Chapter Six
Chatswood’s ‘Retail Battleground’ and the Concentration of Big Retail in the Post-War Period

The repositioning of shopping centres as consumer oriented leisure precincts in the 1980s, demonstrated the industry’s ability to reinvent the superstructure of its model. It still relied on anchors, tenant mix, air-conditioning, parking, centralised management and coordinated marketing, but the range and type of anchors was expanded, and the link between retail consumption and entertainment made more explicit. The latter can also be read as a response to increasing competition within the industry. As we will see in Chapter Eight, there were widespread claims of retail saturation by the 1980s, with shopping centres increasingly taking business away from one another. The cosmetic and tenancy changes we traced in the previous chapter can be seen most simply as attempts to make centres more attractive to prospective customers – attempts that were conditioned by technological developments, changing markets, business opportunities, and the retail milieu of the time.

Over the course of the post-war period, many of the old retail family companies disappeared or were absorbed by stronger rivals. Retail became increasingly corporatised and concentrated. One theme of this chapter is the competition between big retailers and their takeover battles of the 1980s. These are explored through the contest between David Jones and Grace Bros over the development of Chatswood Chase. The other theme is traffic congestion in and around shopping centres. With the vast majority of shopping trips in the 1980s made by car, traffic in areas such as Chatswood became a significant planning problem. A community group foretold this situation to no avail when the Chatswood Chase development was being publicly debated. Its experience is discussed in the first sections of this chapter, which trace the development of ‘the Chase’. We then turn to the ‘retail battlefield’, as Chatswood was described at the time, to detail retail ownership struggles, before concluding with some further remarks on traffic congestion around shopping centres.

***********
The municipality of Willoughby was created around 1865 following a petition for incorporation by local residents.\textsuperscript{1} Within it, Chatswood began developing as a small township around the Great Northern Hotel – a drinking stop on the wooded track that led from Blue’s Point to Hornsby. When the railway line was built in the 1890s, a station was established further north, and shopping and residential development put down roots around Victoria Avenue. The railway brought development and people – the population climbed from just over 5,000 at the turn of the century to 13,000 ten years later. It reached 30,000 in the early 1920s, and plateaued at a little over 50,000 in the late 1940s.\textsuperscript{2}

\textbf{Figure 6.1: Grace Bros, Chatswood, 1961}

National Archives of Australia, Image No.: A1200, L40527, “Industry - Shops - Retail Stores - A section of the 250,000 square feet parking station of three levels at the largest suburban retail store in Australia, the 2,000,000 Australian pounds Grace Bros Pty Ltd building at Chatswood, a Sydney suburb”, 1961.


Over time, Chatswood became the major northern commercial centre of Sydney (beyond the North Sydney extension of the city). It was designated a district centre under the Cumberland Plan, and then a sub regional centre in the Sydney Region Outline Plan. The Plan, noting that ‘one of the biggest movement problems in Sydney is that of journey-to-work movements across the harbour’, recommended further development at Chatswood to build employment. In line with its general recommendations on regional centres it proposed to do this by ‘encouraging the expansion of offices, shopping and other commercial development’. Willoughby Council’s ‘Chatswood Plan’ in the early 1970s marked Chatswood as the centre of future community infrastructure, and emphasised the council’s ongoing commitment to retail development with the aim of ensuring the town centre’s continuing importance as a regional retail centre.

Chatswood’s first department store resulted from a partnership between Waltons and the American firm Sears Roebuck, then the world’s largest retail and mail-order company. Walton-Sears opened on 9 October 1958 to such excitement that police were required to keep the crowd in check. On the western side of the railway, Benjamin’s large mixed business store had also been in operation since the 1940s, but it was the opening of Grace Bros three-storey department store, arcade and car park in 1961 that truly marked Chatswood as a centre of modern retailing (see Figure 6.1). Costing two million pounds to build, the store was opened by the Premier of NSW, Robert James Heffron. Seventy-five thousand people visited the store on its first day of trading, and by the late afternoon more than 3,000 cars had used the parking facilities. The store included a supervised child minding centre, located next to its ‘Continental open-air coffee corner’. While its exterior

---

5 DEP, ‘The Chatswood Town Centre’, pp. 31-3; Northern Herald, 7 June 1990, pp. 1, 6.
6 Clarion, 9, 16 October, 1958.
evinced the modernist’s touch, inside it contained some of the aesthetic grandeur of the city department store. The opening ceremony was held in the luxurious ‘Crystal Room’ where a grand piano, parquet dance floor, sheer curtain drapes veiling full-length windows, and deep rose pile carpet were lit by brilliant crystal chandeliers. The store was described by the Lord Mayor of Sydney, Labor heavyweight Alderman H. F. Jensen, as the equivalent any in the world.9

Grace Bros had been an anchor of Parramatta’s thriving retail scene prior to the development of Westfield Shoppingtown. Having filled a similar role at Chatswood, the company now faced the spectre of a shopping centre competitor. At Parramatta Grace Bros had marginalised David Jones by joining with Westfield. At Chatswood, David Jones looked to turn the tables and to establish itself on the upper-north side of the city. Having already been outbid for a parcel of land in Chatswood by Grace Bros, the company began negotiations with Willoughby Council to purchase land on Archer Street, approximately 450 metres east-north-east down Victoria Avenue from the railway station (see the shaded area in the middle of Figure 6.2).10 It planned to develop a regional shopping centre. The site had been earmarked by council for retail development since 1972, and with Grace Bros yet to submitted plans for a major redevelopment of its site, the council considered David Jones’ offer.11

Chatswood was already a busy commercial district attracting significant motor vehicle traffic. A technical report in 1972 had estimated, for example, that by 1980, 72 percent of shoppers would be arriving in Chatswood by car.12 For some locals, further retail development clearly equated to increased traffic volumes, and was neither required nor desirable.

9 Clarion, 4 October 1961.
10 North Shore Times, September 1981.
Following the notification of an Interim Development Order for the Archer Street site on 8 August 1975, 200 people attended a meeting expressing opposition to the development. Rezoning and sale of the land were both required for any development, with two-thirds of the proposed site still owned by the council. A resident’s action committee – the Citizens for Chatswood Community – argued strongly against any such moves. It noted that a Kindergarten, Senior Citizens Centre and Community Aid Centre occupied over a quarter of the area of the proposed site, and called for a detailed analysis of the value of these centres and the economic and social costs of relocating them.13

13 Willoughby City Council Library, Local Studies Collection, Retail Trade – Chatswood Chase file, Letter from P. B. R. Middleton, Convenor and Chairman of Citizens for Chatswood Community, to L. J. Woodward, Town Clerk, Willoughby Municipality, Chatswood, 8 September 1975. For the dates of Development Orders for the site see Supreme Court of New South Wales (Equity Division), Grace Bros Pty Ltd v. Willoughby Municipal Council and Others, p. 405.
The intersection of Victoria and Archer Streets was already one of Chatswood’s ‘main vehicular and pedestrian problem areas’. The action group claimed that the development would limit the capacity of Willoughby Library to expand on its present site. It expressed concerns about the amount of traffic that would be generated and how this would impact on Chatswood District Hospital, nearby schools and churches. The impact on existing small retail was also addressed by the Chairman of the group, P. B. R. Middleton, who argued that:

Previous developments have already accentuated the effect of declining patronage on small shops and service facilities in the area … This new proposal will accentuate the tendency for shoppers to park as near as possible to the particular substantial retail complex they intend to visit, and on completion of their purchases there they will return immediately to their vehicles. This characteristic has already been noted with respect to shoppers now travelling to the other large retail complex in the centre.

The ‘other large retail complex’ was Wallaceway – a mid-sized centre, anchored by a Target discount store, and situated closer to the railway station to the north of the proposed site. Middleton lamented the replacement of historic social infrastructure with new developer-driven projects, and accurately predicted the future shape of the southern end of Chatswood commercial precinct:

It is unfortunate that with the demolition of the Old Town Hall, the proposed demolition of the School of Arts and with the loss of the Dispensary Hall, all in Victoria Avenue, citizens in the municipality have been deprived of adequate places where meetings of the various societies, associations, groups etc. may gather… the applicant developer and its subsidiaries now own most of the property fronting Victoria Avenue and bounded by Archer Street, Mills Lane and Neridah Street… the probable future course will be demolition of all houses in the area bounded by Victoria Avenue, Havilah Street and Malvern Avenue, for the likely purpose of a parking lot or parking station.

---

16 Willoughby City Council Library, Local Studies Collection, Retail Trade – Chatswood Chase file, Letter from P. B. R. Middleton, to L. J. Woodward, 8 September 1975.
17 Ibid.
Council indicated that it was ‘inclined to favour the general concept in principle’ arguing that its Chatswood Centre Plan of 1972 already allowed for the re-establishment of the Senior Citizens Centre and the Kindergarten on council owned land around Orchard Road, near Chatswood Oval, on the fringe of the central business district (see Figure 6.3).\(^{18}\) David Jones claimed that traffic congestion would not increase because the centre was to be located on the north-eastern periphery of the existing shopping centre.\(^{19}\) The protests were still continuing a year later. Another meeting in late November 1976 drew 700 people to Willoughby Town Hall. Their principal concern was again traffic.\(^{20}\) The council, however, backed the plan and the sale of the land went ahead.

Progress was slow. Ministerial approval was eventually granted in December 1978 after the project had spent some considerable time in the hands of the State Planning and Environment Commission. Approval of an amended proposal was given on 22 August 1980.\(^{21}\) A continuing thorn ranking planners from the first development application in 1975 onwards, was the issue of traffic flows identified by Middleton and his community group.\(^{22}\) Grace Bros, too, opposed the development not, it claimed from ‘fear of competition’, but because the proposed centre would ‘saturate’ the local market and cause traffic ‘chaos’ in the town centre.\(^{23}\) It launched a legal challenge in the Supreme Court, seeking an injunction to stop the development. Grace Bros told the court that re-zoning, road enclosures, the length of time allowed for approval, and a number of other

\(^{18}\) Development Planning and Research Associates, ‘Chatswood Centre’, pp. 5-6.
\(^{19}\) Sydney Morning Herald, 29 November 1976, p. 14; North Shore Times, 10 November 1976, pp. 1, 3; See also Development Planning and Research Associates, ‘Chatswood Centre – Basic Data Report’, A report to the Council of the Municipality of Willoughby summarising basic data assembled for the second stage of the Chatswood Centre Redevelopment and Transport Study (Sydney: 1972); Development Planning and Research Associates, ‘Chatswood Centre – Technical Report’, A report to the Council of the Municipality of Willoughby for the Chatswood Centre Redevelopment and Transport Study (Sydney: 27 March 1972).
\(^{20}\) Seven hundred people at meeting see traffic as big obstacle to David Jones’ Chatswood store’, Inside Retailing, no. 251, 29 November 1976, p. 4.
\(^{21}\) Supreme Court of New South Wales (Equity Division), Grace Bros Pty Ltd v. Willoughby Municipal Council and Others, p. 405.
\(^{23}\) Coles Myer Archive, SLV, MS13468, GRACS012, 72, ‘A word about Chatswood’, Chairman’s message to the Grace Bros and J. B. Young combined team, 9 December 1980. Grace Bros had suggested previously that a shopping centre in the heart of Chatswood was possibly unfeasible due to traffic congestion when it was making a case for its Macquarie Centre development in 1969. See Coles Myer Archive, SLV, MS13468, GRACS012, 3236, ‘Macquarie Shopping Centre North Ryde’, Section 9, p. 4.
components of the development application did not comply with relevant legislation or required procedures.\textsuperscript{24} These were legitimate technical and legal claims, but the transcript of the case clarifies the commercial nature of Grace Bros’ concerns, particularly when the company detailed its ‘special interest’ in the development – a requirement for it to bring the proceedings to the court.\textsuperscript{25}

Figure 6.3: Chatswood area (Chatswood oval is at the bottom left)
DEP, ‘The Chatswood Town Centre’, Figure 16.

Grace Bros told the court that it had been planning a regional centre of its own in Chatswood for some years. It had bought property on a block adjoining street its store from the council in 1968 for $1,650,000, and had spent a further $1,845,000 on additional property purchases in the late-1970s. It intended using these to develop a retail complex housing specialty stores, a supermarket and another department store. The court was told that much of the success of the proposal depended on attracting another department store operator. Chatswood Chase, though, removed this possibility. Myer had joined David Jones as a major tenant, leaving the Grace Bros project without a suitable second anchor. David

\begin{itemize}
\item \textsuperscript{24} Supreme Court of New South Wales (Equity Division), Grace Bros Pty Ltd v. Willoughby Municipal Council and Others, pp. 405-415.
\item \textsuperscript{25} Supreme Court of New South Wales (Equity Division), Grace Bros Pty Ltd v. Willoughby Municipal Council and Others, p. 404.
\end{itemize}
Jones had trumped its rival, limiting Grace Bros’ expansion plans and introducing substantial competition in a single blow. Grace Bros claimed it faced losses of approximately fifteen percent of sales, or $10-$12,000,000 a year.\(^{26}\)

Judge Wootten found no significant substance to Grace Bros’ case, dismissed its summons and ordered the company to pay costs.\(^{27}\) Grace Bros appealed unsuccessfully and was again ordered to pay costs.\(^{28}\) It then lodged a challenge in the Land and Environment Court, but withdrew this in September 1981.\(^{29}\) In the meantime, it continued its own development plans. *Inside Retailing* suggested that Grace Bros had ‘rushed in’ a development application, possibly strategically, just a week before the vocal 1976 Town Hall meeting (see Figure 6.4).\(^{30}\) A press release issued by Grace Bros at the time made a public case for its proposal, emphasising the employment opportunities it would provide, its alignment with the existing Town Plan, its intention to invite another major retailer to join the complex, its readiness to begin construction immediately following development approval, and its willingness to ‘assist in the financing of a new multi-level carpark on lands owned by the council’ adjacent to the development.\(^{31}\)

In 1978, the company received approval to develop a shopping complex, connected by a pedestrian bridge across Anderson Road to the existing store. With the approval of the David Jones project, however, Grace Bros joined forces with Westfield to submit an amended proposal, which would include an office tower and enclose Anderson Street as a mall.\(^{32}\) This contradicted the council’s planning strategy for the area, which separated retail and office space on either side of the railway.\(^{33}\) As a result, there were objections within

\(^{26}\) Ibid. pp. 403-404.

\(^{27}\) Ibid. p. 421.

\(^{28}\) Ibid. pp. 422-434.


\(^{30}\) ‘Seven hundred people at meeting see traffic as big obstacle to David Jones’ Chatswood store’, Inside Retailing, no. 251, 29 November 1976, p. 4.

\(^{31}\) Coles Myer Archive, SLV, MS13468, GRACS012, 72, ‘Press Release, Embargoed for publication in morning newspapers Monday, November 22, 1976’.


\(^{33}\) On the planning policy, see Development Planning and Research Associates, ‘Chatswood Centre – Basic Data Report’, p. 87.
council to the proposal. However the Mayor, Alderman Jack Donnelly, claimed that the State Government had already rubber stamped the development.34

Donnelly claimed that Westfield had held discussions with the Department of Environment and Planning, which had written to Willoughby Council describing the proposal as ‘reasonable’ and one to ‘be encouraged’.35 In fact B. A. Grace and John Saunders from Westfield had met with the premier, Neville Wran, on 14 May and 21 November 1980.36 Donnelly launched a spirited objection to the intervention, defending local government autonomy:

> Obviously the matter had been discussed and decided between Westfield and the department before any submission had even been made to council. Such a procedure indicates that council is regarded as a mere pawn without any real planning function and makes a mockery

---

34 North Shore Times, 22 December 1980, pp. 1, 43.
35 North Shore Times, 22 December 1980, pp. 1, 43.
36 Coles Myer Archive, SLV, MS13468, GRACS012, 72, ‘A word about Chatswood’.

211
of the concept of public participation in the planning process… The new Environmental Planning and Assessment Act was to offer councils greater autonomy in planning their own areas. But it now appears that neither council nor the public are to be consulted before major planning changes are decided between a developer and the department.37

In March 1981, the State Government suspended the council’s authority over the development application and launched the Chatswood Town Centre Inquiry to examine traffic flows, parking facilities, retailing and office development.38 After a two-month investigation, the Commission recommended that market forces should determine the appropriateness of retail developments in Chatswood, but that a planning body might intervene on environmental and traffic grounds.39

Opponents of the David Jones proposal argued that it was detached from the existing retail precinct anchored by Grace Bros. They claimed this would make pedestrian access between the two retailing areas difficult, and that existing shops, both big and small would suffer. The Commission, however, found that the 400 metres between Grace Bros and the proposed development was not excessive for a town centre and that the objection was ‘dictated by commercial self interest motives, rather than town planning considerations’, although it emphasised that this was not intended as a criticism, but as a realistic acknowledgment of business imperatives.40

Traffic management was another key issue, with particular concern expressed over the planned closure of Neridah Street, which ran through the David Jones site (see Figure 6.2). This had been approved in the 1980 application, despite Willoughby’s Town Planner emphasising in 1978 that it would ‘not be possible for the volume of traffic to the David Jones’ carpark to be accommodated’ unless Neridah Street remained open. The

37 North Shore Times, 22 December 1980, pp. 1, 43.
38 DEP, ‘Draft Sydney Regional Environmental Plan (Chatswood Town Centre)’, pp. 3-5; DEP, ‘The Chatswood Town Centre’, p. 2.
Commission noted the existing traffic problems of Chatswood, where commuter through traffic struggled with residential drivers and commercial customers. Commissioner Simpson believed that although there would be some impact on surrounding institutions and residences, this should not be ‘fatal’ to the development application. He argued instead for traffic management issues to be dealt with on a broader scale through, for example, the discouragement of commuter traffic. Commissioner O’Connell argued that enclosing Neridah Street would have a significant and detrimental impact on the immediate area as well as on the traffic flow in the town centre more generally. The Commissioners were unable to agree, or even reach a compromise on the issue of the enclosed road and left the decision in the hands of the minister. Approval was forthcoming with Neridah Street enclosed as part of the development.

The Commission expressed general approval for the Grace Bros’ proposal, opposing council on the sticking point of office development. Where the council had wished to restrict office and residential high-rises to the west of the railway line to assist in that area’s redevelopment, the Commission recommended relaxing the restriction to the east of the line because it would serve to ‘invigorate the life of the Centre during the less busy hours of the days.’ It did side with the council, though, in recommending against the closure of Anderson Street.

In 1984, Westfield submitted an amended plan reducing the number of office levels to five and increasing the number of retail levels from three to four. Approval was given in January 1986 by the then Minister for Environment and Planning, Bob Carr. Carr declared that the complex would complement existing retail and commercial interests, was well-

---

43 Ibid., p. 17.
44 Ibid., pp. 57-62. Following a transport study by the Traffic Authority of NSW, however, Anderson Street was later enclosed as part of the long-planned Victoria Street Mall project. See DEP, ‘Chatswood Town Centre: Explanatory Report’, p. 9.
45 North Shore Times, 22 February 1984, pp. 1, 3.
located to existing public transport services and that it would help consolidate the Chatswood town centre as a major shopping site.46

*The rapid rise of Chatswood Chase*

Pre-development work on the Chase had begun even before Grace Bros dropped its final legal challenge in 1981, and following it, construction began in earnest. Residential cottages were demolished, the church that stood on the site was reconstructed on an adjacent block, sections of Neridah Street and Mills Lane were closed and incorporated into the site, and an open natural watercourse piped and diverted.47 The centre was completed in just fourteen months, opening in March 1983.48 Developments of a similar size, such as Macquarie Centre and the Sydney Entertainment Centre, had taken two or three times as long to build.49 The speed of construction was largely due to the good working relationship between the builders, Lustig and Moar, and the unions. It was Lustig and Moar’s sixteenth major construction and eleventh shopping centre complex without stoppages through industrial disputes. A thirty-six hour working week, redundancy agreement and above-average allowances were traded for improved productivity. When Premier Neville Wran opened the Chase in a difficult economic climate, he applauded the teamwork of developers, retail companies, unions and public authorities in managing to finish the complex so quickly. ‘Far too often’, he said, ignoring the massive stoush between David Jones and Grace Bros that had weighed down the pre-development process for years, ‘we fight each other instead of fighting the problems of the country’.50

Robert, a youth at the time, recalls that the opening of the Chase was a big event:

---

46 *North Shore Times*, 22 January 1986, p. 3.
49 On Macquarie’s industrial problems, see Grace Bros Holdings Limited, 22nd Annual Report, 1 October 1982, p. 5.
When Chatswood Chase opened, everyone got terribly excited. We'd never seen anything like it. (Well, it was the eighties, we got excited by such things then.)… It was a huge event and for a time the lore had it that every time you visited, you ran into someone you knew. I think it became self-perpetuating after a while, because people made an effort to go, rather than shop elsewhere, simply because anyone who was anyone would be there.51

The first few weeks of trading were very positive for David Jones. The department store reported excellent sales with no obvious impact on its closest branches at Warringah Mall and in the city. Grace Bros’ sales were down about ten percent, and trade at Lemon Grove was mixed. Situated between the Chase and the train station, Lemon Grove could benefit from customers visiting the new centre by public transport, but missed out on those arriving by car. Inside Retailing’s associate editor Eric Craig was very complimentary about the David Jones store describing its interior design, fixtures and merchandising as the equivalent of any store he had seen in a recent North American trip. He suggested that the Myer store, however, was underdone – not surprising given the upheavals surrounding its presence in the complex that we explore below.52

The concentration of big retail in the 1980s

Grace Bros’ challenges to the David Jones’ development need to be seen in light of the intense retail competition of the early 1980s, and the restructuring of the industry over the previous twenty years that had led to this point. Before the Second World War, Australian retailing had been a relatively local affair. There were exceptions, most prominently the Coles and Woolworths variety store chains, and the Foy and Gibson chain which crossed state borders. But most retail operations were restricted to particular cities, or, in some cases, spread across just a few country towns. During the consumer boom of the 1950s and 1960s, this pattern was remade as the bigger retailers sought to increase their market share through the nation-wide expansion of their operations. The move by Coles and Woolworths into food retailing in the late 1950s, for example, was assisted through the acquisition of a

52 'The Chase hunts retail blues away, with more staff being put on and business “going like a rocket”, Inside Retailing, no. 556, 18 April 1983, p. 5.
number of smaller companies, as well as the conversion of their existing stores into supermarkets. Many small service-based stores were driven out of business, unable to compete with the more efficient self-service chains.\textsuperscript{53}

Acquiring existing stores had advantages, but it was a piecemeal approach to growth, and could not always follow sufficiently closely the rapidly decentralising population. In the suburbs there was room to build new stores, or open them in shopping centres. As we have seen, big retailers were intimately involved in this early development, secure in their role as anchor tenants around which centres were built and customers flowed.\textsuperscript{54} Shopping centres strengthened the position of big retail until the department stores hit the problems of the 1970s that we have documented in the previous chapter. With discounting and a downturn in consumer spending initiating a price war, retail profit margins were eroded.\textsuperscript{55} In January 1983, net profits over the previous six months for Waltons, Grace Bros and Myer were down seventy-nine percent, thirty-five percent and seventy-five percent respectively.\textsuperscript{56}

Falling margins encouraged big retail to pursue greater shares of the existing market. So despite the general economic gloom, there was a significant increase in retail investment around the turn of the decade. Because this coincided with both rising interest rates and falling profits, however, the big retail companies were forced to rationalise in order to pay the interest on their development loans. Rather than cut back on their expansion programs in which they were locked in mutual competition, they chose to sell their shopping centre interests and lease back the premises they held within them. Myer, for example, sold Chadstone in order to buy into Grace Bros. Waltons Bond, meanwhile, sought to offload around $100 million worth of property to ease its short-term financial obligations, which had been made worse by taking on $27 million of property to help the Bond Corp balance sheet.\textsuperscript{57}

\textsuperscript{56} Light, ‘Retail Jigsaw Falls Into Place’, p. 18; \textit{Sydney Morning Herald}, 8 August 1985, p. 15.
\textsuperscript{57} Rosewarne, ‘The Political Economy of Retailing into the Eighties: Part I’, pp. 24-28; Robins, ‘We’re Gonna Beat It’, p. 36.
All the big department stores had long pursued takeovers of smaller operations to expand their retail footprint. In the 1960s, Waltons had taken over Marcus Clarke and Co, IAC (Holdings) Ltd acquired Bebarfalds, McDowells absorbed Mark Foys, Woolworths purchased Flemings and other chains. Waltons bought Anthony Hordern in 1970 and outbid David Jones for McDowells in 1972.58 Myer had taken over Farmer’s in NSW, Allan & Stark and McWirters in Queensland, and Brownells in Tasmania. David Jones acquired Bon Marche in Western Australia, Charles Birks in South Australia, and Finney Isles and T. C. Beirne in Queensland.59 By 1972 there was a ‘Big Six’ group of retailers headed by Myer, followed by Coles, Woolworths, Waltons, Grace Bros, and David Jones. By 1979, the top three had broken ahead, led by Coles with Myer and Woolworths following.60

By 1980, this heavy concentration of the retail market saw the top stores holding a greater percentage of sales than ever before. In 1961/62, around 5,000 stores accounted for forty percent of Australian retail sales. In 1980, just 2,848 stores accounted for the same percentage. By 1983, the seven largest retail companies made over thirty percent of all retail sales. Twenty years earlier, the top six stores had accounted for an estimated ten percent of total sales.61 Between 1979/80 and 1985/86 the number of Department/General stores in Australia had dropped from 144 to 128. The total floorspace for this category of stores, though, increased from 842,000 square metres to 1,084,000. Turnover increased from $1989 million to $2318 million.62 In 1986, establishments with an annual turnover in excess of $1 million accounted for 9.3 percent of all stores, and 66 percent of turnover.63

60 Len Fox, Multinationals Take Over Australia (Sydney: Alternative Publishing Cooperative Limited, 1981), pp. 203-4. See Fox also, on these pages and following, for the increase in American interests in Australian retailing over the same period.
Table 6.1
Share of Retail Market of the Top Eight Retail Companies

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>G.J. Coles</td>
<td>6.0</td>
<td>6.3</td>
<td>6.6</td>
<td>8.9</td>
<td>9.1</td>
<td>9.9</td>
<td>10.9</td>
</tr>
<tr>
<td>Woolworths</td>
<td>5.4</td>
<td>5.8</td>
<td>6.3</td>
<td>6.7</td>
<td>6.9</td>
<td>6.8</td>
<td>7.0</td>
</tr>
<tr>
<td>Myer</td>
<td>5.1</td>
<td>5.1</td>
<td>5.1</td>
<td>4.5</td>
<td>4.4</td>
<td>4.3</td>
<td>4.6</td>
</tr>
<tr>
<td>Grace Bros</td>
<td>1.7</td>
<td>1.7</td>
<td>1.7</td>
<td>1.7</td>
<td>2.1</td>
<td>2.3</td>
<td>2.3</td>
</tr>
<tr>
<td>Safeway</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1.5</td>
<td>1.5</td>
<td>1.8</td>
</tr>
<tr>
<td>David Jones</td>
<td>1.7</td>
<td>1.7</td>
<td>1.6</td>
<td>1.4</td>
<td>1.3</td>
<td>1.4</td>
<td>1.4</td>
</tr>
<tr>
<td>Franklins</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1.3</td>
</tr>
<tr>
<td>Waltons Bond</td>
<td>1.5</td>
<td>1.4</td>
<td>1.3</td>
<td>1.2</td>
<td>1.1</td>
<td>1.1</td>
<td>1.1</td>
</tr>
</tbody>
</table>

While the big retailers were eating up smaller chains, they were also eyeing off each other. Corporate raiders such as the Adelaide Steamship Company and Bond Corporation had entered retailing in the early 1980s: the former taking a controlling interest in David Jones in June 1980; the latter, run by flamboyant 1980s entrepreneur and later bankrupt Alan Bond, taking control of Waltons in March 1981. Grace Bros successfully battled with Bond, who was eager for the ready cash flow of a retail business, to take a controlling interest in the Norman Ross discount chain by the middle of 1982, while Bond and Adelaide Steamship both bought up stakes in Grace Bros itself. The Grace family then turned around and sold Norman Ross to Bond in an attempt to maintain control of their department store heart, even as Woolworths put in a bid for it.65 Facing falling profits, Myer sold most of its NSW stores to Grace Bros, although before long, cashed up after its sale of Chadstone, it returned to fight Bond for the purchase of the entire Grace Bros company.66 Myer triumphed after acquiring shares from Adelaide Steamship, Woolworths, Westfield and other small investors in 1983.67

---

Myer’s sale of its NSW stores to Grace Bros occurred a month before Chatswood Chase opened. This could have left Grace Bros holding two stores in Chatswood – one inside a centre that it had strenuously opposed.\(^6^8\) Negotiations, however, saw the Chase store remain under Myer control in line with the requirements of its thirty-year lease with Lustig and Moar.\(^6^9\) The Chase gave Chatswood three major department stores – a first for an Australian suburb and one more than Sydney itself after the fall of the old family department stores.\(^7^0\)

The acquisition of Grace Bros had cemented Myer as the third largest retailer in Australia, but it soon faced takeover pressures of its own from raiders such as Larry Adler’s FAI Insurances.\(^7^1\) In the mid-1980s, Coles headed the retail pack with thirteen percent of the county’s sales. Woolworths with eight percent of total sales, and Myer with six, shared the problem of ‘languishing market share and insecure ownership’, and began exploring the possibility of a merger in 1984. Coles responded by buying ten percent of Woolworth’s stock for $50 million, and twenty percent of Myer’s for $200 million.\(^7^2\) It was both a defence against their merger, and a platform from which to launch an attack.\(^7^3\) Coles made a $970 million bid for control of Myer on 9 July 1985, offering one Coles ordinary share plus $2.30 for every two Myer ordinary shares, or alternatively, $3 cash for each Myer ordinary share.\(^7^4\) Myer was an attractive proposition. It had struggled in the 1970s after forays beyond its core business, but had reorganised and was beginning to turn things around. Its 1984-85 sales figures had not yet been published, but the industry knew they were good – Philip Luker, from Inside Retailing, claimed they were up thirty-four.

---

\(^{68}\) Advocate, 16 February 1983.

\(^{69}\) Inside Retailing, no. 551, 14 March 1983, p. 2.


\(^{71}\) Sydney Morning Herald, 9 July 1985, p. 21.

\(^{72}\) Sydney Morning Herald, 10 July 1985, p. 1; Sun Herald, 14 July 1985, p. 13; Margo, Frank Lowy, pp. 192-9.

\(^{73}\) Sydney Morning Herald, 10 July 1985, p. 29.

percent. The stakes were high and the bid hostile, but in an era of hard headed business, Myer retained some of the old world charm reflected in its magnificent Bourke St store: when Coles chairman Bevan Bradbury called on Sydney Myer to inform him of the bid, he was invited to share a cup of tea.

Coles and Myer were two of Australia’s biggest companies in the country’s largest industry. Coles occupied ‘the premier position in high volume, low margin retailing’, and despite a sluggish market had managed to increase its market share, improve its margins and increase profitability over the previous two years. The bid to merge the two companies was the second biggest in Australian history and if successful would give the merged entity a fifth of the Australian retail market and a retail dominance ‘unrivalled in any Western economy’. Combined annual sales for the two groups were estimated at around $9 billion. Retail commentator, Kevin Luscombe, observed that: ‘We have gone from an over-optioned community – where we had more brands of retailers than we ever needed – to one where three companies will control our buying habits.’ He claimed that ‘sixteen million people deserve better’.

Westfield had a strong interest in Myer’s stability and long-term viability. With Myer, Grace Bros and Target, the company occupied fifteen anchor locations in Westfield’s seventeen shopping centres. Believing that a corporate raider was unlikely to share mutual interests, Westfield had been purchasing Myer stock. It accumulated twelve percent of the company, and Frank Lowy was made a member of the Myer board on 7 July 1985, leaving him in a pivotal position to influence proceedings when the Coles bid was made.

Westfield had good long-term relations with both companies – but although Myer fought

---

75 ‘Why Coles and Woolworths seek Myer: It is gaining sales and profits faster than either’, *Inside Retailing* 15 July, 1985, p. 3.
76 *Sydney Morning Herald*, 10 July 1985, p. 29.
77 Ibid.
the Coles bid and continued to look towards a merger with Woolworths – Westfield decided to support it. Frank Lowy later recalled that: ‘The paramount question for Westfield was the financial stability and strength of the retail business. While a choice of retailers might have been better, at that time there was no choice.’ A Westfield survey in 1987 reported that Coles Myer leased fifty-one percent of its total gross leaseable retail space.

At the beginning of August, and after surveying attitudes to the merger amongst its suppliers, the Myer family decided to accept the Coles offer. Consumer groups, backed by Democrats Leader Senator Don Chipp, opposed the merger describing the market power of the conglomerate as a threat to small retailers. Chipp pointed to the sway Coles Myer would hold over suppliers, and rejected claims that its buying power would result in lower prices. The company’s shareholders, he said, would ‘demand that profits are maximised and in a non-competitive market maximum profits are more likely to occur with higher prices.’

Malcolm Fraser, fending off economic libertarians within his own party, warned that de-regulation had gone too far, attacked the concentration of retailing that the merger represented, and claimed that it would not have been permitted in either Britain or America. The merger of Coles and Myer marked the completion of the 1980s phase of retail takeovers.

Chipp’s argument of higher, not lower prices, held at least some validity. Coles and K mart already used a pricing mechanism, based on the surrounding retail geography of their stores, to eliminate competition and increase prices over time. Store locations were categorised in ranked zones, with prices dropping from zone one through to zone six. When

85 Margo, Frank Lowy, p. 197.
86 ‘Shopping centre rent rises reaching peak as economy limits retail sales’, Inside Retailing, no. 747, 6 April 1987, p. 11.
87 Suppliers were contacted for interviews by independent market researchers. See Coles Myer Archive, SLV, MS13468, COMYS001, 3252, ‘Telex to Suppliers’, 18 July 1985.
88 Sydney Morning Herald, 8 August 1985, p. 2.
90 Cardew, ‘Retailing and Office Development in Sydney’, p. 34.
Coles was establishing a new store, or where there was existing competition, the cheap zone five or six pricing was used. Retail profitability in these areas was driven right down, making it difficult for other retailers to compete. Coles could survive, and do well, because it had enough stores making good margins to carry a number of barely profitable ones. Once retail competition was driven away from a particular area, prices would be moved upwards towards zone one levels, increasing profitability and allowing other company stores to be ‘carried’ while they sold at zone six levels.91

The new entity’s chief rivals, Woolworths and David Jones – which consumer groups feared might also choose to merge – claimed to be untroubled by the looming monolith: David Jones because it operated in a more upmarket bracket; both because they foresaw teething problems as the new entity tried to stitch together two different corporate structures.92 The Trade Practices Commission found no breach of the Trade Practices Act in the merger. Federal Treasurer Paul Keating removed any foreign ownership obstructions arising from Kresge’s twenty percent stake in Coles.93 The deal went ahead with Coles paying almost $1.1 billion ‘to become the dominant force in the retail industry’. It began trading under its new name of Coles Myer in January 1986, ‘employing 130,000 people in 1,368 stores that included household names such as Target, Grace Bros, Fossey’s, Kmart, Coles Variety, Coles Supermarkets and Liquorland.’94

The rationalisation of the retail industry had seen seventeen large chains disappear between 1950 and 1985.95 By the mid-1980s, the biggest retailers were acquiring market share faster than small and medium sized operations. At the end of 1985 the top twenty Australian retailers held just over forty per cent of the country’s retail sales. Woolworth’s had acquired Safeway and continued, along with Coles Myer, to dominate the market. These two companies alone held a massive thirty-one percent of total retail sales.96

92 Sydney Morning Herald, 8 August 1985, p. 15; Sydney Morning Herald, 8 August 1985, p. 2.
94 Margo, Frank Lowy, p. 196.
95 Sydney Morning Herald, 10 July 1985, p. 1.
The big boys in Chatswood

The competition for market share in Chatswood occurred prior to the Coles Myer merger, but the issues of decreasing profits and industry rationalisation form its backdrop. *Inside Retailing* described Chatswood as a ‘retail battleground’. The Chase was bringing David Jones, Myer and Kmart into a market area over which Grace Bros had held sway since 1961. Here, the journal claimed, the men would be sorted from the boys.97 Chatswood had a wealthy surrounding demographic; a large catchment area of around 700,000 people; was well serviced with a selection of professional, leisure and social facilities; and was the only sub-regional centre nominated under the SROP to have developed the substantial office space the plan advocated.98 Home unit development, which destroyed much of Chatswood’s outstanding collection of Federation houses, flourished during the 1970s and 1980s boosting population growth and density.99

Before the Chase and Westfield, there had been two other smaller shopping centres in Chatswood, Lemon Grove and Wallaceway. The latter had been established for a decade and included Target, Franklins and Norman Ross stores as well as a tavern and some office space.100 Lemon Grove set up not long before the Chase was developed between Wallaceway and Grace Bros with overhead walkways linking all three complexes. Built over three levels, Lemon Grove was not a massive centre, and had no true anchor, nor parking of its own, but its strategic positioning between the Wallaceway discounters and Grace Bros, as well as its relative proximity to the railway station made it an attractive location. Its manager Barry Hamer described the November 1980 opening as a ‘knockout’,

---

100 For details on Wallaceway’s anchors, size etc., see Traffic Authority of New South Wales, ‘Land Use Traffic Generation Data and Analysis, 4, Shopping centres/ prepared by Traffic Authority of New South Wales in association with N.S.W. Planning & Environment Commission’ (Rosebery, NSW: The Authority, 1980), p. 63.
and sales in its first year compared very well with Macquarie’s a year later.\textsuperscript{101} Locals, too, saw Lemon Grove as a pivotal point of transition in the area’s retail and social history:

I can remember when Lemon Grove opened in Chatswood, and how enormous it seemed. People were quite excited and it really seemed to be the beginning of Chatswood as a shopping district. Before this we frequently traveled into town for any large scale shopping, such as clothes and school items. My primary school friends and I would take our pocket money and spend Saturday morning walking around, deciding where to spend our money, usually at Granny May’s on pencils and novelties.\textsuperscript{102}

For Grace Bros, the development with Westfield provided an opportunity to realign the retail geography that Chatswood Chase had disturbed. Grace Bros itself had changed the town’s retail pattern when it had opened east of the railway line, in opposition to the then dominant western side, where Benjamins had been located. Chatswood Chase had shifted the centre of gravity further east, but now Grace Bros hoped it would become, once again, the heart of Chatswood retail, supported by Target, Franklins, the specialty shops in Westfield, and supplemented by the nearby Lemon Grove.\textsuperscript{103} Grace Bros was not in competition with Westfield, it was a mutually supportive development. Store general manager, Brian Varcoe declared: ‘Grace Bros is part of Westfield Shopping Town … We are partners – we see ourselves as being together.’\textsuperscript{104}

Construction began in mid-1986, but as opening day approached in November the following year, things appeared to be behind schedule. One retailer, at least, was not worried, saying: ‘You know Westfield will do it. That is why we go along with them. They design the honey-pot, and make sure the buying public knows all about it.’\textsuperscript{105} When the opening was marred by six stores not being ready and some painting, tiling and paving


\textsuperscript{102} Margaret, OHR no. 20, 14 - 20 January 2007.

