotient (LQ) is a simple way of seeing which are the main industries in an area, relative to the wider region. LQ shows the percentage of the local economy characteristic in a particular industry divided by the percentage of the wider area (region, state, nation) that this industry makes up. A LQ greater than 1.2 indicates a significant specialization.

Basic Material Wholesaling (3.8)

Transport Equipment Mfg. (3.8)

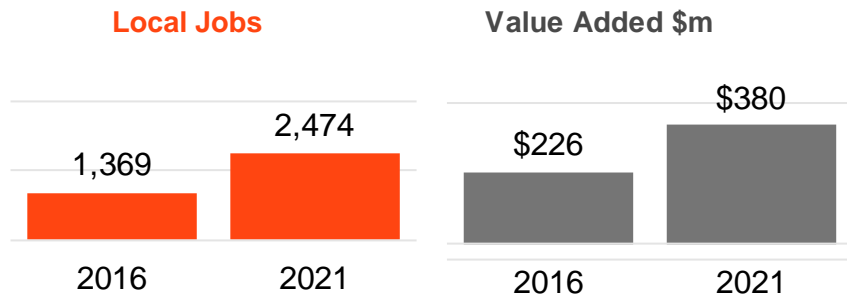
Building Construction (3.7)

Performance: Forrestdale Business Park

From 2016 to 2021, the number of jobs increased by 81% (1,105). This growth was faster than the City of Armadale average and faster than the Greater Perth average. Gross Value Added of the precinct increased by 68% or \$153m over the same period. The main industries behind this job growth were Construction, Manufacturing and Wholesale.

