

Wollongong Investment Prospectus 2023



invest
wollongong



Why Wollongong?

Wollongong is a superior business location. It is a vibrant coastal city, which offers a supportive business environment and an enhanced work-life balance. The city is home to an industry-focused global university, a highly skilled workforce and is a growing hub of businesses with customers and clients across the world.

Wollongong is the business hub of the Illawarra

Wollongong is the regional capital of the Illawarra-Shoalhaven, whose population is expected to be over 550,000 people by 2041. Over the last decade, Wollongong's CBD has attracted substantial levels of investment with \$1.9B of projects completed or under construction.

Looking ahead, there is an exciting pipeline of \$1B in mixed use, residential and commercial projects.

Wollongong is a vibrant coastal city

Wollongong's lifestyle, skilled workforce and high levels of amenity, is a major attraction for businesses. The fast-growing inner-city population has supported the CBD's cultural renaissance, with more than 180 small bars, cafes and restaurants. Wollongong's thriving arts and evening economy continues to attract people to visit, socialise, eat and listen to live music.

This activity takes place in a stunning coastal landscape, including 17 patrolled beaches, Lake Illawarra and the backdrop of the Illawarra escarpment and the Royal National Park.

Wollongong is committed to attracting 10,500 new jobs

Wollongong City Council is committed to ongoing sustainable economic development in Wollongong with business attraction being a key priority. Council's Economic Development Strategy 2019 – 2029 endorses a jobs target of 10,500 net new jobs over the next decade and includes 56 action items to attract new investment to support existing businesses.

The Wollongong CBD has seen a substantial uplift in new A-Grade office space with 30,000sqm newly completed in the last three years and another 34,000sqm in the future approved pipeline. This represents a 75% total uplift in A-grade office stock.

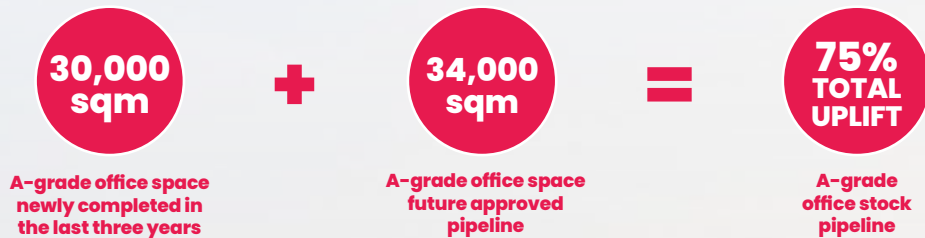
A large proportion of this new A-grade stock has been tenanted and the pipeline offers any new incoming tenants a range of opportunities to locate in high quality premises within the Wollongong CBD.

Image: Wollongong harbour and City Beach



Wollongong: The alternative CBD location

There are now exciting and potential game-changing office leasing opportunities in our city.



Wollongong CBD is the perfect location to consider for your business to establish a new HQ, set-up a satellite office or a remote work hub to accommodate flexible work options.



Large, skilled talent pool:

More than 700,000 working adults within a one-hour commute



Strategically located:

One hour from Sydney and its airports, and 2.5 hours from Canberra



More cost effective:

Up to 33% more cost effective than Sydney, Melbourne or Parramatta



Superb liveability:

Wollongong is easy to get around, has great public infrastructure and a beautiful natural environment



Supportive business community:

Home to a thriving business community, with a range of well established business networks



Global university:

Home to the University of Wollongong, a world-class research and teaching university



Why Wollongong?

Large Talent Pool

Wollongong has a large, experienced and multilingual workforce with skills ranging from traditional manufacturing expertise through to creative industries and digital technology-based capabilities.



Key highlight

More than 700,000 working adults within a one-hour commute of Wollongong CBD.

Access to top graduate talent

UOW Graduate Numbers (2022)			
	Undergraduate	Postgraduate	Total
Faculty of Business and Law	716	634	1,350
Faculty of Engineering and Information Sciences	545	418	963
Faculty of Science, Medicine and Health	902	339	1,241
Faculty of the Arts, Social Sciences and Humanities	1,115	534	1,649
UOW College	184	0	184
Total	3,462	1,925	5,387

Source: UOW

Wollongong's large talent pool is complemented by the number of students and graduates studying at the University of Wollongong. Currently, there are more than 23,000 studying at the Wollongong campus in subjects including engineering, information sciences, medicine, health, law and business.

