Project Name: Woolworths CFC and Warehouse, Macquarie Park

Application No: SSD-48853239

Location: 144 Wicks Road, Macquarie Park (Lot 21 DP 1101233)

Applicant: Woolworths Group Limited

I am writing to formally object to the proposed State Significant Development (SSD) for the:

Construction and operation of a warehouse and distribution complex comprising a warehouse; a customer fulfilment centre; a 'direct to boot' area; associated office space; associated landscaping; site infrastructure and car parking.¹

The temporary planning changes introduced to support economic recovery following COVID-19 were designed to stimulate *genuine economic resilience and community benefit*, and not to provide a methodology for modifying LDA2015/0144² by simply adding a speculative warehouse tenancy to a State Significant Development application, the primary intent of which is the construction of a really big supermarket.

1. Distribution Centre v Local Distribution Premises

Objection: The proposed Woolworths CFC, comprising the majority of the proposed development, is not a warehouse or a distribution centre is not a State Significant Development.

The proposed development will not be used *primarily* for storing or handling items pending sale. Instead, it will be used to take bulk stock from warehouses, repack it and redistribute it to customers, a function which could more accurately be described as 'local distribution premises'.

The Standard Instrument³ prescribed by the *Standard Instrument (Local Environmental Plans) Order 2006* defines the following land uses:

"warehouse or distribution centre" means a building or place used mainly or exclusively for storing or handling items (whether goods or materials) pending their sale, but from which no retail sales are made, but does not include local distribution premises.

"**local distribution premises**" means a building or place used for the storage or handling of items (whether goods or materials) pending their delivery to people and businesses in the local area, but from which no retail sales are made.

The Applicant states in the Environmental Impact Statement that:

The objective of the development is to improve the efficiency and availability of supermarket items to the customer catchment within the priority growth precinct of MPIP and the broader north to north west corridor of the Sydney Metropolitan area. The CFC will take bulk stock from warehouses at Minchinbury, Yennora, Moorebank and Eastern Creek, repack and redistribute to customers. The CFC will take online orders only. Online orders are collated by destination and timing such that the distribution of orders to customers optimises convenience and minimises travel distances and trip generation.⁴

In the Economic Impact Assessment it is further stated that:

The site's proximity to key markets and its access to major transportation routes, including the M2, M11, Epping Road, A3, A40, Quarry Road, and M8, make it a suitable location for a Woolworths CFC. These transport connections enable efficient distribution to both local and broader metropolitan areas, supporting the operational needs of an online-focused facility.⁵

¹ State Significant Development Application Form

² LDA2015/0144 approves construction of a hardware and building supplies store and garden centre

³ Standard Instrument - Principal Local Environmental Plan (2006)

⁴ Environmental Impact Statement, Clause 2.2 - Project Description and Objectives, page 17

⁵ Economic Impact Assessment, Clause 3.3 – Impact on surrounding centres, page 16

I note that Woolworths has previously⁶ described a Customer Fulfilment Centre, as follows:

- [15] The facility [CFC] is distinguishable from a warehouse. The Applicant [Woolworths] maintains that a warehouse is a storage facility where thousands of items are stored in bulk (rather than individually) and where, in due course, the items are transported to a wholesaler or retailer. The items in a warehouse are usually not sorted, re-arranged or re-packed. The items in a warehouse, when transported to the wholesaler or retailer, are used to fill an order of the wholesaler or retailer. The items in a warehouse, when transported, are not normally used to fill a customer order. The items in a warehouse are not normally transported directly to a customer.
- [16] The facility [CFC] is also distinguishable from a distribution centre. The Applicant [Woolworths] maintains that a distribution centre is a facility where thousands of items are stored in bulk (rather than individually) and then stored, re-arranged and repacked (usually in large numbers) onto pallets for distribution to a wholesaler or retailer. The items in a distribution centre are used to fill an order for the wholesaler or retailer. The items in a distribution centre are generally not used to immediately fill a customer order.

2. Consultation

Objection:

The Applicant has not consulted with the Commonwealth Government, namely the Department of Social Affairs (previously represented by The Department of Families, Community Services and Indigenous Affairs), regarding the Nought to Five Early Childhood Education Centre located at 16 Waterloo Road and:

- the environmental impact that the proposed development will have on the continued operation of Nought to Five; and
- any mitigation/ameliorative measures to minimise interference with the operation of Nought to Five.

Nought to Five was established in 1977 and was the first work-based child care centre in Australia. Since establishment Nought to Five has been providing accessible community-focused early childhood education to the workers and residents of Macquarie Park and the surrounding suburbs. To the best of my knowledge, there is only one other not-for-profit, community-run long day care centre within the Ryde Local Government Area, located in West Ryde.