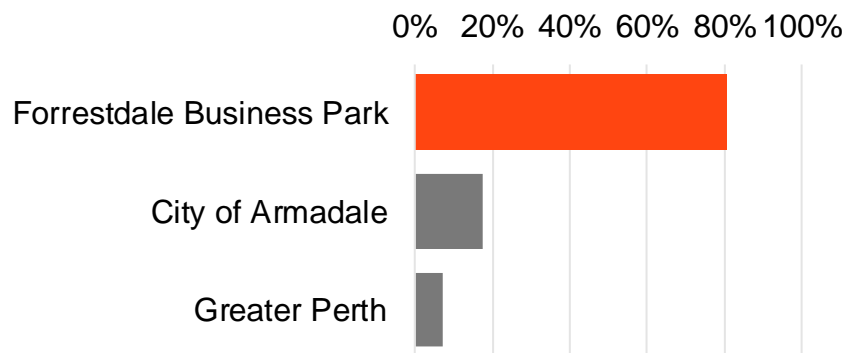
Economic and Employment Change

2016-2021



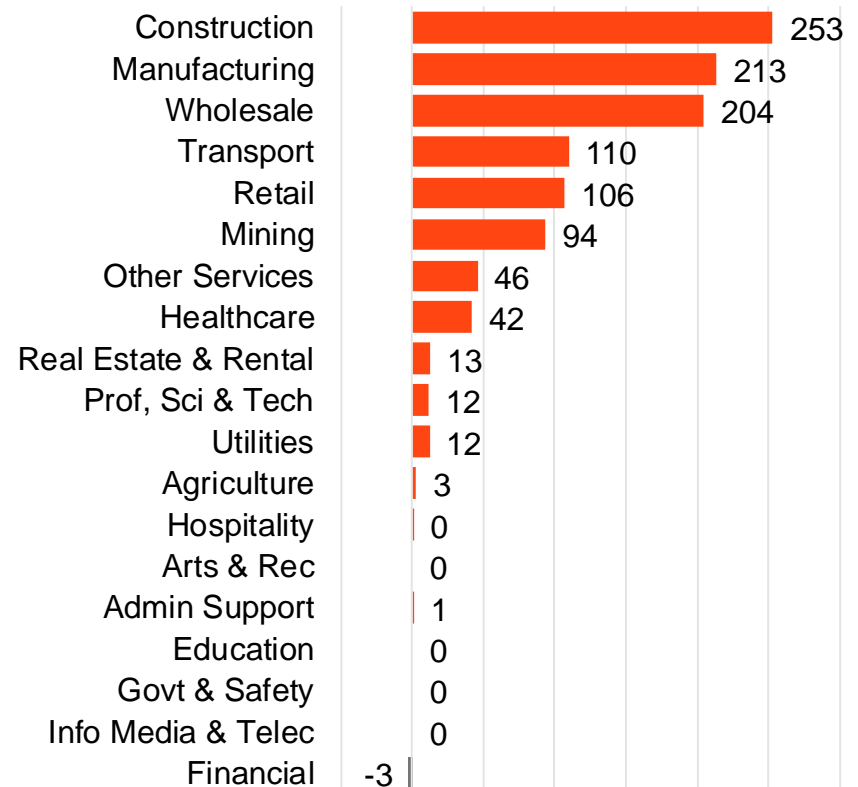
Employment % Change

2016-2021



Employment Change by Industry

2016-2021

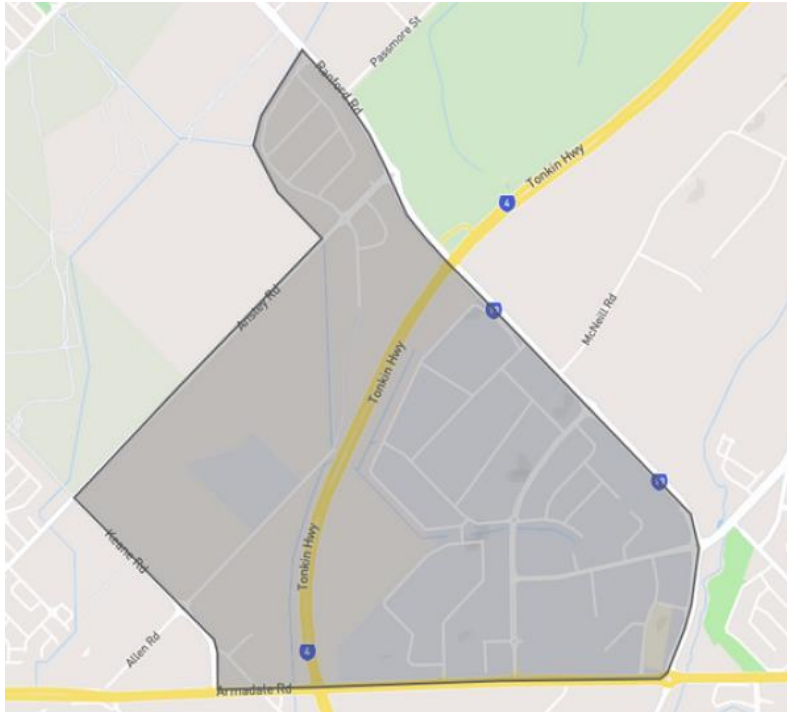


Estimates of economic activity at 2023

The following section builds upon the 2021 estimates to try and take into account the considerable developments in the two years up to 2023 in the Forrestdale Business Park. Benchmark growth comparisons are not made as modeling LGA or Greater Perth growth to 2023 is not in scope of this project.

Snapshot: Forrestdale Business Park in 2023

The Forrestdale Business Park is a major industrial site strategically located at the intersections of Tonkin Highway and Armadale Road in Forrestdale, Western Australia. It accommodates a range of commercial, mixed business industrial activities. The precinct supported an estimated 3,744 jobs in 2023.