24,000 skilled commuters

Around 24,000 residents across the Illawarra region travel to Greater Sydney for work, with a good mix of skills in both white-collar and blue-collar occupations.

The Illawarra's Commuter Pool		
Occupation	Number of Commuters	Share of total %
White collar workers	16,583	68%
Managers	4,147	17%
Professionals	7,314	30%
Community and personal service workers	2,321	10%
Clerical and administrative workers	2,801	12%
Blue Collar Workers	7,395	30%
Technicians and trades workers	3,362	14%
Sales workers	1,088	4%
Machinery operators and drivers	1,719	7%
Labourers	1,226	5%
Inadequately described/ not stated	356	1%
Total	24,331	100%

Source: ABS

Image: Port Kembla pool & beach

Almost 70% of commuters work in white-collar occupations, including nearly 12,000 Managers and Professionals. Of these, the largest occupation group is Specialist Managers (3,000+ commuters), covering a range of sectors including advertising, PR, HR, ICT, finance, supply chain and construction.

There are over 7,300 blue collar workers, including technicians and trades workers, sales workers, machinery operators, drivers and labourers, reflecting the city's rich industrial heritage.

Enhanced Work-Life Balance

Wollongong offers an enhanced work-life balance, with most people able to access work, study and recreational opportunities within 30 minutes of where they live.

This improves staff wellness, engagement and workplace productivity thanks to shorter commuting times and having more time to integrate with the local community. Research by Fifth Quadrant in 2019 found the staff turnover rate in Wollongong (8%) is less than half of the Australian average (19%) in the professional and shared services sector. This provides further evidence of the benefits to business due to improved work-life balance in Wollongong.

Vibrant Coastal City

Liveability is a key factor in Wollongong's advantages as a business location and why many company founders choose to live here.

In Wollongong you can enjoy...

- **Coastal lifestyle** – located immediately south of the Royal National Park, Wollongong's spectacular natural environment includes 17 patrolled beaches. The Illawarra Escarpment offers an abundance of recreational activities to enjoy. Wollongong is also known as an adventure city, with many high energy activities on offer for locals and visitors.
- **Thriving arts, festivals, music, foodie and small bar culture** – Wollongong regularly attracts major events, concerts and music festivals, and today has a flourishing evening economy, with over 180 small bars, restaurants and cafes in the CBD, and many others in its suburbs.
- **Quality public infrastructure** – Wollongong has quality health infrastructure including a major teaching hospital and several private hospitals. Its education infrastructure includes a major TAFE institute, a world-class university and a broad range of quality schooling options.



Why Wollongong?

Supportive Business Environment

Wollongong offers a supportive business environment with easy access to quality local service firms and well established, engaged industry networks.

Businesses can access the support services they need in Wollongong such as legal, accounting, human resources, marketing and IT. There are multiple business events that offer a range of educational and networking opportunities, allowing new businesses to quickly form strong connections.

Competitive operating costs

Wollongong is a cost-effective location for any business, driven by a combination of lower staff turnover rates and as a more affordable business location.

Research from Fifth Quadrant (2019) further demonstrates Wollongong's competitiveness when compared to Sydney, Melbourne and Parramatta CBDs. In particular, staff turnover in Wollongong is only 8%, which is significantly lower than the turnover rate of shared services centres across Australia (19%).

30%

More cost effective than Sydney, Melbourne and Parramatta CBD's

<50%

Staff turnover rate is less than half the national average

The research found Wollongong is the most cost-effective location with the lowest salary and real estate costs for an indicative 150 seat shared service centre operation. This translates to savings in the range of 28-33 percent. Large Shared Services organisations in Wollongong include Mercer, NEC, ATO, Stellar and the Department of Human Services.

Operating costs: 150 seat contact centre

	Sydney	Parramatta	Melbourne	Wollongong
Total Salaries	\$9,640,000	\$9,640,000	\$9,635,000	\$7,090,000
Cost of Staff Turnover	\$316,514	\$316,514	\$316,514	\$96,923
Real Estate @ 1,750m ²	\$1,750,000	\$962,500	\$1,225,000	\$700,000
Total	\$11,706,514	\$10,919,014	\$11,176,514	\$7,886,923
% Savings to Wollongong	33%	28%	29%	

Source: FY18/19 Hays Salary Guide and Fifth Quadrant (2019)



Why Wollongong?