In 1997, a Commonwealth New Growth Strategy provided capital funding for not-for-profits to construct early education and care services. A Funding Deed was executed to secure capital funding, granting the Commonwealth an interest in Nought to Five, which expires on 31 December 2027.⁷

Under the Funding Deed the landlord (the Applicant) must not act, in any way to cause interference with the entitlements and rights of Nought to Five unless the prior written consent of Nought to Five and the Commonwealth has been obtained.⁸

Construction noise has the potential to *significantly* interfere with the rights and entitlements of Nought to Five. Excessive noise can disrupt learning, play and rest periods, key components of early childhood education and care, and may compromise the Approved Provider's ability to meet regulatory requirements and uphold its duty of care to children and staff.

Nought to Five is a not-for-profit early childhood education and care service with limited financial resources that is wholly dependent on an income stream based on enrolment numbers.

Ongoing noise and disruption from the proposed development could lead to a sustained decline in enrolments, presenting a serious threat to Nought to Five's financial viability and its capacity to continue operating.

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⁶ Outline of Submissions of the Applicant (26 April 2023) in FWC Application No. AM2022/35

Ohildcare Partnership Scheme - Deed of Agreement Concerning Use of Land for Child Care Centre between Commonwealth of Australia, Nought to Five Early Childhood Centre Incorporated and the NSW Minister for Education and Training dated 22 September 1997 (Funding Deed)

⁸ Deed of Agreement Concerning Use of Land for Child Care Centre dated 21 May 2007

3. Employment Generation

Objection:

As automation technologies continue to advance and become more cost-effective, there remains a genuine possibility that the Woolworths CFC, or components of its operations, could be automated in the future leading to a potential loss of employment opportunities that the development is purported to create or sustain.

Neither the Environmental Impact Statement nor the HillPDA Economic Impact Assessment address the issue of automation in CFC operations, remaining silent on the potential for current or future automation of all or part of the Woolworths CFC's functions and the associated implications on potential employment numbers.

The lack of transparency in this regard raises questions about the long-term employment benefits claimed and whether these jobs will remain viable as automation technology continues to evolve and become more cost-effective, given that automation allows for substantially higher delivery volumes while requiring fewer staff.

Customer Fulfilment Centre	CFC GFA	DTB Spaces	Estimated Deliveries (DTB and Home Delivery)	FTE Roles	Automation
Woolworths, Macquarie Park	12,500m ²	14	15,000	400	No
Woolworths, Auburn ⁹	22,000m ²	16	50,000	250	Yes

4. Economic Impact – Neighbouring Early Education and Care Service

Objection:

The proposed development is likely to have a detrimental economic impact on the neighbouring early childhood education and care service, Nought to Five, due to increased noise levels and disruption during construction.

The Environmental Impact Statement and HillPDA Economic Impact Assessment fails to address the possibility that construction related noise will have a detrimental impact on Nought to Five, which has flow on effects on enrolments, financial viability and retention of staff.

It is stated in the HillPDA Economic Impact Assessment that:

"...the site is predominantly vacant apart from the Nought to Five childcare facility, which will be retained under the proposed SSDA. Childcare-related jobs and activities remain constant across all options and are excluded from the assessment. Therefore, all employment and activity generated by the proposed development represent a net gain." 10

In relation to Nought to Five, the economic and employment impact of the proposed development includes:

(a) Decline in enrolments leading to a reduction of staff

Environmental changes, such as increased noise levels, can negatively affect the wellbeing of children¹¹ and staff, making Nought to Five less attractive to current and prospective families.

This is expected to lead to a decline in enrolments.

With fewer children enrolled, income and Commonwealth subsidies are reduced, directly impacting the financial viability of maintaining current staffing levels. Staff hours may need to be cut, roles consolidated or positions made redundant to align with the reduced operational needs and budget constraints.

This not only affects staff job security but may also impact the quality and continuity of care provided.

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⁹ Woolworths Group starts construction on first automated online fulfilment centre in the heart of Western Sydney

¹⁰ Economic Impact Assessment, Clause 3.1 – Base case, page 15

¹¹ Haines, MM & Stansfeld (2003) <u>The Effects of Environmental Noise on Child Health and Learning – A Review of International Research</u>, *Acoustics Australia*, 31(1), 17-22

(b) Rebuilding of enrolment numbers

Enrolments are not something that can be regained quickly once lost. Prospective families typically tour centres before joining waitlists and commit to a particular early childhood education and care service well in advance, often securing a placement up to six months ahead of an actual start date. Any decline in enrolments due to interference from the proposed development would have long-term consequences, with limited opportunity to recover numbers in the short term, which has a direct impact on maintaining staff levels.

In many cases, it can take at least 12 months or longer for a service to readjust and rebuild enrolment levels, particularly if an early childhood education and care service's environment has been negatively impacted. This is largely because parents are often hesitant to move their child from a service where they have already settled and formed strong attachments, even if circumstances improve at their previous service. This lag in recovery further compounds the financial and operational challenges faced by the early childhood education and care service.

