

Bulky goods retailing accounts for more than 22 per cent of all retail sales

The fastest growing retail sector in Australia

Bulky goods is the fastest growing retailing sector in Australia, now employing over 150,000 people directly, the Bulky Goods Retailers Association reported this week. And the work flows on to a further 160,000 — substantially contributing to economic growth and investment, says the BGRA, the major national body representing this retail sector.

The BGRA notes that recent industry research by BIS Shrapnel shows bulky goods retailing accounts for more than 22 per cent of all retail sales Australia-wide — or \$38.5 billion annually. The forecaster's annual sales prediction for Victoria to June 30, 2007 is \$10.25 billion, which the BGRA judges "healthy".

Not only has bulky goods retailing become a popular format among retailers, it is also favoured by developers and investors who are increasingly pouring funds and resources into building bulky goods outlets around the country. A proliferation of property development is being driven by:

By STEPHEN COOPER

- consumer demand for larger bulky goods retail precincts,
- retailers who are keen to expand their store numbers,
- developers and investors seeking to profit from the strength of the sector.

In 2006, 750,000 square metres of new bulky goods retail space was constructed in Australia according to BIS Shrapnel estimates.

This eclipsed the previous record of 440,000 square metres in 2005 and surpassed the expectations of every forecaster in the country.

Bulky goods development was also strong in Victoria last year with 131,400 square metres of space added across metropolitan Melbourne alone.

Victoria will see a larger increase in bulky goods floor space than any other state through 2007/08, predicts the BGRA.

There is currently 183,000 square metres of bulky goods floor space under construction, and scheduled for completion before the

conclusion of 2008. These include developments in a number of regional areas, namely Pakenham, Wodonga, Shepparton, Geelong, Bendigo and Frankston.

"It is expected that 2009 will see 189,000 square metres of bulky goods floor space added in Victoria, including large scale developments in Mentone and Toorak, plus the 50,000 square metre Melbourne Convention Centre homemaker complex," said BGRA's executive director, Philippa Kelly this week.

"The Bulky Goods Retailers Association is confident that the Victorian market can absorb this increase in new floor space.

"Through working closely with the Victorian government, developers, and other stakeholders, we aim to ensure all future developments are viable in the long-term for everyone involved.

"We will do this while creating retail facilities that add value to the community, in keeping with environmental and other planning considerations."