Industry-Focused Global University

The University of Wollongong (UOW) ranks among the top 1 percent of universities worldwide and is a research-intensive university with an outstanding reputation for learning across a broad range of disciplines. UOW has more than 23,000 students in Wollongong. Its graduates are recognised for their capability, quality and success in the global workplace.

UOW is an international centre of research excellence that ranks in the top 1 percent of world universities. It is ranked in the top 20 of modern universities in the world (2021) and the top university in NSW graduate employer satisfaction (2021).

= 185

World ranking.
*QS World
University
Rankings 2023

1st in
NSW

For UOW graduate
employer satisfaction.
*QILT Employer
Satisfaction Survey 2021

Specialist research institutions include:

- SMART Infrastructure Facility
- Institute of Cybersecurity and Cryptology
- Australian National Centre for Ocean Resources and Security (ANCORS)
- Australian Institute for Innovative Materials (AIIM)
- Molecular Horizons
- Sustainable Buildings Research Centre (SBRC)
- Defence Materials Technology Centre (DMTC)
- Translational Research Initiative for Cellular Engineering and Printing (TRICEP)
- Early Start

UOW's SMART Infrastructure Facility brings together experts from fields such as transport, water, energy, economics, system engineering, data analytics, modelling and simulation. SMART researches the challenges of infrastructure planning and management both now and into the future. The SMART Infrastructure Facility places Wollongong at the forefront of new thinking and the development of the smart cities of tomorrow.

UOW's Innovation Campus is a \$600M precinct that encourages innovative organisations from around the world to co-locate with leading research institutions in a collaborative environment.

iAccelerate

iAccelerate is UOW's business incubator and accelerator, dedicated to helping innovative businesses and startups build and grow, as well as support an innovative business culture in the region. iAccelerate has delivered 1,013 new jobs to the region since 2016 and supported 316 startups and scaleups.



Image: iAccelerate

The Wollongong CBD

The Wollongong CBD is the largest employment hub of the region, providing employment for around 24,000 workers or 30% of the Wollongong LGA's total employment.

As the region's business and administrative centre, and home to many knowledge service businesses including ICT, financial services and shared service which provide services locally, nationally and internationally.

The Wollongong CBD can support, sustain and foster the growth of post pandemic business operations. It is the perfect location to establish a satellite office, shared services centre or remote work hub providing flexible working arrangements for staff.

The Wollongong CBD has undergone a massive transformation over the last decade. There has been \$1.9B of investment with another \$1B in the future pipeline.

In the last five years, the Wollongong CBD has seen a significant increase of premium working space. Around 30,000sqm of new A-grade office stock has been completed during the last 3 years and there is an additional 34,000sqm in the future approved pipeline. This represents a 75% uplift in A-grade office accommodation in the CBD.

The Wollongong CBD has seen some exciting office space constructed over recent years, including Wollongong's largest A-grade commercial building, Lang's Corner. This purpose built 12 storey commercial development includes 12,000sqm of pure commercial office space and is home to Mercer – a global asset management firm.



Image: Lang's Corner, CBD

Other recently completed office accommodation includes:



IMB Bank head office

43-47 Burelli Street
Wollongong
GFA: 6,695sqm



Gateway on Keira

140 Keira Street
Wollongong
GFA: 5,259sqm



Avante

3 Rawson Street
Wollongong
GFA: 5,500sqm

The Wollongong pipeline

There is around \$1B of projects in the pipeline in the Wollongong CBD.

The largest of these approved projects is the WIN Grand development, which is proposed to be built at the western end of Crown Street. Alongside 390 residential apartments, health and wellness facilities, entertainment facilities (8 screen cinema, performance and exhibition space) and recreation facilities (pool and gym), the complex will house around 9,500sqm of commercial premise – including business, office and retail space.

This A-grade office accommodation will provide another 10,000sqm of stock to the Wollongong CBD.



Image: artist impression, WIN Grand

A-grade developments in the pipeline

There are a number of exciting A-grade office developments in the pipeline within the Wollongong CBD:

- **111-119 Crown Street Wollongong**

This A-grade office development will adjoin to Lang's Corner on the lower Crown Street mall in the heart of the Wollongong CBD. This 12 storey building with a gross floor area of 10,089sqm will offer 11 floors of premium office space set above a ground floor shopfront.