\textsuperscript{103} \textit{North Shore Times}, 21 January 1987, p. 4.

\textsuperscript{104} \textit{North Shore Times}, 11 November 1987, p. 57.

\textsuperscript{105} ‘Westfield’s newest gem is about to sparkle amid all the apparent pre-opening chaos’, \textit{Inside Retailing}, no. 778, 9 November 1987, p. 16.
work being incomplete, these were explained away as minor issues – the result of an unforeseen strike, some retailers opening a number of stores simultaneously, the complexity of building a large centre, and a shop fitter who went bankrupt.\textsuperscript{106}

Westfield Chatswood was opened by the Premier of NSW, Barrie Unsworth, on 10 November 1987.\textsuperscript{107} Its promotional campaign – which later won a BOMA NSW excellence in marketing award – dubbed it ‘The shopping heart of Chatswood’.\textsuperscript{108} Adding depth to the slogan, the opening featured a black tie gala charity auction, which raised $158,000 for the Heart Foundation.\textsuperscript{109} It was a glamorous affair for an affluent suburb in a wealthy municipality. International designer David Sassoon presented his first Australia fashion parade. His evening wear collection ‘was heralded to the stage with a fanfare of trumpets’ and preceded by ‘laser lights, indoor fireworks and sparkling silver rain’ showering the stage.\textsuperscript{110} Sassoon smiled and acknowledged applause at the end of the show, although apparently before it he had been somewhat alarmed at the large size of Australian models and the difficulties they might face squeezing into his designs.\textsuperscript{111}

While the invitees swooned to Sassoon, others came to shop. Quiet trading on the Tuesday morning built until the suburb was jammed in the evening. Fifty police officers were drafted in to direct traffic, replacing traffic lights which were turned off as the sheer weight of car numbers rendered them useless. The congestion spread outwards, until the nearby Pacific Highway, always already saturated in peak hour, also jammed up.\textsuperscript{112} Highway Patrol was called in to act as traffic monitors.\textsuperscript{113} It had been a similar story when an estimated 35,000 people visited Macquarie on its opening day – many would-be visitors

\textsuperscript{110} \textit{North Shore Times}, 11 November 1987.
\textsuperscript{112} On traffic congestion on the Pacific Highway around Chatswood, see DEP, ‘Draft Sydney Regional Environmental Plan (Chatswood Town Centre)’, p. 31.
\textsuperscript{113} \textit{Sydney Morning Herald}, 12 November 1987, p. 5.
were forced to turn around and go home, and for the next three days a massive traffic jam surrounded the centre.114

Because shopping centres encouraged car usage, they also contributed to the traffic congestion that they had originally aimed to alleviate. Traffic followed people and retail out of the city. When Top Ryde opened, advertising declared that: ‘today roads no longer lead to Rome – they all lead to Top Ryde regional shopping centre.’115 Miranda, Roselands and Macquarie all claimed Romanic status in relation to roads.116 With the closest train station ten minutes drive away at Epping, Macquarie Centre was entirely dependent upon road traffic. And although a bus station provided public transport access with 300 passing buses a day, it was considered within the industry to be ‘almost wholly dependent on car transported shoppers.’117

A promotional review of Top Ryde at its opening noted that the centre was ‘entirely for the pedestrian; but the pedestrian who shops by car is given the easiest possible access.’118 It is a design fundamental that still holds. As a result, regional shopping centres became generators of traffic congestion, a problem that was exacerbated as they expanded, and private car trips eclipsed public transport usage. In the early post-war years, more than eighty percent of transport journeys – to school, work, shops or for recreation – were taken by public transport. By the middle of the 1980s this statistic had been reversed in favour of private car trips.119

Parking, as Herbert S. Levinson argues, ‘has become an integral part of the modern urban setting’. It influences how, where and why we travel. ‘It affects the vitality of our

---

114 ‘Macquarie Centre’s opening day was so good that it turned many people away’, Inside Retailing, no. 491, 23 November 1981, p. 1; Nicholas Brash, The Model Store, p. 278.
115 Northern District Times, 13 November 1963
118 Sydney Morning Herald, 12 November 1957, p. 19
communities and the locations of our activities’. In 1974, Warringah Council’s Town Planner opposed extensions at the Mall because of the traffic and parking problems that already surrounded it. One councillor claimed that the situation was so bad that: ‘Soon the only way to get into it will be by helicopter’. One resident of Bankstown claimed that population growth and development brought a parking ‘nightmare’, and there are numerous complaints of traffic jams around other centres. Llewena, a manager in her thirties, notes that at her local shops in the south-west of Sydney, ‘traffic is [now] shocking on a Thursday evening and all day Saturday’. Providing parking for centre employees could also raise difficulties. At Miranda Fair in the early 1970s, centre employees were barred for a time from using the car park. This had the effect of clogging up local roads and reducing the parking available for customers of local businesses.

Inside shopping centre car parks there are not enough spaces to satisfy customers. Grace Bros reported in 1978 that parking at Westfield Parramatta Shoppingtown was an ongoing ‘problem, particularly at peak trading periods’. The department store raised the issue ‘constantly’ with centre management, because it believed the parking shortage was creating ‘a strong adverse desire to shop in the Centre’. Shoppers still complain that ‘parking is often more of a hassle than it should be’, and astutely recognise that the more parking spaces that are provided, the greater is the traffic generated to fill them.

This insight forms the thesis of Donald C. Shoup’s American study, *The High Cost of Free Parking*. Shoup argues that a market price should be attached to parking, claiming that the

---

121 *Inside Retailing*, no. 112, February 11, 1974, p. 3.
push by planners for free off-street parking has hidden the cost of parking provision, and spread this cost across the whole community. Shoup suggests that because parking is paid for indirectly through increased prices, rather than directly at the time by those using parking facilities, the mass provision of free parking has encouraged car usage. Further, no-one can choose to pay less for parking – that is by paying less for goods and services – by not driving, because the costs of parking have become intrinsic to prices.\textsuperscript{128} While in Australia there were periodic attempts by shopping centres to introduce paid parking of one form or another, these usually encountered strong community and council opposition, confirming Shoup’s claim that free parking has become considered a natural right. Where there were charges for shopping centre parking, these were waived to customers making purchases, keeping parking effectively free. If time limits were applied, they targeted commuters, giving shoppers three or four hours of free parking.

The travel trips in Sydney’s major commercial centres – most of which had regional shopping centres – were dominated by traffic to and from retail outlets. Shopping development in these centres was part of 1980s planning policy, premised on the understanding that concentrating services and shops together in one location was more equitable for those without cars, reduced the total number of trips, encouraged public transport usage, and would eventually help facilitate the decentralisation of office space that had been recommended since the Cumberland Plan.\textsuperscript{129} While developers and planners continued to argue that regional shopping centres, as decentralising infrastructure, eased traffic congestion on roads leading to the city centre, a survey conducted by the State Transit Study Group in 1981 recorded the extent to which traffic was being generated elsewhere by shopping trips.\textsuperscript{130}

\textsuperscript{129} State Transit Study Group of New South Wales, ‘Sydney Region Commercial Centres Information Paper’, p. 49.
\textsuperscript{130} Coles Myer Archive, SLV, MS13468, \textit{GRACS012, 3236}, ‘Macquarie Shopping Centre North Ryde’, Annexure B, Report by D. F. Orchard, Professor of Engineering, University of New South Wales, 5 January 1969, p. 8; State Transit Study Group of New South Wales, ‘Sydney Region Commercial Centres Information Paper’.
Table 6.2
A Sample of Commercial Centres
Shopping Trips: Various Periods: 1981

<table>
<thead>
<tr>
<th>Centre Name*</th>
<th>Weekday Home-Based</th>
<th>Weekday Non Home-Based**</th>
<th>Thursday Night Home-Based</th>
<th>Thursday Night Non Home-Based**</th>
<th>Saturday Home-Based</th>
<th>Saturday Non Home-Based**</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sydney CBD</td>
<td>13019</td>
<td>75987</td>
<td>4425</td>
<td>24175</td>
<td>31331</td>
<td>20333</td>
</tr>
<tr>
<td>Bankstown</td>
<td>10039</td>
<td>11198</td>
<td>7221</td>
<td>3879</td>
<td>13308</td>
<td>6824</td>
</tr>
<tr>
<td>Blacktown</td>
<td>9554</td>
<td>9242</td>
<td>8333</td>
<td>3104</td>
<td>13081</td>
<td>7188</td>
</tr>
<tr>
<td>Bondi Junction</td>
<td>9059</td>
<td>13385</td>
<td>4045</td>
<td>10340</td>
<td>10853</td>
<td>4999</td>
</tr>
<tr>
<td>Burwood/Strathfield</td>
<td>8318</td>
<td>10092</td>
<td>4896</td>
<td>1473</td>
<td>12799</td>
<td>10576</td>
</tr>
<tr>
<td>Chatswood</td>
<td>8809</td>
<td>16662</td>
<td>6694</td>
<td>9931</td>
<td>12180</td>
<td>14960</td>
</tr>
<tr>
<td>Campbelltown</td>
<td>3001</td>
<td>7210</td>
<td>2393</td>
<td>2335</td>
<td>6752</td>
<td>9186</td>
</tr>
<tr>
<td>Dee Why/Brookvale</td>
<td>9101</td>
<td>10891</td>
<td>6666</td>
<td>5577</td>
<td>20509</td>
<td>8317</td>
</tr>
<tr>
<td>Hornsby</td>
<td>5948</td>
<td>9145</td>
<td>3793</td>
<td>2122</td>
<td>10827</td>
<td>3556</td>
</tr>
<tr>
<td>Hurstville</td>
<td>7038</td>
<td>13603</td>
<td>4627</td>
<td>3819</td>
<td>13931</td>
<td>10205</td>
</tr>
<tr>
<td>Liverpool</td>
<td>8001</td>
<td>12097</td>
<td>5552</td>
<td>9046</td>
<td>13499</td>
<td>7708</td>
</tr>
<tr>
<td>Miranda</td>
<td>7488</td>
<td>8762</td>
<td>7913</td>
<td>8527</td>
<td>9292</td>
<td>3120</td>
</tr>
<tr>
<td>Parramatta</td>
<td>12986</td>
<td>18117</td>
<td>4952</td>
<td>9094</td>
<td>15571</td>
<td>13152</td>
</tr>
<tr>
<td>Penrith</td>
<td>4690</td>
<td>9170</td>
<td>4122</td>
<td>3251</td>
<td>9169</td>
<td>6829</td>
</tr>
<tr>
<td>Roselands</td>
<td>6251</td>
<td>4569</td>
<td>2688</td>
<td>2211</td>
<td>8665</td>
<td>3004</td>
</tr>
</tbody>
</table>

* Note that these figures account for trips to all retail outlets in commercial areas, not just regional shopping centres.

** Non Home-Based trips include those made from other retail outlets: that is, as part of a multi-stop shopping itinerary.

The report noted that in 1981, ‘throughout the Sydney Region there were approximately 1.13 million shopping trips made on an average weekday (5.65 million over the week), 1.30 million on Saturday mornings and 469 thousand on Thursday nights.’ Table 6.2 shows that there was a much higher percentage of shopping trips made from work to city shops, and that trips beginning at work were generally higher during the week than on Thursday nights and Saturdays. Major shopping centres like Bankstown, Blacktown and Roselands had the highest percentage of shopping trips starting from home. Very few people made the trip from home to the city for Thursday night shopping, although shops there did well with city workers. The study made the distinction between shoppers beginning their trip from home and those starting from either work or another shop because it presumed the former was a more substantial trip, involving longer distances and time frames. Most suburban

---

131 Note the data is from 1981, but was published here in 1987. State Transit Study Group of New South Wales, ‘Sydney Region Commercial Centres Information Paper’, p. 50.
132 Ibid., p. 51.
shopping started either from home or from other retail outlets, with centres dependent upon surrounding catchment zones. Whilst these figures included public transport travel, the vast majority of shopping trips to major centres were still by car. Table 6.3 gives a breakdown of the mode of travel people used from home to various commercial centres during weekday shopping trips.

The report recorded a high dependence on road traffic, noting that shoppers at some of the busiest centres situated near railway lines – such as Blacktown, Burwood/Strathfield and Bondi Junction – still relied heavily on buses for public transport, not least because the buses stopped closer to the shops than the trains. It suggested that it was almost certain that public transport conveyed fewer people from home to retail outlets than it had done ten years earlier, even though the number of shopping trips had more than doubled.

<table>
<thead>
<tr>
<th>Centre Name</th>
<th>Total Trips</th>
<th>Private Vehicle (%)</th>
<th>Public Transport (%)</th>
<th>Other (%)</th>
<th>Car Occupancy</th>
<th>Public Transport Rail (%)</th>
<th>Public Transport Bus (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sydney CBD</td>
<td>15</td>
<td>15</td>
<td>82</td>
<td>3</td>
<td>1.5</td>
<td>54</td>
<td>41</td>
</tr>
<tr>
<td>Bankstown</td>
<td>10039</td>
<td>67</td>
<td>22</td>
<td>11</td>
<td>1.5</td>
<td>33</td>
<td>67</td>
</tr>
<tr>
<td>Blacktown</td>
<td>9554</td>
<td>74</td>
<td>17</td>
<td>8</td>
<td>1.6</td>
<td>26</td>
<td>74</td>
</tr>
<tr>
<td>Bondi Junction</td>
<td>9059</td>
<td>48</td>
<td>28</td>
<td>24</td>
<td>1.4</td>
<td>12</td>
<td>88</td>
</tr>
<tr>
<td>Burwood/Strathfield</td>
<td>8318</td>
<td>53</td>
<td>24</td>
<td>23</td>
<td>1.5</td>
<td>12</td>
<td>88</td>
</tr>
<tr>
<td>Chatswood</td>
<td>8809</td>
<td>68</td>
<td>19</td>
<td>12</td>
<td>1.2</td>
<td>45</td>
<td>55</td>
</tr>
<tr>
<td>Campbelltown</td>
<td>3001</td>
<td>73</td>
<td>16</td>
<td>11</td>
<td>1.5</td>
<td>18</td>
<td>82</td>
</tr>
<tr>
<td>Dee Why/Brookvale</td>
<td>9101</td>
<td>66</td>
<td>21</td>
<td>13</td>
<td>1.4</td>
<td>5</td>
<td>95</td>
</tr>
<tr>
<td>Hornsby</td>
<td>5948</td>
<td>79</td>
<td>10</td>
<td>11</td>
<td>1.2</td>
<td>50</td>
<td>50</td>
</tr>
<tr>
<td>Hurstville</td>
<td>7038</td>
<td>54</td>
<td>27</td>
<td>20</td>
<td>1.2</td>
<td>7</td>
<td>93</td>
</tr>
<tr>
<td>Liverpool</td>
<td>8001</td>
<td>56</td>
<td>20</td>
<td>24</td>
<td>1.7</td>
<td>20</td>
<td>79</td>
</tr>
<tr>
<td>Miranda</td>
<td>7488</td>
<td>83</td>
<td>7</td>
<td>9</td>
<td>1.6</td>
<td>67</td>
<td>33</td>
</tr>
<tr>
<td>Parramatta</td>
<td>12986</td>
<td>60</td>
<td>29</td>
<td>11</td>
<td>1.8</td>
<td>29</td>
<td>71</td>
</tr>
<tr>
<td>Pennrith</td>
<td>4690</td>
<td>91</td>
<td>3</td>
<td>6</td>
<td>1.8</td>
<td>49</td>
<td>51</td>
</tr>
<tr>
<td>Roselands</td>
<td>6251</td>
<td>59</td>
<td>26</td>
<td>15</td>
<td>1.5</td>
<td>10</td>
<td>90</td>
</tr>
</tbody>
</table>

133 Ibid., pp. 51-2.
134 For further supporting data on this, see also Traffic Authority of New South Wales, ‘Land Use Traffic Generation Data and Analysis’.
136 Ibid., p. 55.
To argue that shopping centres with large amounts of free parking have a tendency to increase surrounding traffic congestion is not to deny the considerable efforts made by developers and councils to accommodate car usage.\textsuperscript{137} Extensive consultations with local councils and the Department of Main Roads was undertaken during the development approval process for all major complexes.\textsuperscript{138} The number of car trips generated by developments required significant changes to surrounding round systems, and were documented and agreed upon during the development approval process.\textsuperscript{139} In its 1978 application to enlarge Roselands, Grace Bros submitted a thirty page report containing extensive detail on traffic counts and flows, parking accumulation and usage, and projections of increased traffic resulting from the redevelopment. The company argued that this last would be relatively minor, despite the addition of 550 car spaces, because traffic was drawn evenly from all directions, and some of the increased customer traffic to the enlarged centre would result from longer shopping visits.\textsuperscript{140} We will see in Chapter Nine, though, that larger centres did attract more people, and with increasing numbers of them choosing to arrive by car, as the State Transit Study Group report indicates they were, Roselands’ expansion was bound to result in increased traffic flows in the area.

The opening night’s traffic at Westfield Chatswood was extreme in terms of its scale, but the 1970s citizen’s group predictions of intensified congestion are readily apparent to anyone who has driven through Chatswood since the mid-1980s. David Lowy described Chatswood’s parking and congestion problems as long-standing and the result of urban activity in a suburban environment, which was true.\textsuperscript{141} But four internalised shopping centres in Chatswood’s ‘golden mile’ only increased this activity, as the shopping bees

\textsuperscript{137} For an example of the latter, see Botany Municipal Council Planning Committee Minutes. ‘Management Executive Committee’s Report Development Applications Submitted by Westfield Developments Pty. Ltd. And W. D & H. O. Wills (Aust.) Pty Ltd for Proposed Shopping Centre and Tobacco Products Manu- facturing Plant, 16 June 1982, pp. 1-4.

\textsuperscript{138} See, for example, discussion of this and the traffic management requirements imposed by Sutherland Council during the Miranda Fair development approval process. Sutherland Shire Council, Development Committee Minute no. 922 (1 and 2), DC.370/600/638, 19 September 1960.

\textsuperscript{139} As an example of a developer’s proposal to deal with increased traffic generation by a shopping centre, see NHA, Jackson Teece Chesterman Willis & Partners Pty Ltd, ‘Traffic Report for Proposed Westfield/ Wills Development, Pagewood’, May 1982.


\textsuperscript{141} ‘Not the easiest task’, \emph{Inside Retailing}, no. 780, 23 November 1987, p. 8.
swarmed the honey pot. On opening night inside the new Westfield centre, purchases were still being made as the doors were closing at midnight.\footnote{Sydney Morning Herald, 12 November 1987, p. 5.}
Dispelling suggestions that Macquarie would be Sydney’s last regional shopping centre, Westfield announced plans in 1982 to build at Pagewood, ten kilometres southeast of the city. Eastgardens would be Westfield’s twentieth centre. It had nine in NSW, seven more around the country and four in the United States.¹ The centre filled what a Westfield-commissioned report described as ‘a definite and identifiable gap in the shopping centre hierarchy of the southern Sydney region’ (see Figures 7.1 and 7.4).² Where Chatswood had been a large and established retail precinct, Eastgardens was built on the site of an abandoned General Motors-Holden (GM-H) assembly plant. The replacement of an aging industrial plant with a massive retail complex symbolised a turn in the economy away from secondary production towards tertiary services and consumption.³ This shift brought social changes, evidenced in the architecture and décor we saw at Macquarie and Chatswood, and in their leisure precincts, which blossomed as the economy climbed its way back towards affluence in the latter part of the decade. Eastgardens invited shoppers into a world of consumption where once noisy machinery and the monotony of the production line had greeted workers.

Manufacturing in Australia declined markedly in the late 1970s as service industries expanded to dominant Sydney’s economy.⁴ As a percentage of the city’s total employment through the 1970s, manufacturing dropped from almost twenty-eight percent to just over twenty percent; finance and business services, public administration and community services all increased, as did transportation and storage, recreation and communication facilities.⁵ Retail employment grew in absolute terms, but declined slightly as a percentage

¹ ‘Could this be the last of the regionals?’, Inside Retailing, no. 513, 24 May 1982, p. 5.
of the total. Both factory and shopping centre supplied jobs: the former, largely male, full-time occupations; the latter, predominantly female, often part-time or casualised. This chapter charts the history of retail employment within the context of Eastgardens, where the city’s need for jobs became the rationale for the government radically to intervene in planning and judicial processes to ensure that the development went ahead.

Figure 7.1: Regional Shopping Centres in Sydney, 1982

---

6 Forster, *Australian Cities*, p. 29.
By the 1980s the long boom had clearly passed. Signs had been there since the late-1960s when consumer demand for mass-produced goods in developed countries had begun to be satisfied, slowing the world economy. The oil crises of 1973 and 1979 hit it further and harder. A number of interrelated events, practices and technologies saw a dramatic shift in the way the capitalist system was managed: industrial production was internationalised; transnational corporations rose to take dominant economic positions in the global economy; manufacturing developed rapidly in a number of third-world countries; banking systems and currency exchange rates that had been tightly regulated by the Bretton Woods agreement were freed when it broke down in 1971; and information technology emerged as an effective tool for managing the resultant mass of international financial transactions and the international production systems that they funded. The Fordist American economy of stable markets and mass production for mass consumption was opened to international competition, which reduced market share and destabilised demand. Faced with unpredictability, manufacturers looked to become more responsive, and sought greater flexibility in their systems of production and labour management. It was a time of transition: market based solutions rose to challenge the Keynesian welfare state which had underpinned the boom but which now appeared impotent.

In Australia, manufacturing was opened to competition from industrialising Asian economies when, from 1973, the Whitlam Government cut tariffs that had shielded it since its 1920s nascence. The aim was to improve the efficiency of industry and the allocation of resources within the economy. The cuts have been accused, both then and since, of almost singlehandedly destroying Australian manufacturing. Tariffs played an important role, but so, too, did automation, currency revaluations that favoured imports, increasing wages and

equal pay legislation. The combination was calamitous. Australia’s manufacturing industry, so fundamental to post-war prosperity, was decimated. Several hundred thousand manufacturing jobs were lost between 1971 and 1981. In 1974, NSW’s unemployment rate sat at 2.1 percent. In 1976, the year Neville Wran was elected Premier of NSW, it topped five percent, sitting fractionally second to Queensland amongst Australian states. The impacts were felt throughout the economy. Consumer spending in Australia had grown rapidly and consistently through the 1950s and 1960s, averaging around six percent a year excluding motor vehicles. In the early 1970s, it dropped to less than two-and-a-half percent and rarely (and barely) rose higher until a short-lived recovery at the start of the 1980s. As the economy slowed, inflation soared. Driven up by high oil prices and rising wages, it averaged 10.4 percent for the decade. After the boom years of the sixties, every year looked challenging to retailers.

Wran faced a difficult situation: global forces made it very difficult for him to control the local economy. In addition to the unemployment worries, population growth in Sydney was slowing; an actual decline was only prevented by immigration. And resource rich Queensland and Western Australia were pulling business investment from Melbourne and Sydney – the traditional powerbrokers of the Australian economy. Wran had commissioned a major inquiry into the entire structure of the State’s economy in the mid-to-late-1970s. It returned a report pessimistic about the economy as a whole, and particularly negative in regards to unemployment. Industrial unemployment was high and growing: industries that didn’t move off shore or close down, sacked workers and

---

14 Forster, Australian Cities, p. 29.
18 Taken from commentary in Inside Retailing across the period.
19 On this as a general problem for policy makers, see Daly and Malone, ‘Sydney: The Economic and Political Roots of Darling Harbour’, p. 93.
introduced capital-intensive technology. There were some economic positives for NSW in the late 1970s with increased export prices fuelling a rural resurgence, and a jump in world demand for coal. But in 1981 the resources boom dried up and the country again went into recession. The signs of an economic downturn became clear through the first half of 1982, right at the time the Wran government began its intervention in support of Eastgardens. In a single year from June of 1982, 100,000 jobs were lost, with almost a third of these coming from Sydney. This is reflected in the state’s total unemployment rate across all industries shown in Table 7.1.

<table>
<thead>
<tr>
<th>Date</th>
<th>Total</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1967</td>
<td>34,300</td>
<td>1.8</td>
</tr>
<tr>
<td>1972</td>
<td>49,800</td>
<td>2.4</td>
</tr>
<tr>
<td>1977</td>
<td>131,500</td>
<td>5.9</td>
</tr>
<tr>
<td>Feb-1978</td>
<td>174,100</td>
<td>7.6</td>
</tr>
<tr>
<td>Jan-1979</td>
<td>148,600</td>
<td>6.6</td>
</tr>
<tr>
<td>Jan-1980</td>
<td>145,600</td>
<td>6.3</td>
</tr>
<tr>
<td>Jan-1981</td>
<td>142,800</td>
<td>6.1</td>
</tr>
<tr>
<td>Jan-1982</td>
<td>145,400</td>
<td>6.1</td>
</tr>
<tr>
<td>Sept-1982</td>
<td>177,600</td>
<td>7.3</td>
</tr>
<tr>
<td>Oct-1982</td>
<td>198,200</td>
<td>8.2</td>
</tr>
<tr>
<td>Nov-1982</td>
<td>210,800</td>
<td>8.7</td>
</tr>
<tr>
<td>Dec-1982</td>
<td>251,000</td>
<td>10.3</td>
</tr>
<tr>
<td>Jan-1983</td>
<td>252,300</td>
<td>10.5</td>
</tr>
<tr>
<td>Feb-1983</td>
<td>279,800</td>
<td>11.4</td>
</tr>
<tr>
<td>Jan-1984</td>
<td>265,000</td>
<td>11.0</td>
</tr>
<tr>
<td>Jan-1985</td>
<td>234,900</td>
<td>9.6</td>
</tr>
<tr>
<td>Jan-1986</td>
<td>228,700</td>
<td>9.0</td>
</tr>
<tr>
<td>Jan-1987</td>
<td>246,800</td>
<td>9.6</td>
</tr>
<tr>
<td>Jan-1988</td>
<td>215,900</td>
<td>8.0</td>
</tr>
<tr>
<td>Jan-1989</td>
<td>208,100</td>
<td>7.7</td>
</tr>
<tr>
<td>Jan-1990</td>
<td>186,600</td>
<td>6.8</td>
</tr>
<tr>
<td>Jan-1991</td>
<td>228,800</td>
<td>8.1</td>
</tr>
<tr>
<td>Jan-1992</td>
<td>303,200</td>
<td>10.7</td>
</tr>
</tbody>
</table>

* Those actively looking for both full-time and part-time work

---

Wran had admitted in 1977 that in his first year as Premier he had been slow to attract new investment into the state. But the ongoing recession convinced him that encouraging development and creating jobs was of fundamental importance. He publicly declared his support for new investment and proceeded to court the ‘big end of town’, determined to prove that a Labor government could provide a stable platform for development and growth.25 One sector of the economy he could turn to was services – the primary area of growth as manufacturing declined.26 Looking to tourism, he introduced the Darling Harbour Development Authority Act (1984) to develop the decaying Darling Harbour. The Authority the Act created, according to Daly and Malone, was designed ‘to circumvent established planning procedures and to stifle opposition.’ It ignored an earlier Department of Environment and Planning scheme for a mixed residential and recreational development, instead constructing a world-city complex on a port that had been a linchpin in the production economy of the old Australia.27

Before, during and after construction, Darling Harbour received a great deal of publicity as a model development of an emerging world city. But before Darling Harbour there was Westfield Eastgardens at Pagewood. If its welcome in the local press was smaller than the later coverage of Darling Harbour, it was no-less rapturous. And if the Darling Harbour Development Authority was autocratic, the State Government was not shy of wielding executive power at Pagewood. Both developments symbolised a transition in the economy. Tony Dingle and Seamus O’Hanlon have argued that histories of deindustrialisation in Australia are still relatively nascent.28 While not historicised, Darling Harbour has been debated in depth.29 Westfield Eastgardens and Pagewood have received little critical attention.

25 Steketee and Cockburn, Wran, pp. 188-90.
GM-H in Pagewood

GM-H’s company history dates back to 1856 when James Alexander Holden set up shop as a leather worker and saddle maker in King William Street Adelaide. The business expanded and changed names with the involvement of different partners through the nineteenth century. As Holden & Frost, the company moved into the automotive industry through the repair of car upholstery, then the manufacture of car hoods and side-curtains early in the twentieth century. It branched into motorcycle sidecar bodies in 1913 and then, with wartime restrictions favouring local production, into large-scale production of car bodies in 1918. Rapid expansion and technological developments saw a production line plant established in Woodville, South Australia, in 1924.30

American giant General Motors (GM) had been importing cars since just prior to World War I, and by the twenties were considering their own Australian manufacturing plant. Instead they formed a contract with Holden to produce bodies for GM vehicles. In 1926 General Motors Australia (GMA) was formed with headquarters in Collins Street, Melbourne, and assembly plants in the mainland state capitals (Sydney’s was in Marrickville).31 In 1931, GM bought Holden’s body building operations, merging it with GMA to form GM-H.32 By the 1930s, the Marrickville plant was considered ‘inadequate for modern vehicle assembly operations’, and a new plant was established in Bunnerong Road, Pagewood (see Figure 7.2).33

Robert Menzies opened the Pagewood plant shortly after Australia entered the Second World War, declaring it a symbol of the growth of the Australian automobile industry.\textsuperscript{34} The Plant was active during the war – it appears to have been used to manufacture refrigeration systems amongst other materials and equipment.\textsuperscript{35} Following the war it resumed its role as an assembly plant and remained active through Holden’s successful years of the long boom. In the 1970s, though, increased competition from other Australian manufacturers and cheap Japanese imports eroded GM-H’s share of the Australian market, and in 1980 the company lost $128.9 million.\textsuperscript{36}

\textsuperscript{35} Wright, \textit{Heart of a Lion}, p. 37. GM-H began manufacturing Frigidaire household refrigerators in 1940. Its wartime products included 100 cubic foot refrigerators, collapsible cool rooms, refrigerated vehicles and ship installations. See GM-H, \textit{A Look at GMH}, p. 17.
\textsuperscript{36} \textit{The Holden Heritage}, p. 5; Norm Darwin, \textit{100 Years of GM in Australia} (Ballarat, Vic.: H@ND Publishing, 2002), p. 212.
Rumours of a Pagewood closure had been circulating since the Industries Assistance Commission had reported an overstretched industry in 1973. It was the oldest of GM-H’s four assembly plants, with the smallest land area and situated within a congested urban environment.\(^{37}\) The decision was eventually announced at the beginning of July 1980. Pagewood was making a loss at the time, with noise restrictions limiting it to just one shift. Its paint shop required upgrading and the Government was asking for emissions compliance modifications.\(^{38}\) Managing Director Chuck Chapman claimed that upgrading Pagewood into an efficient assembly plant would cost around $100 million, and that for a third the cost, GM-H could increase the capacity of its Dandenong, Elizabeth and Acacia Ridge plants.\(^{39}\)

The closure caused considerable political angst. With Neville Wran in hospital for a throat operation, acting Premier Jack Ferguson, publicly urged Australians not to buy Holdens, and claimed that the NSW government would no longer be purchasing GM-H products. He also declared the state border closed to GM-H to prevent vehicle deliveries through NSW between Queensland, South Australia and Victoria. The NSW


\(^{38}\) Darwin, 100 Years of GM in Australia, p. 212.

minister for industrial development, Don Day was overseas, but castigated GM-H in an
impromptu press conference from New York. Barry Unsworth compared the closure to
the Japanese attack on Pearl Harbour. The storm passed fairly quickly, however, after a few
minor concessions were arranged – despite further claims from Unsworth that the site
would ‘rot for 20 years’. Within weeks the NSW government ordered more than 4,000 new
GM-H cars.

The political backlash at the plant’s closure needs to be seen in light of the devastation of
the manufacturing industry through the later half of the 1970s, and the evaporation of full-
employment from Australia’s economic, social and political landscape. When W. D & H.
O. Wills, decided to merge its Sydney and Victorian tobacco manufacturing plants in 1982,
the situation was, as Table 7.1 shows, even worse. Wills’ Sydney plant was located close to
Pagewood in Raleigh Park, Kensington (see Figure 7.3), and its planned closure placed a
further 1,300 local jobs in jeopardy. To maintain jobs and keep the tobacco company
from moving to Victoria, Wran intervened, brokering a deal between Wills and Westfield.

The development deal covered two locations: one at Pagewood, the other at Raleigh Park.
The Pagewood site comprised three parcels of land: thirty-three acres that had been owned
by GM-H; nineteen acres that GM-H had leased from the State of New South Wales; and
eight acres owned by the State that had been used as a bus depot. The Raleigh Park site
covered thirty-four acres and was owned by Wills. It was arranged that Westfield and

40 Evan Green, ‘The Day They Killed the Kingswood’, Wheels, May 1994, p. 86.
41 Ibid., p. 87.
42 NHA, Jackson Teece Chesterman Willis & Partners Pty Limited in association with Ibecon Pty Ltd, Retail
Surveys Pty Ltd, Colston and Budd Pty Ltd, Louis Challis Pty Limited, ‘Proposed Industrial and Retail
43 The Hon. D. P. Landa, Botany and Randwick Sites Development Bill, 2nd Reading, Legislative Council,
NSW Parliamentary Debates, 21 September 1982, p. 915. In 1981, there were 4,602 people registered as
unemployed with the local Commonwealth Employment Service offices. Interviews with staff in 1982
suggested that the number of unemployed had climbed to around 5,700. See NHA, Jackson Teece
Chesterman Willis & Partners, ‘Proposed Industrial and Retail Development at Pagewood Environmental
44 Jackson Teece Chesterman Willis & Partners Pty Limited in association with Sinclair Knight and Partners
Pty Limited, Louis Challis Pty Limited, ‘Proposed Residential Development at Raleigh Park Environmental
45 Kevin Rozzoli, Deputy Leader of the Opposition, Botany and Randwick Sites Development Bill, 2nd
Wills would share the GM-H site and redevelop Raleigh Park as a residential complex.  
Westfield’s shopping centre would be built on the nineteen acres formally leased from the State and the site of the old bus depot. These were rezoned on 11 June 1982, following a development application lodged by Westfield on 28 May. The Council’s Planning Committee met on 16 June to consider, and subsequently approve, a development proposal for a 68,000 square metre shopping centre – the largest in Sydney at the time.

Figure 7.4: Location of the GM-H site, and its configuration in c1980 and c2009. Map drawn by Jaymie Maley. Information sourced from Sydney Morning Herald, 26 Aug 1982, p. 3; Google Maps.

---

In their biography of Neville Wran, Mike Steketee and Milton Cockburn claim that ‘Westfield was offered the Pagewood site without it being put to public tender, without any approaches to other developers or any public indication that the land was for sale.’

Westfield was sold the bus depot site; the GM-H site was hastily rezoned to commercial, greatly increasing its value; and there were claims, later confirmed by the NSW treasurer, that at least some transactions were signed in Canberra, bypassing NSW stamp duty. The hasty arrangements were carried out in secrecy, with little public knowledge prior to the announcement of the deal on 10 April 1982. The government claimed to have complied with all relevant laws, but there was public outrage, fuelled by Opposition claims of ‘sweetheart deals’ for business mates, that a shopping centre was being built on Crown land following a rapid and secretive rezoning process.

![Figure 7.5: ‘Proposed Development Site Plan’](image)

NHA, Retail Surveys Pty Ltd, ‘Retail Study, Proposed Regional Shopping Centre, Pagewood’, prepared for Westfield Developments Pty Limited, 19 May, 1982, Figure 5.

The government’s argument for intervening in the development process centred on employment. Wran pointed to the 4,000 jobs lost in NSW in the previous year, and the ongoing difficult economic climate. He argued that the project was essential for the wellbeing of the people and the state and therefore warranted ‘special Government measures’. Sharon Zukin writing on the economic transformations of the 1970s and 1980s in America describes urban environments ‘sharply divided between landscapes of consumption and devastation’. Wran sought to create the former out of the latter. In parliament the Minister for Planning and the Environment, Eric Bedford, highlighted the ‘grim national outlook’, arguing that ‘jobs lost through economic recession are difficult to replace’. The Minister for Energy, D. P. Landa, pointed to the 1,300 jobs that would be retained by Wills staying in NSW and the additional 500 positions that would be added as a result of the expanded capacity of the plant. He further emphasised the economic flow-on effect of the developments. Under the plan, Wills would spend $45 million refurbishing Pagewood, Westfield would spend $84 million building Eastgardens, and together the companies would spend up to $150 million over five years developing the Raleigh Park residential project.