Headline indicators, 2023



Employment

3,744



Gross Value Added

\$709m



Output

\$1,738m



Businesses

244

Performance over last 7 years

Employment

173.5%

Value Added

213.2%

Output

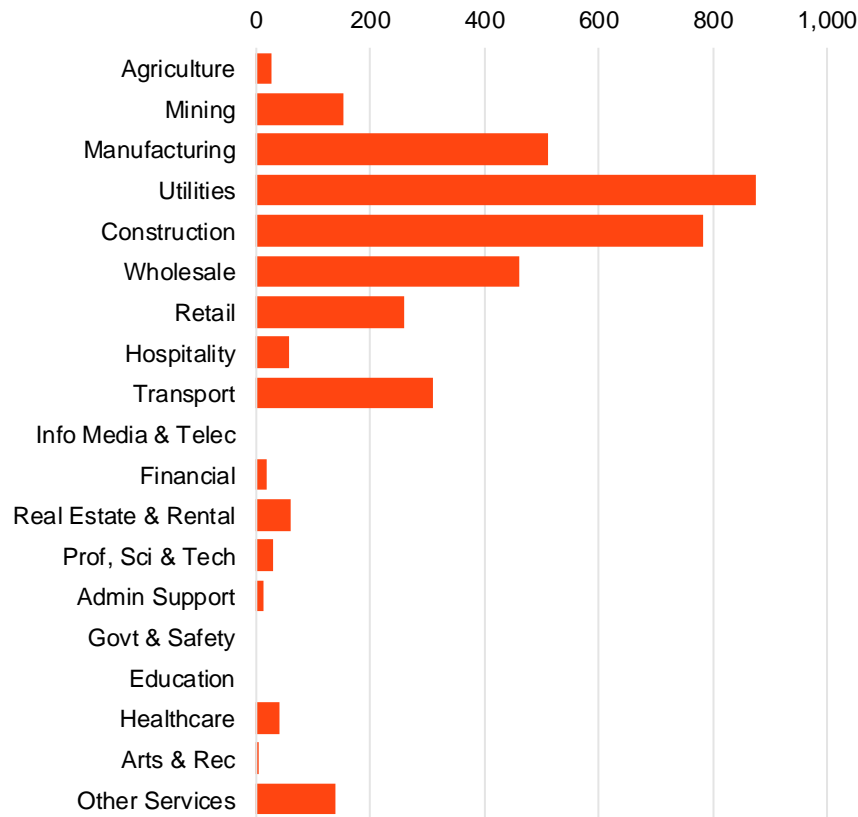
138.4%

Industry Profile: Forrestdale Business Park

The largest employing industry was Electricity, Gas, Water and Waste Services with 875 jobs. Other important sectors include Construction and Manufacturing. The precinct's key specialisations include Machinery & Equip Wholesaling (11.9), Primary Metal and Metal Product Mfg. (5.2) and Road Transport (4.2).

Industry importance, 2023

Employment by industry



Main employing industries

Electricity, Gas, Water and Waste Services

875 jobs, \$275m value added

Includes Western Power Forrestdale Depot

Construction

782 jobs, \$116m value added

Manufacturing

513 jobs, \$73m value added

Key specialisations*

LQ - Compared to Greater Perth

Machinery & Equip Wholesaling (11.9)

Basic Material Wholesaling (3.8)

Primary Metal and Metal Product Mfg. (5.2)

Transport Equipment Mfg. (3.8)

Road Transport (4.2)

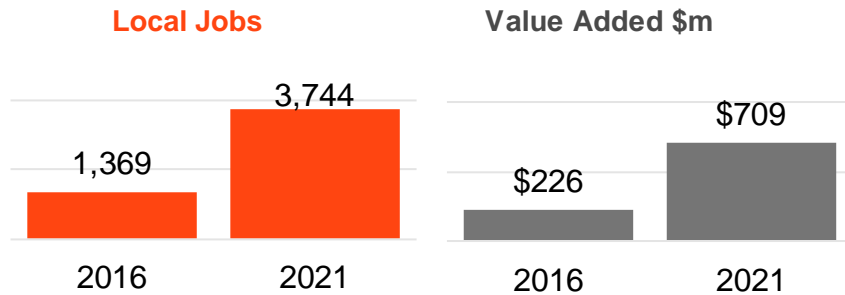
Building Construction (3.7)

Performance: Forrestdale Business Park

From 2016 to 2023, the number of jobs increased by 174% (2,375). Gross Value Added of the precinct increased by 213% or \$483m over the same period. The main industries behind this job growth were Utilities, Construction and Manufacturing.