- **72-76 Crown Street Wollongong**

This recently approved A-grade office development comprises of 9,500 gross floor area offering 8 floors of office space set above a ground floor lobby and retail space.

- **80-82 Market Street Wollongong**

This A-grade office development is in the centre of the CBD offering 4,440sqm of gross floor area over 6 floors with 4 basement levels.

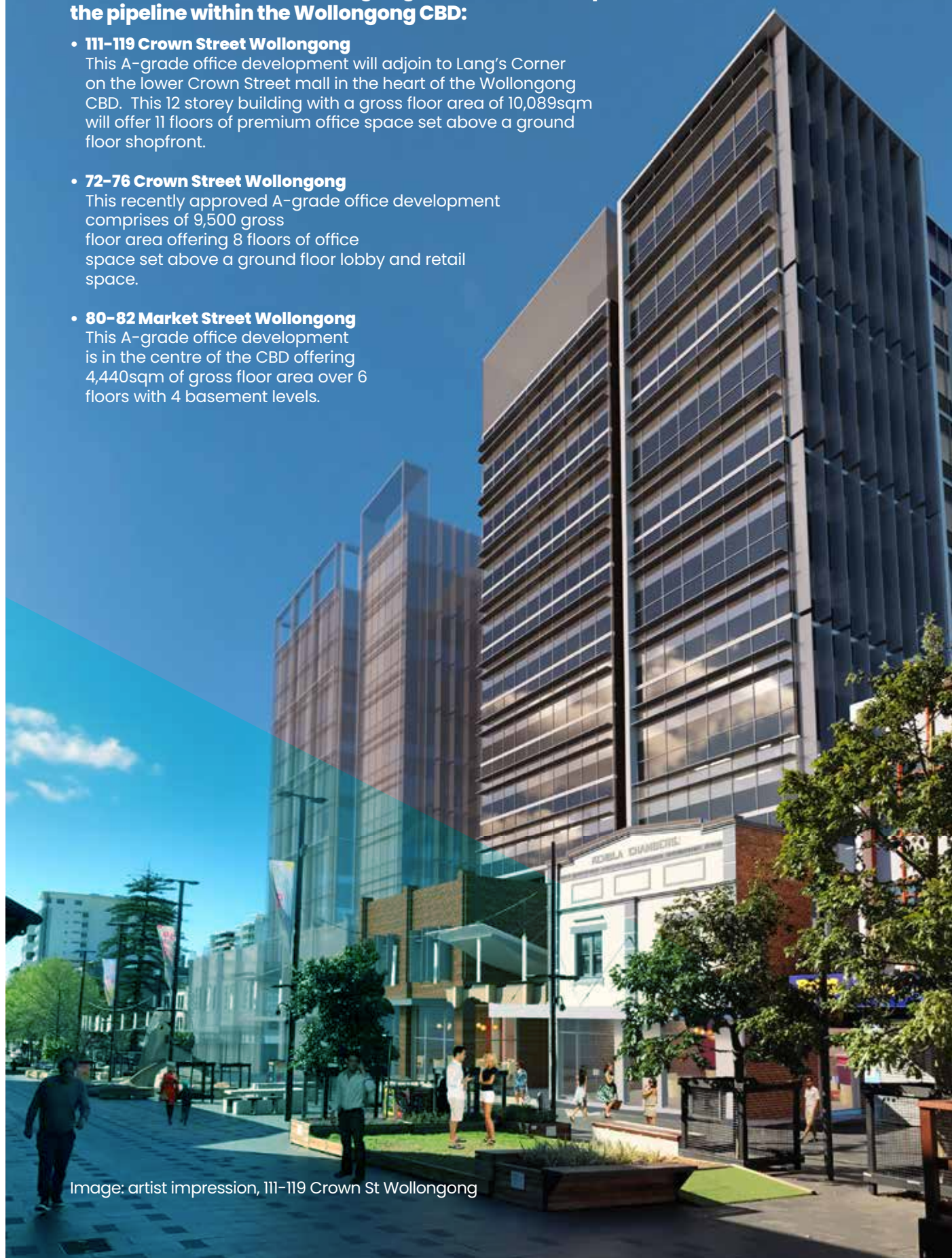


Image: artist impression, 111-119 Crown St Wollongong

Wollongong's Growth Sectors

Tech

Wollongong is home to a thriving tech sector and many successful tech companies that service national and international markets. Well established tech companies in Wollongong include NEC, Objective, Scalapay, Accelo, Easy Agile and FinoComp.