How many jobs the new development would actually create varied across time, by commentator, and by the measure used. Estimates in the Sydney Morning Herald changed from 1,000 on 26 August to 3,300 on 8 September. As opening day approached, David Lowy, who was running Westfield’s operations at the centre, suggested it would create around 1,500 permanent jobs. Against this, the Opposition claimed that local retail jobs would be lost, and that some of the ‘new’ tobacco jobs would be taken by workers moving

52 Sydney Morning Herald, 26 August 1982, p. 3.
53 Zukin, Landscapes of Power, p. 5.
54 Eric Bedford, Botany and Randwick Sites Development Bill, 2nd Reading, Legislative Assembly, 26 August 1982, p. 626.
from Victoria as Wills merged its operations.\textsuperscript{58} Locals also raised concerns about declining retail employment in surrounding areas, estimating that between three to four hundred people would lose work as local businesses struggled to compete with the new centre.\textsuperscript{59} Their claims were supported by more general anecdotal evidence from retailing groups, explored in more depth in Chapter Nine, that shopping centre development was impacting heavily on small external retailers.\textsuperscript{60}

Shopping centre development produced a large number and variety of jobs. There was the construction of the building itself, and the flow on effect to suppliers, contractors, transportation companies and other supporting industries. Outfitters, designers, carpenters, plumbers, electricians and a host of other skilled tradesmen laboured within the concrete shell to put in the plugs and drains, finishing veneer and shop décor to make the slick final product that massaged the spending sensibilities of shoppers. Once the centre was completed there were a range of jobs within the shopping centre, including management, security, administration and maintenance staff, and of course retail employees.\textsuperscript{61} Chapter Three noted the benefits of retail employment that shopping centres brought to Sydney’s suburbs. Retailing was one of the driving forces in the dispersal of jobs throughout Sydney and the suburbanisation of employment, and the industry, from Myer’s Bass Hill proposal through to Grace Bros 1968 Macquarie Centre appeal, highlighted the jobs that big development would bring.\textsuperscript{62}

Retail employment, though, had undergone significant change since Myer’s Bass Hill development application. Retailing had once been a highly skilled and respected industry. In the mid-1960s, university training was still highly regarded by some at the big end of the

\textsuperscript{58} Kevin Rozzoli, \textit{Botany and Randwick Sites Development Bill}, 2nd Reading, Legislative Assembly, 14 September 1982, pp. 730-31.
\textsuperscript{59} \textit{Sydney Morning Herald}, 8 September 1982, p. 2.
\textsuperscript{60} “‘Excessive’ shopping developments costing jobs”, \textit{Inside Retailing}, no. 354, 12 Feb 1979, p. 9. For similar concerns at Chatswood, see \textit{Sydney Morning Herald}, 15 March 1983, p. 3.
trade, even if only as a demonstration of perseverance.\textsuperscript{63} In smaller enterprises, the quality retailer was a skilled artisan blending product knowledge with salesmanship and customer rapport. But the self-service model that attracted customer interest in the interwar period, and which become ubiquitous in the decades that followed, saw a workforce deskilled. Specialist product knowledge and sales skills declined, with advertising and marketing becoming the font of information. As one former employee of Murray Bros at Parramatta, Elaine Young, noted, ‘a lot of stores seem to have lost the ability to give personalized service. In our day we only had our jobs because of our customer service skills.’\textsuperscript{64} This may have been a personal Golden Age myth, but there was no doubt that labour costs, mass-production, cost-cutting, new technologies and changing business models saw a decline in the resources allocated by retail to customer service.

Self-service stores streamlined operations with centralised cash and wrap facilities staffed by mostly female cashiers who never left their terminals. Computerisation beginning in the mid-to-late-1960s, automated the work process, further separating customer from employee, employee from interest.\textsuperscript{65} It was argued that electronic registers with their simpler keyboards were easier to operate and would reduce the hours required for staff training.\textsuperscript{66} Electronic scanning systems were introduced in the mid-1980s, speeding up transactions, reducing errors, and reportedly making the cashiers’ job less fatiguing.\textsuperscript{67} The tasks of shop assistants, according to Game and Pringle, were gradually reduced to monotonous, repetitive, factory-like functions.\textsuperscript{68} While Roger Pen argues that the deskilling effects of new technologies in the services sector have been exaggerated, he acknowledges that checkout personnel and others engaged in routine tasks were affected and that enskilling was most likely to occur at management level.\textsuperscript{69} It has been suggested more broadly that such a labour structure is a feature of both high-tech industry and an advanced

\textsuperscript{63} J. B. Schneider, keynote address at the Twelfth Residential Conference of Retail Executives, ‘Retailing can be Profitable!’, \textit{Retail Trader}, vol. 46, no. 12, July 1965, p. 8.
\textsuperscript{64} \textit{Fairfax Sun}, 4 August 1999, p. 9.
\textsuperscript{66} ‘Electronic point-of-sale systems’, \textit{Australian Retailing}, vol. 5, no. 10, November-December 1972, pp. 8-9.
\textsuperscript{67} Game and Pringle, \textit{Gender at Work}, pp. 65-6.
\textsuperscript{68} \textit{Ibid.}, pp. 75-78.
services city, both split between highly paid professionals and managers and a majority of low-paid, chiefly female, processors.  

Changes in working conditions saw a decline in the status of retail employment for men, encouraging them to move to other industries. In 1964 Aubrey Eardley, the manager of Farmer’s at Miranda Fair, associated himself and his career choice with the ‘vital, solid and virile’ company he worked for. If big retail retained this muscular vigour through its male dominated upper management in the fiercely competitive environment of the 1980s, it was lost to the public who saw the industry from the floor. As the status of the job declined, opportunities opened up for women at the lower end of the trade. They were attractive to employers because of their willingness, and even desire, to work short part-time shifts and, prior to equal pay legislation, the cheaper cost of their labour.

Big retail’s dependence on women’s cheap labour became one of its main arguments against equal pay. Labour has traditionally been the second highest expense for retailers behind the purchase of stock. Controlling labour costs, then, was seen as crucial to retail success. It has been argued that this resulted in a rigidly cost-centred approach to employment. The industry protested that equal wages would render it unprofitable; that companies would be dragged down by the weight of female labour costs. As Mike Cooley has pointed out, the differential in wages between men and women is, at base, a simple and exploitative formula whereby employers extract a higher profit from women than men. If retailers now found themselves with lower profits, it was because their previous earnings

---

71 *St George and Sutherland Shire Leader* (Sutherland Edition), 16 March 1964, p. 24.
were artificially high, propped up by undervalued female labour. The response to equal pay was to seek out more junior casual employment and increase elements of self-service.\(^{75}\) An industry report in 1976 claimed that the previous year had seen an ‘alarming’ rise in costs because of equal pay legislation, but consoled readers by pointing out that:

> Among the well managed retailers, wage-bills have been held down by retrenching staff, by making greater use of part-timers, and by improving the productivity of existing employees through the introduction of such techniques as area-wrap centres and check-out points.\(^{76}\)

Although equal pay and the extension of trading hours in 1972 gave casualisation an additional impetus, the process had been underway for some time.\(^{77}\) In 1956, the journal of the Retail Traders’ Association, the Retail Trader, had reported approvingly on the scientific management of casual labour in America that kept labour expenses to ‘an absolute minimum’. Staff to customer ratios were strictly monitored, down to the hour, and ‘the more successful stores’ went to great lengths ‘to ensure that when casuals came in to sell, their attitudes, skills and knowledge were completely adequate’.\(^{78}\) Full employment may have kept such systems in abeyance here, but there were moves to introduce scientific training of staff, and by the very early 1970s there were mutterings about getting more out of employees whether there was a glut of jobs or not.\(^{79}\)


\(^{76}\) Roach Ward Guest and Co industry retailing report cited in ‘Retailing will be one of the first industries to recover, says major Melbourne stockbroker’, Inside Retailing, no. 206, 19 January 1976, pp. 8-9.

\(^{77}\) ‘Survey shows training needs in Australian retail industry’, Australian Retailing, vol. 5, no. 12, March 1973, pp. 4-5.


\(^{79}\) Editorial in Australian Retailing vol. 4, no. 11, June 1971, p. 3; Phillip Lynch (Minister for Labour and National Service), ‘Our standards of living depend on how effectively we use our labour’, Australian Retailing vol. 4, no. 11, June 1971, pp. 4-5.
Between 1973 and 1996, fulltime employment as a share of total employment in Australia dropped by twenty percent.⁸⁰ In retail, the growth of part-time employment and women’s increased participation in the trade went hand in hand.⁸¹ Between 1960 and 1980 the percentage of women employed in retail on a fulltime basis dropped from 75 to 50 percent, even as the percentage of women employed overall grew substantially. The corresponding drop to part-time employment for men in the period was 86 to 75 percent.⁸² Between 1972 and 1982 part-time and casual employment in retailing grew by more than seventy-five percent, while fulltime employment dropped by just under five percent.⁸³ Between 1980 and 1992, while full-time employment increased by twenty-four percent, part-time employment grew by ninety-five percent.⁸⁴ Casualisation, which fell heavily on women, offered employees no security, left them open to exploitation, and was often maintained despite years of service.⁸⁵

Australia’s economic restructuring produced, according to political economists Stephen Bell, Roy Green and John Burgess, ‘many low-quality, low-paying jobs’.⁸⁶ As the service sector expanded in the 1980s, employment tended to be concentrated at the extremes of the pay range with a hollowing out in between. Part-time and casual retail jobs paid at the bottom end of the scale.⁸⁷ Between 1971 and 1981, part-time employment in Sydney doubled to reach thirteen percent of total employment. Because so many part-time jobs were in retail, Sydney’s large suburban commercial centres had higher percentages of part-

---

⁸¹ Penn, ‘Flexibility, Skill and Technical Change in UK Retailing’, p. 231.
⁸² Humphery, Shelf Life, p. 106.
⁸⁷ Forster, Australian Cities, p. 29; Gleeson and Low, Australian Urban Planning, p. 42. On the international repetition of this trend, see Zukin, Urban Lifestyles, pp. 825-6.
time jobs than other areas: Roselands, Miranda and Penrith had double the metropolitan average.\textsuperscript{88}

Table 7.2 indicates the changes in retailing and part-time employment between 1971 and 1981 in Sydney’s commercial centres. It also shows the percentages and numbers of people employed in the wholesale/retail trade in 1981. While most suburban commercial centres show a steady growth in employment, there is a dramatic increase in the percentage of part-time work, particularly in areas with high levels of retail employment such as Miranda, Penrith, Roselands and Dee Why/Brookvale. These figures provide a glimpse of the changes being wrought in Sydney’s suburbs as the production economy based around full-time jobs was replaced by the more ‘flexible’ service economy.\textsuperscript{89}

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Sydney CBD</td>
<td>220012</td>
<td>188920</td>
<td>6.1</td>
<td>7.1</td>
<td>12</td>
<td>22670</td>
</tr>
<tr>
<td>Bankstown</td>
<td>8042</td>
<td>9727</td>
<td>7.0</td>
<td>17.1</td>
<td>37</td>
<td>3598</td>
</tr>
<tr>
<td>Blacktown</td>
<td>4874</td>
<td>6209</td>
<td>7.0</td>
<td>23.5</td>
<td>35</td>
<td>2173</td>
</tr>
<tr>
<td>Bondi Junction</td>
<td>5980</td>
<td>6096</td>
<td>8.1</td>
<td>12.6</td>
<td>38</td>
<td>2316</td>
</tr>
<tr>
<td>Burwood/Strathfield</td>
<td>11538</td>
<td>11729</td>
<td>6.3</td>
<td>14.9</td>
<td>25</td>
<td>2932</td>
</tr>
<tr>
<td>Chatswood</td>
<td>8698</td>
<td>10718</td>
<td>8.4</td>
<td>19.0</td>
<td>34</td>
<td>3644</td>
</tr>
<tr>
<td>Campbelltown</td>
<td>2789</td>
<td>4223</td>
<td>6.0</td>
<td>19.8</td>
<td>23</td>
<td>971</td>
</tr>
<tr>
<td>Dee Why/Brookvale</td>
<td>10709</td>
<td>11036</td>
<td>2.3</td>
<td>15.8</td>
<td>36</td>
<td>3972</td>
</tr>
<tr>
<td>Hornsby</td>
<td>5379</td>
<td>9637</td>
<td>13.9</td>
<td>18.7</td>
<td>31</td>
<td>2987</td>
</tr>
<tr>
<td>Hurstville</td>
<td>7075</td>
<td>6979</td>
<td>7.8</td>
<td>20.6</td>
<td>30</td>
<td>2093</td>
</tr>
<tr>
<td>Liverpool</td>
<td>5698</td>
<td>9228</td>
<td>7.1</td>
<td>14.8</td>
<td>32</td>
<td>2952</td>
</tr>
<tr>
<td>Miranda</td>
<td>3392</td>
<td>5681</td>
<td>8.1</td>
<td>28.4</td>
<td>42</td>
<td>2386</td>
</tr>
<tr>
<td>Parramatta</td>
<td>16649</td>
<td>20360</td>
<td>6.5</td>
<td>14.8</td>
<td>23</td>
<td>4682</td>
</tr>
<tr>
<td>Penrith</td>
<td>2291</td>
<td>3703</td>
<td>3.7</td>
<td>22.8</td>
<td>44</td>
<td>1629</td>
</tr>
<tr>
<td>Roselands</td>
<td>2161</td>
<td>2024</td>
<td>11.2</td>
<td>27.9</td>
<td>77</td>
<td>1558</td>
</tr>
</tbody>
</table>

* Note that these figures relate to entire commercial areas, not just regional shopping centres.

Despite the decline in conditions, retail jobs were extremely important for both individuals and the broader economy. High levels of unemployment, as we saw in Table 7.1, had

\textsuperscript{88} State Transit Study Group of New South Wales, ‘Sydney Region Commercial Centres Information Paper’, p. 16.
\textsuperscript{89} For a literature review on the quest for flexible employment structures in retailing, see Penn, ‘Flexibility, Skill and Technical Change in UK Retailing’, pp. 229-233.
\textsuperscript{90} State Transit Study Group of New South Wales, ‘Sydney Region Commercial Centres Information Paper’, pp. 9-17.
accompanied the shift towards casualisation and part-time work through the late 1970s and
into the 1980s. In the mid 1980s when Eastgardens was being built, the wholesale and retail
trade was the country’s major source of employment. It had held steady at around twenty
percent of total employment for a decade as manufacturing employment dropped beneath
it. ⁹¹

People surveyed for this study in 2007 consistently registered employment as a positive
benefit of shopping centre construction. ⁹² And we saw in Chapter Two that young women
and mothers had eagerly taken up retail positions that offered them money, camaraderie and
public engagement in the 1960s. When Olive Lyell celebrated forty years of service for
Grace Bros in 1992 she recalled how happy she had been to receive the generous wage of
‘just over five pounds per week’ when she had started at the age of sixteen. ⁹³ Former
employees of Murray Bros, Parramatta – which had succumbed to the competition of
Westfield, Grace Bros and David Jones – held reunions in the 1990s, coming from all along
the East Coast to remember their times in the store. Miss Joyce Yule who ‘worked in Soft
Furnishings for 19 years’ recalled fondly: ‘We knew all our customers’ names and they
knew ours’. Mrs Maisie Coutts, a Murray Bros office employee for twenty years,
remembered the camaraderie: ‘The staff made lifelong friendships and there were many
romances and marriages.’ ⁹⁴ Her sentiments were reiterated by Glenys Goswell who
operated the layby department as a fifteen-year-old in the 1950s: ‘It was never a bother to
go to work. In fact, it was a pleasure, it was like one big happy family’. ⁹⁵ There is no doubt
an element of nostalgia here, but the social environment of the store clearly left a positive
lasting impression, which the former employees still pursue through their annual get-
togethers.

By the 1980s, women were making their way into management positions; career women,
battling chauvinism on all fronts, but successfully running major stores like Target and

⁹² Michelle, OHR no. 89, 8 January 2008 - 23 February 2008; Ann Marie, OHR no. 91, 8 January 2008 - 23
⁹⁴ Advertiser, 26 March 1986, p. 10.
⁹⁵ Fairfax Sun, 4 August 1999, p. 9.
Franklins. In 1988, Joanne Wood was the youngest of Target’s three women store managers. Happily independent, without children, she told a local newspaper at the time: ‘I love my life as it is. I look to my career totally – and I enjoy the satisfaction of earning enough to do the things I want to do’. Occasionally mistaken for the secretary by new business associates, she said ‘they soon find out who is in charge – and although they may be surprised, they treat me as an equal from then on’. Fran Lyndon-Rose was another Target manager, having been the company’s first female management trainee in the mid-1970s. ‘If there is a glass ceiling for female executives in this company’, she said, ‘none of us has noticed it… Target is very professional in its attitude towards women and has developed career paths for many.’ She was appointed manager of Target’s Westfield Chatswood store in 1989.

Women were also entering the shopping centre industry itself, with a significant minority graduating from newly introduced training programs and moving into centre management positions. Seen in terms of prevailing gender stereotypes, women were reported to be more efficient, more in tune and attentive to the needs of tenants and shoppers, and more meticulous with ‘housekeeping’. Despite this, they earned between $5,000 and $10,000 less for managing a regional centre than the average man, whose salary sat around $40,000 in 1985. They also complained about their limited role in leasing – which was increasingly being handled by head offices, regardless of the sex of centre management – and sexist attitudes from male managers and proprietors. Despite the fulfilment that retail work could give women, most of their jobs remained at the lower, increasingly casualised end of the ladder. Women’s pay in retail still averages seven percent less than that of men’s, even though they dominate the industry in terms of overall numbers. Simply put, there are more women holding the ladder than men, and more men climbing it than women.

96 North Shore Times, 27 January 1988, p. 27.
97 Ibid.
98 Ibid.
100 ‘Women bring personal touches to centre management but get $5,000 less than men’, Inside Retailing, no. 671, 26 August 1985, p. 6; see also Inside Retailing, no. 601, 26 March 1984, p. 4. For an in depth discussion of leasing, see Chapter Ten.
101 Diane Sisely, ‘Equal Pay is a Family Issue’, Victorian Equal Opportunity & Human Rights Commission website, 1 March 2004,
In the early 1980s, however, jobs were jobs. Wran came from a working family that had struggled through the Depression in Balmain.\footnote{Stekete and Cockburn, \textit{Wran}, pp. 17-25.} Although he had climbed quickly beyond the educational, career, and financial confines of the working class, he knew how important jobs were to individuals and the power of economic cycles to shape lives. Employment is fundamental to human happiness, a healthy economy, and social harmony in the capitalist system. Low-paid, low-skilled they might have been; and the maintenance of a more service-oriented retailing environment would no doubt have resulted in greater job satisfaction, but the jobs provided by retailing and shopping centre development were important. The early 1980s was a harsh employment environment. The economic transformations were painful, and the workers at the bottom – the factory hands and labourers, the ‘checkout chicks’ and sales staff – were the groups that suffered most. Jobs meant income, and for many, food on the table and the basic necessities of a consumer-oriented society. Wran had a firm grasp of the macro and micro economic picture when he pursued the creation of employment so vigorously at Pagewood, but in the process he crossed some major political fault lines.

\textit{Eastgardens challenged}

On 21 June 1982, the owners of three smaller nearby shopping centres – South Point Shopping Centre, Hillsdale and Maroubra Mall – challenged the Pagewood site’s rapid rezoning in the Land and Environment Court, arguing that the new development would have a negative impact on their trade.\footnote{Margo, \textit{Frank Lowy}, pp. 161-2; \textit{Sydney Morning Herald}, 5 August 1982, p. 2; 26 August 1982, p. 3.} The Court asked the defendants – Botany Council, the Minister for Planning and the Environment, the Director of Planning and the Environment, Westfield and Wills – to answer more than seventy pages of questions under oath by 6 August. On 4 August the defendants requested leave from answering the questions because of impending legislation that would render the challenge to rezoning

obsolete. The QC for the complainants declared ‘it extraordinary that the respondent could come to court and announce intending legislation which would deprive his clients of their rights.’ The Law Society of NSW warned that a dangerous precedent was being set. And the NSW Bar Association protested that ‘Parliament [was] legislating for the actual result of a particular piece of litigation.’ The Deputy Leader of the Opposition, Kevin Rozzoli, attacked the legislation for usurping the role of the judiciary and contradicting the separation of the legislature and the judiciary fundamental to democratic governance. Independent MP, Ted Mack, claimed that it: ‘tells the people of New South Wales that if they have enough money and influence they can totally ignore the law.’ Frank Lowy’s biographer, Jill Margo, has described the future of Eastgardens as ‘distinctly shaky’ until the ‘remarkable’ intervention.

Despite having told the Court that the legislation would be passed, the government had yet to get it through caucus. Backbenchers from the Left claimed that it contradicted the government’s own Environment and Planning Assessment Act 1979, introduced to subject developments to higher levels of scrutiny following the ravages to the built environment under the previous Askin government. Unable to persuade their colleagues, they were voted down 36 to 16. According to Margo, the: 

government’s determination in the face of such solid opposition [from the public, the legal fraternity, and within its own ranks] impressed Frank. Without it, the tobacco products plant would have gone to Victoria, the GMH site would have become a ghost town, jobs would have been lost and Westfield would have achieved nothing.

\[111\] Margo, *Frank Lowy*, p. 162-3.
But while jobs were created, the unlikely prospect of a ghost town ten kilometres from the centre of Australia’s largest city avoided, and approval to build the biggest shopping centre in the county given, the State Government’s overt interference in the judicial process symbolised a regression in the politics of urban planning. Peter Spearritt suggests that there was a slide from the early Wran years to the early-1980s, as conservation and heritage plans faded, to be replaced by a ‘concern for jobs and money at all costs.’ Public consultation was overridden because the economic stakes were considered too high.

Robert Stokes has recently argued that:

Public participation is a fundamental element of good planning. Theorists and practitioners point to its role in achieving better results as local knowledge and interests help planners adapt new developments to the neighbourhood. Even where such interests are rejected, at least the public can feel confident they have received a hearing.

The vast majority of people surveyed for this project claimed consistently that they had very little say in the development of shopping centres in their area. One respondent said that he ‘didn’t realise it was possible to have a say in such things!’ Others claimed that developers ‘don’t seek locals’ input’, and that they were unaware of ‘any large scale community consultation.’ David, a higher education marketing officer in his thirties, argues that this is because the industry is ‘interested in creating your want not hearing what it is beforehand!’ Rita, from the Eastwood area near Macquarie Centre, blamed Ryde council, saying that the notices they placed for building applications were so small that they were generally missed, and that protest would make little difference anyway. This was a common sentiment. Some respondents recognised that there was ‘usually the opportunity to have input of some sort with the local Council’, but felt that the outcome was already

---

114 For a few examples, see Julia, OHR no. 56, 28 January – 03 February 2007; Maire-Louise, OHR no. 33, 21 - 27 January 2007; Lindsay, OHR no. 35, 21 - 27 January 2007; Isobel, OHR no. 93, 8 January 2008 - 23 February 2008.
determined:119 “these developments are faitaccompli and will be passed anyway”, claimed Ann Marie;120 “it was a foregone conclusion”, wrote Sandra.121

This feeling of resignation was repeated in different forms. While there was some faith given to developers for doing at least what they thought was ‘right for the area’, there was a more general sense that ‘the developers seem to get what they want’.122 Beth noted that ‘Macquarie Centre was established’ and would ‘probably continue to grow regardless of whether’ people required ‘more stores selling the same stuff!’123 As Julia noted, ‘once they go up, they cannot be knocked down again.’124 Margaret felt that her lone voice did not have the strength to stem the tide: ‘as I know the majority of people like the big shopping centres’, she wrote, ‘there is no point in opposing them. However, if there was a groundswell of support against further centre development I would join it.’125

The inevitability of development approval was occasionally framed in terms of big business influence; a suggestion that ‘money talks’ when ‘major business corporations’ deal with local councils.126 A number of people took this further, alleging complicity between the two parties.127 Tanya ‘felt disempowered and voiceless… [and] that Council had stitched up the deal with big business.’128 Margaret thought that for both council and developer it was simply ‘all about the revenue.’129 The impact on small business – explored in the next chapter – was recognised.130 Ray, a retiree living around Concord, suggested that there had been a policy of ‘The developer knows best’ and offered an insightful critique of the process. The developer, he said, ‘no doubt locates according to expert opinion he obtains on

120 Ann Marie, OHR no. 91, 8 January 2008 - 23 February 2008.
121 Sandra, OHR no. 51, 21 - 27 January 2007.
122 Elizabeth, OHR no. 70, 11 February - 11 March 2007; Robert, OHR no. 11, 14 - 20 January 2007.
125 Margaret, OHR no. 44, 21 - 27 January 2007.
127 David, OHR no. 68, 11 February - 11 March 2007; Rex, OHR no. 69, 11 February - 11 March 2007.
128 Tanya, OHR no. 86, 8 January 2008 - 23 February 2008.
130 Tanya, OHR no. 64, 04 - 10 February 2007.
planning and risk issues. Then his small-business tenants test the water on whether their particular enterprise meets community need, or fails – at their cost!’ \(^{131}\)

The absence of community consultation – or at least the perception that there is little discussion with locals – needs to be positioned within a broad political and economic framework. Forster, drawing on Hall, suggests that in the 1990s Australian state governments were becoming ‘urban entrepreneurs desperately competing for investment and jobs’. \(^{132}\) Gleeson and Low describe this as a policy move ‘away from the regulation of markets towards the facilitation of economic development’. \(^{133}\) United Kingdom urban geographers Mike Raco and Steven Henderson suggest that such activity can lead to ‘flagship projects’. These large, symbolic developments are regularly located in poorer areas and are viewed favourably because they offer regeneration in place of decline, and bring jobs, social cohesion, environmental improvements and new opportunities to areas of dislocation. Because of these many benefits, Raco and Henderson argue, flagship projects tend to remain ‘uncontested, legitimated and unchallenged’. \(^{134}\) In the Australian context, Kim Dovey claims that inter-governmental competition has allowed companies running large projects to extract concessions from states in return for development. These include lower taxes, the sale of public land, avoidance of planning procedures and democratic processes, and contractual secrecy – all of which were on offer in the Eastgardens development. \(^{135}\)

‘Politics in NSW’, write Steketee and Cockburn, ‘is traditionally the politics of development’; where all governments, regardless of creed, have ‘unquestioningly accepted economic development, and the jobs it brings, as the major goal of their administration.’ \(^{136}\)

\(^{131}\) Ray, OHR no. 55, 28 January – 03 February 2007.
\(^{133}\) Gleeson and Low, *Australian Urban Planning*, p. 66.
\(^{135}\) Kim Dovey, ‘On Politics and Urban Space’, in Jennifer Barrett and Caroline Butler-Bowdon (eds) *Debating the City: An Anthology* (Sydney: Historic Houses Trust of New South Wales in association with the University of Western Sydney, c2001), p. 60. For the negative impact of this rivalry on planning guidelines, see Stretton, *Ideas for Australian Cities*, p. 254. For an American example of such bidding for development involving Sears Roebuck, see Jackson, ‘From the Garden City to the Garden State’, p. 20.
This can clearly be extended to all Australian states. Harrison has likewise argued that while metropolitan plans are an expression of public policy, ‘in practice there is a reluctance to impede private investment and an inadequacy of funds for public investment which generally inhibits the public sector from assuming an initiating role.’ At Pagewood, the NSW Labor Government took a pro-active role, but did so by granting concessions to the developers.

This is the reality of a capitalist society; the state’s role, writes planning and public historian Paul Ashton, is to ‘foster conditions for capitalist accumulation – for money and profit making’. Sandercock thus claims that with the final say left in the hands of politicians, governments have been ‘all too ready’ to override planning strategies. Metropolitan strategies, Sandercock and Friedman, argue are primarily political documents, and as such should result from a process of consultation between all relevant actors. It is only when these actors all engage in an attempt, despite conflict, to reach a mutual understanding that planning strategies reflect the interests of the whole community. After the announcement at Pagewood, there were groups of local opposition, but the decision to build the centre had already been made on behalf of the community and despite a court case in progress.

*Constructing Eastgardens: A shopping paradise comes to life*

During the construction of Eastgardens, some surrounding residents suffered considerable inconvenience. This was not uncommon – complaints had been made by residents surrounding Macquarie when construction had extended beyond the permitted hours of seven in the morning and seven at night. At Eastgardens, it was claimed that pile-driving and heavy machinery were damaging nearby houses. Cracks appeared in walls and ceilings,

---

141 *Northern District Times*, 4 April 1979, p. 9.
and tiles were loosened on roofs. One local, Betty Taylor, described the vibrations as ‘like a small earth tremor every few seconds. Our nerves are shattered’, she said. The Council asked Westfield to stop pile-driving which it did for a few weeks until it became apparent that this was the only way for construction to continue – albeit with a different technique and restricted hours.¹⁴² Local residents spent a year protesting the damage. They made no progress until the ABC aired the issue on The Investigators towards the end of 1988. According to the Sydney Morning Herald, within hours of an approach by the program, ‘compensation cheques were flying all over Pagewood.’¹⁴³

For those living a little further away, development could be more appealing. One local remembers that as a young teenager she was ‘fascinated by the progress of the construction and… thought it was the coolest place on earth’. She would walk ‘30-45 minutes without question to hang out there.’¹⁴⁴ The enthusiasm was shared amongst many other residents, especially as opening day approached: ‘[My] friends in the area were all excited and it was talked about for weeks. [It was] great to have such a large amount of shops available in one place.’¹⁴⁵

Two days before Eastgardens opened in October 1987, the Urban Traffic Authority re-routed at least ten bus services to include a stop outside the centre. Local retailers watching the buses bypassing their stores termed them ‘Eastgardens Expresses’.¹⁴⁶ The president of the Maroubra Chamber of Commerce said: ‘It’s a powerful organisation that can change bus routes. You know how hard it is to even change the location of a bus stop?’¹⁴⁷ It was not uncommon for bus routes to change with the opening of a major retail centre – public transport was, after all, required for thousands of daily shoppers. And if the industry considered the arrangements unsatisfactory, it was not backward in lobbying for changes.¹⁴⁸

¹⁴³ Sydney Morning Herald, Spectrum, 15 October 1988, p. 78.
¹⁴⁴ Jody, OHR no. 6, 14 - 20 January 2007.
¹⁴⁵ Leanne, OHR no. 58, 28 January – 03 February 2007.
¹⁴⁷ Ibid. On the need to divert bus services where centres were not built on existing public transport hubs, see Lowy, ‘Regional shopping centres’, p. 282.
¹⁴⁸ See, for example, Grace Bros’ dissatisfaction with bus services to Westfield Liverpool and its formation of a Committee to agitate for improvements. Coles Myer Archive, SLV, MS13468, GRACS012, 65, ‘Liverpool Store Report’, 2 June 1978.
Elderly residents from Pagewood and surrounding suburbs who relied on bus services faced a significant change to their daily routines and preferences. On the morning of the opening, around fifty of them manned a protest outside Eastgardens’ main entrance, handing out leaflets and holding a few balloons and banners to advertise their cause. The protest did not last long. It was disbanded by a group of security guards and Westfield executives, who ushered the campaigners out of the public light into a coffee shop for free beverages and toast.149

That night the Governor of New South Wales, Sir James Roland, opened the centre in a blaze of publicity. The *Sydney Morning Herald* described ‘an impressive roll-up of New South Wales State Cabinet heavies, Botany dignitaries, and 1,500 invited guests’.150 The opening entertainment featured ‘some of Australia’s top talent’, a laser show, someone singing whilst perched upon the back of a horse called ‘Trigger’, and a grand closure with 1980s Australian family megastar Julie Anthony performing the national anthem.151 One attendee described the stage show as ‘first class’ and reported unlimited quantities of French champagne, excellent food, parting gifts of perfume for women and port for men, and a ride home in a Westfield-provided taxi. As a further gift, the shopping centre giant donated around $140,000 to charity – $100 for every guest.152 A local paper, the *Southern Courier*, enthused over ‘Westfield’s latest shopping extravaganza’ and the fact that ‘its opening was one of the most spectacular and best co-ordinated seen in Sydney’.153 A full front page declared: ‘Your Shopping Paradise is Now Open’ (see Figure 7.6).154


At opening, Eastgardens housed 150 specialty shops, a six-cinema Hoyts movie complex, public library, large 24-hour medical centre complete with blood testing and radiology services, a food court capable of seating 550 people, branches of major banks and building societies and parking for three thousand cars. Like Macquarie and Chatswood, it incorporated the new decade’s design elements: skylights, natural light, indoor gardens,
palms and a cascading waterfall.\textsuperscript{155} It suggested the transformation of a working class suburb: the soothing trickle of water as a backdrop to leisurely consumption was a far cry from the industrial guts of the factory (see Figure 7.7). Like all shopping centres it was just as much a product for consumption as the goods which it housed.\textsuperscript{156}

Figure 7.7: Don McPhedran, ‘Motor body builders use CIG welding equipment to weld the new EJ Holden, Pagewood’.

A couple of years after opening, Westfield raised the possibility of changing the name of a section of Pagewood around their shopping centre to ‘Eastgardens’. The company claimed that ‘Pagewood’ – chosen by local referendum forty years earlier – was too ‘obscure’ and was associated with a poor image ‘of an industrial working-class suburb’.\textsuperscript{157} Marketing was harnessed to define and create a new image for the suburb. Westfield’s efforts were opposed by many, although others supported the potential change claiming that the

\textsuperscript{156} On the creation of new urban forms for consumption, see Zukin, \textit{Landscapes of Power}, pp. 42-3.
\textsuperscript{157} \textit{Sydney Morning Herald}, 6 April 1989, p. 8.
shopping centre was already a landmark and that ‘Eastgardens’ would bring more attention from outside the area. One local, although arguing that Pagewood under the new name would just ‘not [be] the same’, pointed to the slippage of ‘Eastgardens’ into the vernacular when she said: ‘A lot of people say Eastgardens and I say, “Do you mean Pagewood?”’.\footnote{Kim Eisner, John Harmer and Harold Brown quoted in \textit{Sydney Morning Herald}, 13 April 1989, p. 4.}

Time loosens old attachments and ten years later, after the centre had grown even bigger and become more embedded in the lives of the surrounding community, the area surrounding it was renamed. The section of Pagewood around the shopping centre was now ‘Eastgardens’… ‘You know how hard it is to even change the…’

\begin{figure}[h]
\centering
\includegraphics[width=\textwidth]{image}
\end{figure}

If the economic heart of the city was beating a little stronger by the end of the decade, it was also marking a different time. In the 1980s, the Wran Labor government educated its Federal parent in the politics of business: adopting a ‘new criteria… set in terms of the
marketplace.'\textsuperscript{159} The economic woes of the 1970s were fought with deregulation and business governmental cooperation.\textsuperscript{160} Zukin argues that urban landscapes reflect the “spatiality” of the capitalist mode of production in each of its historical phases.\textsuperscript{161} Drawing on the work of Steven High, Dingle and O’Hanlon argue similarly in their case study of the MacRobertson chocolate and confectionary manufacturing complex in Fitzroy, Melbourne, that capitalism found ‘new and different uses for spaces no longer suitable for the manufacture of consumer goods’.\textsuperscript{162} At Pagewood, capitalism was aided in this process, in the best Australian tradition, by government, as the industrial might of the GM-H automobile plant was replaced by a palace of the new economy. Where workers had once made products in Pagewood to be bought and consumed around the country, workers in Eastgardens now sold and consumed products manufactured around the globe (see Figures 7.7 and 7.8).\textsuperscript{163} Sales turnover in Westfield shopping centres in the year that Eastgardens opened, including its American interests, exceeded $4.5 billion.\textsuperscript{164}

Despite its suburb’s name climbing the social ladder, and for all its inner delights, palm trees and cascading water, Eastgardens could not divorce itself from its surrounds, nor its socio-cultural history. In the 1980s, Pagewood had a mixed, but relatively low income population and almost twice Sydney’s average percentage of housing commission tenants.\textsuperscript{165} Despite the democratisation of moderately priced affluence represented by the new centre, Botany remained a working class municipality; a ‘middle-market’ population linked more with the South than the affluent East of the city.\textsuperscript{166} The genuinely wealthy shopped at Double-Bay, Bondi Junction, eastern suburbs specialty shops or in the city.\textsuperscript{167} In this way, Eastgardens was similar to Macquarie, where the manager of one chain described

\textsuperscript{159} Daly and Malone, ‘Sydney: The Economic and Political Roots of Darling Harbour’, pp. 94-5.
\textsuperscript{160} Ibid., pp. 94-5.
\textsuperscript{161} Zukin, \textit{Landscapes of Power}, p. 19.
\textsuperscript{162} Dingle and O’Hanlon, ‘From Manufacturing Zone to Lifestyle Precinct’, p. 58.
\textsuperscript{163} For a broad analysis of this situation, see Zukin, \textit{Landscapes of Power}, p. 51.
\textsuperscript{164} \textit{Sydney Morning Herald}, Eastern Herald, 8 October 1987, p. 19.
\textsuperscript{166} ‘Flagship centre sets pace’, \textit{Inside Retailing}, no. 775, 19 October 1987, p. 16.
the demographic as ‘more Western Suburbs than North Shore’. Eastgardens was the ‘low end’ of the Eastern suburbs, Macquarie the fringe dweller of the North Shore. Warringah Mall, too, from its industrialised swamp in Brookvale, catered as much to nearby workers as to surrounding affluence. Chatswood remained the most genuinely upmarket shopping centre. All, though, continued to grow. The next chapter deals with their expansion.

---

Chapter Eight  

Building on a Good Thing: Shopping Centre Redevelopment, Institutionalisation and Homogenisation

I remember when Westfields Parramatta used to look like that [pointing to Deepwater Plaza neighbourhood centre, Woy Woy], now it’s four blocks…¹

With limited sites available and high costs associated with new construction, the shopping centre industry in the 1980s turned to redevelopment as its principle means of growth.² Of the decade’s new developments, plans for Macquarie had begun in the late 1960s, those for Chatswood Chase in the mid-1970s. Westfield Chatswood was new, but built on land already acquired by Grace Bros, and was linked to the site of the original department store that opened in 1961. Westfield Eastgardens was built from an opportunity opening up on a brown-field site in the very early 1980s. It was also fortuitously located next to Crown land that the government was prepared to trade for jobs, and in an area short of the biggest retailers. These were the exceptions. Most regional shopping centre development in the 1980s occurred in existing complexes.

This chapter outlines this shift away from the establishment of new centres towards the expansion of existing ones. It examines the directions such expansion took, including refurbishments and market ‘repositioning’. It uses a number of examples from Sydney to illustrate the expansionist trend, and quantifies the broader picture with changing floor space figures for the major Sydney shopping centres. Expansion is then considered in light of claims that the retail market in Sydney and other capital cities was saturated, though developers claimed their projects were driven by consumer demand. The role of institutions in the development process is considered, including their impact on tenant selection and centre design. The chapter concludes with a discussion of franchises and their rise to dominance in the tenancy mix. This can be partly attributed to the conservative sensibilities of big investors, who approached retail with a very different point of view to that of the old department stores which had initiated many of the city’s early shopping centres.