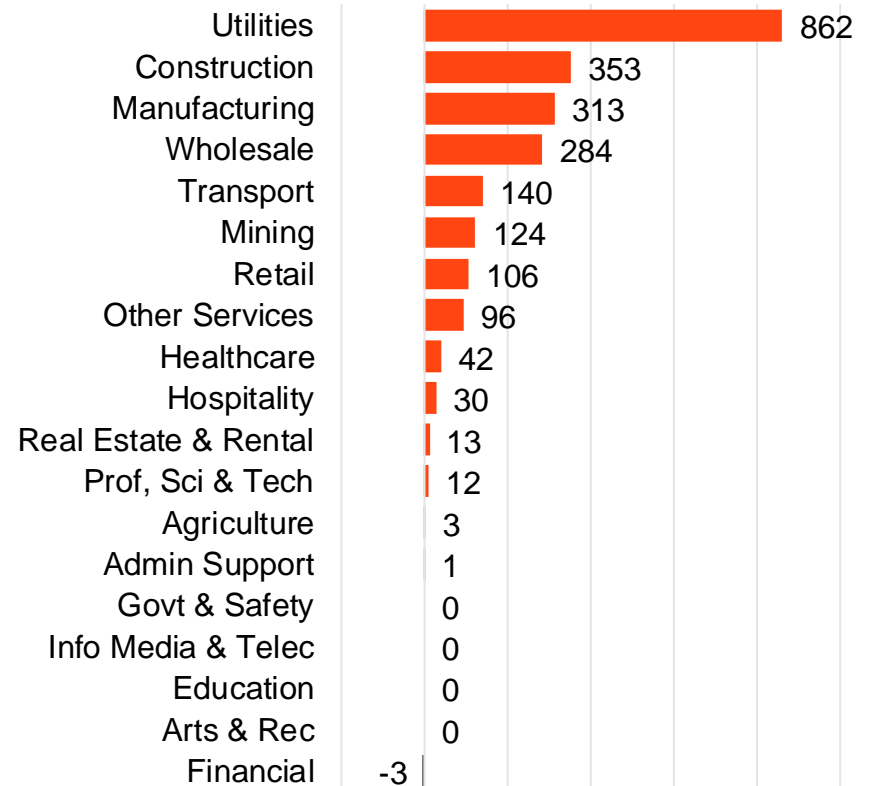
Economic and Employment Change

2016-2023



Employment Change by Industry

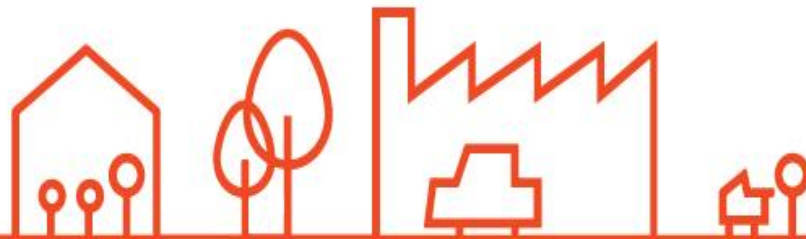
2016-2023



Attachment A: Business by industry data

The table below shows the GST registered business count by industry for the precinct in 2023.

Industry	Forrestdale Business Park
Accommodation and Food Services	4
Administrative and Support Services	4
Agriculture, Forestry and Fishing	2
Arts and Recreation Services	2
Construction	45
Education and Training	2
Electricity, Gas, Water and Waste Services	4
Financial and Insurance Services	4
Health Care and Social Assistance	2
Manufacturing	37
Mining	8
Other Services	26
Professional, Scientific and Technical Services	17
Public Administration and Safety	1
Rental, Hiring and Real Estate Services	31
Retail Trade	17
Transport, Postal and Warehousing	8
Wholesale Trade	30
Total	244



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