5. Neighbouring Development

Objection:

The proposed development does not align with the character or scale of neighbouring developments, which are predominantly campus style commercial office and light industrial developments.

The Macquarie Park precinct is a well-established business park with a university, hospital, shopping centre, large scale buildings containing corporate office space and research and development premises for international companies and a variety of smaller scale businesses mostly in multi-unit buildings.¹²

CFCs are typically situated in industrial zones¹³ due to their operational intensity, including high volumes of freight movement, extended hours of operation and the associated noise and traffic impacts. A Woolworths CFC may lead to adverse effects on local amenity and infrastructure not designed to accommodate such use.

6. Traffic

Objection:

Any predicted traffic and impact on traffic is speculative and the traffic report fails to consider:

- the Woolworths CFC processing substantially higher delivery volumes;
- the warehouse tenancy generating significantly higher volumes of traffic;
- traffic likely to be generated from future surrounding development.

Projected traffic to be generated from the Woolworths CFC and the separate warehouse tenancy is speculative. The traffic report also fails to include the impact of traffic from the surrounding Lachlan's Line development, which shares the same travel paths as the proposed development.

(a) Increased volume of Woolworths CFC operations

As automation technologies continue to evolve and become more cost-effective, it is highly likely that the Woolworths CFC, or parts of its operations, could be automated in the future. This may enable the Woolworths CFC to process a significantly higher volume of customer orders, which could lead to increased traffic generation and greater strain on the surrounding road network.

(b) Warehouse Tenancy

The use of the separate warehouse tenancy is not known, and the eventual use of the warehouse tenancy may have greater impacts on traffic than stated in the traffic report.

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¹² Economic Impact Assessment, Clause 4.8 – Macquarie Park Locality, page 49

¹³ Auburn (SSD-10470), Marrickville (SSD-10468)

(c) Future Surrounding Development

There is significant development occurring in the surrounding area, which will place additional pressure on Wicks Road and Waterloo Roads, further impacting traffic flow.

Additional traffic will be generated from the following developments at Lachlan's Line, **all** of which must travel along either Wicks Road or Waterloo Roads:

Reference	Development Description	Status
LDA2023/0334 5 Halifax Street	Two residential flat buildings (Building 1: 30 storeys; Building 2: 6 storeys), containing 299 apartments and 303 parking spaces.	Approved 5 Aug 2024
LDA2024/0066 3 Halifax Street	24 storey residential flat building, containing 266 apartments and 270 car spaces.	Approved 26 Nov 2024
SSD-65931214 6 Halifax Street	Two 14-storey residential flat buildings, containing 135 affordable housing dwellings and 39 parking spaces.	Approved 7 Oct 2024
Landcom Site Lachlan's Line	Macquarie Park Education Campus, which includes a primary school and high school.	Design stage

7. Noise

Objection: Construction related noise is likely to exceed the recommended 35 dB(A) in the sleeping areas of Nought to Five.

The Acoustic Logic Noise Impact Statement has been prepared with a management level of 45 dB(A) for internal noise level and does not reference to the recommended 35 dB(A) for sleeping areas.¹⁴

Demolition, excavation, and civil works are expected to generate substantial noise levels, likely exceeding recommended guidelines. Increased noise levels will negatively affect the amenity of Nought to Five and disrupt the sleep patterns of the children in care.

The sleeping areas for children attending Nought to Five are located at the rear of the building, where children typically nap anywhere between 11.30am and 2.30pm each day, depending on the child's individual routine. There are also two cot rooms located at the side of the building (closest to the Hockey Centre) where infants nap throughout the day in line with their individual sleep patterns. These cot rooms are in continuous use to accommodate the varying needs of the infants in care.

8. Social Benefit

Objection: The proposed development is incompatible with community needs.

Large development sites within Macquarie Park are a valuable and limited resource. Rather than proceeding with a development that offers limited community benefit, the Government should consider purchasing the land to ensure it is used in a way that provides community-focused infrastructure and supports the vibrancy of the Macquarie Park precinct.

The Macquarie Park precinct would benefit from a sport and community-focused development (similar to the Briars Sports Complex at Concord), which would complement the existing hockey field as well as the proposed sporting grounds and green space planned for the remainder of 144 Wicks Road.

As development on the 144 Wicks Road site will ultimately lead to the closure of Nought to Five, the Department of Education could continue its operation as a preschool¹⁵ to provide affordable preschool places to service the anticipated residential growth in the Macquarie Park precinct.

This type of development provides much needed recreational opportunities and community amenities, which is incredibly important given the significant number of new dwellings and schools planned for the immediate area, which will increase demand for accessible open space and community-focused amenities.

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¹⁴ Association of Australasian Acoustical Consultants, Guideline for Child Care Acoustic Assessment, Version 3.0 (2020), 5.1

¹⁵ Example: <u>The John Brotchie Nursery School</u>, a NSW Department of Education preschool