¹ Man in his late-40s on the no. 50 bus, Umina to Gosford, 14 September 2010, 7.45am.
Redevelopment, refurbishment and repositioning

Redevelopments became attractive because of the cost of land acquisition and the absence of suitably located sites. Brian Harrison of AMP, for example, claimed in the mid-1980s that suitable sites for new centres throughout Australia were scarce and that his company would instead be ‘heavily engaged in redeveloping and expanding a number of older AMP centres to maintain or improve their market share.’3 Another impetus can be found in a tendency that Patrick Troy has identified in urban development more generally. Troy argues that over time, established interests seek to maximize their competitive advantage in the urban infrastructure by enhancing the value of their initial investment.4 It made sense in Sydney for those with an established position within existing patterns of transport, housing and surrounding development to invest further in these complexes.5 Business felt it to be a competitive imperative. As the city grew, they grew with it, determinedly building from their initial bases. Peter Smith, the Managing Director of General Property Trust, argued when Bankstown Square was expanding in 1989, that if:

you stick to the old, when people demand the new, your asset (the Centre) will diminish in value, it needs to change with the times. With a large Super Prime regional like Bankstown you need to exploit its dominance as opposed to resting on its laurels.6

It was a similar situation to the concentration of big retail that we examined at Chatswood: if shopping centres didn’t expand, didn’t keep searching for ever greater market share, then they risked a takeover, or decline as nearby centres – now crossing into their trading zone – lured customers away with bigger, brighter more up-to-date developments offering more stores, entertainment and excitement.7 To put in another way, shopping centre owners spent money on their centres to deprecate the competition.8 In the early 1970s, Albert Sussman,

3 Brian Harrison (general manager, AMP Shopping Centres) quoted in ‘AMP aims to create better landlord-tenant liaison with ex-retailer as manager’, Inside Retailing, no. 714, 21 July 1986, p. 16.
5 My thanks to Bev Kingston for this point.
6 Peter Smith (Managing Director of General Property Trust) quoted in Shopping Centre News 4, no. 7, August 1989, 18.
8 Professor Spike Boydell quoted in Ibid, p. 56.
the executive vice-president of the International Council of Shopping Centres had warned of obsolescence, arguing that: ‘Either you find space to expand or you face the prospect that someone else will enter your market with a far larger centre and siphon off your customers.’

Bankstown Square’s 1989 expansion – the Grand Market – was driven by a desire to capture a greater percentage of the area’s retail food dollar. Food sales, according to the Square’s Development Manager, Theo Van Veenendaal, were the centre’s ‘soft underbelly’ – a vulnerability through which an opponent might strike.

Expansion was also encouraged by the Department of Planning’s *Centres Policy for the Sydney Region*. In 1986 it identified Sydney-North Sydney and Parramatta as the two major regional centres in the metropolitan area, and Blacktown, Mt Druitt, Chatswood, Bankstown and Penrith as sub-regional centres. These all had major shopping centres that expanded over time. The *Centres Policy* followed previous planning directives that sought to limit the gravitational pull of the Sydney CBD by decentralising commerce, development and employment around key transport hubs. To this end office and retail development was to be encouraged in sub-regional centres, especially within walking distance of public transport nodes.

The industry believed that an expansion was likely to be more profitable than building a centre from scratch. Shopping centres took time to develop their brand and build up loyal or habitual customers. Expanding established centres enhanced their value and avoided the startup costs of ‘positioning’ a new complex. Writing for an international readership, J. A. Dawson noted five advantages of refurbishment. Existing sites were likely to be well located; have an established identity; and face fewer regulations on zoning or environmental issues. Redeveloping them cost less than building a new centre, and allowed

---

13 Ashley Corne (chairman of the West Australian Shopping Centres Association) quoted in ‘World trends show that developers will turn to upgrading or expanding existing hopping centres’, *Inside Retailing*, no. 186, 4 August 1975, p. 9.
for a reconfiguration of tenant mix as well as the addition of new tenants to promote total sales.\textsuperscript{14}

The industry argued that the value of redevelopments extended to customers, as centres grew to meet population growth and consumer desire.\textsuperscript{15} Centres were believed to have life-cycles of between seven to ten years, which reflected changes in the community; the former rising to meet the latter and its new needs and desires. John McCarthy, the president of the NSW division of BOMA, argued in 1989 that:

\begin{quote}
The result of this constant change and upgrading is a further benefit for the consumer through added choice and competition, and for the retailers who can work in an up-to-date environment. For the local community, there is the prospect of added investment and local participation.\textsuperscript{16}
\end{quote}

In the previous chapters, we saw Macquarie Centre, the complexes at Chatswood and Eastgardens hit a new taste cycle. Redevelopments aimed to do the same. Bankstown Square’s Grand Market was one component of a broader business strategy. Peter Walichnowski, the Director of Lend Lease Retail explained that:

\begin{quote}
Expanding is only part of the exercise. Bankstown Square is over 20 years old. At the time of its initial opening Retail was very different, there were different standards. Expansion today is not simply ‘adding on’ – the Centre needs a massive Retail Planning input. We need to focus on the various merchandise worlds. Bankstown Square needs re-positioning, in parts it needs re-mixing.\textsuperscript{17}
\end{quote}

‘Repositioning’ is a marketing technique that Al Ries and Jack Trout claim to have developed in 1972 when writing a series of articles entitled ‘The Positioning Era’ in the \textit{Advertising Age}. In their 2001 book, they explain that positioning ‘is not what you do to a

\textsuperscript{15} \textit{Manly Daily}, 27 March 1985, p. 21.
\textsuperscript{17} Peter Walichnowski (Director Lend Lease Retail) quoted in \textit{Shopping Centre News}, vol. 4, no. 7, August 1989, pp. 18-9.
product’. Rather it involves a series of ‘cosmetic changes done for the purpose of securing a worthwhile position in the prospect’s mind’.\textsuperscript{18} When shopping centres expanded and refurbished, they sought to reposition themselves in mind of their market. They added convenience with more shops, services and entertainment facilities; and they looked to add appeal by upgrading the appearance of the centre with new materials, designs and layouts. All of Sydney’s major shopping centres expanded, refurbished and repositioned over their lifetime as they strove to expand their share of the market.

\textit{Shopping centre expansion in Sydney}

The Grand Market was only one of a series of upgrades to Bankstown Square, all designed to draw more customers, provide greater turnover and strengthen its market position. The first major extension occurred in 1980 when the Coles group wanted to join the centre. Drawn by population growth in the 1960s, Coles had bought Bankstown’s Civic theatre in 1970 and turned it into a supermarket.\textsuperscript{19} Bankstown’s rapid expansion continued through the 1970s as large numbers of immigrants settled in the area. After much lobbying, it was proclaimed a city in 1980.\textsuperscript{20} By 1983, it was the fourth largest commercial centre in the Sydney Region after the C.B.D., Parramatta and Chatswood.\textsuperscript{21} Coles now wanted a bigger stake in the growing retail market, and the Square was expanded for them to put in a supermarket and Kmart, while fifty-seven other specialty shops were also added. Absorbing the adjacent Walton’s building in 1986, after Alan Bond’s failure to reignite the department store’s diminishing fortunes, Lend Lease added the ‘The Square Connection’, with thirty specialty shops and a Norman Ross store that Bond had also owned.\textsuperscript{22}

In the late 1980s, though, the centre looked dated. Light brown tiles branched into shops off a dark brown tiled concourse under a flat, white corrugated ceiling. What once felt warm

\textsuperscript{20} ibid., p. 150.
\textsuperscript{22} Shopping Centre News, vol. 4, no. 7, August 1989, pp. 16-18.
and friendly now looked tired and even dingy. In the Square’s 1988 ‘Fashion Mall’ refurbishment, the concourse was brightened to white, with zigzag marble tiling. The roof was arched to create a feeling of spaciousness, with lighting provided by hundreds of small lights on evenly spaced, curved runners. More lights were hidden at the ceiling’s edge, reflecting onto shoppers and stores below. The look was clean and sparse. When Roselands was extended and refurbished in 1986, lighting was again an important element in upgrading what its operators privately referred to as a ‘decidedly dingy’ appearance.

Bankstown Square offers one case study; there are others. Warringah Mall had begun expansion projects almost as soon as its initial construction was completed. Construction was so constant that in 1975, twelve years after opening, the Manly Daily declared that the complex was finally ‘nearing the end of its $20 million building program’. With annual turnover at the Mall rising at around thirteen per cent per annum through the second half of the 1960s, David Jones and Franklins both increased their floor space; the former vertically, the latter horizontally. Fletcher Jones moved in, 10,000 square feet was allocated for office space, and further land earmarked for car parking. Between 1971 and 1973, the Mall grew to 600,000 square feet as the Grace Bros Homemakers store was converted to a full three-floor department store, and sixty more specialist shops were added. In addition to retail, the Mall now offered medical and dental facilities, a post office, an expanded child-minding centre and leisure areas, a mini golf course and petrol station. There were further redevelopments through the 1970s and 1980s. In 1989, the now huge complex was garnished with shrubs, vines and mature trees.

Grace Bros had declined the opportunity to have a full line department store in the Mall when it first opened. The expansion of their operations in 1973 to ‘share’ the complex with

23 Based on pictures in Shopping Centre News, vol. 4, no. 7, August 1989, p. 16.
29 ‘$2m buys more space for Warringah Mall’, Inside Retailing, no. 512, 17 May 1982, p. 12.
David Jones echoed a move at Miranda Fair in 1971 when they joined Myer as the second department store there.\textsuperscript{31} Major department stores operating in direct competition with one another was unusual for Australia at the time, and a couple of years later its advisability was still being questioned, but it indicated the future of centre expansions and was aligned with American practice where big chains or department stores would not move into a centre unless competitors also had a presence.\textsuperscript{32} Grace Bros’ entry at Miranda was part of a massive Westfield redevelopment that trebled the size of the Fair following the company’s purchase of the complex from Myer in March 1969. Grace Bros was also involved with Westfield in its Liverpool and Parramatta projects, explored in Chapter Four, and was planning stores at Mt Druitt and North Ryde – the future Macquarie Centre – to form a ‘strategic ring’ around Sydney.\textsuperscript{33}

When Westfield purchased Miranda Fair it acquired a tired, dated complex in need of rejuvenation.\textsuperscript{34} For the rapidly growing company, it represented an opportunity. The Fair’s redevelopment was indicative of Westfield’s approach to its centres. Its official company history declares that:

- Once Westfield has acquired a new shopping centre, it does not leave it to tick over quietly.
- Rather it begins immediately to improve it on every possible level for retailers, for shoppers, for stakeholders and for investors. No time is wasted.\textsuperscript{35}

Michael Lonie, then with Westfield, but to become a determined advocate of tenants’ rights with the Retail Traders’ Association, later claimed that the expansion set Miranda Fair ‘ahead of its time’. Translated, this meant that it was too big for the surrounding population and its spending capacity. This was sensible business practice for the developer, although as we will see in Chapter Ten, it was likely to impact heavily on small tenants. By 1974

\begin{itemize}
\item \textsuperscript{31} \textit{Australian}, 13 October 1970, p. 13.
\item \textsuperscript{32} ‘Roselands is proof of the fact that you don’t need two big stores for a successful centre’, \textit{Inside Retailing}, no. 188, 18 August 1975, p. 7; ‘Strong buying team gets credit for having the right stock at the right time’, \textit{Inside Retailing}, no. 277, 27 June 1977, p. 7.
\item \textsuperscript{34} Westfield Holdings Ltd, \textit{The Westfield Story}, p. 41.
\item \textsuperscript{35} \textit{Ibid.}, p. 68.
\end{itemize}
Lonie was describing the Fair as Westfield’s most successful centre. The turn from new developments to expansions brought life to a well-established industry and has become the dominant form of major retail development.

Figure 8.1: An artist’s impression of the Miranda Fair redevelopment prior to its completion

Table 8.1 gives an indication of the extent of shopping centre expansions during the last twenty-five years. The considerable expansions in the 1990s resulted from the introduction of leisure precincts that we discussed in Chapter Five. Castle Towers, for example added a six-screen complex between 1991 and 1995, which was then expanded to sixteen screens by 2005. Chatswood Chase, on the other hand, never added cinemas – council rejected its owner’s development applications following community concerns about after-hours noise. Without this opportunity for expansion, and limited by its densely built surrounds, it was limited to refurbishment to keep pace with its market.

---

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Castle Towers</td>
<td>n/a</td>
<td>n/a</td>
<td>24,000</td>
<td>24,552</td>
<td>49,046</td>
<td>107,401</td>
<td>1989, 1992, 1999, 2000</td>
</tr>
<tr>
<td>Westfield Bondi Junction</td>
<td>39,587 (11,372 offices)</td>
<td>39,587 (11,372 offices)</td>
<td>65,805 (39,979 offices)</td>
<td>65,805 (39,979 offices)</td>
<td>78,190 (53,081 offices)</td>
<td>128,994 (21,501 offices)</td>
<td>1987</td>
</tr>
<tr>
<td>Westfield Chatswood</td>
<td>n/a</td>
<td>n/a</td>
<td>23,000</td>
<td>24,612</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Westfield Eastgardens</td>
<td>n/a</td>
<td>n/a</td>
<td>54,000</td>
<td>65,720</td>
<td>63,430</td>
<td>91,704</td>
<td>2002</td>
</tr>
<tr>
<td>Westfield Hornsby</td>
<td>16,700</td>
<td>18,400</td>
<td>19,585</td>
<td>18,589</td>
<td>19,159</td>
<td>98,351</td>
<td>1968, 1976, 1979, 2001</td>
</tr>
<tr>
<td>Westfield Miranda</td>
<td>62,000</td>
<td>60,600</td>
<td>61,000</td>
<td>58,916</td>
<td>110,900</td>
<td>111,770</td>
<td>1971, 1984, 1992</td>
</tr>
<tr>
<td>Westpoint Shopping Centre</td>
<td>52,773</td>
<td>72,578</td>
<td>72,578</td>
<td>65,055</td>
<td>60,959</td>
<td>1983, 1990, 1994</td>
<td></td>
</tr>
</tbody>
</table>

* Note these figures include tenancies such as cinemas, offices and medical centres that BOMA calculates in addition to retail tenancies. Note that occasional figures are missing from the BOMA directories.

---

Redevelopments gave centre operators the opportunity to launch openings, usually not as spectacular as their original bashes, but sound grounds for promotions that drew extensive coverage in the local and metropolitan press. Westfield’s Miranda Fair redevelopment, for example, was covered in the local papers, the Sydney Morning Herald, the Daily Mirror, and the Daily Telegraph.40 Openings events helped generate excitement and interest in the community. After one Penrith Plaza extension, Vanessa recalls that ‘most people just though [sic] “great, its getting bigger again”’.41 Michelle remembers that ‘everyone was excited’ when extensions for Macarthur Square opened and describes the increased variety of shops as ‘fantastic’.42

The passing of an older shopping complex, one that had been part of the community and held personal memories could be a sad occasion – especially given the intense focus on its replacement. Past history was continually being swept aside for the bigger, brighter and better. Maire-Louis remembers the redevelopment of Westfield Burwood, registering a sense of loss:

> It felt empty on the last day of trading before the demolition… [I] felt that some sort of symbolic rite should have been performed to say goodbye to the old. It wasn’t, so I made an effort to go to Westfield and take my daughter saying she was part of history as we said goodbye. We walked around and looked at all the stores, at the building one last time… 43

A saturated market

By the middle of the 1970s, there were warnings that Australian cities were saturated with retail.44 One Westfield executive described both Sydney and Melbourne as ‘fairly well

---

41 Vanessa, OHR no. 83, 8 January 2008 - 23 February 2008.  
42 Michelle, OHR no. 89, 8 January 2008 - 23 February 2008.  
44 John Arnison (Managing Director of Retail Surveys) cited in ‘Chances of failure for shopping centres increasing says researcher’, Inside Retailing, no. 135, 22 July 1974, p. 5.
ringed with major regional shopping centres’ with little room for expansion.45 In Melbourne, new shopping centre developments were restricted to fourteen district centres established around transport nodes. This led to higher rents, and expansions of existing centres.46 One unnamed Chain store executive told Inside Retailing that all of Australia’s capital cities and most of the country towns had an excess of retail development. He pointed to the more then eighty regional, community and neighbourhood shopping centres that had been built in Sydney in seventeen years and claimed that he had ‘never seen’ so many empty shops in shopping strips. He warned that the city faced:

Figure 8.2: An artist’s impressions of Macquarie Centre’s 1995 refurbishment. *Northern District Times*, 14 June 1995, p. 11.

headlong development that will turn street after street into retail wastelands unless local
councils and developers are stopped from building more and more shops for the fewer and
fewer retailers who can profitably operate them.47

Other retail executives made claims along similar lines. The managing director of David
Jones in Brisbane believed that there was simply no more room for viable expansion and if
developers did build more centres they would not be able to fill them with tenants.48

Philip Luker, the editor and publisher of Inside Retailing, argued that the growth of
discount department store operations had been a significant ingredient in the over supply of
shops. A discount department store of 100,000 square feet, he pointed out, had the same
trading area as thirty-three 3,000 square foot stores, and many more sales because of its
lower prices. With discount department stores predicted to remain the fastest area of retail
growth through the first half of the 1980s, their business had to come from somewhere, and
it wasn’t coming from increased population nor, with the recession, increased spending.
Luker predicted tough times for small retailers foreseeing thousands of closures or
amalgamations.49

Despite broader economic troubles, discount operations allowed most of the major retailers
to expand their floorspace by up to fifty percent between 1970 and 1975, with the majority
of this occurring towards the middle of the decade.50 By 1976 big retail projects were
underway in all of Australia’s major cities, complemented by numerous smaller
developments.51 Allan Revell, Westfield’s assistant controller of shopping centres, argued
that the steady increase in sales at existing centres proved that new centres would be

47 ‘Greedy local councilors who back rampant development hasten the cancer of empty shops’, Inside
48 ‘Expansion the trend for shopping centres’, Inside Retailing, no. 247, 1 November 1976, p. 12.
49 Philip Luker ‘Retailing into the 1980s’ (from an address by Philip Luker, publisher and editor of Inside
Retailing to the Retail Management Institute of Australia, Sydney, June 1979), Inside Retailing, no. 373, 25
June 1979, p. 10. On retail competition, increasing numbers of shops, demographics and sluggish sales
growth, see also Sydney Morning Herald, 10 July 1985, p. 29.
50 Roach Ward Guest and Co. industry retailing report cited in ‘Retailing will be one of the first industries to
51 ‘Marked increase in small-to-medium retail developments and recovery in sight for big projects’, Inside
viable. By the decade’s end, development was again said to be ‘booming’. According to *Inside Retailing* ‘more major retail stores and more shopping centres’ were ‘being opened in the last three months of 1978 than in any similar period since the rip-roaring sixties, when the business and population boom helped carry the load.’ The journal attributed the boom to three factors: the easing of interest rates that had put planned expansion on hold; a ‘scramble’ for the remaining viable retail sites, which although not likely to be profitable for years would be extremely valuable when consumer confidence finally returned; and the added competition generated by discount department stores, with every company watching the other, trying to gain any possible advantage.

Regional centres were now so numerous in the suburbs of Sydney, Melbourne and Brisbane that they were taking custom away from one another, not just from strip precincts. Westfield’s Hurstville centre which opened in October 1978 impacted on Roselands, just six miles away. In the same month, Burwood Plaza with Waltons and Franklins as its major tenants opened as that suburb’s second regional centre. In November, Westfield Shoppingtown Burwood fought back with the completion of its second expansion since opening in 1966. Macquarie, situated in a lightly populated area, had a broad trading footprint, intruding on surrounding areas such as Ryde, Eastwood and Chatswood. Writing in the *Bulletin*, Glennys Bell offered two potential metaphors for Macquarie: ‘a dinosaur, the last of its kind’; or a ‘giant $80-million complex rather like a spider, luring customers from a huge circle of surrounding Sydney suburbs’. She predicted that in order to compete, Chatswood’s promotions would be increased to attract new customers, undermining the trading base of nearby smaller centres. Figure 8.3 shows Grace Bros’

---

52 ‘Shopping centre development will never be the same again, but it has not reached saturation’, *Inside Retailing*, no. 245, 18 October 1976, p. 6.
57 Bell, ‘The Last of the Major Shopping Centres’, p. 112. The circle had been planned from the beginnings of Grace Bros’ suburban branch expansion. See Coles Myer Archive, SLV, MS13468, *GRACS012, 3236*, ‘Macquarie Shopping Centre North Ryde’, Section 2, p 1.
58 Bell, ‘The Last of the Major Shopping Centres’, p. 112.
existing and planned stores in 1972, providing the company with a broad and comprehensive coverage of the Sydney market.

Figure 8.3: Grace Bros Sydney department store branches, 1972

Institutional investors, homogeneity and franchising

Although consumer demand was regularly cited as the rationale for expansions, from the mid-to-late 1970s demand also came from institutional investors. The Commonwealth Superannuation Act 1976 introduced amendments that allowed superannuation funds to invest in property. The Act also established the Commonwealth’s Superannuation Fund Investment Trust, superseding the Superannuation Board that had administered the Commonwealth Superannuation Fund since 1922. In its first year of operation, the new

Commonwealth Trust purchased six shopping centres in Adelaide, Melbourne and Brisbane at a cost of $39 million, on the basis that they had ‘established rental incomes and sound potential for growth in both income and value as retail sales’ recovered from the difficult economic climate. The complexity of shopping centre management, however, required specialised managers so, in what was to become standard industry practice, the Trust signed head lease arrangements with experienced industry operators. From its early forays, the Trust built its property holdings up to $201.2 million in 1980, which accounted for 13.2 percent of its total portfolio. By 1985 this had grown to $1,051 million, or 41.5 percent of the portfolio.

When Westfield built its Hurstville complex in 1977, the company sold it to the NSW State Superannuation Board, before leasing it back to manage. Westfield subleased the premises to retailers and drew management fees from the Board. In 1972, of the major shopping centres that it had built, Westfield owned Hornsby, Indooroopilly, Miranda, Toombul and fifty percent of Liverpool; and had built, sold and leased back Burwood, Eastwood, Figtree and Doncaster. The sell and lease back system earned Westfield a profit on the design, construction and sale of the site as well as ongoing management fees, while ‘the cash flowing into superannuation schemes from rising, wage-indexed salaries’ offered ongoing opportunities for expansion. Westfield preferred ownership of sites, but the lease back option allowed the company to ride its liquidity, and adjust to the cost of external finance. For trusts, specialist managers provided expertise as well as a buffer between themselves and problems such as disgruntled tenants.

Lend Lease and Westfield also set up their own property trusts while continuing to develop and manage properties. Established in 1971, Lend Lease’s General Property Trust (GPT)

---

63 Ibid., 1985, pp. 27, 33.
was Australia’s first listed property trust. In 1978, Westfield began a complex and highly profitable restructure that laid the foundation for its future success. It had its property assets revalued, causing its share price to almost triple by the year’s end when it announced that it would be forming a property trust. In July 1979, Westfield Ltd was delisted, replaced by Westfield Holdings Limited and the Westfield Property Trust. Westfield’s company history suggests that the sale of its properties ‘constituted what was at the time probably the largest-ever property transaction in Australian history’. While most of the shopping centres were sold to Westfield’s own trust, some properties were purchased by the Commonwealth Superannuation Fund Investment Trust with Westfield retaining management rights. Westfield also purchased the head lease on two Adelaide shopping centres owned by the Commonwealth Trust, taking responsibility of their management and development. Retrospective tax legislation prevented the continuation of Westfield’s new model, but this spurred the company to achieve the same ends through another complex restructure. A new trust was floated in 1982.

For institutions and trusts, shopping centre development offered significant opportunities. Tenant rentals paid the returns as properties continually increased in value. With tenants lining up to join centres, it was a sound investment. In an analysis of returns from different classes of assets between 1974 and 1985, Ray Ball and John Bowers, found that property earned appreciably more than inflation in the period. Frank Lowy further claims that shopping centres have been safer, more profitable investments than other property assets: long term leases with major tenants provided security; zoning regulations shielded

---

71 ‘Superannuation Fund invests $93.1m in shopping centres’, *Inside Retailing*, no. 375, 9 July 1979, p. 16.
complexes from rival developments. In the five years to June 1988, GPT, Westfield and Schroders ‘returned in excess of 23% compound return’. By the early 1990s, property trusts and superannuation funds owned the majority of regional centres in Australia.

As they replaced large retailers, which returned to their core business to concentrate on cash flow, institutions and trusts changed the industry. Observers in Canada have suggested that big pension funds were a conservatising force: good for stability, but risk adverse… restricting design and building ideas. In Britain, Clifford Guy has argued that financial institutions naturally seek safe, risk adverse investments because they have to ensure future payments to claimants or beneficiaries. He claims that this had a major impact on the course of retail development in Britain. The manager of property and mortgage investments for ANZ Pensions, Bruce Moore, suggested in 1986 that property trusts were even more concerned with growth and returns than superannuation funds. The latter had a captive investment group because of compulsory contributions, whereas property trusts had to attract investors through short-term growth. An important contributor to this growth was the specialised management services provided by experienced developer managers. Indeed the Commissioner of the Commonwealth Superannuation Fund Investment Trust declared in 1985, that the division of responsibilities between owner and manager was ‘directed towards achieving maximum returns from individual properties’.

The institutional tendency towards risk management and regular returns also fed into tenant selection policies. Lizabeth Cohen has noted that the American industry targeted chains and

---

76 Lowy, ‘Regional shopping centres’, p. 283.
78 JLW Research and Consultancy, ‘Examining Investment in Community Shopping Centres’, pp. 6-7.
81 Guy, The Retail Development Process, p. 49.
82 ‘How to serve two masters’, BOMA (NSW) NEWS, no. 180, June 1986, p. 17.
franchises.\footnote{Cohen, \textit{A Consumers’ Republic}, p. 263.} It was a similar story here. Their proliferation in Australian shopping centres reveals the invisible hand of the institutional investor, distributing ‘sameness’ to raise the lowest level of retail performance and drive profit growth. Shopping centre managers played it safe, establishing their anchors and then inviting the support chains, ‘the “trusties” with proven success records, to take up most of the tenant balance’.\footnote{Bruce Keech, cited in ‘Trend is towards small stores – and the right site is a “licence to print money”’, \textit{Inside Retailing}, no. 309, 6 March 1978, p. 4.} When Lend Lease Retail Leasing Executive, Tony Taylor, was looking to fill places in the Grand Market, he described tenant mix as his biggest challenge:

\begin{quote}
We want top operators who can cater to a volume market, who can present well, display their range, market their produce. With the Grand Market we’re beyond just filling shops – concept, range, quality, fit-out, uniforms, packaging, style – they’re all the features we need to focus on.\footnote{\textit{Shopping Centre News}, vol. 4, no. 7, August 1989, p. 20.}
\end{quote}

Taylor’s qualifications largely described franchises, where people had paid for the research and development of a brand, a marketing strategy, product display, production and delivery.\footnote{Voyce, ‘The Privatisation of Public Property’, pp. 255-6.} Franchising combined the drive of small entrepreneurs with the managerial systems of large and sophisticated businesses. Small businesses gained professional expertise and tested operating methods; parent companies were able to expand without significant capital investment.\footnote{‘Franchising: new power for small businessmen’, \textit{Australian Retailing}, vol. 3, no. 7, October 1969, p. 9.}

At the end of the 1960s, franchising was one of America’s fastest growing business sectors, accounting for twenty-eight percent of retail sales.\footnote{\textit{Ibid}.} But in the mid-1970s, small business people in Australia still distrusted the model – in part because they associated franchising with failed pyramid selling schemes. A study in 1975 further found that franchisees at the time were significantly disadvantaged in terms of their obligations and responsibilities under contracts.\footnote{‘Study shows distrust of franchising and a feeling that it is on trial, yet to prove itself’, \textit{Inside Retailing}, no. 192, 15 September 1975, p. 6.} Franchising in Australia was still not overly successful by the early
1980s – McDonalds, for example, had been subsidising all its franchisees up until that point.91

Even in the mid-1970s, however, the economic climate, the intensification of retail competition that we have already discussed, and the sophistication of ‘scientific’ management, inventory control and marketing, was making retailing an increasingly difficult field to enter successfully.92 By the 1980s, it was recognised by some centre managers that rising rentals were squeezing out small retailers without significant capital behind them. Business pragmatism saw chains and franchises explicitly targeted because ‘they tended to be more professional’.93 From the other side, small retailers found franchising appealing because they gained greater buying power and marketing clout against the chains.94 By the early-1980s, industry insiders predicted that chains and franchises would dominate tenant selection in the future.95 The decade saw a blossoming of franchises across the country.96 When Eastgardens opened in 1987, there was ‘hardly a nationally-known specialty shop missing from’ the line-up.97

The spread of franchising, and in particular the systems which underpin franchise operations, have been described by George Ritzer as a process of ‘McDonaldization’. Ritzer’s theory is derived from Weber’s rational bureaucracy and is essentially concerned with identifying in society and its institutions, the systems of efficiency, calculability, predictability and control of the McDonald’s fast-food model.98 Franchising was the key component to McDonald’s mercurial spread and growth. In 1954, budding entrepreneur

---

93 ‘Specialisation and high rents expected to force weaker independents out of regionals’, Inside Retailing, no. 486, 19 October 1981, p. 11.
94 Atkinson, ‘Business Improvement in Traditional Shopping Centres’, p. 3.
95 ‘Specialisation and high rents expected to force weaker independents out of regionals’, Inside Retailing, no. 486, 19 October 1981, p. 11.
96 JBA, ‘Blacktown Main Street Mall’, p. 29.
97 The Inside Retailing & Foodweek Directory of Retail Chains (Darlinghurst, NSW: Philip Luker and Staff, 1985).
Roy Kroc approached the McDonald brothers in their highly successful, but localised, hamburger stand in San Bernardino. He became their franchising agent, built a small empire and then bought them out in 1961. Kroc combined the McDonald brothers’ products with ‘principles of other franchises, bureaucracies, scientific management, and the assembly line’. It was, according to Ritzer, ‘the culmination of a series of rationalization processes that had been occurring throughout the twentieth century’. 99 Not every franchise established the same degree of control and uniformity as Kroc, but he set a standard and a set of principles that lit their path. Peter Ritchie, who managed McDonalds first Australian store and had a major hand in the company’s development in Australia, had a simple formula: ‘Customers like consistency. They like to know what they can expect and have it delivered.’ 100

This is most probably true, and the McDonalds’ empire perhaps the best proof, but standardisation can also be alienating. The oral histories gathered for this project are littered with complaints about shopping centre homogeneity.101 ‘I detest the sameness of every centre. The same shops, the same food franchises, so much the same!’102 ‘They are becoming all the same.’103 ‘There is a sameness that is stultifying.’104 ‘How boring!’105 Some respondents painted visions of an invisible oligarchy – ‘one mob’ owning all the centres and filling them with chain stores.106 Others found nothing tying centres to their locations: ‘it would not matter if one was in Melbourne, Sydney or Brisbane’; ‘you could be in Cairns, Canberra or Marsfield’.107 Anna, living in the Eastgardens trading area, wrote of excitement dashed against blandness:

>When Eastgardens opened their 3rd level people were more excited because there would be more shops. Personally, initially I was excited because I assumed there would be better shops

100 Peter Ritchie interviewed in Peter James Ryan and Gerard Manion, *Retail is a University* (Melbourne: Workstar, c2007), pp. 108, 201  
101 For an example unquoted below, see Jan, OHR no. 36, 21 - 27 January 2007.  
104 Heuke, OHR no. 17, 14 - 20 January 2007.  
but since then I have been totally disappointed. It’s the standard Westfield where all shoe shops sell the same ugly shoes (similarly with everything else). There are no boutiques, no personality and way too many people. 108

This does not mean people have nostalgic delusions about the good old days. If they have fond memories, they can balance these against the realities of modern life. 109 Most were pragmatic, accepting societal and economic changes, but wanting to balance the impact of these for a better quality shopping experience:

… our centre is already too big and we certainly don't need the next upgrade! There has [sic] obviously been employment opportunities and it is convenient for everyone. Facilities are excellent and a good range of shops, but please enough is enough! 110

I think shopping centres are great for the local community, providing more jobs, more services etc, and also attracting other people to the area, however when they become too corporatised we really see the independants [sic] being pushed out and the people being thought of only in terms of commercial value. 111

I think it has been inevitable that we would grow to big complexes. I like having both department stores as well as boutique stores so relatively close by. But part of me still yearns for the old style village community so reminiscent of those seen in Midsummer Murders and Miss Marple where everyone knew you.... 112

Shopping centres could be seen as McDonaldized ‘village’ communities. The departure of retailers – however large and managerially oriented – as centre owners, and the arrival of institutional investors, took shopping centres to a new level of profit-oriented efficiency. Returns on investment had always been paramount. This was retail, the distribution point of consumer capitalism. Markets and the quest for profit through trade are thousands of years old, but the experience of shopping and social relations within the market shift over time. Ritzer sees the mall’s uniform, predictable environment as an ideal home for

109 Rex, OHR no. 69, 11 February - 11 March 2007; David, OHR no. 96, 8 January 2008 - 23 February 2008; Jody, OHR no. 6, 14 - 20 January 2007.
111 Vanessa, OHR no. 27, 21 - 27 January 2007.
McDonaldized chains and franchise operations. They in turn provide well-presented, branded businesses to fill the continually increasing number of sub-let premises within the mall.\(^{113}\)

The 1980s shopping centre, through increased efficiency, control and uniformity, was a more rationalised space that its precursors. Shopkeepers, as we will see in Chapter Ten, had to comply with numerous rules and regulations, requiring approval for all aspects of their business including their location, opening hours, presentation, shop fitout and merchandise. It became practice for shop fitouts to be constructed by approved trades-people to ensure that the standards of the centre were met. Customers, especially the young, had their behaviour closely monitored; those who were ‘disruptive’ were removed from the premises. In the internalised shopping centre, the vagaries of weather had been eliminated to create a more uniform environment where sales would not be interrupted. Security guards ensured that aberrant human behavior was similarly excluded.\(^{114}\) The great success of the mall lay in its ability to attach convenience to these social and economic relations and to overlay them with spectacle. Spectacle was both a drawcard and a mask – aural, visual and psychological stimulation provided an ambient appeal, while rationalised operations provided efficient, ordered service, a strategically selected range of commodities, and a secure, predictable environment.\(^{115}\)

It was this increased efficiency and control of the 1980s shopping centre operation that enticed the major fast food outlets into their embrace. When McDonalds opened in Westfield Chatswood, it was the company’s first attempt to share facilities with other food retailers in the country. McDonalds Real Estate Director, Tat Cork, declared:

> It took a centre as good as Chatswood to get us to change our established trading pattern…
> We built our name on quality control and normally the only way to ensure that is to operate

\(^{113}\) Ritzer, *The McDonaldization of Society*, p. 37. That this was also the case in Australia, see JBA, *Blacktown Main Street Mall*, p. 29.


This was, of course, promotional spin, but it also reveals the alignment of values between the world’s most recognisable fast food chain and the Australian shopping centre. Ensuring the ‘quality and finish’ that Cork refers to, required the strict regulation of tenants that Tony Taylor described earlier. This was, at least partly, made possible by the intense competition for tenancies. At Westfield Chatswood there were more than 700 applicants for 120 shop spaces. Westfield Director, David Lowy explained that: ‘we knew precisely what we were looking for… all we had to do was find them. There was no shortage of applicants.’ After twelve months of interviews and investigations, the applicants were culled to a short list, before the final selection was made in June 1987.117

Westfield patriarch, Frank Lowy, has argued that small independent tenants subject to strict regulations were all, themselves, potential chains or franchisers. He claimed that the shopping centre democratised opportunity; that it laid the foundations for independent retail expansion. Where:

Once only a major company like Coles or Woolworths had the ability to grow as a chain because of the cost of buying and developing suitable sites… shopping centres allowed small retailers to develop chains; they could grow on the basis of their entrepreneurial skills, rather than their financial resources, as they didn’t have to buy sites to expand… Shopping centres also overcame the problem of finding good locations… the successful shopping centre was planned on the basis of providing every one of its tenants with a good location.118

His argument holds some weight, but it also requires complication. The attraction shopping centres held for small retailers was conditioned by changes that were occurring, and which centres partially wrought, in surrounding retail precincts. We look in more detail at tenancies and leasing in Chapter Ten, but before exploring these internal power relations

117 Ibid.
we need to look further at this external retailing environment. The next chapter examines Sydney’s retail geography and the impact of shopping centres upon it.
A stroll through the old retail precincts of any number of Sydney’s suburbs and minor cities suggests that profound change has occurred in retail geography over the last thirty to forty years: the old main streets of Hornsby, Gosford, Bankstown and Ryde, to take just a few examples, appear jaded; faded memories ensconced in a dilapidated built environment. Others like King Street, Newtown, parts of Oxford Street, Paddington, and suburban villages such as Avalon on the Northern Beaches have prospered in niche markets.¹ The latter has flourished as a suburban sea-change destination, while the Inner East and West of the city have become affluent with gentrification and the spending power of gay culture.