The combination of Wollongong's existing expertise in tech and its strong pool of educated ICT workers is a key element in the development and attraction of tech companies to Wollongong.

Wollongong's success stories:

- **Accelo** is a world class project management software company that provides services to thousands of clients across 86 countries. They have over 100 staff across three offices, with their office of engineering, research and development located in the Wollongong CBD.
- **Easy Agile** was founded in 2015 by Nick Muldoon and Dave Elkan. Situated in the Wollongong CBD, Easy Agile service customers around the world with over 120,000 users of their Jira apps.

- **FinoComp** is a software development company with the goal of transforming the wealth management industry via microservices. They were founded in Wollongong and have offices in Wollongong and the UK.

- **Objective Regtech** creates information and process governance solutions that enable organisations to advance their own digital transformation. Objective Regtech have operated in Wollongong for over 24 years servicing a range of industries to help regulators make informed consistent decisions, increase productivity, and improve safety outcomes.

- **Scalapay** is a BNPL FinTech firm and is a Unicorn company located in Wollongong, valued at over \$1B, located at the UOW Innovation Campus and employs over 50 people.

Supportive environment

- **Siligong Valley** is a group of over 1,400 passionate tech professionals, digital marketers and entrepreneurs aiming to promote the growing tech space in Wollongong. Made up of businesses and individuals, Siligong Valley is Wollongong's hub for tech-related talent and is focused on placing Wollongong on the global tech and entrepreneurial map.



Clean energy

Wollongong is emerging as a global clean energy hub with major projects in green hydrogen production, dual fuel power generation, offshore renewable energy, gas pipeline and terminal infrastructure either planned or already operating across the Illawarra Shoalhaven region.

These transformative projects and assets are the cornerstone investments in NSW and Australia's decarbonised energy future. Port Kembla is poised to become a hydrogen superpower with an ambitious vision to create Australia's first 5GW+ scale green hydrogen hub.

Major energy projects:

By the end of 2023, over \$600m in supportive major energy projects will transform the region's clean energy ecosystem.

These projects include:

- **\$2M Coregas Hydrogen Refuelling Station** will enable Australia's first zero emissions heavy road transport trial
- **\$250M Squadron Energy LNG Terminal** will deliver Australia's first gas importation facility, with construction underway
- **\$70m Jemena – Port Kembla Lateral Pipeline Duplication** + upgrades to the Eastern Gas Pipeline will deliver increased gas network capacity
- **\$300M EnergyAustralia – Tallawarra B** project will deliver Australia's first dual fuel capable power station

Offshore renewable energy:

The Australian Government has identified the first of six offshore wind zones, with the Illawarra identified for future offshore renewable energy projects. To support the development of offshore wind farms, NSW Ports has released concept plans for a dedicated assembly precinct at Port Kembla's Outer Harbour. The precinct would allow for the assembly of offshore wind turbine components before the completed turbines are floated to their final location. This proposed precinct is within the NSW Government's Illawarra Renewable Energy Zone and is adjacent to the Australian Government's proposed Illawarra offshore wind development zone.

Image: artist impression, offshore wind turbine assembly site, Port Kembla outer harbour

Illawarra Renewable Energy Zone

In February 2023, the NSW Government declared the Illawarra a Renewable Energy Zone (REZ), which could unlock a prospective 44 projects in the region worth \$43B in potential investment.

The Illawarra region is an ideal location due to its major energy, port and transport infrastructure coupled alongside a highly skilled workforce. The Illawarra has the advantage of not only becoming a source of clean energy production, but also an industrial user of clean energy, including hydrogen.

New projects:

A range of clean energy related projects have been recently announced:

BOC has received NSW Government funding to construct a 10 megawatt electrolyser to produce green hydrogen at their Port Kembla facility. The project will produce up to 4,000kg/day of green hydrogen that will be used to power some 40 fuel cell electric buses and trucks.

ATCO has received ARENA funding through the German-Australian HyGATE initiative to undertake feasibility on establishing a one gigawatt green hydrogen facility in the region.

Energy Australia in 2024 is upgrading the Tallawarra A Power Station to make it dual fuel capable. This project will complement the dual fuel capable Tallawarra B Power Station that is scheduled to commence operations by the end of 2023.

Hysata's world leading hydrogen electrolyser technology has recently raised over \$40M in capital funding. Backed by leading global investors, they are moving rapidly towards manufacturing.

Green Gravity are commercialising new technology which repurposes decommissioned mining assets to store clean energy using gravity based systems.

Scaleup companies focussed on clean energy innovation such as Ecojoule Energy, who design and manufacture community batteries; Sicona who are commercialising more efficient lithium battery technology and Gridsight AI, who have developed advanced artificial intelligence based analysis systems for the power grid are emerging in the region.



Advanced manufacturing

Manufacturing is part of Wollongong's DNA, with over 110 years of innovation and excellence in this sector. Home to a diverse range of operations in advanced industrial manufacturing, Wollongong offers unique and significant opportunities particularly in the machinery, equipment design and manufacturing verticals.

Advanced manufacturing is an important growth sector for the local economy with a large number of companies using advanced business models, processes and technology to compete on a domestic and global scale.

Wollongong manufacturers employ highly skilled and dedicated people in design, engineering, R&D, manufacturing, fabrication and quality assurance. They also work closely with the University of Wollongong to develop new products and processes, giving them an international competitive advantage.

Defence

Wollongong also has a growing ecosystem of organisations involved with defence related procurement, including a range

of manufacturing services and research activities. Combined with the capability of the Shoalhaven's defence assets, highlights the substantial opportunities within our region.

The armoured steel used in the Collins-class submarines, Adelaide class frigates and the Hobart-class Air Warfare Destroyers projects was manufactured in Wollongong.

Wollongong companies offer a wide range of capabilities to the Defence industry, including:

- Advanced welding, fabrication, and engineering
- Armoured steel plate
- Electrical isolators and enclosures
- Specialist protective coatings and blasting
- Ruggedised computer and communication
- Gearbox design, manufacture, and servicing
- Engineering design and project management
- Cyber encryption capabilities

Local companies in this sector include:

Arrow Electrical; Bisalloy; Bluescope; BPS Defence; Chemcote; David Brown Santasalo; DCL; DMTC; Klondy; Koenig; Leussink Engineering; Micromax; Programmed Industrial Maintenance; ProKote; Stauff; Soto Consulting Engineers; and WGE Group.

Image: UOW

Transforming our city's industrial precinct

BlueScope Masterplan

The BlueScope Masterplan is one of the most exciting opportunities for our region in recent decades.

The Masterplan involves the re-development of BlueScope's 200 hectares of excess land holdings, which has the potential to create new employment opportunities, across a range of industries. BlueScope has appointed world leading architects and urban designers Bjarke Ingels Group to develop a Masterplan for these lands and ColonySix to manage the development of the Masterplan.

BlueScope is approaching its 100 year anniversary at Port Kembla in 2028 and is now looking to chart a course for the next 100 years.

No.6 Blast Furnace reline project

BlueScope's number 5 Blast Furnace is scheduled to reach the end of its life in 2026 and the relining of the Number 6 Blast Furnace is critical in ensuring the immediate future of steelmaking in the Illawarra region.

In September 2022, the NSW Government approved this project as Critical State Significant Infrastructure. It was deemed

critical to NSW for economic and employment reasons and would ensure supply chain security for steel for nation building projects including significant infrastructure, defence, industrial, commercial and residential building projects.

The \$1B investment will have a number of benefits for the region including:

- 250 new jobs created during construction
- Supporting up to 10,000 direct and indirect jobs
- >\$100M environment improvement upgrades
- Maximum local participation by local contractors and suppliers

Modern Manufacturing Initiative Grant

In 2022, BlueScope received a \$55M grant from the Australian Government's Modern Manufacturing Initiative to enhance Australia's sovereign manufacturing capability and make essential components for the clean energy transition including wind towers and solar farms. The grant will catalyse additional investment by BlueScope and its collaboration partners – creating 200 new jobs in steel manufacturing and up to 1,000 jobs in associated industries.

It will create an Advanced Steel Manufacturing Precinct at Port Kembla Steelworks, including the modernisation of BlueScope's Plate Mill.



Image: BlueScope, Port Kembla

To find out more about Invest Wollongong

visit investwollongong.com.au

email info@investwollongong.com.au

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This publication was produced on Dharawal Country. We show our respect and acknowledge the Traditional Custodians of the Land, Elders past and present, and extend that respect to other Aboriginal and Torres Strait Islander people.

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