Bruce Atkinson argued in a report for the Victorian Ministry of Planning and the Environment in 1985 that ‘the only constant in retailing is change’.² For proponents of shopping centre development, this was an argument for progress. R. O. Powys, the national director of BOMA, recognised that this brought ‘economic casualties’, but he argued this was true of ‘any process of change in which more efficient methods overtake outdated procedures’.³ He suggested that the modernisation of shopping had ‘diverted trade from all prior existing forms of retailing’, particularly city centres and the older strip shopping precincts; the corner store, he said, had ‘virtually disappeared’.⁴ Likewise, a 1978 Grace Bros’ report on its Westfield Shoppingtown Parramatta store explicitly stated that its growth in popularity had ‘been to the detriment of the rest of Parramatta Retail outlets.’⁵ And when Grace Bros was planning the 1973 opening of its Mt Druitt Centre, its Forward Planning Committee advised that:

---

¹ Although Oxford Street has increasingly fallen under the shadow of the ever expanding Westfield Bondi Junction.
² Atkinson, ‘Business Improvement in Traditional Shopping Centres’, p. 3.
⁴ Ibid.
We should look for 50% of the total retail expenditure in this area as a minimum... the Centre should have a considerable impact on the durables market in this area with merchants aggressive advertising.⁶

Speaking at the same workshop as Powys, geographer and industry commentator R. J. Stimson argued that shopping centres had brought an identifiable decline in the ‘market share of small retail businesses’.⁷ A year earlier, development consultant Peter Holland described many strip shopping precincts as ‘rotting’, unable to compete in a saturated market after fifteen years of over development. He argued that the resulting abundance of retail space had ‘reduced the average level of trade’, leaving strip shopping precincts to ‘here today, gone tomorrow’ first-time retailers, takeaway bars and non-retail businesses.⁸

For Powys, the change was of the greatest good for the greatest number: shopping centres had been highly successful in providing a new shopping environment, largely welcomed by shoppers, retailers and investors.⁹ These conflicting interests were recognised in the development process. Botany Council, for example, when considering the Eastgardens development, ‘balanced the likely effects [to local retail] against the social advantage to be gained from the community from the provision of convenient one-stop shopping with adequate off-street parking facilities’.¹⁰

This chapter begins with the argument made by developers that shopping centres, rather than undermining existing retail, served to boost total sales in their general vicinity. This claim is then balanced against the practice of using centre expansions to capture ever-larger market shares of given trading areas; the impact of extended trading hours on different retail businesses; the exclusionary design of internally focused shopping centres; and the disproportionate advantage bestowed by technological developments on large retail

---

⁶ Coles Myer Archive, SLV, MS13468, GRACS012, 74, Mount Druitt/ Warringah Mall Forward Planning Committee, ‘Greater Western Opening Strategy’, n.d.


⁸ ‘Sydney shopping strips are rotting and may need big-spending yuppies to save them’, Inside Retailing, no. 616, 9 July 1984, p. 1.


operations. These factors contributed to the visible decline of many established shopping strips in Sydney. A response came via an international planning interest in urban revitalisation when a number of main streets across the city were converted to pedestrian malls during the 1980s and early 1990s. While initially successful, retailers here, too, found it difficult to compete with major shopping centres. The second half of this chapter explores pedestrianisation experiments in Sydney using Bankstown Square as a case study. The challenges pedestrian malls faced in providing cohesive management, effective promotion, a sense of security and viable anchor stores offer further insights into the strengths of pre-planned shopping centres.

*Sharing the expanding retail pie*

Powys argued that if economic impact statements had been required of the first shopping centres – as was being suggested in the early 1980s – many of them would never have been built and the ‘the shopping centre revolution, with all its advantages for the community, would have been stifled or retarded.’ He likened considerations of local economic impact to tariffs – protection for inefficient businesses resulting in greater costs for consumers. The keynote speaker at the workshop, Professor Reginald Golledge from the University of California, noted that courts in America had ‘assiduously avoided’ protecting segments of the retail industry for this very reason. John Lennen from Myer argued strongly against interference in the market. He claimed that the introduction of economic impact studies to town planning would bring ‘the destruction of private enterprise.’

---


Retail is a business of competition. It always has been. People come to the market to purchase goods. Traders vie for their custom. When shopping centres opened they did so in competition with existing retail, both individual shops, and entire shopping precincts. This was a natural cause for consternation amongst established retailers. When Myer was lobbying Bankstown Council to approve plans for a 57.5 acre shopping centre at Bass Hill in the early 1960s, it claimed that its development would increase total retail turnover in the area bringing benefits to all.\(^{15}\) It argued that retail in Bankstown itself would ‘continue to more than hold its own’.\(^{16}\) Having just opened a department store there, Waltons disagreed, claiming the proposal would ‘strike a deadly blow at all existing commercial development in Bankstown’.\(^{17}\)

When Bankstown Square was being proposed, the Chamber of Commerce argued that it was unfair for ratepayers’ money to be spent constructing roads for the new centre (as was being proposed) that would draw business away from Bankstown’s already adequate retail services.\(^{18}\) A few years later, retailers in the Canterbury municipality fought against public funds being used to supply infrastructure for Roselands. There, a public swimming pool was built on land adjacent to Roselands that had been set aside as one of the conditions for the centre’s development.\(^{19}\) Grace Bros agreed to pay $50,000, or around a sixth of the overall cost, towards the pool’s construction, but local businesses claimed the pool was just another ‘gimmick’ to attract customers to the centre. They argued that by paying the remaining costs they, and other ratepayers, were effectively contributing to a shopping centre draw card.\(^{20}\) A petition opposing the pool was presented by nearby residents, who were more concerned about noise during its construction and parking problems afterwards, to no avail.\(^{21}\) The wider community embraced the concept. Schools began applying to use

\(^{15}\) *Torch*, 3 April 1958, p. 3; *Torch*, 16 November 1961, p. 1.


\(^{17}\) *Torch*, 7 December 1961, pp. 16-7.


\(^{19}\) Canterbury Council records index, 66/4701, Town Clerk’s Office Memo, ‘Roselands Shopping Centre’, no. 7, September 1966.


the pool for events even before it was opened in November 1967, and it soon became a magnet for local children, teenagers and families.22

![Figure 9.1: ‘Roselands Swimming Pool main pool, 1968’.](image)
Canterbury City Council, Local History Photograph Collection, File: 011\011309, Image No.: 11309 ps, Canterbury City Council, January 1968.

When planning for Macarthur Square was underway, it was promoted as bringing business into the area, enticing shoppers back from Liverpool where research suggested they had been travelling for their bigger shopping trips.23 A spokesman for the Square admitted that established Queen Street traders faced ‘a big dip in profits’; and suggested they would have to lift their game to become more competitive.24 Similar sentiments had been expressed after Bankstown Square’s opening, with the local Mayor painting the more competitive environment as a boon for customers: ‘Shopkeepers throughout Bankstown’, he said, ‘are

---

now keener in providing service to shoppers’. Because of this benefit to customers, there was an industry argument that said an ‘oversupply’ of shops indicated ‘a healthy retailing centre’. In addition to this, it was claimed, with the admittance of inconclusive supporting proof, that ‘spending patterns are responsive to opportunities to spend’. That is, if there are more shops, people may be more likely to spend. Against this, retail expert Stephen Spring has argued that ‘shopping centre developments rarely create new markets [with] additional shops only redistributing the existing trade area spend.’

Snowballs of retail power

The argument that local retail had to lift its game, even when true, was simplistic. The previous chapter has outlined the shopping centre redevelopment process, and the ways in which developers sought to maximise their investments. We also saw that franchises and chains gravitated to shopping centres. Big anchor stores, too, were wooed with generous rental deals and high customer traffic volumes. Earlier, we noted that Waltons moved into Westpoint Blacktown; Waltons and David Jones both moved into Westfield Parramatta rather than struggle against it from outside; and Grace Bros jumped ship from the dying Top Ryde into Macquarie Centre. Big anchors, then, not only opened in shopping centres, they closed down their existing main street operations in the process.

Shopping centre management customised their tenant mix around these powerful drawcards. There was no similar managerial power on suburban high streets. Where once a body of regular and captive customers had almost ensured a viable, comprehensive mix of businesses and services, now most customers were mobile and could choose to shop elsewhere. The public transport city had become the automobile city. Shopping centres ensured they provided both necessities and popular luxuries. They offered a round mix of specialty stores and anchors from the start, but with expansion came dominance. More and

27 Spring, ‘The Brawl in the Mall’, p. 54.
28 JBA, ‘Blacktown Main Street Mall’, p. 29.
more services and key stores moved in off the street. By including facilities such as Post Offices and banks that had been mainstays of suburban and city streetscapes, shopping centres drew customers and at the same, sapped the vitality of traditional retail precincts.³⁰

When Westfield relaunched it in 1971, Miranda Fair housed medical and dental professionals, accountants, a jazz ballet school, Weight-Watchers, finance companies and the office of the M. L. A., Tim Walker.³¹ Four years after its opening, Westpoint Blacktown included a doctor, dentists, Medibank, H.C.F., insurance services, a lottery office, Post Office and various banks.³² By the 1980s, main streets were losing banks to rationalisation operations as well as to the well-patronised, secure environment of shopping centres.³³ In 1990, the Mayor of Botany moved his office and staff into Eastgardens and in the same year, health resources in the area were consolidated into a large regional health-care centre in the complex.³⁴ When Medicare moved in, the Maroubra Chamber of Commerce claimed that it cost Maroubra Junction businesses an estimated 3,000 customers a week.³⁵ Australia Post opened in Eastgardens in 1999, explaining the importance of being ‘convenient to the community… in a location which already provides a range of other retail and financial services’.³⁶

As each key service or store moved in off the street, the power of the strip shops or smaller centres to draw customers diminished. The effect was cumulative. If a shopper – drawn to a shopping centre to use Medicare, or a bank, or to do her weekly grocery shop – completed her trip with a purchase from another store, the centre management had done its job. Such a shopping trip also made sense for the shopper. Why stop off somewhere else when you could get it all at the one location – even if you objected to the principle of the system? Some people maintain that they would avoid centres if they could, but with the closure of

³¹ Sutherland Shire Council Library, Local Studies Collection, ‘Miranda outstrips rate of inflation’, Miranda Fair Merchandiser, 8 September 1975, p. 6.
external retailing, they simply can’t find specific items elsewhere. Some shop ‘local’ when they can but are drawn to centres ‘to visit MBF or Medicare or some major retailer.’ Others are happy to combine utility with leisure. This is the shopping centre promotions’ ideal type. But it is only one type of shopper. There are many; and it is not always freedom of choice that attracts them to the centre bountiful. They may also be driven by a shortage of choice elsewhere.

Trading longer, trading stronger

If there was one advantage some small independent retailers maintained over their rivals inside shopping centres, it was the ability to trade for extended hours. In 1909, Justice Street’s royal commission had recommended that Saturday and late evening trading hours should be permitted for the general convenience and comfort of the shopping public. The Government intervened, though, establishing a closing time of 1.00pm on Saturdays to provide a half-day holiday for retail staff. A further amendment in 1956 saw the closing time cut to 12.30pm for all ‘general’ shops, but ‘small’ shops were exempt from the restrictions – free to open when they wished. This allowed the small store to open late and over weekends, offering the public a convenient and accessible service.

In the early 1970s, an evening of trading until 9.00pm was added to the permitted opening times of general shops. By the early 1980s the major retailers were lobbying for further change, and there appeared to be a public mood to support them. An Inquiry by the NSW Industrial Commission in 1982 produced a report in October 1983 recommending an

39 Tanya, OHR no. 64, 04 - 10 February 2007.
41 JBA, ‘Blacktown Main Street Mall’, p. 35.
42 Lyon cites such support. For more examples of it, see Northern District Times, 11 November 1981, p. 46; Sun, 9 December 1981, p. 2.
additional night of trading and the extension of general trading hours to 4.00pm on Saturdays. Legislation giving effect to the recommendations was introduced into Parliament in November the same year.43

Robert Baker, who has made a specialty of measuring the impact of trading hours on retailing, argues that extended hours redistributed customers away from small local shops by making ‘the planned shopping centre more time accessible to car-owning households’. For Baker, household mobility was not a choice but a situation enforced by the changing structure of employment. With the participation rate of married women in the workforce rising from 42.4 percent in 1980 to 51.6 percent in 1994, most households were double-income but increasingly time-poor.44 Kingston argues that shopping had become ‘a frantic and earnest activity, losing any of the social, leisurely or expansive connotations it had once’ held for the middle class.45 (It may never have provided these for the poor and working class.)

With longer hours, shopping for everyday essentials became easier at the shopping centre, particularly as supermarkets added a wider variety of services. The baker, butcher, delicatessen – traditionally the ‘anchors’ of local strips – could all be accessed in the supermarket within the shopping centre, by car, by time-poor but more affluent customers.46 The managing director of Big W, Roger Corbett, emphasised the importance of fresh food for shopping centres, correlating it with the revolutionary impact of the supermarket thirty years earlier.47 The Managing Director and Chief Executive of Coles, B. E. Quinn, had argued in the company’s 1983/84 Report to Shareholders that the Victorian government had exercised ‘unnecessary and blatant discrimination against its customers and shareholders’ for preventing its opening on extra hours over the weekend, and

45 Kingston, Basket, Bag and Trolley, p. 114.
47 Roger Corbett (Managing Director, Big W) cited in, ‘Cost of occupancy will be the deciding factor for many’, BOMA Bulletin, no. 49, June 1993, p. 2.
welcomed the NSW intention to offer some extension of trading hours.\textsuperscript{48} When NSW introduced extended trading later in 1984, both Coles and Woolworths reported immediate profit jumps.\textsuperscript{49} When shopping hours were further deregulated in 1992, and Sunday trading became the norm, these same forces were multiplied. Specialist food providers both inside and outside of shopping centres lost ground to supermarkets, which could afford to take full advantage of extended opening hours.\textsuperscript{50}

With increasing numbers of people working Saturdays – particularly in retailing – the character of the weekend changed. Sunday became the predominant day of leisure. Because of the same time constraints, Sunday was also a key shopping day. With shopping needs of even the most mundane variety still requiring satisfaction, the ability of shopping centres to combine leisure and shopping into a single, one-stop, experience gave them additional appeal.\textsuperscript{51} The atmosphere was bright, there were entertainment facilities and food outlets, and all the shops were open and accessible, rain, hail or shine.

Convenience had long been the mantra of regional shopping centres: it was the premise of the “one-stop shop”. With parking, anchors, supermarkets, specialty stores, services and entertainment, the largest centres held most of the cards. The widespread extension of trading hours gave them virtually the full pack, although there were initial difficulties in negotiating opening times for all shops in centres. BOMA formally advised negotiation; the RTA accused landlords of enforcing standard opening hours.\textsuperscript{52} As we have seen, standardisation was a feature and strength of shopping centre operations, and over time leases came to reflect the landlord’s desire to set opening hours for all shops. By 1994,

\textsuperscript{49} ‘Friday night “waste of time and money”, says RTA; statement makes Woolworths, Coles very upset’, Inside Retailing, 8 October 1984, no. 629, p. 3; ‘Good and bad about longer hours’, Inside Retailing, 11 March 1985, no. 647, p.3. That extended trading hours in NSW would be of ‘net benefit to the department/chain store groups’, see Coles Myer Archive, SLV, MS13468, COMYS001, 3252, Bain & Company Special Report, ‘Industry Review: The Major Retailers’, p. 9.
\textsuperscript{50} Bicknell, ‘What’s In What’s Out’, p. 33; Blundell, ‘Following the Shopping Dollar - Changes in Retail Spending Habits Are Here To Stay’, p. 14.
\textsuperscript{51} JBA, ‘Blacktown Main Street Mall’, pp. 35-6.
Sunday trading accounted ‘for over seven per cent of packaged grocery dollars’ and was increasing.\textsuperscript{53}

These changes in access to shopping centres left strip retailing in at least some areas potentially catering to people of more limited mobility, and who did not face the same time pressures: lower income groups, the unemployed, people on pensions or welfare, the young and the old.\textsuperscript{54} The middle demographic – time-poor, employed and embedded in mainstream patterns of work and consumption – were drawn to shopping centres. Writing on the political disengagement of Americans, Robert D. Putnam argues that time pressures have been one of the forces pushing people away from civic engagement towards personal relaxation activities such as watching movies and TV, or shopping.\textsuperscript{55} Respondents to the oral history survey made similar observations. Isobel from Campbelltown suggests that ‘with so many in the workforce a one stop shop offers convenience’, noting that ‘people in a hurry will shop in their nearest shopping centre’.\textsuperscript{56} Suzanne, an administration officer from Canberra, extends this to an analysis, that like Putnam’s, links cars with social isolation:

I think malls forced people to rely on cars for shopping instead of walking to the shops and talking to neighbours. Everyone has been forced to rely on cars=shops at the loss of contact with… community.\textsuperscript{57}

\textit{Interiority, integration, exclusion}

Putnam argues that time and money pressures, car usage, commuting, suburban sprawl, electronic entertainment and generational change have seen Americans turn away from community.\textsuperscript{58} In a suburban consumer nation, post-war Australians faced these same

\textsuperscript{53} JBA, ‘Blacktown Main Street Mall’, p. 35.
\textsuperscript{54} JBA, ‘Blacktown Main Street Mall’, pp. 35-6; Baker, ‘The Impact of Trading Hour Deregulation’, p. 110.
\textsuperscript{56} Isobel, OHR no. 93, 8 January 2008 - 23 February 2008.
\textsuperscript{57} Suzanne, OHR no. 34, 21 - 27 January 2007.
\textsuperscript{58} Putnam, \textit{Bowling Alone}, pp. 283-84.
forces. The extent to which Australians have or have not disengaged politically across our time frame is beyond the scope of this thesis, but we can identify a rise in personal consumption, increased involvement in commodified entertainment and leisure practices, and a growth in two-income families to fund these lifestyle changes. As privatised public space focused inwards against the street, shopping centres complemented this social turn to the personal. Since Gruen’s commercial success at Southdale, interiority had become the byword for centre development. There have been some recent design shifts in Australian centres – al fresco, lifestyle precincts, opening up a little to their surrounding environment – but until at least the mid-1990s, designers were inclined slavishly to follow Gruen. He had held high hopes for the non-commercial aspects of centres but also believed in integrated interests. Internalised worlds offered not only a pleasant shopping and social space, but a shopping environment regulated to generate greater sales:

In providing a year-round climate of ‘eternal spring’ through the skill of architects and engineers, the shopping centre consciously pampers the shopper, who reacts gratefully by arriving from longer distances, visiting the centre more frequently, staying longer, and in consequence contributing to higher sales figures. 59

Interiority eliminated or minimised competition: not only from other traders, from all distractions including the weather. There was little inside shopping centres that management did not want to be there; and what was there – the temperature, smells, sounds, visual marketing and so on – was all shaped to commercial ends. This is not to argue a simplistic determinism, in which shoppers become passive victims of structural, corporate giants: people, as we have seen throughout this study, make multiple uses of shopping centres, and hold a range of attitudes about them. But it is necessary to recognise the kinds of parameters people are operating within if we are to contextualise their experience, and to critique the ways in which our built environment is constructed, shaped and managed.

The inverse of this controlled and compellingly attractive internal world of shopping centres was their impenetrable exteriors. We noted their softening in Chapter Five, but this involved covering harsh walls, not removing the walls themselves. Centres remained huge concrete, windowless structures with, as Fiske, Hodge and Turner note, ‘usually small and surprisingly inconspicuous entrances – almost like a castle standing in a moat of carparks.’

During discussion over one redevelopment, some local councillors dubbed a facade of Westfield Hornsby, ‘the Great Wall of Hornsby’. Michael Mobbs describes such walls, and the external appearance of shopping centres more generally, as their ‘most obvious cost’ to the community; killing ‘the beauty and pedestrian life in the streets around them’. ‘Malls’, he writes, ‘blot the landscapes of hundreds of suburbs’. At least some of the people who live in these suburbs concur. Richmond resident Robyn notes: ‘They are… pretty ugly on the outside and don’t add anything to the urban environment.’ Vicki from Campbelltown describes shopping centre design as alien and wishes their architecture could encompass more outdoor areas and enorporate some sort of connection with the outside…

Architect Martin Butterworth argues that ‘a shop is an object on the street that makes its boundaries as weak as possible so shoppers can come in’. But regional shopping centres turned their back on the street, deliberately excluding any existing shopping precincts. This effect was enhanced when centres were positioned where land had been available on the opposite side of railway tracks, or at the far end, of existing retail strips. One retailer interviewed for this project, owned stores both inside Westfield Hurstville and in the main street of the suburb. He reported a consistent and clearly voiced philosophy to kill off external retail, and was constantly being asked when he was going to close down his external store and throw in his lot with the centre. Mobbs argues that ‘the business of shopping malls depends upon the calculated extinction of existing suburban businesses.’

---

60 Fiske, Hodge and Turner, Myths of Oz, p. 116.
64 Vicki, OHR no. 50, 21 - 27 January 2007.
65 Australian, 8 August 1997, p. 37.
66 Personal correspondence with John, former shopping centre tenant, 10 April 2006.
67 Australian, 8 August 1997, p. 37.
Excluding the outside world and its shops had clear economic advantages for centre developers. When development approval was being sought for Bankstown Square, a report commissioned by the Bankstown Chamber of Commerce – written by Dr. Boileau, Senior lecturer of Town and County Planning at Sydney University – noted that it was much better for existing retailers to have the Square in the heart of Bankstown than some miles away, from where its drawing power would be devastating.68 Bankstown’s Town Planner emphasised that in the interests of local retail, the Square should be designed as an extension of the existing commercial district.69 Reports from Victoria in the late 1970s, confirmed that stand alone regional centres were having a negative impact on small retail in traditional shopping strips, the peripheries of which were said to be encased in ‘an atmosphere of decay and death’.70 These claims were reiterated by Melbourne town planner, John Quirk, a few years later. He argued that large centres located away from existing retail destroyed an areas’ sense of community and served only the commercial interests of their owners.71

How local retail was affected varied from place to place. Even though it was situated in the middle of Bankstown, within walking distance to the railway station and in close proximity to existing retail, the Square never fully integrated with the older retail precinct. Surrounding retail struggled, despite the attempts, examined below, to revitalise it. Centres such as Eastgardens and Macquarie were some distance from their closest strip shops, adding distance to the armour of interiority. The closest shopping centre to Macquarie, Top Ryde declined, propped up by periodic expansions and refurbishments of its own, but eventually fading like an old shopping strip. Before its very recent demolition for redevelopment, Sydney’s first regional shopping centre had become a dully-lit concrete bunker. Cheap discount stores lined its old corridors. Doors in the graffiti-covered toilets hung from their hinges.

---

68 *Bankstown Observer*, Wednesday, October 9, 1963, p. 1. Dr Boileau was also employed by Grace Bros in 1968 to report on the feasibility of its Macquarie Centre proposal. See Coles Myer Archive, SLV, MS13468, GRAC012, 3236, ‘Macquarie Shopping Centre North Ryde’, Section 9, p. 6.
Locals argue that suburban strips in the vicinity of Macquarie also suffered, ‘much to the consternation of many’ shoppers.\textsuperscript{72}

Epping and Eastwood used to have vibrant shopping precincts which have been reduced in all ways by the growth of large centres in the district… I don’t think shopping centres have brought much benefit to communities. There isn’t a sense of community within them whereas shopping precincts on small streets have a friendlier atmosphere, both for shopkeepers and shoppers…\textsuperscript{73}

When I was younger most of the shopping was done locally in the suburb I lived in – Eastwood… I would still prefer the smaller local shopping centre. With a good mixture of shops. I feel that it would create a better sense of ‘community’. To me large shopping centres create a feeling of an ‘unreal’ world… I love visiting places that still have a good variety of shops within a local community.\textsuperscript{74}

Even when people use major shopping centres and recognise their benefits, they can still resent the impact these developments have on local social and commercial environments.\textsuperscript{75} Lindsay claims that clearways and Westfield Burwood were responsible for the disappearance of ‘all the interesting food and clothing shops on [nearby] Parramatta Road’.\textsuperscript{76} Felicity argues that Richmond is taking years to recover from the introduction of a shopping centre, which ‘caused the closure of shops, banks and credit unions.’ She notes that ‘some moved to the centre, some to other towns, some just closed… [and] at one stage there were over 20 empty shops in the main street.’\textsuperscript{77} Beth saw the ‘degeneration’ of Manly and Dee Why ‘into grotty tourist centres all fish and chips and trinkets’.\textsuperscript{78} Elizabeth recalls that with the opening of Erina Fair, the ‘Gosford town centre basically died.’\textsuperscript{79} Robyn, looking more broadly, claims that ‘except in a few instances they have killed off smaller

\textsuperscript{72} Dianne, OHR no. 48, 21 - 27 January 2007; Beth, OHR no. 28, 21 - 27 January 2007.
\textsuperscript{73} Cathryn, OHR no. 79, 8 January 2008 - 23 February 2008.
\textsuperscript{74} Kate, OHR no. 78, 8 January 2008 - 23 February 2008.
\textsuperscript{75} Vicki, OHR no. 50, 21 - 27 January 2007.
\textsuperscript{76} Lindsay, OHR no. 35, 21 - 27 January 2007.
\textsuperscript{77} Felicity, OHR no. 46, 21 - 27 January 2007.
\textsuperscript{78} Beth, OHR no. 28, 21 - 27 January 2007.
\textsuperscript{79} Elizabeth, OHR no. 8, 14 - 20 January 2007.
strip shopping centres where you can expect more individual attention and a greater variety of outlets’.  

David argues that the major centres have:

> decimated the small local shopping centres… decimated the small businesses in local shopping areas… [and that] the local shopping centres have either closed or as in the case of the main street become a conglomeration of $2 shops as landlords accept any tenant [sic] they can get.  

Dislike of major centres can lead to efforts to shop ‘locally’:

> For meat, hardware, greengroceries, liquor, chemist & hairdressing, we shop at North Epping, where the shopkeepers are truly friendly, and parking is excellent. We are tired of being told by a junior “check-out chick” in the large centres to “have a nice day” as they look past you, or up to the ceiling as they speak.  

The fact that people do make conscious and determined decisions about where they shop and from whom they buy, indicates that an attachment to community and a fondness for friendly service is more than mere nostalgia. The traditional function of retail as a responsive service industry and as a community focal point is still alive and well in pockets everywhere. But the above responses also emphasise the necessity of a good shopping mix – a range of services and at least the basic everyday necessities. Strip shopping is small scale these days. Once there were department stores of a variety of sizes adorning suburban high streets throughout Sydney: Farmer’s at Gordon, Murray Bros at Parramatta, Macdowells at Cronulla. They anchored shopping strips, but have now closed down or moved into shopping centres. Major discounters likewise tend to house themselves indoors. Other key retailers such as hardware and furniture have rationalised towards big box, stand-alone complexes. One Eastwood local described the suburb’s retail as hardly worth a visit after the ‘major shopping chains… deserted it’.  

---

81 David, OHR no. 96, 8 January 2008 - 23 February 2008.
82 Grahame, OHR no. 82, 8 January 2008 - 23 February 2008.
Big retail and the introduction of technology

P. M. J. Fisher argued in 1985 that in addition to their economies of scale, big industry players were gaining a competitive advantage over small retail through their introduction of innovative technology. One report by The Economist Intelligence Unit in London suggested that cost saving technologies were embraced as an offset against the increasing overheads and sluggish sales that retailers had experienced since the 1973 oil crisis. Having reduced stock and staffing levels and rationalised their use of space, retailers were examining ‘all other possible ways of improving the management of existing resources’.84 Point of Sale systems to monitor stock levels and cash in hand, as well as to track sales by item created significant efficiencies. Laser scanning cut check out time and errors. EFT-POS was on the horizon to cut cash handling costs and smooth the flow of money from customer to store.85 EFT-POS also complemented extended trading hours through its facilitation of discretionary spending outside of standard banking hours.86

It was accurately predicted that computers would enter every area of retailing, ‘from warehouse to point of sale, from purchase orders to payment of suppliers, from space allocation to staff scheduling’.87 New technologies reduced labour costs and encouraged the use of part-timers around peak selling times that could now be quantitatively measured with great accuracy.88 They focused and automated stock control and even allowed stores to create economic and social profiles of their customers. The expense of installation initially shut out small business, so it was the largest stores that were the first to adopt these new management technologies: a survey by the National Retail Merchants’ Association in the

87 Musannif, ‘Chips in Retailing’, p. 3.
88 Penn, ‘Flexibility, Skill and Technical Change in UK Retailing’, p. 231.
United States found that cost was the major deterrent to installing point of sale systems. An indication of the efficiency produced by economies of scale, organisational innovations and technological developments is provided by the turnover per employee that the largest stores were able to generate. In New South Wales in 1986, stores with an annual turnover in excess of $2 million averaged turnover rates per employee of $183,000. Stores with a total turnover of less than $100,000 averaged a turnover of $27,000 per employee. Because the largest stores were concentrated inside shopping centres, Fisher argued that technological innovation would ‘undoubtedly accelerate the demise of the traditional shopping strip’.

The chains that bound old retail were loosened by the motorcar and risked being broken by rationalisation in the industry, technological innovation, the extension of trading hours and the flight of anchor stores. Supermarkets and chains in the suburbs displaced many small shopkeepers and independent grocers. Shopping centres and their parking stations took the process to new levels. Retail in areas such as Chatswood or Burwood, where shopping centres were built in close proximity to, or in the heart of an existing shopping district, tended to fare better. Even here, though, shopping centres still held competitive advantages. They were internally focused and their carparks worked to channel shoppers directly into their premises, bypassing street retail. One Burwood shopper, Maire-Louise, noted a complete change in her shopping orientation away from the street to the Westfield Centre when it opened.

Many of the complaints about shopping centres thus far articulated, were aired by older, although not elderly shoppers. And it may be the case that shopping centres appeal not only to a particular social bracket – the broad middle – but also a particular age bracket – the

---

92 Game and Pringle, Gender at Work, p. 63.
middle young. Reporting on the continuing development of regional centres in metropolitan areas already saturated with shops in the mid-1980s, *Inside Retailing*, claimed that the local shopper was a social phenomenon slowly receding into history. Young families, it suggested, showed an ‘automatic preference… for the shopping centre formula’. The journal warned that as the population aged, this trend spelt trouble for ‘small neighbourhood shops’.95

In hindsight, though, young families do not stay young forever, and innovative suburban strips may find a clientele in discerning older customers less enthused by the intensity of the shopping centre environment. A survey in the late 1990s of Blacktown’s pedestrian mall – ‘City Mall’ – found its largest group of patrons to be over fifty-five years of age.96 A report into the future of Bankstown’s Old Town Plaza around the same time, suggested targeting middle-aged and older shoppers who were likely to enjoy the ambience of a well-planned pedestrian mall.97 Many respondents to the survey conducted for this project reported changing their usage of shopping centres through life phases: hanging out as teenagers; shopping often with young children; retail bonding with teenage daughters; drifting away with age, more time, perhaps fewer wants and less interest in fashion.98 While we should be careful of generalising from a subjective sample, a Grace Bros survey in 1970 showed a higher percentage of people in the middle age brackets visiting its shopping centre stores than the percentage of people in that age bracket who lived in the surrounding area (see Figure 9.2). Correspondingly, it indicated a lower percentage of visitors from the youngest and oldest age brackets, as compared with percentages of those groups in the trade area. So while thirty-two percent of shoppers interviewed in Grace Bros Parramatta were aged between twenty-five and thirty-four, only seventeen percent of

---

96 JBA, ‘Blacktown Main Street Mall’, p. 1.
97 Pure Potential Marketing, ‘Bankstown’s Old Centre Plaza Study, prepared on behalf of The Old Town Centre Plaza Main Street Committee and Bankstown City Council’, October 1996, p. 27.
98 Gretchen, OHR no. 1, 14 – 20 January 2007; Jody, OHR no. 6, 14 – 20 January 2007; Ray, OHR no. 55, 28 January – 3 February 2007; Linda, OHR no. 62, 4 – 10 February 2007; Tanya, OHR no. 64, 4 – 10 February 2007. Showing the complexity of usage, though, Barry, a retired company director recalls never going to a major centre as a youth, shopping at stand-alone supermarkets as a family man and in middle-age, and only with retirement enjoying the convenience of a one-stop complex. See Barry, OHR no. 53, 28 January – 3 February 2007.
people in the trade area belonged to this group. This corresponds with the argument put forward by *Inside Retailing* and the oral testimony cited above, and ties in with the family focus of shopping centre promotions that we have explored at different points in this thesis.

If some people become dissatisfied with shopping centres over time, or find them no longer convenient or as applicable to their needs as they did when they had young children of different ages, the power of major shopping centres over the broad retail geography and demography of the city remains. And as we saw above, even those who don’t like shopping there, find themselves drawn to shopping centres to access services, facilities or particular shops. On top of such reluctant visitors, there are the broad majority, particularly amongst the young, who find no or little reason to avoid major centres. For many, shopping centres

---

remain a constructive and convenient design solution to their social and material needs and wants.

Catering to the pedestrian shopper

Whether shoppers liked them or not, the impact of pre-planned shopping centres, particularly as they expanded their operations, became a significant issue for small retailers, planners and local councils. Entwined with all their interests was the major planning dilemma of the post-war period: how to accommodate the motorcar? We have seen that the shopping centre form was designed in response to this major historical shift in transportation. Escalating congestion in cities and suburbs brought another planning response: the enclosed strip shopping street, or pedestrian mall. Its advocates believed that it would revitalise retail even as it minimised traffic in town centres.

The idea of developing inner-city traffic-free zones emerged from Western Europe. Although the first was established in Essen, Germany in 1926, it was after WWII that the movement really took off. It was particularly strong in a reconstructing West Germany. By the mid-1960s, Germany had around sixty pedestrian malls and was receiving international attention for its innovative reconfiguration of the built environment. When Germany’s first suburban shopping centres were developed at the beginning of the 1970s, the creation of pedestrian malls with ‘clusters of specialty shops’, entertainment areas and restaurants was further encouraged to stave off the problems that shopping centres had caused downtown America. By 1973 Germany had 214 malls, at the

end of the 1980s, 800. Elsewhere, pedestrian malls became seen as a key to city redevelopment.

Kent A. Robertson claims that the vibrant street life and prosperous retail precincts of European cities had long been a point of envy for American city officials. When suburban shopping centres decimated American downtowns, officials and planners turned to the European pedestrian mall, highlighting its capacity to revitalise retail. Retailers, too, were cognisant of such developments: inner-city merchants envisaged America’s first pedestrian mall, established in Kalamazoo in 1959. As pre-planned suburban shopping centres sprang up everywhere in the 1960s, more and more pedestrian malls were constructed in response. Victor Gruen was again a key player – he had designed the shopping centre to merge social and commercial life in an accessible public arena in the suburbs. He now saw pedestrian malls as the answer to the dying city centre. Through the 1960s and 1970s, around 150 pedestrian malls were established in America. Of these, the one that received perhaps the greatest attention was in Fresno, California. A Gruen design, built in 1964, it was the subject of a film, *Fresno: A City Reborn*, which toured the globe promoting the concept of pedestrian malls. Nigel Flannigan, who has written one of the best commentaries on Australian pedestrian malls and their relationship to shopping centres, argues that the film was ‘instrumental in the acceptance of the concept in Australia.’

In 1980, the NSW Planning and Environment Commission’s, review of the SROP noted that:

---

107 Carr et al., *Public Space*, p. 72.
the rapid growth and change through development activity in the metropolitan area, particularly up to the early 1970s, and the increases in traffic and transport movements and the noise levels generated have led to a deterioration in the built environment and an environment less sympathetic to the human scale.\textsuperscript{109}

This situation, as well as the impact of suburban shopping centres on traditional shopping precincts, encouraged local authorities to consider emulating their international counterparts by establishing pedestrian malls.\textsuperscript{110} As we saw in Chapters One and Two, the early shopping centres had insulated themselves against the noise, congestion and pollution plaguing shopping strips. Now there were attempts to deal with these issues on the strip itself. By the late-1970s, pedestrian malls were topical and a planning consideration in many Australian municipalities.\textsuperscript{111} In Sydney, most large regional suburbs and cities, including Bankstown, Blacktown, Parramatta, Liverpool, Campbelltown, Penrith and Chatswood developed pedestrian malls in the 1980s or 1990s. By 1989, New South Wales had twenty-four pedestrian malls.\textsuperscript{112}

Flannigan argues that pedestrian malls around the country were developed as a response to the impact of pre-planned shopping centres.\textsuperscript{113} This is certainly true, although the shopping centre industry also recognised the potential benefits of linking pedestrian malls to major complexes.\textsuperscript{114} Importantly, for Flannigan’s argument, many planners and small retailers made a clear link between traffic congestion and the declining fortunes of suburban retail. Bankstown’s Old Town Plaza was developed because heavy traffic through the town centre

\textsuperscript{112} Patricia Claridge, \textit{Commonsense “Look” at Pedestrian Mall Development} (Brisbane: Patricia A. Claridge, 1989), p. 3.
\textsuperscript{113} Flannigan, ‘Life for Traditional Shopping Streets’, p. 283.
\textsuperscript{114} For example at Liverpool, see Coles Myer Archive, SLV, MS13468, GRACS012, 65, ‘Liverpool Store Report’, 2 June 1978.
was considered to be a negative influence on business.\textsuperscript{115} Blacktown’s City Mall was designed ‘to improve the image of [the]… business district and to create a hassle-free and pleasant place to shop.’\textsuperscript{116} In stating their intentions, some councils echoed the rhetoric of the enclosed shopping centre: the 1970s Stawell Pedestrian Mall in Victoria, was intended to make shopping ‘a pleasure rather than a chore… [attracting] shoppers from as wide a region as possible.’\textsuperscript{117}

\textit{Bankstown Square and the ‘Old Town Plaza’}

Bankstown’s ‘Old Town Plaza’ pedestrian mall opened in 1978 as a response to ‘several major problems’ that had become clear through the course of the decade. Property values in the older commercial district had declined; shops were closing as the area fell into a general state of disrepair. It was a condition shared elsewhere: \textit{Inside Retailing} reporting that in the mid-1970s, many of Sydney’s older shopping strips were looking jaded, dirty and in need of tidying up.\textsuperscript{118} In the early-1980s, up to 20,000 vehicles passed through Bankstown’s town centre every weekday. Congestion created from twelve pedestrian crossings highlighted the conflict between car and foot traffic. The town centre had only seventy car spaces, and these had half-hour parking limits. Carbon monoxide pollution was considerable, the area was extremely noisy, and large advertising directed at motorists marred the visual landscape. The architect of the Old Town Plaza, Mike Ewings from Environmental Landscapes, claimed that the introduction of regional shopping centres in and around Bankstown had played a strong contributory role towards all of these problems.\textsuperscript{119}

A report as early as 1973 into the decline of the older commercial district recommended road closures, and financial contributions by local merchants as part of a redevelopment

\textsuperscript{115} Pure Potential Marketing, ‘Bankstown’s Old Centre Plaza Study’, p. 5.
\textsuperscript{116} Blacktown Mayor, Leo Kelly, quoted in \textit{Guardian}, 3 December 1986, p. 2.
\textsuperscript{117} A. Howells (Town Engineer, Stawell), ‘Stawell’s Pedestrian Mall’, \textit{Memo}, no. 31, August/ October 1978, p. 32.
\textsuperscript{118} ‘The suburban strips will always be with us – but beware the tired, run-down look!’, \textit{Inside Retailing}, no. 245, 18 October 1976, p. 7.
\textsuperscript{119} Mike Ewings, ‘An Environment for People’, \textit{Landscape Australia}, 1/81 February 1981, p. 56.
plan for the area. By 1975, proposals were made and exhibited, but merchants, remained unconvinced of the benefits. Their main argument, which was expressed in a number of countries, and which showed foresight beyond the vision of many planners, was that removing car traffic from around their shops would result in a reduction of trade. The general community had also shown little interest in the project. Eventually, a cooperative approach between the Town Planning Department and the Local Merchant’s Association resulted in an exhibition in 1977 that received support from the local Chamber of Commerce. Central to the change of heart amongst retailers was the council’s addition of economic renewal, as well as environmental and aesthetic improvements as a goal of the project. The total cost of the scheme was estimated to be $1,800,000.

Environmental Landscapes sought to create an identity for the town centre that was authentic, cost effective, aesthetically pleasing and functional. Because of the large number of old facades that still existed on most of the shops, an ‘Old Town’ theme was proposed. It was an approach concordant with contemporary literature on pedestrian malls. Town planner Dr Jeffrey Wolinski had recommended in 1979 that a concerted and combined effort between local retailers and council was necessary to combat the detrimental effects of traffic congestion. He noted that heritage value was one potential marketing theme, and that the historical character of shopping districts could be emphasised. In support of his argument, he cited American success stories including the famous Boston wharves project, which had revitalised a city centre cut by expressways, its

120 Ibid., p. 57.
122 Ewings, ‘An Environment for People’, p. 57.
125 ‘Pedestrian Plazas in Adelaide and Sydney’, p. 41.
126 ‘The car will still be king for shopping’, Inside Retailing, no. 382, 27 August 1979, p. 3.
manufacturing gutted, and its affluent population deserting to the suburbs. Dreamed up by architect Benjamin Thompson, endorsed and owned by the city, and built by mall developer James Rouse, Fanueil Hall Marketplace transformed the decaying Boston waterfront. It drew on Boston’s heritage, grounding itself in the history of the precinct that had been a site of busy waterside activity since the mid-seventeenth century. It eventually drew more people annually than Disney World and it doubled the take per square foot of retail space of top American suburban shopping malls. Fanueil Hall sparked a planning taste for history.

Bankstown’s Old Town Plaza offered a unifying theme to enable cooperative promotion amongst small merchants to help them compete with surrounding regional centres. The historical ‘Old Town’ identity also meant, it was hoped, that the constant reinvention normally associated with retail spaces – and which was particularly evident, as we have seen, in the competing regional centres – would be unnecessary. Landscaping to fit the theme would maintain authenticity with ‘sandstone blocks from demolition sites, cobblestone paving and secondhand timber [used] to further establish the character of an “Old Town Centre”’. An aviary was situated close to the major bus terminal and adjacent to a lawn, which connected it to a small amphitheatre with timber seating for 150 people. The amphitheatre included a sound system, controlled lighting, a change-room, toilets and a storeroom. A water feature and fishpond were located near the centre of the plaza. Screened outdoor seating was situated near the hotel, fast-food outlets and coffee shops – extending activities from these premises out into the plaza area. Trees were planted to enhance the landscape and an enclosed children’s playground was provided in the Plaza’s south-western corner. A ‘system of distributor roads, circulatory roads and internal roads was devised… aimed at separating through traffic from local traffic while allowing access to the new plaza.’ Angle parking was introduced and a multi-deck car park added 250-350 parking spaces.

129 Ewings, ‘An Environment for People’, p. 57.
130 Ibid., pp. 56, 58; ‘Pedestrian Plazas in Adelaide and Sydney’, pp. 41-2.
If a pedestrian mall was going to succeed, the sensitively and intelligently designed Old Town Plaza looked promising. The New South Wales Chapter of the Royal Australian Institute of Architects awarded the project two Merit Awards for ‘Outstanding Environmental Design’.\textsuperscript{131} Retail was initially strong; pollution reduced.\textsuperscript{132} *Landscape Australia* celebrated warmly, contrasting the Plaza with the quintessential regional centre, which it described as ‘an island, isolated by a sea of cars’. The Plaza showed that:

> we don’t have to raze our cities to make them more liveable. With the existing buildings and design skills we have in abundance we can change our whole way of life, without making ourselves poor in the process… Australia needs suburban malls like this one.\textsuperscript{133}

This positive reception reflected the attitude towards pedestrian malls in the planning, architectural and urban design communities at the time; an attitude Flannigan has described as over zealous and, in hindsight, misguided.\textsuperscript{134} Pedestrian developments elsewhere had also started promisingly, but over time a number of factors saw retail decline, not revive.\textsuperscript{135} Problems emerged with Bankstown Plaza that reveal as much about the success of pre-planned shopping centres as they do about pedestrian malls.

**Securing retail precincts**

Pleasing environments by day can become, or seem, isolated and dangerous after dark.\textsuperscript{136} It is safer to walk alongside a busy street at night than through a deserted mall with its poor

\textsuperscript{131} Ewings, ‘An Environment for People’, p. 61.
\textsuperscript{133} Editorial Comment in *Landscape Australia*, 1/81 February 1981, p. 55.
\textsuperscript{134} For an example of this attitude, see Burrows, ‘The Practical Design and Construction of the Quadrant Mall, Launceston’, p. 29; Flannigan, ‘Life for Traditional Shopping Streets’, p. 283.
\textsuperscript{135} On City Mall’s early success, see *Western Districts Guardian* 27 April 1989, p. 17. On its problems, see *Blacktown City Guardian*, 12 February 1997, p. 1.
lines of visibility and absence of car traffic.\textsuperscript{137} With council support, Blacktown merchants began employing security guards with dogs for night-time patrols of City Mall in 1987.\textsuperscript{138} In 1996, the Mall was described as ‘busy and vibrant’ during daytime trading, but ‘a forlorn and threatening space’ by night.\textsuperscript{139} Some labelled it a ‘haven for drug addicts and alcoholics’.\textsuperscript{140} In the late-1980s, Bankstown Council requested an increase in the number of police foot patrols around the Old Town Plaza. The local police spread some of their thin resources and a permanent ‘beat duty’ by two officers was extended to include the Plaza’s surrounds.\textsuperscript{141} In 1992, council received numerous complaints about public drinking in the Plaza. Subsequent ‘anti-social behaviour’ was said to be having ‘a detrimental effect on plaza activities’, deterring ‘community members from using the area’.\textsuperscript{142} Council declared the Plaza area an alcohol free zone for a period of twelve months.\textsuperscript{143} Blacktown council made a similar resolution, supported by the local paper, which hoped ‘hoodlums and thugs’ would be dissuaded from causing a ‘nuisance to shoppers.’\textsuperscript{144} A survey on attitudes towards City Mall in 1997 found ‘a strong negative view… in terms of security’. Further, there was ‘a major negative attitude to the presence of undesirables in the Mall, who… [did] not appear to be constrained in their behaviour by police presence’.\textsuperscript{145} There were suspicions voiced about ‘drug users’, and claims of frequent car theft.\textsuperscript{146} In 1996, the president of the Blacktown Chamber of Commerce described intoxicated or drug-affected people loitering in the Mall, using the playground as a child minding site while they socialised nearby: ‘While they are not breaking the law’, he said,

‘they’re still making it hard for businesses to operate because people are offended by this behaviour.’ These ‘undesirables’, some drawn by a local methadone clinic, congregated in the mall because it offered pleasant and publicly accessible surrounds – as it was designed to do.148 There were seats, trees, a playground and take-away food handy. If they had wanted to enter the nearby Westpoint, they would have been ejected. Westpoint was private property with its own regulations about behaviour, appearance and acceptability – all enforced by security guards. The methadone clinic was the anti-anchor – no regional shopping centre would ever consider including it in their tenant mix.

While Rob White and Adam Sutton argue that there is a degree of tolerance for misbehaviour and ‘social disorganisation’ within the Australian community, shopping centres have consistently aimed to eliminate any possible anxiety from their shopping public. Centres had been long promoted as places where women, children and families could shop without fear.149 This meant the removal of the aberrant or undesirable visitor. It was a promise of inclusion through the exclusion of an ‘other’. A Westfield company report argued in 1968 that: ‘The shopping centre makes it possible for all who enter this exciting atmosphere to participate.’150 But as Cohen suggests in America, shopping centres promoted themselves as community centres, but then defined ‘community’ in exclusionary socioeconomic terms.151 American shopping centres offered, Leonie Sandercock argues, ‘a more perfect downtown’ by excluding the weather and traffic, as well as ‘poor and coloured folks’.152 The vagaries of nature could disrupt sales, the uncertainties of human

147 Blacktown Advocate, 30 October 1996.
150 Westfield Development Corporation, ‘The Story Inside’.
151 Cohen, ‘From Town Center to Shopping Center’, p. 1059. That some people are more welcome than others, see White and Sutton, ‘Social Planning for Mall Redevelopment’, p. 69. That degrees of inclusion relate to levels of consumption, see Allan, ‘Marion’, p. 124.
behaviour, sensibilities… and, again, sales. William H. Whyte argued in the eighties that such delimited environments should not be considered true town centres, because ‘they do not welcome – indeed, do not tolerate – controversy, soapboxing, passing of leaflets, impromptu entertaining, happenings, or eccentric behaviour, harmless or no.’ It is such regulation that defines shopping centres as private spaces. As Peter Spearritt argues: ‘If your access to particular public spaces depends on both your willingness and your ability to pay, then those spaces cease to be public.’

If Australian cities were not split by as wide a racial class divide as American cities, shopping centres still offered ‘safety’ to the consuming public. This is a relative concept; people feel safe for different reasons. For many women, the much-promoted practicality of separating car and pedestrian traffic set them at ease in the shopping environment. Dawn from Canterbury wrote: ‘you’re not worrying about your toddler running on to the road’. Rita, a scientific officer who took her children to shopping centres in the 1970s and 1980s felt they were ‘a much safer place to shop… [with] small children – [there was] no traffic’.

Elizabeth, a stay-at-home mum, made a more blanket statement: ‘as a mum, I go to shopping centres because I feel that my kids will be safe.’ She remembers, however, walking around Campsie’s outdoor shopping strip as a child with her mother in the 1970s, and never worrying about the cars. Indicating her mother’s attitude, she recalls a greater sense of freedom when the local shopping centre opened, because there she wasn’t kept so close. As an adult she is protective of her kids in shopping centres because she has heard stories of ‘kidnappings and abuse’, although she is less worried about her handbag being stolen: when she recently experimented with taking her children for a stroll through her

159 Elizabeth, OHR no. 70, 11 February - 11 March 2007.
local Lakemba shopping strip, she was pleasantly surprised at the community warmth she encountered, but was nervous about her kids near the road and kept her handbag hidden under her shopping bags.160

Elizabeth had specific fears and responses to specific places drawn from a combination of sources that included personal experience, parental intuition, media reportage and, perhaps, shopping centre marketing. She recalled her own childhood amongst shops; she was aware of the dangers posed by cars for small darting children; she would have encountered media coverage of crime and social conflict in Lakemba, and may possibly have experienced something of it first hand; she would have read or seen the occasional news report on a tragedy or abusive act in a shopping centre somewhere; but she maintained a general sense that they were safe places to take her children.

People used internalised shopping centres as they might once have used outdoor recreational space. Dianne, a casual teacher, took a packed lunch to save money when she took her children to play on the large model animals installed at Macquarie Centre in the 1980s.161 People wandered through with their young children ‘to pass the time’, have a snack or milkshake, and browse pet shop windows.162 It was a functional leisure environment: ‘cool in summer, warm in winter and always dry… [with] plenty of toilets.’163 The Old Town Plaza could not offer air conditioning or protection from the weather, and while it did offer toilets, their cleanliness and certainly their number, was more than matched by Bankstown Square’s. It is a simple thing, but easy access to clean toilets makes a big difference when you have small children – particularly if they’re toilet training.164 Jody, a young mother who lived near Macquarie Centre, used to choose which centre she went to depending on the state of their mother’s rooms: whilst ‘Chatswood was great’, she writes, ‘some were filthy and I wouldn’t have fed my dog there let alone breast fed my baby.’ Well-managed shopping centres, though, maintained their toilets because they knew this was important to their customers. Marking the marginality that can

160 Elizabeth, OHR no. 70, 11 February - 11 March 2007.
162 Margaret, OHR no. 20, 14 - 20 January 2007.
164 Elizabeth, OHR no. 70, 11 February - 11 March 2007.
categorise life with small children, Jody registers a telling note of appreciation for such management: ‘I know this might seem silly but to a new mum in a world designed by men with out [sic] children in tow it makes a huge difference.’

Law academic Malcolm Voyce argues that the creation of a ‘family friendly’ environment, links shopping centres to ‘the aspiring lifestyles of… affluent middle-class suburban citizens’. Whilst Voyce’s focus is Westfield Hornsby, which services what has become a relatively wealthy demographic on Sydney’s lower North Shore, his point remains valid across the socio-economic geography of the city. Chapters Three and Four demonstrated the broad, cross-class appeal of shopping centres, reflecting the spread of consumer culture to virtually all levels of Australian society. McGregor argues that ‘middle-class aspirations such as the car, the house, the club and the credit card have swamped the old working class ones of rent, beer, the union and the races.’ Shopping centres catered to these aspirations, and marked a change in the ways that leisure and social space were experienced for many Australians. The shopping centre became the social space of the ‘forgotten people’: a safe, familial, convenient and privatised public supplement to domestic life. The true middle class – privileged and frequently ensconced in gentrified inner city terraces – tended to scoff at their culturally poor suburban cousins who flocked on mass to these ‘anonymous’ complexes for entertainment and commodified leisure. ‘Undesirables’, too, might have had a laugh at their respectable ‘betters’, loading trolleys inside Westpoint or another centre, while they made their fun, passed the time, and perhaps nursed frustrations or anger on the street.

---

165 Jody, OHR no. 6, 14 - 20 January 2007.
167 McGregor, *Class in Australia*, p. 156.
The shaping of retail space to particular value systems is not new. Andrew May argues that middle class sensibilities were being imposed on the streets of Melbourne early in the twentieth century through planning reforms aimed at regulating public behaviour. The city’s functions became segregated. Foretelling the shopping centre, produce sales were moved from streets and lanes to indoor markets and retail stores.\textsuperscript{169} Shopping centres were the latest and most sophisticated manifestation such developments. They offered a privatised solution to the creation, maintenance and control of publicly accessible social space. Here, Donald C. Shoup’s argument about free parking, which we discussed in relation to traffic in Chatswood, can be extended beyond the encouragement of car usage to the question of who pays for the provision of parking and other facilities and services of the shopping centre.\textsuperscript{170} Shoup quotes parking consultant John Dorsett:

> There are real costs associated with providing parking… When shopping centers, office buildings, and hotels do not charge for parking, there is the popular misconception that it is free; however someone must pay for the parking facility – as well as for the land under it and the lighting, insurance, security, and maintenance needed to keep it functioning – and that money must be recouped… to cover parking costs at a shopping centre, the owner charges tenants higher rents and common area maintenance fees. In turn, the tenants charge consumers higher prices for their services.\textsuperscript{171}

Just as the costs of providing parking are rendered invisible, the costs of security and amenities such as toilets, mothers’ rooms, air-conditioning, landscaping, public-address systems, entertainment and promotions are absorbed into the rents paid by tenants and subsequently in the merchandise bought by customers. People pay for these services, but they pay indirectly. As we will see in the next chapter, the costs being absorbed by shopping centre tenants were substantial, and by the mid-1980s, even they were claiming that their prices were being forced upwards as a result.

\textsuperscript{169} Brown-May, \textit{Melbourne Street Life}, pp. 207-09.
\textsuperscript{170} Shoup, \textit{The High Cost of Free Parking}, pp. 1-15.
Managing space: public pedestrian malls and private shopping centres

Security in pedestrian malls was an issue that related to management. Regional shopping centres coordinated their security, as well as promotions, tenant mix and location, redevelopment and planning through centralised management. Similar levels of organisation were required for pedestrian malls to compete, but it was extremely difficult to coordinate diverse merchants and property owners into a cohesively directed group.  

Three months prior to the enclosure of the roads that formed the Old Town Plaza, a coordinator was appointed to organise promotional activity. The Council paid his salary for the first twelve months, after which time it was intended that the Town Centre Steering Committee – set up to organise development and operations of the Mall – would be responsible. The Council fulfilled its obligations but the Committee did not retain the coordinator nor appoint another. The Plaza was left without unified management and direction.

By the late 1980s the Plaza was struggling economically and considered ‘comparatively dull’ aesthetically. As it entered its eleventh year, calls were made for a facelift to transform it into ‘a thriving business centre again’. As part of a 1989 refurbishment, Bankstown Council paid $500,000 for re-paving. Shortly afterwards there were reports that heavily laden trucks were using the Plaza as a shortcut, damaging the new pavers. It had taken a long hard fight by the Deputy Mayor, Jill Barber to get the pavers laid. Now, because of the difficulty of controlling the area, they were being damaged and the positive visual impact they brought to the Plaza undermined.  

Surveys in the mid-1990s found general dissatisfaction with the state of the pavers which were worn, blackened, and littered.

---

174 Express, 17 October 1989, p. 16.
175 Express, 5 June 1990, p. 11.
with chewing gum. Trees and flowerbeds were overgrown; pigeons made their own mess and people threw scraps to feed them, which made even more.\footnote{177}

It has been argued that pedestrian malls have an even shorter renovation life cycle than shopping centres because they are open to the elements, and can face vandalism and disuse.\footnote{178} But with a variety of landlords in a converted shopping strip, many of who were not retailers, there was no clear benefit in revamping properties.\footnote{179} And unless everyone came on board, well-presented shops would be situated next to tired, run-down establishments; a situation \textit{Inside Retailing} suggested, could ‘spell death to the entire area’.\footnote{180} There were no standards of housekeeping or visual merchandising: adjacent shop windows could be dirty or clean; signage could be so over the top that it became offensive, or it could be almost absent. Variable trading hours could mean gaps in the retail frontage – even without vacant premises – causing confusion amongst customers and interrupting their movement through the precinct.\footnote{181}

In shopping centres, individual shop design, window display, and promotional materials were regulated and controlled by management, ensuring coherence and a high degree of visual stimulation throughout the centre.\footnote{182} Tenants were required by their leases to pay levies towards centre promotions and could also be required to fund additional individual promotions. This meant that a set budget was available for constant promotional activity, as well as for big-ticket retail events such as Easter and Christmas.\footnote{183} In pedestrian malls, there was no compulsion for individual retailers to supply sales figures to any promotional co-ordinator that might be appointed, so there was no real way to determine the success of any campaign.\footnote{184} In his advisory report to the Victorian Ministry of Planning and the

\footnotesize
178 JBA, ‘Blacktown Main Street Mall’, p. 63.
180 ‘The suburban strips will always be with us – but beware the tired, run-down look!’, \textit{Inside Retailing}, no. 245, 18 October 1976, p. 7.
184 JBA, ‘Blacktown Main Street Mall’, p. 58.
Environment, Bruce Atkinson identified the absence of coordinated marketing in traditional retail centres as one of their biggest drawbacks.\textsuperscript{185}

In Victoria, the State Government began a program in the mid-1980s that employed managers to coordinate retail activities in several shopping streets. The NSW Department of Planning introduced a similar scheme, Mainstreet Australia, which provided advice to merchants about revitalising local shopping precincts.\textsuperscript{186} The programs were explicitly introduced to combat declining retail sales in the face of pre-planned shopping centre competition. Tually argues, however, that without Federal involvement, such ‘programs have remained small scale, localized and disparate’.\textsuperscript{187} And although they could improve promotions and identify areas for improvement, they could not solve all the issues facing pedestrian malls.

\textit{Retail mix and anchor stores}

Flannigan claims that ‘no amount of pedestrianisation, or other design initiatives… [can] compensate for an inappropriate mix of goods, reflected in the range of shops or traders’.\textsuperscript{188} He argues that centralised management allowed shopping centres to control the ‘two most significant determinants of quality in shopping: ‘trader mix and shop location’. In shopping strips and pedestrian malls these were a by-product of individual entrepreneurial activity.\textsuperscript{189} Shopping centre management, though, selected specialty stores to provide a full ‘range of merchandise in categories such as apparel, footwear, homewares, jewellery and gifts, take away and general food, furniture and furnishings, electrical goods, pharmacy, photographic supplies, books and hairdressing.’ Multiple tenants could be selected in the more popular categories creating competition and comparison shopping. A powerfully attractive retailing

\textsuperscript{185} Atkinson, ‘Business Improvement in Traditional Shopping Centres’, pp. 11-12.
\textsuperscript{186} Pure Potential Marketing, ‘Bankstown’s Old Centre Plaza Study’, p. 19.
\textsuperscript{189} \textit{Ibid.}, p. 285.
mix was created with this broad range supported by the big supermarket, department store and discount department store anchors.¹⁹⁰

These anchors, as we have seen, were fundamental to shopping centre success, and their retreat from the street removed a lynchpin of retail viability for the older strips and the malls which sought to revive them.¹⁹¹ In Chapter Eight, we described the relocation of Coles from the main street into Bankstown Square, the subsequent addition of K mart, and the incorporation of Waltons to complement the existing Woolworths and David Jones anchors. Following the anchors, key retailers continued to leave the Plaza for the Square, which expanded in 1980, 1986, 1988 and 1990.¹⁹² It was a familiar pattern: pedestrian malls were no more successful in holding or attracting anchors than their strip antecedents.¹⁹³ The absence of a big traffic-generating store was seen as one of the key reasons for the commercial stagnation in City Mall, while Westpoint expanded and refurbished, adding more and more drawcards, in 1983, 1990 and 1994.¹⁹⁴ These expansions clearly had some impact on the nearby pedestrian malls, but as Weisbrod and Pollakowski have argued, they also make it hard to measure the success of those malls because of the change in environmental conditions.¹⁹⁵

Main Street was the traditional centre of retailing in Blacktown, growing next to the railway station as the area’s population grew through the post-war years. In the mid-1970s, it still had a good retail mix and some important anchor stores including a Nock & Kirby Hardware, Woolworths Variety Store, Flemmings Supermarket and Norman Ross Discounts. There were a range of financial institutions, fresh food stores, milk bars and

¹⁹¹ On the importance of anchors, see Julie Bindon and Associates, ‘Blacktown Main Street Mall Planning Study’, p. ii.
¹⁹² Pure Potential Marketing, ‘Bankstown’s Old Centre Plaza Study’, p. 6. On these expansions, see Express, 10 April 1990, p. 1.
¹⁹⁴ Julie Bindon and Associates, ‘Blacktown Main Street Mall Planning Study’, p. iii, 8; Shopping Centre Directory, NSW & ACT, 2005, p. 64.
cafes. In the 1980s, important tenants were lost. These included Norman Ross, Uncle Pete’s Toys, Simmons Carpets, Woolworths, Bob Pollard and Lowes Manhattan menswear. Surveys undertaken in 1984 and 1996 give a further breakdown of retail changes, outlined in Table 9.1.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Shoes</td>
<td>3</td>
<td>0</td>
<td>-3</td>
</tr>
<tr>
<td>Chemist</td>
<td>4</td>
<td>2</td>
<td>-2</td>
</tr>
<tr>
<td>Real Estate</td>
<td>3</td>
<td>5</td>
<td>+2</td>
</tr>
<tr>
<td>Beauty Salons/ Hairdressers</td>
<td>3</td>
<td>2</td>
<td>-1</td>
</tr>
<tr>
<td>Video Hire</td>
<td>2</td>
<td>3</td>
<td>+1</td>
</tr>
<tr>
<td>Carpets</td>
<td>4</td>
<td>0</td>
<td>-4</td>
</tr>
<tr>
<td>Electrical</td>
<td>3</td>
<td>3</td>
<td>0</td>
</tr>
<tr>
<td>Furniture</td>
<td>2</td>
<td>0</td>
<td>-2</td>
</tr>
<tr>
<td>Second Hand Goods</td>
<td>1</td>
<td>3</td>
<td>+2</td>
</tr>
<tr>
<td>Sports</td>
<td>1</td>
<td>0</td>
<td>-1</td>
</tr>
<tr>
<td>Fast Food</td>
<td>3</td>
<td>6</td>
<td>+3</td>
</tr>
<tr>
<td>Home Goods</td>
<td>2</td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td>Clothing</td>
<td>7</td>
<td>5</td>
<td>-2</td>
</tr>
<tr>
<td>Restaurants/ Coffee Shops</td>
<td>9</td>
<td>5</td>
<td>-4</td>
</tr>
<tr>
<td>Fish Shops</td>
<td>1</td>
<td>0</td>
<td>-1</td>
</tr>
<tr>
<td>Chicken Shops</td>
<td>1</td>
<td>0</td>
<td>-1</td>
</tr>
<tr>
<td>Delicatessen</td>
<td>1</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Butcher</td>
<td>3</td>
<td>1</td>
<td>-2</td>
</tr>
<tr>
<td>Toys</td>
<td>1</td>
<td>0</td>
<td>-1</td>
</tr>
<tr>
<td>Banks/ Financial Institutions</td>
<td>5</td>
<td>7</td>
<td>+2</td>
</tr>
<tr>
<td>Bread/ Cakes</td>
<td>2</td>
<td>4</td>
<td>+2</td>
</tr>
<tr>
<td>Jewellery</td>
<td>3</td>
<td>4</td>
<td>+1</td>
</tr>
<tr>
<td>Entertainment</td>
<td>0</td>
<td>1</td>
<td>+1</td>
</tr>
<tr>
<td>Bargains</td>
<td>0</td>
<td>3</td>
<td>+3</td>
</tr>
<tr>
<td>Fabrics</td>
<td>1</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Vacant</td>
<td>6</td>
<td>3</td>
<td>-3</td>
</tr>
</tbody>
</table>

Although there were fewer vacancies in 1996, the nature of retailing in the Mall changed in some fundamental ways. There had been an increase in second-hand stores and discounters.

---

There were fewer fresh food vendors, more fast-food and take-away establishments, and not as many restaurants or cafes. Most importantly, the old backbone of the precinct – carpet and furniture stores – had completely disappeared. While the Mall had, unusually, managed to retain a fair number of financial institutions, a 1996 Retail Planning Study commissioned by Blacktown Council concluded that the overall quality and range of retail had declined through the 1980s and early 1990s.\(^{197}\) Between 1988 and 1994, the weekly rental for a prime shop frontage in the Mall, dropped from around $1,100 to $950. It was a situation shared. Penrith Plaza rentals dropped from, and to, similar levels in the same period.\(^{198}\) Property values in the Old Town Plaza halved between 1990 and 1996 by which time it contained no large supermarkets or clothing retailers, and a high percentage of discount shops, Asian groceries and vacant premises. Retail was focused ‘down towards the lower end of the market’.\(^{199}\)

In the eleven years following the Old Town Plaza’s opening in 1979, sixty-two of its established businesses failed.\(^{200}\) On a positive side, by 1989 there were more than 50 Asian-run enterprises operating there with some success. Esmond Way from the Indo-china Refugee Association described a cosmopolitan flavour they brought to the mall, and attributed their success to low overheads maintained by family operations.\(^{201}\) In 1993, surveyed Bankstown Plaza retailers reported a decline in trade, variously attributed to poor car access, a lack of promotion and excessive rents. They passed on customer complaints about inadequate signage and information, parking facilities, lighting, seating, tables, shelter and maintenance. Bankstown Square in contrast had clear signage; large-scale, cohesive promotion; a considerable amount of parking; regularly maintained landscaped surrounds; seating and toilet facilities for shoppers; excellent lighting; and was completely enclosed against the weather.\(^{202}\)


\(^{198}\) Julie Bindon and Associates, ‘Blacktown Main Street Mall Planning Study’, p. 33. Other suburbs like Ashfield and Eastwood suffered similar problems and are worthy of detailed case studies.


\(^{200}\) *Express*, 5 June 1990, p. 11.

\(^{201}\) *Express*, 17 October 1989, p. 16.

Shopping centres were not the only factor influencing the fortunes of small retail, and the changing retail geography of Australian cities in the 1980s and 1990s. There were changes in retailing itself: supermarkets diversified their product ranges and services; bulky goods outlets became a major new retail form; and service stations evolved into drive-in convenience stores. In addition, local authorities underestimated the cost of maintaining, cleaning and promoting local shopping precincts, particularly pedestrian malls in which they had invested hopes of retail and main street revival. These hopes had been based on too narrow an understanding of shopping culture. People certainly enjoyed a pleasing and relaxed pedestrian environment, but shopping centres also offered climate control, strong anchor stores, large allocations of usually free parking, and a strategic layout that integrated anchors, specialty shops, facilities, services and parking into a cohesive, attractive and logical framework.

Blacktown’s 1996 Retail Planning Study found that few pedestrian malls in Australia had been successful. This echoed the American experience where, by the 1980s, cities had stopped turning to pedestrian malls as a solution to inner-city decline. By the turn of the new century it was estimated that only thirty of the approximately 200 pedestrian malls that had been built in America over the preceding forty years remained in operation. The others had been opened up to full or partial traffic flows. Malls in European cities had been more successful. There, city decline had been less pronounced than in America; narrow medieval streets and historic townscapes while less able to deal with intensified motor

---

205 Robertson, Pedestrian Malls and Skywalks, p. 28; Brambilla and Longo, For Pedestrians Only, p. 18; Blundell, ‘Following the Shopping Dollar’, p. 13.
vehicle usage, lent themselves well to pedestrianisation; residential density was higher; motor vehicle dependency was lower; and European culture may have been more attuned to street life and public outdoor space.209

With Sydney’s residents firmly ensconced in a car-oriented culture and urban economy, retailers in pedestrian malls that lacked passing car traffic and adequate parking reported declines in turnover from at least the late 1980s.210 Malls that did work were in the middle of large cities, in tourist destinations, or were linked in some way to a major shopping centre.211 Historic towns such as Richmond in Sydney’s far outer west reported some success. And Chatswood’s Victoria Mall with its connection to the railway station and the Westfield and Lemon Grove shopping centres was said to offer retailers a strong customer base.212 Elsewhere, there were moves to reopen malls to traffic.213 Penrith’s High Street Mall was hard hit by expansions at the Penrith Plaza shopping centre, and with twenty vacant shops, the local Council abandoned the pedestrianisation experiment in 1995.214 Other Australian towns to open up their malls through the 1990s and early 2000s included Southport, Rockhampton, Geelong, Coffs Harbour, Parramatta, Fairfield and Campbelltown. Blacktown and Bankstown modified their malls to accommodate limited car traffic in 1999.215

If we do not wish to talk of retail decline in traditional shopping strips, we can talk in terms of changing retail geography. Retailers of comparison goods such as clothes, shoes, furniture, carpet and jewellery, became ‘locationally disadvantaged’ as the structure and nature of retailing changed.216 Without big anchors and key service providers, the strip and

211 Julie Bindon and Associates, ‘Blacktown Main Street Mall Planning Study’, p. 5.
213 Sydney Morning Herald, 4 October 2005, p. 25.
the pedestrian mall became poor retailing locations for many businesses. Strips that were unsuccessful became destinations of necessity, providing small scale convenience shopping.217 But with shopping centres adding more fresh food provision through both specialty retailers and the expanded ranges of supermarkets, the old staples of the strip lost clout. Pedestrian malls then took away the convenience of drive-through shopping. Shopping centres could provide much more passing customer traffic than any strip or pedestrian mall – and so retailers, big and small, gravitated towards them. As each joined the conglomeration, its magnetic appeal to both shoppers and retailers increased. This created a massive power differential between small retailers and the big centre operators. The next chapter explores this divide and the way in which it conditioned the leasing arrangements of shopping centre tenants.

217 ‘The suburban strips will always be with us – but beware the tired, run-down look!’, Inside Retailing, no. 245, 18 October 1976, p. 7.
Chapter Ten
Leasing in Regional Shopping Centres

In 1988, the President of the Retail Traders’ Association of New South Wales, Antony Coote, declared that: ‘the balance of power between all but the very large tenants [in shopping centres] and the landlords has been very much to the detriment of the tenant.’

His comment followed the two decades of centre expansions we traced in Chapter Eight, and which, as we saw in Chapter Nine, had seen owners and managers become increasingly powerful in relation to small retailers.

The nature of shopping centre development also brought a new relationship between landlord and tenant. Issues arose around the common usage and sharing of facilities, services and costs. In dealing with these, leases became more complex, and in the process, tenant’s activities more restricted. Retailers and their trade organisations claimed that the dominance of shopping centres had created a monopolistic environment, allowing developers to impose prohibitive conditions and charge exorbitant rents.

As complaints of mistreatment and reports of escalating rents grew, politicians were drawn into the fray. Retailing groups across the country pressed for change. While most were philosophically opposed to governmental intervention, all eventually appealed for legislation to curb what they claimed were abuses of market power. Numerous state and federal inquiries were launched into leasing practices; a number of hard business practices were exposed; and retail tenancy legislation was enacted in every state from the mid-1980s

---

2 On power inequalities see Laurie Eakin, ‘Tenants’ rights to be a reality’, Shopping Centre News, vol. 3, no. 11, May/June 1993, pp. 42-47. One pharmacist, John Underwood, asked in 1987: ‘What alternatives to chemists have? Shopping strips are fading as trading locations. The major shopping complexes, with their unlimited parking and wide variety of merchandise, attract the crowds.’ See ‘Chemists pay up to seven times the rent paid by chains at large centres’, Inside Retailing, no. 752, 11 May 1987, p. 12.
Throughout, the industry, represented by BOMA, insisted that problems were not systemic but generalisations inaccurately expanded from individual problem cases. BOMA argued that the demand for centre places, and high occupancy and renewal rates, proved the industry was sound and that regional shopping centres provided tenants with a solid foundation on which success could be built.

Discussion on retail leasing legislation has to date largely focused on its legal aspects, and drawn upon government inquiries, parliamentary debates and the legislation itself for source material. This chapter contributes to this discussion by adding the voices of retailers, developers and analysts published weekly in the pages of the retail trade journal Inside Retailing. These candid and at times confrontational letters, interviews and articles bring a human face to the legal argument and highlight the difficulties faced by many small tenants. They also clearly articulate the arguments, in all their complexity, surrounding retail leasing in shopping centres. The chapter begins with an overview of the retail market at the close of the 1970s. From here it moves to tenant grievances and the nature of their leasing contracts. The response from the industry is dealt with, followed by an outline of legislation introduced to protect the interests of small tenants.

The aim of this chapter is not to prove that small retailers invariably suffered at the hands of monopolistic and all-powerful landlords, but to explore their experiences and perceptions of a changing retail landscape. This is an inevitably subjective approach, but these stories form an important and as yet, largely untold, history of our cities. It also continues the theme of shopping centre ‘reception’ which has run through this thesis.

---

Shopping centre saturation and retail monopolies

We saw in the previous chapter that major shopping centre development was considered to be a significant cause in the decline of strip retailing. By the 1980s, some retailers were arguing that Australian capital cities had reached saturation point, and that because new shopping centres could only take business from existing ones, small tenants invariably faced a loss of trade.\(^8\) Some of the industry’s major figures blamed big retailers for the over development. Alan Coates, general manager of the AMP Society, suggested in 1980 that:

> too much attention has been paid to the development of propositions acceptable to the major retail groups, at the expense of the smaller specialty shops, where high rents have been imposed in an endeavour to bring the developments to an acceptable level of overall return.\(^9\)

Bill Pratt, Safeway’s managing director, claimed that developers forewent viable tenancy mixes and signed leases with large numbers of similar businesses. He alleged that developers:

> find a major retailer and then just see how many small shops can be fitted into the adjacent area… I think it is criminal negligence that some of these small shops are allowed to open in shopping centres when often life-savings go in the first couple of weeks when sales don’t even account for the rent…\(^10\)

In the 1960s, developers may have been unaware of their new retail model’s full potential. But with success and growth, coupled with the shifting form of many strip shopping

---


precincts, they found themselves in a powerful position.\textsuperscript{11} Retailers described the situation as monopolistic.\textsuperscript{12} If they chose to leave a centre, they were effectively forced ‘onto the street’ into marginalised strip shopping, or into occupancy in another centre where they would face the same situation.\textsuperscript{13} The industry argued there was no monopoly because there were numerous landlords. Protected by zoning and development regulations, however, each landlord was able to dominate a particular area. A. A. Preece has argued that the battle over retail leases was in fact a fight between landlords and tenants for the monopoly profit resulting from these regulations.\textsuperscript{14}

\textit{Ignorance, miscommunication and misleading information}

Both retailers and landlords acknowledged that most problems between them began during initial lease negotiations. The industry blamed amateurish retailers who didn’t read their leases, and there is evidence that there was often an ‘inability or unwillingness… to read and understand the document prior to signing it’.\textsuperscript{15} Many tenants, however, claimed to have been given misleading information prior to entering into their leases, particularly on matters such as centre turnover estimates, the types of businesses they would be competing with, and the potential profitability of their own business.\textsuperscript{16} John Harrower, the managing director of the Victorian Chambers of Commerce and Industry Retailers, argued that flashy

\begin{footnotesize}
\begin{enumerate}
\item Mike Ahern, (Shopping Centre Tenants’ Association of Queensland) cited in ‘Retail tenants “captives of landlords”’, \textit{Inside Retailing}, no. 674, 16 September 1985, p. 7. A number of politicians came to share this view. See, for example, Gerry Peacocke (NSW Minister for Business and Consumer Affairs), quoted in ‘Better deals for commercial tenants’, \textit{Retail Trader}, January 1989, p.1.
\item Eugene Falk (chairman, Victorian Small Business Development Corporation) quoted in ‘Corporation wants landlord lion’s claws drawn to give the small tenants better leases’, \textit{Inside Retailing}, no. 574, 22 August 1983, p. 3.
\end{enumerate}
\end{footnotesize}
salesmanship was used to bamboozle potential tenants. In a few cases, he told Inside Retailing, leases were audacious enough to include warranties against earlier promises.

Leases were incredibly complicated documents, often more than twice the length of other commercial leases. In part this was due to the range of issues surrounding common areas, car parks, promotion, operating expenses, the interests of different tenants, and the relationship between landlord and tenant. But within this complexity, there was ample room to insert landlord advantage. Leases were, argued one writer in Inside Retailing, ‘landlord’s documents’ with most of the fifty to seventy pages containing clauses to safeguard their interests. This claim is supported by findings of the Cooper Committee, which was set up in September 1981 to investigate retail leasing practices in Queensland. Its report suggested that ‘the general conditions of leases were almost totally in the favour of the owner’. While tenants required professional advice to understand such documents, many were unwilling to meet this expense, instead gambling on verbal assurances and their belief that a centre would deliver enough customer traffic to make their business profitable. Figure 10.1 shows a lease signed in 1978 for a sports clothing and footwear store in Westfield Shoppingtown Liverpool. Four pages are included here, and while they provide a good indication of the complexity of leases, this document was only twelve pages in length, casting some doubt on the extent to which fifty page documents were the norm.

17 ‘Small retailers burn fingers in new centres, but chain has no complaints’, Inside Retailing, no. 411, 14 April 1980, p. 11.
18 ‘Chamber hopes for action on harsh leases’, Inside Retailing, no. 455, 16 March 1981, p. 3.
21 ‘$60,000 bribe sought in return for renewal of shop lease, Liberal seminar told’, Inside Retailing, no. 552, 21 March 1983, p. 3. On the decline of such confusing leases in the mid-1980s, see D. W. Burnett, Shopping Centre Management: The Shopping Centre Lease (Sydney: Building Owners & Managers Association of Australia, c1981), p. 4.
MEMORANDUM OF LEASE
REAL PROPERTY ACT, 1900
(To be lodged in duplicate)
REFERENCE SCHEDULE

ITEM 1: Leasing

KEY REDEVELOPERS PTY. LIMITED a Company duly incorporated in the State of New South Wales having its registered office in that State at 199 William Street, Sydney.

ITEM 2: Estate

Fee Simple in the land hereinafter described.

ITEM 3: Prior encumbrances and interests

Reservations and conditions (if any) contained in the Crown Grants.
Mortgage No. N396621 and N396622.

ITEM 4: Leasing

SHIRELY SHOE CO., PTY. LIMITED a company incorporated in the State of New South Wales and having its registered office at 772 George Street, Sydney.

ITEM 5: Description of premises

Shop No. 9 in the Westfield Shoppingtown Liverpool

ITEM 6: Description of land

<table>
<thead>
<tr>
<th>Reference to title</th>
<th>Whole or Part</th>
<th>Description of land if part only</th>
<th>County</th>
<th>Parish</th>
</tr>
</thead>
<tbody>
<tr>
<td>Volume 12624</td>
<td>80 whole</td>
<td></td>
<td>Cumberland</td>
<td>St. Luke</td>
</tr>
</tbody>
</table>

ITEM 7: Term of lease

Five (5) years

ITEM 8: Date of commencement

1st July 1978

ITEM 9: Date of termination

30th June 1983

ITEM 10: Minimum Rent

Fifteen Thousand Six Hundred Dollars ($15,600.00) per annum

Clause 2.0 (b) the minimum rent of $15,600.00 per annum shall be increased by the proportion that such increase bears to the level of the Index last published prior to the commencement of the demised term rise from the level of the Index last published prior to the commencement of the demised term.
THE PERSON NAMED AND DESCRIBED IN ITEM 1 OF THE REFERENCE SCHEDULE HERETO (hereinafter called or included in the expression Lessor) being registered as the proprietor of the estate referred to in Item 2 of the Reference Schedule hereof (hereinafter called the Schedule) as that related to by Item 4 of the Schedule subject otherwise to such encumbrances fees and interests as are referred to in Item 3 of the Schedule HEREBY LEASES to the person named in Item 4 of the Schedule (hereinafter called or included in the expression Lessee) for the term specified in Item 7 of the Schedule commencing on the day specified in Item 8 of the Schedule and terminating on the day specified in Item 9 of the Schedule all those premises (hereinafter called the demised premises) described in Item 5 of the Schedule in the Westfield Shoppingtown, Liverpool (hereinafter called the Shoppingtown) erected upon the land referred to in Item 6 of the Schedule.

TOGETHER WITH but subject as hereinafter contained full right and liberty for the Lessee its officers and employees and customers and all persons authorised by the Lessee to use in common with the Lessee and all persons authorised by it for the purpose of ingress and egress whilst on foot and without animals or vehicles all common ways within the Shoppingtown and the car parks thereof. AND TOGETHER WITH but subject as hereinafter contained full right and liberty for the Lessee its officers and employees and all persons authorised by the Lessee (other than customers and members of the public) in common with the Lessor and all persons authorised by it to use the staff toilets for males and females within the Shoppingtown to which there is access from the demised premises by the common ways of the Shoppingtown.

AND TOGETHER WITH but subject as hereinafter contained full right and liberty for the Lessee its employees and its suppliers to use in common with the Lessor and all persons authorised by it any loading dock or loading platform which is contiguous to the demised premises or to which there is access by an access corridor which is contiguous to the demised premises and whilst on foot any such access corridor and with or without vehicles any ramps with or without turning bays which lead from such loading dock or platform to or from a public street and the goods lift (if any and when in working order) provided that there is access thereto by an access corridor which is contiguous to the demised premises and in such a case whilst on foot the said access corridor.

BUT RESERVING UNTIL THE LESSOR and all others authorised by it the passage of air conditioning equipment, fire sprinkler systems, pipes, ducts, telephones cables and electric wiring and water service and drainage connections through or along in or into the demised premises and also access to and through the demised premises at any time for the purpose of installing, maintaining or repairing any such equipment, systems, pipes, ducts, cables or wirings or connections.

Subject to the following covenants conditions and terms and provisions viz—

1. The Lessee covenants and agrees that it will without expense to the Lessor erect and complete—

(a) The demised premises in accordance with the Lessor's work specified in the plan and the Architect's Descriptive Specifications produced to the Lessor prior to the signing of this Lease and marked off identification by the parties hereto signing the same and

(b) The Shoppingtown of which the demised premises shall form part substantially in accordance with the plan also produced to the Lessor prior to the signing of this Lease and marked for identification by the parties hereto signing the same and provided that the Lessor guarantees the right to make changes from the plan of the Shoppingtown as produced to the Lessor as aforesaid which in his opinion may be necessary or desirable and such changes shall not affect or invalidate this Lease nor give rise to any claim for compensation or damages.

2. Subject to covenants in Clause 1 hereof all of the works referred to in Clause 1(a) hereof shall be completed by
3. The Lessee has or shall let contracts for the construction of or commence the construction of the Shoppingtown of which the demised premises shall form part for completion prior to the day of 19...[paragraph continues]

4. The Lessee agrees that it will go or be before the commencement of the demised term, at the Lessee's sole cost and expense perform all its work at the Shoppingtown as set out in the plan and the Architect's Descriptive Specifications previously referred to. Before doing any such work the Lessee shall have prepared (and shall obtain the approval of the Lessee's Architect) plans and specifications for such of the Lessee's work as will affect the exterior appearance of the demised premises or any structural, mechanical or electrical component of the building in which the demised premises are contained. All work performed at any time during the demised term by the Lessee shall require the Lessee's prior written consent and the Lessee shall pay to the Owner on demand the cost of any structural mechanical or electrical work to be done to the Shoppingtown in consequence of the installation of any fittings or fixtures by the Lessee. The Lessee shall comply with all insurance sprinkler and fire protection regulations made under any statutory enactment in respect of any partitions or fixtures which may be erected by the Lessee upon the demised premises and the Lessee shall pay to the Owner the cost of any alterations to the sprinkler and fire protection installations which may become necessary by reason of the non-compliance by the Lessee with any such regulations or the regulations of the Fire and Accident Underwriters Association of New South Wales.

5. The commencing date of the term of this Lease shall be the earlier to occur of—1st July 1978, (a) the date on which the demised premises are certified by the Architect of the Owner as ready for occupation as far as the obligations of the Owner hereunder are concerned, or (b) the opening by the Owner of its business upon the demised premises, and the Lessee is hereby irrevocably authorised to complete items 8 and 9 of the Schedule accordingly.

6. The opening by the Owner of its business in the demised premises shall constitute an acknowledgement by the Owner that the demised premises and the Shoppingtown are in all respects and for all purposes of this Lease in the condition called for by this Lease and that the Owner has performed all of the Owner's work and all its covenants and agreements with respect thereto.

7. The Lessee shall have the right at all reasonable times prior to commencement of the demised term to install fixtures and other equipment provided that any such work shall not obstruct or interfere with the construction of the demised premises or the Shoppingtown by the Owner.

8. The obligations of the Owner under Clauses 1 and 3 hereof and the obligations of the Lessee under Clause 4 hereof shall be subject to unavoidable delays due to any strike, lockout or labour dispute affecting any trade employed in the construction, or due to God's inability to obtain labour, materials or reasonable substitutes therefor, restrictions, regulations or controls imposed by any enactment of Parliament or any rule, regulation, ordinance, proclamation or general notice issued thereunder, enemy or hostile government action, civil commotion, fire, earthquakes, floods, storms or storms, inclement weather sufficient to prevent construction proceeding and other conditions or causes beyond the control of the Owner or the Lessee at the time may be and whether occurring before or after the date of the granting of the licence or in the event of the occurrence of any such delay or delays the time mentioned in the said Clause 3 or Clause 4 of the Lease may be extended as shall be reasonable.

9. The Lessee agrees that this Lease may be a sub-lease by the Owner to the Owner provided that the terms of the head lease shall not be inconsistent with the terms of this lease and that the head lease shall not forbid sub-letting of the lessee upon the terms of this lease and in such event the Lessee hereby covenants to observe and perform the Owner's covenants contained or implied in the head lease so far as and to the extent to which the same are not under this lease imposed upon the Owner.

10. Upon the signing hereof the Lessee shall pay to the Owner's Solicitor his reasonable costs of this Lease and the Stamp Duty and registration fees payable in respect thereof.

11. The terms, stipulations and covenants and the Lessee hereunder for performance or observance prior to the commencement...
Figure 10.1: ‘Lease agreement between Key Redevelopers Pty. Limited and Look Alive Pty. Limited’, Coles Myer Archive, SLV, MS13468, COMYS022, 4080, 1 July 1978.
The upward rental spiral

Aside from salaries, shop rental forms the largest regular expense faced by retailers. The complexity of rental structures in shopping centres, which we discuss below, makes them difficult to quantify, but the simplest measure of retail profitability is the percentage of total rent compared to gross turnover. In the late-1970s and early-1980s, there was general acceptance amongst retailers that rent should be less than eight percent of total sales. The percentage considered ‘reasonable’ by retailers was six percent, while ten percent was, according to one successful pharmacist, ‘commercial suicide’. Inside Retailing calculated that retailers who paid twelve percent were ‘making less than the landlord’ with those paying twenty percent ‘going broke’. A 1979 survey of regional shopping centres in Canberra found the majority of tenants paying ‘more than double’ the ‘reasonable’ six percent. In 1987, Bob Jameson, executive secretary of the Hardware Retailers’ Association of NSW, claimed that shopping centre rents for his industry averaged seventeen to eighteen percent of turnover.

Tying into our earlier discussion of institutional investors, Jameson described a new breed of ‘hungry landlord’, driven by short-term financial goals, who refused to take a mid to long-term approach by seeking viable shopkeepers in continuous tenancies. Entrepreneur Dick Smith declared that small retailers were ‘working their guts out’ for developers. Bob Mathers, the managing Director of Mathers, Australia’s largest footwear chain, concurred, claiming that rental levels meant that small tenants were effectively working for their

25 ‘Shock report claims high rents will close 500-1000 small businesses within a few months’, Inside Retailing, no. 368, 21 May 1979, p. 3; ‘Chemist shops losing race for best sites, says independent’, Inside Retailing, no. 699, 7 April 1986, p. 12.
27 ‘Shock report claims high rents will close 500-1000 small businesses within a few months’, Inside Retailing, no. 368, 21 May 1979, p. 3.
28 Inside Retailing, no. 745, 23 March 1987, p. 3.
29 Inside Retailing, no. 745, 23 March 1987, p. 3; see also Jameson’s argument to keep rental to 6-8% of turnover in ‘Neither the Queensland Government “nor Ned Kelly” wants to interfere with private enterprise’, Inside Retailing, no. 524, 9 August 1982, p. 16.
30 Dick Smith quoted from an article the previous week in ‘Desperate retailers closing doors and walking out of some centres, says Labor Party’, Inside Retailing, no. 410, 7 April 1980, p. 6.
landlords. A 1985 advertisement in the *Financial Review* suggested that at least some in the industry not only believed this to be true, but celebrated it as a profitable business model. The advertisement read in part: ‘Perhaps the nicest aspect of owning a successful shopping centre is the thought of all those shopkeepers coming to work everyday to make you lots of money (see Figure 10.2).’

![Figure 10.2: Financial Review advertisement](Financial%20Review_25%20June%201985%20p.%204.jpg)

One of the issues that galled many small retailers was the huge discrepancy in rents between themselves and the major chains and anchors. Barry Williams, of Williams the Shoemen, described specialty stores being ‘crucified by landlords and developers,

---

particularly in regional centres’. 34 The president of the National Footwear Retailers’ Association, Norman MacArthur, said in 1981 that his ‘constituency’ was paying up to thirty dollars a square foot compared to the two or three dollars paid by the Chains. 35 Some support for his claim is provided by Australian leasing figures for Target supermarkets in 1982. While the amounts varied from site to site, and went as low as $2.70 per square foot at Sefton Park in South Australia, most rents sat between $5.00 and $8.00 per square foot. 36 In 1984, Coles was paying $10.70 a square foot at Roselands. 37

These figures can be compared with the rent a number of small independent and chain stores were paying in Roselands at the time. Table 10.1 provides a breakdown of rentals in 1984. While this includes a percentage rental payment it appears that stores were not usually expected to reach the threshold at which this kicked in (Williams and J. M. Wilkonson were exceptions). The crucial figure is the proposed effective rate per square foot for 1985. Edels Music Store, for example, would be paying $47.50 per square foot. The comparison between these figures and the $10.70 being paid by Coles, supports the claims being made by Williams and others. 38 Even with chains, landlords sought to maximise their returns – plans were made to ‘delete’ Fosseys from Roselands in 1984, because the higher sales figures of Best & Less meant their rent would be up to $5.23 per square foot higher. 39

34 Barry Williams (marketing director of Williams the Shoemen), addressing the Building Owners and Managers Association – National Council of Shopping Centres congress quoted in, Inside Retailing, no. 433, 15 September 1980, p. 6.
36 Coles Myer Archive, SLV, MS13468, TARGS001, 3284, ‘Schedule of Target Supermarkets Leases’.
37 Coles Myer Archive, SLV, MS13468, GRACS012, 2770, ‘Roselands Development – Coles Lease’, 25 June 1984. This can be compared with Coles’ rental at Roselands in 1969 when the supermarket chain paid $3.24 per square foot, for a total of $59,000 in the year. See Coles Myer Archive, SLV, MS13468, KMARS003, 493, Overhead projections for a talk by L. R. Robinson, 1969.
38 Coles Myer Archive, SLV, MS13468, GRACS012, 2770, ‘Roselands Shopping Centre, Lease Renewals Due 30 June 1984, Summary of Tenants Estimated Rental and Sales’.
39 The introduction of Target into the centre, as a soft goods competitor to Fosseys, also played a role in this decision. See Coles Myer Archive, SLV, MS13468, GRACS012, 2770, Inter Office Memo, ‘Roselands Redevelopment: Scheme No. 2’, 27 April 1984.
<table>
<thead>
<tr>
<th>Tenant</th>
<th>Usage</th>
<th>Size (Sq. ft.)</th>
<th>% Sales</th>
<th>Sales Estimate</th>
<th>Base Rent</th>
<th>Est. total Rent</th>
<th>Sales Estimate</th>
<th>Base Rent</th>
<th>Est. Total Rent</th>
<th>Effective Rate (Sq. ft.)</th>
<th>Renewal/ Term Years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Edels Music Store</td>
<td>Records, tapes etc.</td>
<td>806</td>
<td>5</td>
<td>450,000</td>
<td>33,430</td>
<td>33,430</td>
<td>500,000</td>
<td>38,285</td>
<td>38,285</td>
<td>47.50</td>
<td>Yes/ 3</td>
</tr>
<tr>
<td>Clark Rubber Stores</td>
<td>Rubber goods, plastics</td>
<td>3,765</td>
<td>5</td>
<td>880,000</td>
<td>62,115</td>
<td>62,115</td>
<td>960,000</td>
<td>70,000</td>
<td>70,000</td>
<td>18.60</td>
<td>Yes/ 3</td>
</tr>
<tr>
<td>Colburt Chicken Shop</td>
<td>Chicken shop</td>
<td>1,012</td>
<td>5.5</td>
<td>485,000</td>
<td>34,573</td>
<td>34,573</td>
<td>540,000</td>
<td>38,000</td>
<td>38,000</td>
<td>37.55</td>
<td>Yes/ 3</td>
</tr>
<tr>
<td>Watch Kiosk</td>
<td>Watch and Jewellery</td>
<td>350</td>
<td>6</td>
<td>120,000</td>
<td>13,045</td>
<td>13,045</td>
<td>140,000</td>
<td>15,750</td>
<td>15,750</td>
<td>45.00</td>
<td>Yes/ 2</td>
</tr>
<tr>
<td>Williams the Shoemakers</td>
<td>Shoe store</td>
<td>1,995</td>
<td>6</td>
<td>630,000</td>
<td>29,300</td>
<td>29,300</td>
<td>693,000</td>
<td>56,860</td>
<td>56,860</td>
<td>28.50</td>
<td>Yes/ 5</td>
</tr>
<tr>
<td>Fiona Clothes Horse</td>
<td>Ladies Wear</td>
<td>495</td>
<td>8</td>
<td>185,000</td>
<td>17,161</td>
<td>17,161</td>
<td>205,000</td>
<td>20,000</td>
<td>20,000</td>
<td>40.40</td>
<td>Yes/ 3</td>
</tr>
<tr>
<td>A.N.Z. Banking Group</td>
<td>Banking</td>
<td>1,250</td>
<td>-</td>
<td>-</td>
<td>41,612</td>
<td>41,612</td>
<td>46,000</td>
<td>46,000</td>
<td>46,000</td>
<td>36.80</td>
<td>Yes/ 3</td>
</tr>
<tr>
<td>Witchery Pty. Ltd.</td>
<td>Ladies Fashion</td>
<td>652</td>
<td>8</td>
<td>250,000</td>
<td>26,371</td>
<td>26,371</td>
<td>275,000</td>
<td>29,340</td>
<td>29,340</td>
<td>45.00</td>
<td>Yes/ 3</td>
</tr>
<tr>
<td>El Oro Jewellery Kiosk</td>
<td>Fashion Jewellery</td>
<td>200</td>
<td>12</td>
<td>115,000</td>
<td>13,355</td>
<td>13,355</td>
<td>130,000</td>
<td>16,500</td>
<td>16,500</td>
<td>82.50</td>
<td>Yes/ 3</td>
</tr>
<tr>
<td>Mansours</td>
<td>Drapery, Soft Furnishings</td>
<td>1,883</td>
<td>6</td>
<td>650,000</td>
<td>46,855</td>
<td>46,855</td>
<td>710,000</td>
<td>51,810</td>
<td>51,810</td>
<td>27.52</td>
<td>Yes/ 3</td>
</tr>
<tr>
<td>Ell Bookshop</td>
<td>Book shop</td>
<td>2,045</td>
<td>6</td>
<td>650,000</td>
<td>51,992</td>
<td>51,992</td>
<td>720,000</td>
<td>58,000</td>
<td>58,000</td>
<td>28.36</td>
<td>Yes/ 3</td>
</tr>
<tr>
<td>J. M. Wilkinson Pharmacy</td>
<td>Pharmacy</td>
<td>3,712</td>
<td>6</td>
<td>675,000</td>
<td>32,035</td>
<td>32,035</td>
<td>742,500</td>
<td>45,000</td>
<td>45,000</td>
<td>12.12</td>
<td>Yes/ 3</td>
</tr>
<tr>
<td>A. Torda &amp; S. McDonald Beauty Salon</td>
<td>Beauty therapists</td>
<td>484</td>
<td>-</td>
<td>-</td>
<td>11,186</td>
<td>11,186</td>
<td>12,342</td>
<td>12,342</td>
<td>12,342</td>
<td>25.50</td>
<td>Yes/ 3</td>
</tr>
<tr>
<td>Dr P. Clyne</td>
<td>Medical Practitioner</td>
<td>850</td>
<td>-</td>
<td>19,645</td>
<td>19,645</td>
<td>19,645</td>
<td>21,500</td>
<td>21,500</td>
<td>21,500</td>
<td>25.29</td>
<td>Yes/ 3</td>
</tr>
</tbody>
</table>

With rental rates varying considerably between large and small stores, some of the latter felt it was largely they who were paying the returns pursued by centre owners on their substantial investments. The industry, on the other hand, argued that variable rental rates made common business sense. Barry Hamer, the manager of Lemon Grove shopping centre in Chatswood, noted that the unit cost of any commodity, be it floor space or apples,
dropped as the quantity purchased increased. He argued, too, that larger stores attracted more people, were therefore more valuable, and so could demand lower rentals.\textsuperscript{42} Gavin McLean, the executive director of the Amcal pharmacy buying group, argued that through paying proportionally higher rents, small stores effectively bought customers from traffic-generating anchors.\textsuperscript{43}

Rents typically included a base level plus a percentage of a store’s turnover.\textsuperscript{44} Also called ‘overage rent’, this was calculated by adding a percentage of gross turnover once a store’s sales had exceeded a pre-determined threshold level.\textsuperscript{45} From the industry’s point of view, turnover provisions were designed ‘to reward the landlord for his part in the successful development and good management of the center.’\textsuperscript{46} It was an incentive for the landlord to provide the thriving commercial environment that regional centres promised to be.\textsuperscript{47} And it was seen as a fair mediation between the success of both tenant and landlord. In good times, both fared well. When trading was slower, the overall rental would be lower.\textsuperscript{48} Some centre managers argued that the turnover component was actually an insurance against hard times because tenants paid less rent if they did not reach the turnover threshold.\textsuperscript{49}

Some retailers accepted turnover clauses as reasonable, others vehemently opposed them. Business had traditionally separated the functions of landlord and tenant – tenants’ profits, once costs and rents were paid, remained their own: a reward for their investment, labour and entrepreneurial skills. But in the shopping centre, a new relationship between tenant and landlord was being formed.\textsuperscript{50} Retailers opposed to the turnover system saw it only as

\textsuperscript{43} ‘Major chains attract the customers – “that is why independents must pay high rents”’, \textit{Inside Retailing}, no. 494, 14 December 1981, p. 12.
\textsuperscript{44} Burnett, \textit{Shopping Centre Management: The Shopping Centre Lease}, p. 9; ‘Kevin Meagher phones, on his way to the beach’, \textit{Inside Retailing}, no. 436, 6 October 1980, p. 7.
\textsuperscript{45} Burnett, \textit{Shopping Centre Management: The Shopping Centre Lease}, p. 10.
\textsuperscript{46} \textit{Ibid.}, p. 5.
\textsuperscript{48} Burnett, \textit{Shopping Centre Management: The Shopping Centre Lease}, p. 10.
\textsuperscript{49} John Kennedy (retired general manager of operations, Westfield) quoted in ‘Leasing complaints more emotional than logical, claims former operations manager of Westfield’, \textit{Inside Retailing}, no. 542, 13 December 1982, p. 27.
\textsuperscript{50} Davies, ‘Final Report on a Consultancy Study’, p. 3.
an additional payment: a ‘surcharge on success’. And far from benefiting them in hard times, they said, it hindered them from saving for such times. Traditionally strong trading periods had provided the financial buffer to get through slow periods. With rents tied to turnover, this safeguard was undercut. The Cooper Committee supported these claims, viewing percentage rents as an undesirable ‘intrusion into a tenant’s right of privacy’. In high inflationary periods, the issues were magnified – turnover could increase substantially without a corresponding increase in profits. This meant less money for the small retailer, and more for the owner and manager who collected a percentage on gross takings regardless of profitability.

Rents were structured to increase over time. Periodic rental reviews were a standard provision of all shopping centre leases, and had become an intrinsic element of the industry’s investment model by the 1970s. Increases were initially introduced to keep rents in line with inflation and the changing market value of sites. According to some retailers, though, the influx of institutional investors to the industry brought a new and stronger imperative to the practice. They claimed that institutional involvement saw the level and regularity of rental return become more tightly linked to pre-determined targets and shareholder expectations than to retail success.

A survey of Lend Lease’s Bankstown Square, AMP’s Macquarie Centre, Hammerson’s Warringah Mall, Westfield’s Parramatta Shoppingtown, and McNamara’s Blacktown Marketown in 1985 found that total occupancy costs had increased by between sixteen and

---

52 Roger Kay (managing director, Handbags International, representing tenants, BOMA forum Roselands Shopping Centre, Sydney) cited in ‘Tenants might share the good times with landlords if they could also share the bad’, Inside Retailing, no. 733, 24 November 1986, p. 10.
55 Burnett, Shopping Centre Management: The Shopping Centre Lease, pp. 5-8.
twenty-six percent in twelve months. The highest increases were at Bankstown Square, closely followed by the Mall. Music and audio stores faced the steepest hikes of around thirty-four percent, followed closely by clothing. Jewelers and hairdressers paid the highest rates per square foot. One-third of respondents had seen increases of less than ten percent; another third, more than twenty percent. Almost a fifth had faced increases in excess of forty percent. In 1986, the managing director of Collins Books, Michael Zifcak, described the situation from the tenant’s point of view:

Rents are rising out of all proportion to sales and profitability. You can switch off lights if power rates increase or cut back on staff if wage costs get too high, but once you’ve signed a lease, you’re committed to rental cost increases you cannot control.58

As leases approached their expiry date, tenants had to negotiate new terms with their landlords. Here power inequalities came most clearly into focus.59 Everything small retailers had worked for, and everything invested in the business had to be weighed against the increase in rent they invariably faced.60 Retailer representatives claimed that tenants were trapped, forced to ‘pay the increase or just walk away from their business.’61 And with turnover rental clauses allowing landlords access to lessee’s sales figures, the tenant was left with little bargaining power.62

Tenants had considerable financial commitments. Tens, even hundreds of thousands of dollars could be invested in goodwill, fixtures, fittings and stock.63 Refurbishments,

---

57 ‘Sydney shopping centre rents rise by between 16% and 26%; some rents rise 40% in a year’, Inside Retailing, no. 679, 21 October 1985, p. 1.
required by landlords and paid for by tenants, may not have been paid off or fully depreciated.\textsuperscript{64} Accumulated stock might not be returnable.\textsuperscript{65} Goodwill could not realistically be transferred beyond the centre’s walls. With so much invested financially, let alone the emotional and physical commitment over the term of the lease, many retailers felt unable to oppose rent hikes attached to their new leases – they simply had too much to lose.\textsuperscript{66}

\textit{Outgoings for tenants, ‘insurance’ for landlords}

On top of rent, tenants also paid ‘outgoings’: a standard industry practice to recover some or all of the operating costs of a shopping centre. The practice derived from commercial real estate management where it was standard to recover increases in rates and taxes from tenants. This was extended in shopping centres to include many operating costs, although there was considerable variation as to what was covered.\textsuperscript{67} The industry saw this as compensating the landlord for the expenditure incurred in managing and operating the shopping center.\textsuperscript{68} Retailers saw outgoings as an additional expense that was often vaguely explained, even in the written contract. With the lack of transparency came allegations of abuse and mismanagement.\textsuperscript{69} It was enough for one real estate agent to claim that conditions were ‘reminiscent of the middle ages’:\textsuperscript{70} a hidden accompaniment to the ‘medieval town square’ promoted in the early centre advertising.

Donald Burnett, a former General Manager of Lend Lease Investments, compared outgoings to residential rates: just as the ratepayer contributed to the total operating costs of the municipality, including contributions to the management costs of council, so too the

\textsuperscript{64} Shopping Centre Tenants Association (SCTA) of NSW submission to the Prices Surveillance Authority cited in ‘Tenants group censured’, \textit{Inside Retailing}, no. 717, 11 August 1986, pp. 8-9.
\textsuperscript{65} \textit{Retail Trader}, October 1986, p. 3.
\textsuperscript{67} Burnett, \textit{Shopping Centre Management: The Shopping Centre Lease}, p. 11; Tarlo, ‘The Great Shop Lease Controversy’, p. 20.
\textsuperscript{68} Burnett, \textit{Shopping Centre Management: The Shopping Centre Lease}, p. 5.
\textsuperscript{69} ‘The Cooper Report’, pp. 27-29.
\textsuperscript{70} ‘Real-Estate Agent wants traders’ lease liabilities to be limited in shopping centres’, \textit{Inside Retailing}, no. 411, 14 April 1980, p. 4.
tenant contributed to the running costs of the shopping centre.\textsuperscript{71} His analysis continued an industry tradition that saw the shopping centre as a self-contained city, but also veiled the differences between it and the external municipal environment. Unlike tenants, for example, ratepayers could vote against councilors in elections, giving them some influence over decisions that affected their livelihoods.\textsuperscript{72} While tenants in shopping centres usually joined Merchants’ Associations, and these had some nominal input into promotional activities and expenditure, they had very little real power.\textsuperscript{73}

In the 1970s and early 1980s, tenants frequently complained that unexpectedly large outgoing bills arrived with little or no explanation of the expenses they covered.\textsuperscript{74} Many tenants were said to face ‘ever-increasing operational expenses’ without having ‘any control over such expenses.’\textsuperscript{75} There were claims that prior estimates of outgoings could ‘be half or a third of what they actually turn[ed] out to be’, placing well-planned businesses in financial jeopardy.\textsuperscript{76} While many retailers were foolish enough to go into leases accepting verbal explanations of vague terms such as ‘all outgoings’ without knowing what they really meant, the legal officer for the Retail Traders’ Association (RTA) of NSW, Greg Duff, described in 1982 many outgoing clauses as ‘grey areas’, and the situation where retailers could be denied a total understanding of what they were being billed for as ‘absurd’.\textsuperscript{77} In one Queensland centre, tenant outgoings covered insurance premiums indemnifying the landlord against vacant tenancies.\textsuperscript{78} In another, prospective tenants were

\textsuperscript{71} Burnett, \textit{Shopping Centre Management: The Shopping Centre Lease}, p. 11.
\textsuperscript{72} My thanks to Bev Kingston for this point.
\textsuperscript{73} For details on such an Association and its primarily promotional role, see Coles Myer Archive, SLV, MS13468, GRACS012, 71, Macquarie Centre Opening Folder, ‘Memorandum and Articles of Association’, Macquarie Retailers Association Ltd, 8 September 1981.
\textsuperscript{76} Frank Galbally (commercial lawyer) addressing delegates to the Victorian Chambers of Commerce and Industry annual conference quoted in ‘“Great shame” that state government has not controlled franchising and retail leases’, \textit{Inside Retailing}, no. 571, 25 July 1983, p. 12.
\textsuperscript{78} ‘Check unearths weird centre outgoings’, \textit{Inside Retailing}, no. 670, 12 August 1985, p. 10.
asked to sign away their right to dispute a range of issues that might arise during their tenancy.\textsuperscript{79}

By the mid-1980s, retailing groups were claiming that their members effectively indemnified landlords against risk.\textsuperscript{80} Landlords were insured against increases in expenses through rent reviews.\textsuperscript{81} Through outgoings they could pass on rising running costs as well as the depreciation of escalators, lifts and even buildings – covering themselves for the cost of providing the infrastructure that tenants were leasing from them.\textsuperscript{82} On top of this, some tenants paid contributions to sinking funds to pay for large, infrequent, future maintenance expenses – spreading such costs across time and tenancy changes. There were suggestions that in places these had been used to pay for actual centre redevelopment, again reducing owners’ expenses whilst ensuring the continued viability of their investment.\textsuperscript{83} Keith Foster, the group general manager of fashion retailer Sussan’s, which in the late-1970s had around 150 stores, suggested that ‘most landlords are under the false impression that their ownership of a shopping centre represents an investment instead of a business venture’.\textsuperscript{84}

On top of the high cost of meeting rental payments, it could also be very expensive getting in and out of leases. Although the Cooper Committee found no evidence of the practice, there were claims from retailers that landlords or their managers sometimes demanded ‘key money’ – one off payments to procure or renew a lease.\textsuperscript{85} In the early 1980s there were reports of cash bribes as high as $60,000 to secure the renewal of leases.\textsuperscript{86} Such payments were on top of already high set-up costs: as well as cosmetic fitouts, tenants could be

\textsuperscript{79} QLD SCTA cited in ‘Queensland shopping centre tenants being squeezed to indemnify landlords against risk’, \textit{Inside Retailing}, no. 712, 7 July 1986, p. 7.
\textsuperscript{80} \textit{Ibid}.
\textsuperscript{81} Paine and Dennler ‘Review of Lease for Commercial Premises’, p. 63.
\textsuperscript{82} ‘Real-Estate Agent wants traders’ lease liabilities to be limited in shopping centres’, \textit{Inside Retailing}, no. 411, 14 April 1980, p. 4; ‘Retailer “pays rent for his own sign”’, \textit{Inside Retailing}, no. 412, 21 April 1980, p. 7.
\textsuperscript{83} QLD SCTA cited in ‘Queensland shopping centre tenants being squeezed to indemnify landlords against risk’, \textit{Inside Retailing}, no. 712, 7 July 1986, p. 7. The Cooper Committee recommended against outgoings being used to pay for center management, structural repairs and major renovations. See ‘The Cooper Report’, p. 7.
\textsuperscript{84} ‘Tenant suggests shopping centre landlords have responsibility for promoting “their own business”’, \textit{Inside Retailing}, no. 315, 17 April 1978, p. 8.
\textsuperscript{86} ‘$60,000 bribe sought in return for renewal of shop lease, Liberal seminar told’, \textit{Inside Retailing}, no. 552, 21 March 1983, p. 3.
charged for infrastructure as basic as plumbing, sprinklers, and air conditioning. While developers argued that this was cheaper than customising a pre-built standardised shell, some tenants saw it marginalising the small players, making it impossible for ‘little blokes to compete with the big boys’. 87 David Lowy from Westfield disagreed, suggesting that retailers needed very little capital to start up a business in a shopping centre because developers funded their real estate, financial institutions their fixtures and manufacturers their stock. Retailers responded in disbelief to his statements, one saying: ‘that sort of total credit he describes is a recipe for total disaster. High gearing like that produces the highest possible failure rate.’ 88 Lowy’s comments, though, reveal why so many inexperienced retailers were able to open businesses in shopping centres.

Tenants who wanted to sell-up, either for profit or to avoid further losses, might find further costs. One of the most contentious issues prior to leasing legislation was the practice by which some landlords took cuts from goodwill payments upon the sale of tenancies. 89 The industry argued that this prevented short-term speculation. 90 Although not all landlords engaged in the practice – Westfield for example claimed never to have employed it – it was a galvanising issue, indicative of the injustice that some retailers felt was inherent in the tenant/ landlord relationship. 91 Just to sell up, the former required the latter’s approval. One business reported being knocked back eight times by management before eventually selling for less than forty percent of the purchase price – at a loss of more than $100,000. 92

Developers were accused of being greedy – even from within the industry; out to obtain ‘the last pint of blood.’ 93 There was concern that abuses were inviting governmental

---

89 'The Cooper Report', p. 4
92 'The Reid Report', pp. 35-40.
93 'Landlords who get “too hungry too quickly” expected to spark off more rent rebellions', Inside Retailing, no. 494, 14 December 1981, p. 10.
intervention. Managers and industry figures warned that small tenants were near breaking point, threatening the viability of the industry. External analysts agreed, warning that harsh leasing practices could turn marginal traders into undesirable and even bankrupt tenants. On a broader scale it was recognised by the Law Council of Australia that there were economic and therefore public interest benefits in removing unfair and unconscionable conduct from all business transactions, allowing ‘the economically weak to compete on an even footing with the economically powerful’. The Council recognised that ‘fairness in competition’ was ‘a concept separate and distinct from freedom of competition’ but that both were vital to a healthy economy.

The industry response

Industry voices expressing disquiet were in the minority. The more popular argument against claims of exploitation used what seemed simple logic: if rents were too high, shops would not be leased. Ray Powys pointed out that ‘no-one forces a tenant to take up a lease.’ Frank Lowy claimed that centres would be empty if they charged ‘more than they should.’ And it was true that retailers kept lining up to take the place of those who had gone before them. It was also true that there was little information readily available to them about the fate of preceding stores. And the decline of customer traffic to alternate

---

retail markets seemed to narrow the range of possibilities available to prospective shopkeepers. In 1983, New South Wales still had a high demand for shopping centre tenancies. Eric Turner, state manager of Hooker Retail Developments boasted that: ‘You’d think that a saturation point would be reached. But… you could open a shopping centre just about anywhere and get tenants.’

The question of why retailers continued to take up leases if they were so onerous requires explanation. From the industry side, the demand for centre leases simply disproved tenant complaints. But the supply and demand truism of the market economy, can be conveniently narrow. In the case of shopping centre leases, it disregarded the fact that vertically integrated chains could absorb high rentals and low retail margins and make up the profit at the manufacturing or wholesale level of the business. It over-looked the perhaps irrational attachment of people to their business. And it disguised the willingness of inexperienced or poorly informed retailers to pay unaffordable rates.

Supply and demand is a rational model. Beyond it live real people. The demand argument ignored the culture of retailing, the spirit of entrepreneurship and sense of independence that small business has traditionally provided to those engaged in it. Many retailers, as we have seen, were tied into businesses financially because of their unreturned investment. But they might also stay in a declining business because of the sense of independence it gave them – even if they could draw a higher income working for someone else. As one small business operator explained to the Beddall Inquiry into small business in Australia:

---

101 ‘In the face of retail recession there is no shortage of new tenants’, Inside Retailing, no. 579, 26 September 1983, p. 11.
‘First… I have a degree of freedom, which transcends working for a living for someone else. Second, … my business… is an honourable pursuit which gives me some sort of enjoyment and I really enjoy doing some of the things. I like the fight, I like doing what I am doing.’

Peter Gow, the managing director of Miranda Hi-Fi, argued the case more broadly, adding in the financial commitment that all small tenants had made:

The simple fact is that leasing is not the law of supply and demand. It is the law that when people are in business they do not want to give up their right to survive, or the investment they have made with their labour and effort.

The ‘demand argument’ also overlooked errors of judgment. For those new to the trade, opening a shop could be a way to escape a futureless grind of wage labour. At a seminar to consider the implications of Western Australia’s commercial tenancies legislation in 1985, Peter Watson suggested that ‘the majority of people who see small business as an alternative to employment consider retailing as their first preference for a business enterprise’. He also noted that retailing had, amongst small businesses, ‘the greatest concentration of inexperienced’ operators. Ignorant of both the skills required to manage and operate a shop, as well as the pitfalls of leasing, dreams of independence could lead to financial ruin. Experienced retailers argued that landlords, focused on investment returns, would accept such tenants on high rents over more sustainable, quality retailers. If they went bust, there was ‘always someone willing to start afresh’.

Retailer organisations criticised ‘amateur’ traders. They saw rentals being pushed up by people accepting unreasonable terms. Phil Naylor, the executive director of the Retailers’

105 Peter Gow (managing director, Miranda Hi-Fi) quoted in ‘Landlords use CPI clause to put tenants on the rack’, Inside Retailing, no. 734, 8 December 1986, p. 9.
110 ‘Amateur retailers blamed for “absurd” centre rents’, Inside Retailing, no. 568, 11 July 1983, p. 5; Peter Sheppard (footwear retailer with store in Sydney and Melbourne) quoted in ‘Retailers biggest problems:
Association of Queensland, described such tenants as ‘mugs’, ‘lambs to the slaughter’ who had ‘aided and abetted landlords in setting so called market rentals’. He argued that they would ‘pay virtually anything to open a business in a centre and make their fortune, only to go out backwards six months later.’¹¹¹ Many of these tenants signed leases despite explicit legal advice not to do so, confirmed in a general, though erroneous belief, that running a shop within a popular and bustling shopping centre was a license to print money.¹¹² Some called for solidarity in a profession that had for centuries been founded on competition: if tenants did not sign prohibitive leases, then the industry argument would come back to bite it.¹¹³ But for every dropout or failed business, someone else would step into the breach with dreams or ambitions of their own.

The industry, too, blamed the ‘mugs’ – not for setting high rentals but for driving the protests about them. The poor management of their business, lack of planning and ignorance of their lease agreements it was argued, were behind the majority of complaints about unfair conditions.¹¹⁴ According to Barry Hamer, rents only became ‘outrageous’ after poorly researched businesses found they could not pay the market value agreed upon.¹¹⁵ Ron Farrow, president of the National Council of Shopping Centres, said that there were simply ‘too many small, untrained shopkeepers’. He argued that government intervention was not required, however, because the market would sift such retailers out until the community was left with what it needed and wanted. Farrow claimed that good retailers would make money in shopping centres, whilst amateur retailers should be avoided.¹¹⁶

---

¹¹¹ Phil Naylor (executive director, Retailers’ Association of Queensland, chairman, Shopping Centre Tenants’ Association) quoted in ‘Centre Landlords’ power makes future uncertain for specialists, say tenants’, Inside Retailing, no. 708, 2 June 1986, p. 13.
¹¹⁴ ‘Developers tired of being labeled “robbers” and say they are putting their house in order’, Inside Retailing, no. 525, 16 August 1982, p. 3; ‘Safeways Bill Pratt blames poor shopping centre mix for small shop failures’, Inside Retailing, no. 408, 24 March 1980, p. 17.
¹¹⁵ ‘Only ill-advised or weak traders want laws to control shop leases, says centre manager’, Inside Retailing, no. 525, 16 August 1982, p. 4.
¹¹⁶ Ron Farrow (president of the National Council of Shopping Centres) cited in ‘No regional rent victims, only amateur retailers, says shopping centre president’, Inside Retailing, no. 435, 29 September 1980, p. 12.
It was not necessarily so straightforward. Erica Allan, the manager of the Floreat Forum shopping centre in Perth, described the industry as too thinly spread, reliant upon ‘inexperienced, second-rate retailers’ paying high rents to sustain it.\textsuperscript{117} We have seen concerns being raised about retail saturation. Against these, ‘demand’ had also been used as evidence – in this case to justify further expansion: retailers kept filling available space, so more space was provided. The number of ‘quality’ retailers was less a part of the equation than the overall number willing to pay rent – the higher the better. Even if a centre was filled with ‘quality’ retailers, there was no real evidence that there was enough customer traffic to sustain them – because a ‘quality’ retailer was, by the industry’s definition, one that made money.

Not all tenants acted wisely. Many who complained about their leasing conditions had never thoroughly read their lease.\textsuperscript{118} Others planned poorly, not understanding the real costs of the operation or the amount of capital required for success.\textsuperscript{119} Nor did they consider the implications of a fixed term lease, failing to repay their set up costs over its term.\textsuperscript{120} People did not to seek professional advice to clarify issues, and complaints were invariably made after leases had been signed.\textsuperscript{121} The industry argued that it did its best to provide information up front, and that complainants were invariably those ‘who failed to examine their lease obligations as thoroughly as they were advised’.\textsuperscript{122} But retailers claimed hidden costs, a lack of transparency, and even deliberate misinformation.

\textsuperscript{118} \textit{Retail Trader}, July 1989, p.4.
\textsuperscript{119} ‘Look before you lease! American retailer warns small traders to check total occupancy costs’, \textit{Inside Retailing}, no. 415, 5 May 1980, p. 15.
\textsuperscript{120} Derek Cockle, (representative of the National Council of Shopping Centres) quoted in ‘New booklet has good advice for retailers’, \textit{Inside Retailing}, no. 501, 1 March 1982, p. 10.
\textsuperscript{121} ‘Look before you lease! American retailer warns small traders to check total occupancy costs’, \textit{Inside Retailing}, no. 415, 5 May 1980, p. 15.
By the early-1980s, the shopping centre industry realised it had a fight on its hands, and was taking steps to ward off looming legislative intervention in its operations. One consultant suggested it had handled the debate poorly, and that vocal retailers now had governments on their side. Against this, the industry talked of costs, the inhibition of enterprise, and the subsequent impact on investment policies and shareholder returns. Frank Lowy argued that legislation would not solve existing problems, but create new ones, tying down the industry in a tangle of bureaucratic red tape. In South Australia, BOMA claimed that impending legislation could ‘defer future property investment and development’ in the state. Up north it was suggested that ‘Queensland’s reputation as a free enterprise State could be destroyed’.

A. A. Preece has made two arguments against this ‘free-market position’. Firstly: zoning regulations and planning requirements had already destroyed the operation of a free market, and legislation was required to correct the distortions that these interventions had created. Secondly: there is a difference between market intervention and the creation of a legal framework that works to facilitate free enterprise. In 1976, the Swanson Committee noted that, as recognised in US antitrust cases, significant market power could undermine competition. Increased costs for business may be a necessary corollary to balancing the needs of the whole community and other interested parties.

The industry argued that any existing problems were isolated anomalies; that the issues were not systemic. A number of industry figures pointed to the rapid expansion of shopping

123 The Cooper Committee gave a clear warning that legislation would likely follow unsatisfactory self-regulation measures. See ‘The Cooper Report’, p. 35.
centres and the inevitable oversights that had accompanied this: poor retailers on one side, and a few rogue managers on the other.\textsuperscript{132} By 1982, training programs were being put in place to professionalise management.\textsuperscript{133} The first sixteen trainees from the Victorian Shopping Centres Association management course graduated after nineteen four-hour sessions in January 1983.\textsuperscript{134} By 1985, 230 people had attended the industry’s Certified Shopping Centre Management course. The high turnover of centre managers that had occurred during the 1970s and early 1980s was said to be declining.\textsuperscript{135}

Even as it initiated training programs, the industry moved to reshape the leasing debate.\textsuperscript{136} The general manager of AMP shopping centres, Brian Harrison, reiterated a general response when he claimed in 1986 that: ‘Most problems in our centres over the past 12 months could be traced back to misunderstanding somewhere in the communications chain.’\textsuperscript{137} Many tenants agreed that management and communication were problems, but they saw them as systemic. The broad scale of the problem was highlighted by complaints that centre management did not have the capacity to make local decisions. As the industry had expanded the chain of command had lengthened; individual managers no longer had the same authority over their domain.\textsuperscript{138} Institutional investors as ‘removed, distant and non-involved’ owners only exacerbated this situation.\textsuperscript{139} One retailer asked: ‘Have developers got too big and lost touch with retailers… Why can’t the developers get managers to manage rather than robots or housemaids?’\textsuperscript{140}

\textsuperscript{132} Frank Lowy cited in, ‘The centre tenants who cause problems’, \textit{Inside Retailing}, no. 631, 22 October 1984, pp. 8-9; ‘Developers tired of being labeled “robbers” and say they are putting their house in order’, \textit{Inside Retailing}, no. 525, 16 August 1982, p. 3.
\textsuperscript{133} Bill Humble, (President, BOMA Queensland) cited in ‘Shopping-centre owners “as worried as hell”’, \textit{Inside Retailing}, no. 507, 12 April 1982, p. 6.
\textsuperscript{134} ‘Shopping centre staff complete course’, \textit{Inside Retailing}, no. 543, 17 January 1983, p. 16.
\textsuperscript{136} See, for example, ‘Retail Leasing Disputes – Mediation needed’, \textit{BOMA (NSW) News}, no. 178, April 1986, p. 7.
\textsuperscript{137} Brian Harrison (general manager, AMP Shopping Centres) quoted in ‘AMP aims to create better landlord-tenant liaison with ex-retailer as manager’, \textit{Inside Retailing}, no. 714, 21 July 1986, p. 16.
\textsuperscript{140} G. Hamilton, letter to \textit{Inside Retailing} quoted in ‘Letter to the editor: Westfield “treats our company like a dog if we complain”, \textit{Inside Retailing}, no. 421, 23 June 1980, p. 4.
Whilst corporate giants with hierarchical command structures now dominated the shopping centre industry, it is possible that shopping centres, to an extent, became scapegoats for other challenges facing small retailers. Large retail chains moving into new product and service lines cut into the traditional markets of many small traders. Big supermarkets offering fresh food hit specialty stores like delicatessens, butchers, and green grocers. The extension of trading hours added to the employment costs of small retailers who had to open longer to stay competitive, without any necessary increase in profits. On top of this, the 1970s and early 1980s were difficult times for both the Australian and world economies. And retail as a whole was attracting a decreasing percentage of the consumer dollar.

Retailers also shared problems common to all small businesses, where high closure rates are common. Small business people must possess a diverse skill base, covering marketing, purchasing, accounting, pricing and the management of staff. While small operators will be good at some functions of management, it is unlikely that they will have expertise or ability in all areas. With limited financial resources and the high cost of consultancy, these areas may well remain unaddressed. Even where management skills are comprehensive, the need to cover so much ground can mean that some areas are not given the attention they require. This was surely the attraction of franchising – expertise was bought allowing the retailer to rely on his or her drive and ambition.

Closure rates might also be considered as, ‘the price to be paid for the dynamism and vitality which small business contributes to the economy’. The Beddall Report noted that while: ‘there are human and economic costs associated with small business failure… there are also benefits arising from the elimination of less successful firms which make room for new entrants with new ideas’. This argument probably applies less to retail than, say,

---

143 Philip L. Williams, What is the Problem of Small Business? (Melbourne: Committee for Economic Development of Australia, 1984), pp. 10-19
innovative production enterprises, but the growth and diversification of new retail outlets is important in a flourishing consumer economy – although the extent to which this could occur within shopping centres must be limited by their requirements for standardisation, and the limitations they placed on retail adaptations once leases had been signed.

*The manifestation of the ‘legislative threat’*

All of these factors could and did impact on the viability of small retailers in shopping centres. But they operated in addition to the issues arising out of the disparity of power between landlords and lessees. Commentators saw a market governed by ‘the law of the jungle’: the strong dominating the weak.\(^{146}\) Retailer organisations highlighted recurring complaints and provided continual anecdotal evidence of unreasonable leasing practices. Their lobbying coincided with a developing governmental concern for the protection and promotion of small business. Investigations into leasing practices were added to inquiries into the importance and health of the small business sector.

There were inquiries in South Australia (1980), Queensland (1981), Victoria (1982), and Western Australia (1981 and 1984) – all of which found widespread abuses of power in shopping centre leasing practices.\(^{147}\) In 1984, Queensland became the first Australian State to introduce legislation to protect retail tenants. While some parliamentarians and retailers described it as a ‘powder puff package’ and a ‘sellout’ of tenants, others welcomed it as a significant step towards fairer leasing practices.\(^{148}\) Other States followed Queensland’s lead. South Australia introduced the Statutes Amendment (Commercial Tenancies) Act in 1985; Western Australia the Commercial Tenancy (Retail Shops) Agreements Act 1985.\(^{149}\)

---

\(^{146}\) Carkagis, *The Law of Retail Leasing*, p. 4.


\(^{149}\) Bradbrook and Croft, *Commercial Tenancy Law in Australia*, 2\(^{nd}\) ed., pp. 557, 575.
The Victorian Labor Party had considered draft legislation in 1983,° but it took another three years before the first Retail Tenancies Bill was introduced into Parliament on 7 May 1986. Debate was adjourned for yet more consultation, before the amended Retail Tenancies Bill (No 2) was introduced in October and then proclaimed in effect on 21 September 1987.\(^{151}\)

New South Wales, however, remained without leasing legislation. Where widespread complaints had sparked the South Australian investigation in 1980, the NSW Commissioner for Consumer Affairs, Phil Gallagher, had heard only ‘vague rumbles’ of discontent.\(^{152}\) In 1983 the NSW RTA was still advocating self-regulation and negotiation as the best means of resolving issues.\(^{153}\) In the same year, it drew up a Code of Good Practice for Shopping Centre Leases with BOMA. By 1984, though, relations were deteriorating. The RTA’s executive director, Roy Lawrence, declared that ‘some shopping centre owners… appeared to be intent on extracting the maximum income from tenants on a take-it-or-leave-it basis.’\(^{154}\) The RTA engaged a legal officer to assist tenants, produced a booklet to help them understand leases, and negotiated the formation of mediation committees comprising centre management, merchants, the RTA and BOMA. Lawrence claimed, however, that mediation was proving difficult because of the power differential between the two parties.\(^{155}\)

By 1984, the NSW RTA was advocating the establishment of a new lobby association, the ‘Protection of Shopping Centre Tenants’ group. Retailer organisations in other States supported the idea, confirmed in the belief that united opposition was the only way to

---

\(^{150}\) ‘New shop lease laws to outlaw “unfair” clauses’, *Inside Retailing*, no. 540, 29 November 1982, p. 3.


\(^{153}\) ‘Landlords and tenants playing at cat and mouse tactics when they come to review rent’, *Inside Retailing*, no. 575, 29 August 1983, p. 16.

\(^{154}\) ‘Centre landlords get ultimatum: stick to leasing code or RTA will seek legislation’, *Inside Retailing*, no. 603, 9 April 1984, p. 1.

\(^{155}\) ‘Barrage of complaints from retailers makes RTA consider protecting them from centre landlords’, *Inside Retailing*, no. 629, 8 October 1984, p. 1.
combat landlord power. In October, companies representing 2,000 shops from around the country expressed interest in the new association. One retail chain executive described it as one of the most talked about happenings in years: ‘This type of body has never got off the ground’, he said, ‘because chains have different status levels and can’t reach a united position.’ Competition had kept them apart. The power of landlords now brought them together.

A meeting to discuss the formation of the new group was held in Sydney in December 1984. There was strong support from fifty companies ‘large and small’, with representatives traveling from around the country to attend. Following a requirement of the NSW Corporate Affairs Commission, the group’s proposed name was changed to the Shopping Centre Tenants of Australia Limited. Before it had officially been formed, or its objectives set, however, it was attacked by BOMA and the Real Estate Institute of NSW. BOMA’s national director, Roy Powys, accused the Association of releasing ‘bellicose press statements’ and looking for ‘pie-in-the-sky benefits’. The Real Estate Institute claimed that the Association was seeking further government intervention in business – a claim denied by Roy Lawrence.

The fledgling organisation was short lived. Concerted pressure was applied by the industry to most of the companies involved. According to Inside Retailing: ‘The tactics have been to contact each intending participant in the organisation and make clear, by innuendo or otherwise, that the idea may not prove beneficial.’ One chain reported that its overseas principals had been contacted to dissuade it from participating. The actions of the industry confirmed to many retailers the need for an association, although support for it

156 ‘Retailers’ Associations in Victoria, Queensland and South Australia back NSW moves to protect tenants’, Inside Retailing, no. 630, 15 October 1984, p. 3.
158 ‘Group to fight for tenants’ rights gains national backing: “most talked-about move for years”’, Inside Retailing, no. 633, 5 November 1984, p. 3.
159 Inside Retailing, no. 639, 17 December 1984, p. 2.
162 Sydney Morning Herald, 30 March 1985, p. 15.
was pushed underground.\textsuperscript{164} According to one chain manager, it also turned a number of chains that had previously favoured industry self-regulation towards support for legislative intervention.\textsuperscript{165} But with only Angus & Coote, Mathers Shoes and Williams the Shoemen still willing openly to support the national Association, it was decided instead to establish shopping centre committees at state level within the various Retail Traders’ Associations.\textsuperscript{166}

Under this arrangement, the Shopping Centre Tenants’ Association of NSW (SCTA) was set up in 1985. Its initial goals were to create an information base on shopping centre leases; to publish advice for tenants; to identify both problems and solutions in tenant/landlord relations; and to lobby for legislative protection.\textsuperscript{167} BOMA saw it as a targeted lobby group aimed at instigating government control over shopping centre rentals.\textsuperscript{168} Tensions between the Association and BOMA built during 1986, with both parties becoming increasingly hostile.\textsuperscript{169} Attempts to broker a mutually acceptable code of practice between the NSW RTA and BOMA floundered in 1987.\textsuperscript{170} In 1989, the NSW government threatened ‘fundamental’ changes to commercial leasing.\textsuperscript{171} The Conservative MP, and Minister for Business and Consumer Affairs, Gerry Peacocke, later claimed that ‘many years of pleading by retail tenants in large shopping centres’ had convinced him of the need for change in the industry.\textsuperscript{172} He directed the RTA and BOMA to negotiate a Code of Practice ‘to cover all aspects of retail tenancy leases’, which would then be incorporated into the Fair Trading Act, forming the basis of future decisions on tenancy disputes.\textsuperscript{173} A

\textsuperscript{164} Ibid.
\textsuperscript{165} ‘Undercover approaches may backfire on centre owners’, \textit{Inside Retailing}, no. 651, 8 April 1985, p. 3.
\textsuperscript{166} ‘Shopping-centre tenants’ watchdog plan shelved after owners put pressure on retailers’, \textit{Inside Retailing}, no. 650, 1 April 1985, p. 1.
\textsuperscript{167} ‘RTA action to protect shop tenants’, \textit{Retail Trader}, May/June 1985, p. 3.
\textsuperscript{168} ‘Shopping Centre Tenants Association’, \textit{BOMA (NSW) News}, no. 170, August 1985, p. 25.
\textsuperscript{170} ‘Tenants clamour for new Westfield Centres, but Rents argument fails to impress RTA’, \textit{Inside Retailing}, no. 754, 25 May 1987, p. 5.
\textsuperscript{172} The Hon. Gerry Peacocke, Retail Tenancies (Code of Practice) Bill 2\textsuperscript{nd} Reading, NSW Parliamentary Debates, Legislative Assembly, 18 November 1993, p. 5657.
\textsuperscript{173} ‘Retail tenancy leases’, \textit{Retail Trader}, July 1989, p. 2.
Draft tenancy code was submitted to Peacocke for final resolution at the end of 1989, with the RTA expecting it to pass through parliament early the following year.\textsuperscript{174}

However BOMA withdrew its support, protesting that the Code was ‘markedly different’ from the agreement thrashed out with the RTA.\textsuperscript{175} After further discussions and government urging, BOMA and the RTA signed an agreement on 16\textsuperscript{th} December 1991.\textsuperscript{176} The Code that Peacocke had intended to be mandatory, and which Cabinet had overwhelmingly approved had by now been reduced to a voluntary guide. Peacocke had moved to another portfolio.\textsuperscript{177} Whilst BOMA and the RTA both promised to encourage their members to comply with the code, the latter came to consider it a failure in practice, echoing self-regulation’s lack of success in other states.\textsuperscript{178} According to one commentator, the ‘vast majority of lease transactions, did not comply with’ the Code’s directives.\textsuperscript{179} Despite being opposed in principle to legislation, by the end of 1992 the NSW RTA had formed the view that retailers would ‘never receive the benefits of the Code except by

\begin{flushright}
\textsuperscript{178} The Hon. Patricia Forsythe, Retail Leases Bill (no. 2), 2\textsuperscript{nd} Reading, NSW Parliamentary Debates, Legislative Council, 13 May 1994, p. 2573. See for the Queensland example, Preece, ‘Property: The Retail Shop Leases Act 1984’, p. 25.
\end{flushright}
compulsion.’\textsuperscript{180} Once this had also become clear to the State Government, moves for legislative action resumed.\textsuperscript{181}

The Retail Tenancies Bill was introduced to Parliament in 1993 and, along with the voluntary Code of Practice, formed the basis of the \textit{Retail Leases Act} (NSW) 1994.\textsuperscript{182} Despite opposition from BOMA, which claimed the Code was working and protected lessees from costly court proceedings, the \textit{Act} received assent on the 2\textsuperscript{nd} of June and came into operation on the 1\textsuperscript{st} of August 1994.\textsuperscript{183} In his Second Reading speech to parliament, the Minister for Small Business, Ray Chappell, reiterated the Liberal Party’s preference for self-regulation, but conceded that legislation was necessary to ‘redress an obvious example of market failure’.\textsuperscript{184} It was not, he said, a matter of interference in commercial agreements, but a measure to ensure that the requirements of both parties were clearly expressed and that leases were negotiated from reasonably equitable bargaining positions.\textsuperscript{185}

Despite the difficulties negotiating the details of the legislation, and the protracted delays to its introduction, both BOMA and the RTA offered their support when it was finally introduced. A letter signed jointly by the Executive Director’s of each organisation stated in part:

\begin{quote}
We wish to advise you that BOMA and the RTA have agreed on the contents of the bill.
Both associations believe it will foster good leasing practice. Both our associations are
\end{quote}

\textsuperscript{180} ‘Compliance with tenancy Code slow’, \textit{Retail Trader}, October 1992, p.2.
\textsuperscript{181} NSW Department of State and Regional Development, ‘Report of the review of the Retail Leases Act 1994’, p. 6; Bradbrook and Croft, \textit{Commercial Tenancy Law in Australia}, 2\textsuperscript{nd} ed., p. 519.
\textsuperscript{182} J. H. Murray (Member for Drummoyne), Retail Leases Bill 2\textsuperscript{nd} Reading, NSW Parliamentary Debates, Legislative Assembly, 13 May 1994, pp. 2640-1.
\textsuperscript{184} Raymond Chappell (Minister for Small Business and Minister for Regional Development), Retail Leases Bill 2\textsuperscript{nd} Reading, NSW Parliamentary Debates, Legislative Assembly, 20 April 1994, pp. 1547-9.
committed to ensuring its successful implementation by all participants in the retail industry.\textsuperscript{186}

The \textit{Retail Leases Act} regulated the major areas of contention in the landlord tenant relationship, changing the form of most retail shop leases.\textsuperscript{187} The Act did not cover a range of professions and industries that had asked to be excluded from it, including doctors, dentists, hotels, service stations, banks and finance companies. It also did not cover leases of less than six months or greater than twenty-five-years, nor leases of areas of more than 1,000 square metres. All other commercial leases were covered.\textsuperscript{188}

One of the major outcomes of the 1994 Act was the requirement for lessees, prior to signing, to be advised in writing of all pertinent facts via a disclosure statement.\textsuperscript{189} This was a result of the perception that many of the problems in the industry had resulted from miscommunication. Disclosure statements included details about all outgoings, which if not listed, could not be recovered.\textsuperscript{190} Lessees had to receive their lease and disclosure statement at least seven days prior to signing.\textsuperscript{191} If no disclosure statement was issued, lessees could terminate the lease within three months. The provision of false or misleading information to tenants could also, in some situations, give them the right to terminate their lease.\textsuperscript{192}

Property professionals looking back at the introduction of the Acts’ information provision requirements believed that they increased tenant awareness of the implications of leases,

\begin{flushright}
\textsuperscript{186} The Hon. B. H. Vaughan (Deputy Leader of the Opposition), Retail Leases Bill (no. 2), 2\textsuperscript{nd} Reading, NSW Parliamentary Debates, Legislative Council, 13 May 1994, pp. 2570-1.
\textsuperscript{190} Phillip Rawlinson, \textit{Commercial Tenancy Disputes in New South Wales} (Bondi Junction, NSW: LAAMS Publications, 1997), pp. 15, 19.
\textsuperscript{191} \textit{Retail Leases Act 1994}, p. 6; Raymond Chappell (Minister for Small Business and Minister for Regional Development), Retail Leases Bill 2\textsuperscript{nd} Reading, NSW Parliamentary Debates, Legislative Assembly, 20 April 1994, pp. 1547-9.
\textsuperscript{192} Cameron, ‘Pitfalls for purchasers under the new Retail Leases Act’, p. 62.
\end{flushright}
and might have turned some towards professional advice. In a further attempt to ensure that tenants were aware of their rights, and took the time to consider the implications of leases, the government published an information handbook, which it urged retailers to read before signing any lease.

The Act outlawed key-money payments and ratchet (upwardly scaled) rents. Leases were set to a minimum of five years to allow businesses the chance to recoup their investments and to provide some security of tenure. (Note in Table 10.1 that most lease renewals at Roselands in 1985 were for three years.) Outgoings had to be substantiated with audited reports and/or receipts. Retailers operating within shopping centres were given additional safeguards ensuring privacy of turnover information, disclosure of promotional spending and some protection regarding changes to core trading hours. A Registrar of Retail Tenancy disputes was created to provide a cost-effective forum for mediation and dispute resolution. There were still, however, issues remaining, most notably around lease renewals, and there were predictions of ongoing conflict.

Three years later, a Federal Government Inquiry into retail leasing practices across the country reported that:

> The idea there is a ‘war’ going on in shopping centres around Australia, between retail tenants and property owners and managers, conveys accurately the tenor of evidence given to the Fair Trading inquiry on retail tenancy issues.

The Inquiry noted ongoing concerns surrounding security of tenure, difficulties selling businesses, ‘market value’ rent reviews during lease terms, disputes surrounding outgoings,

---

194 See Lexia Wilson, Retail Leases Handbook: “Don’t Sign That Lease!”: (Until you have read this retail leases handbook) (Sydney: NSW Business and Regional Development, 1994).
198 See, for example, Cameron, ‘Pitfalls for purchasers under the new Retail Leases Act’; Eakin, ‘New Retail Leases Regime’.
‘misleading’ information provided during lease negotiations, and changes in tenancy mix and compulsory relocations.\textsuperscript{200} The recent Productivity Commission Inquiry into retail tenancy leases found that the concerns expressed by retailers throughout this chapter remain in play, ‘despite the… substantial body of retail tenancy legislation’ enacted to protect their interests.\textsuperscript{201} Power embedded in urban infrastructure is difficult to dislodge. In NSW in 1994, though, tenants had at least been provided with some protection after years of operating in an often exploitative market.\textsuperscript{202}

***************

Shopping centres fundamentally changed the relationship of landlord and tenant. In some ways it can be compared to the traditional relationship between labour and capital. Through the nineteenth century, labour was forced to unite, because to act individually against the unified resources of capital meant unendurable conditions. With unification came political power and subsequent legislation to protect the individual worker. Retail landlords had traditionally been too numerous, interspersed and competitive to act as a collective force: small retailers could always move their businesses elsewhere. But with shopping centres, multiple shop sites were unified under a single interest. The protection of small retail businesses implicit in the dispersal of retail property ownership was gone. Collective action was organised by retailer organisations, which filled the role of unions – however anomalous that might seem to the petit-bourgeois retailer – and governments were petitioned until legislation was enacted to protect small retail from big business power.

\begin{footnotes}
\item[200] \textit{Ibid.}, p. 16.
\end{footnotes}
Conclusion

Regional shopping centres opened in Australia as promising, if locally untested, business models. The first centres received rapturous applause in the media, and were hailed as harbingers of progress by politicians. Tens-of-thousands of people flocked from all over the city and beyond to visit them, and they were widely celebrated as ‘exciting’ symbols of modernity’s entry into the suburbs. The bustle, expanse of retail, and glamour of the city were brought just a short drive, a parking spot and a narrow entrance away. Inside beckoned a wonderland of consumer extravagance that also doubled as a social meeting place. Shopping centres brought investment, parking and employment – particularly for suburban women. The early complexes tied themselves to surrounding communities by providing public utilities: auditoriums were used by community groups; child minding services by women eager for a relaxing social break from the demands of full-time parenting; cafes provided a seat, a place to chat, a bite to eat and a welcome drink.1 All of this with protection from the weather and air-conditioning!

Shopping centres have become part of Australia’s social fabric. They currently host 1.75 billion shopper visits a year; the biggest centres can attract in excess of fifteen million alone. The total asset value of Australian centres is around $69 billion. They employ nearly half-a-million people – one in twenty of the total workforce.2 The retail industry is the second biggest employer in the country.3 Shopping centres provide twenty-eight per cent of retail space, generating forty-one per cent of sales, or $84 billion annually. The substantial investments by superannuation funds that were explored in Chapter Eight have resulted in an estimated nine million Australians with investment in retail property.4 With the average Australian now making two visits a week to a shopping centre, these retirees could be mischievously described as indirectly ‘self-funded’.5

---

1 Later centres were less inclined to provide free community facilities, and often those offered in initial development applications, disappeared from subsequent proposals. See, for example, Botany Municipal Council Planning Committee Minutes, ‘Development Application 370’, 16 June 1982, p. 1.
5 That property investment ‘is underpinning the retirement income of Australians’, see, Shopping Centre Council of Australia, ‘Submission to National Competition Policy Review of Victoria’s Planning &
This thesis has traced the history of regional shopping centre development in Sydney. It is the first large-scale history on this subject. As a wide-ranging work, it covers shopping centre development, retail history, local histories, urban planning, leasing legislation, the rise of entertainment precincts and multiplexes, the reception of shopping centres, their impact on retail, and municipal responses through pedestrianisation schemes. It is hoped that this study will contribute to further research in the growing field of retail and consumer history in Australia by offering one exploration of the ways in which commercial development has intersected with social and cultural life.

***************

Sydney’s earliest centres were designed and built by, or in close conjunction with, large city retailers that were looking to branch into the increasingly prosperous suburbs. These retailers brought with them a culture of service and a memory of retailing’s magnificent pre-war history, although their shopping centre exteriors could not match those of the grand city stores. Internally focused, shopping centres inverted a retail tradition where the attractive shop front beckoned the pedestrian to enter and explore. With the rise of the driving shopper, the street front lost currency. Shopping centres were magnets for cars, drawing them to car parks before channelling their occupants inside. There the long tradition of shop front display was continued and amplified through developments in lighting and audio technology, marketing and advertising. While the efforts of Grace Bros at Roselands and Myer at Chadstone evinced a retailer’s touch, this was tempered by modernist lines as well as engineering and managerial efficiency, which came to dominate the shopping centre aesthetic.

Outside, retail faltered, reinvented itself, or soldiered on with the help of a local supermarket or other anchor that brought in customers on strength of service, reputation or location. Niche shopping precincts catered to wealthier or alternative demographics. High-
density housing and large disposable incomes of identifiably gay areas at least partly explain the retail success of Oxford Street, Paddington or King Street, Newtown. Although Oxford Street suffered in the early-eighties recession both precincts have been largely successful in combining eclectic conglomerations of high fashion, retro goods and clothing, designer jewellery, funky cafes and community spirit. Wealthy areas such as Double Bay, Wahroonga and sections of the upper Northern Beaches have also flourished as niche markets for wealthy residents. Suburban strips or large shopping precincts, though, have generally faced considerable change. Much retail moved indoors. Supermarkets and department stores were obvious targets for shopping centre management, but many others followed – increasingly franchised mainstream fashion outlets being an obvious example. But the toy shop, the sports store, the ‘fruit and vegie’ shop, the baker, the delicatessen, the newsagent and later even the Post Office, all joined the customer in her flight from the street.

When discount department stores arrived in the 1970s, some set up as stand-alone enterprises, some in neighbourhood centres such as Warriewood Square on Sydney’s Northern Beaches, or Wallace Way, Chatswood as the major anchor. Soon there was one or two of the big three – Big W, Target and K mart – as well as two department stores, supermarkets and numerous ‘category killers’ in most regional shopping centres. The tenancy balance of these anchors reflects the surrounding market. Westfield Eastgardens, for example, has branches of all three discount department stores, but just the one department store – Myer. Westfield Bondi Junction, nearby but catering to a more affluent demographic, houses Myer, David Jones, and the most upmarket discounter, Target.6

Retail competition was keen in the post-war period, particularly during the economic travails of the 1970s and early-1980s. As they fought one another and corporate raiders like Alan Bond for survival and dominance, the big retailers abandoned many of their suburban property investments, instead taking up attractive leasing options that they leveraged through their ability to generate customer traffic. Large institutional investors,

---

superannuation funds and property trusts became an important source of investment capital. As investors rather than retailers, institutions brought a new culture to shopping infrastructure – although the major stores retained a significant voice in development decisions. Institutions encouraged rationalisation and welcomed franchising because it brought clear, efficient and tested systems to retail operations. Homogeneity was equated with certainty and regular, increasing returns.

The efficiency and appeal of shopping centre operations saw a significant, if uneven, impact on traditional shopping strips. Developments in retailing models further eroded the competitiveness of small retail. In the 1990s, supermarkets expanded their range of food departments. According to one survey, to take as an example just one retail category, this saw a ‘dramatic decline in the number of butchers in metropolitan… centres outside shopping centres’. Bulky goods, or ‘big-box’, retailing sites also played their part. The carpet and furniture stores that had defined Blacktown’s Main Street retail in the early-1980s did not move to shopping centres, but to warehouse-style outlets built on cheap land removed from established retail precincts. In such complexes, or as stand-alone entities, other ‘category-killers’ also set up shop. Stores such as Officeworks (stationery), Bunnings (hardware) and Ikea (homewares), were an extension of the discount revolution we encountered in Chapter Four. They focused economies of scale at all levels of the production and distribution process to offer a wide range of cheap goods within specific retail categories in a self-service format. Within shopping centres, ‘category-killers’, also referred to as ‘mini-majors’, were built up to around 3,000 square metres and included such businesses as Rebel Sports, Lincraft, Borders Books, The Reject Shop, Toys R Us and Dan Murphy’s Liquor. Some category killers were, or became, owned by one of the bigger retail companies. Dan Murphy’s, Dick Smith and Tandy for example are part of Woolworths Limited, while Officeworks and Harris Technology belong to the Coles

---

7 ‘The Cooper Report’, p. 15.  
8 JBA, ‘Blacktown Main Street Mall’, p. 31.  
Group. Both companies have three or four liquor store brands, and increasingly dominate petrol retailing.  

‘Category killers’, along with the multiplexes and entertainment precincts examined in Chapter Five, helped fill shopping centres which continued to expand. The demand for space by such stores was one driving force behind the considerable expansion of Australian shopping centres that occurred from the mid-1990s, when some of the bigger regional centres increased their floor space from between 60,000 – 80,000 square metres to more than 100,000 square metres. Another, according to leasing consultant Steven Spring, was the massive injection of capital through superannuation funds after compulsory payments were brought in with the Superannuation Guarantee in 1992. Long-time partners, superannuation funds turned to shopping centres as a tried, tested and profitable investment for their new-found wealth.

As we saw in Chapters Nine and Ten, the absence of empty shops was used by the shopping centre industry to argue that consumer and retail demand underpinned expansion programs. There have certainly been enthusiastic responses to expansions, but such sentiments are not, of course, universal. In fact, the excessive size of shopping centres was, along with their homogeneity and negative impact on ‘community’, their most complained about feature among the respondents to the oral history survey conducted for this project: ‘the bigger they get, the more I avoid them’ was a not uncommon view. For some respondents, size undermined convenience. Parking became increasingly difficult; walking distances within the ‘one-stop’ environment, too long for comfort. It ‘takes ages just to pop in!’, writes Shairon from the Blue Mountains. This is particularly problematic for elderly people:

---

15 Shairon, OHR no. 15, 14 - 20 January 2007.
‘The size has restricted my self and other older and disabled [people]… earlier seating have [sic] been replaced with stalls… disabled parking has become a joke - walking from the parking area to the entrance is usually further then what my permit allows me to walk … in supermarkets we feel like we are on a marathon run for a few items…’

Marginalised by the structure of the shopping environment, other elderly customers rail against the ‘noisy and garish outlets used to attract the teenage spenders’.

Underlining the complexity of people’s experiences of shopping centres, other elderly people have responded more positively. For them, shopping centres remain safe and convenient shopping and social environments. Some view centres as pleasant and secure exercise parks: ‘mall walking’ began in America in the mid 1980s, and there are now mall walking groups associated with different shopping centres across Australia. Walkers enjoy handy parking, protection from the weather, and the option of breakfast or coffee when they finish.

Robert writes that his eighty-year-old mother feels safe because, given her heart condition, if she is walking in a shopping centre there are plenty of shop staff on hand to assist ‘if a medical problem arises’.

---

16 Frank, OHR no. 10, 14 - 20 January 2007.
17 Jack, OHR no. 31, 21 - 27 January 2007; Lorne, personal correspondence, 3 October 2006.
18 On the diversity, across all age groups, of people’s relationships with shopping centres, see, White and Sutton, ‘Social Planning for Mall Redevelopment: an Australian case-study’, p. 67.
This social aspect of shopping centres has been an important ingredient in their success. From the first they explicitly embraced the suburban family, tying promotions and their very environment to perceived suburban values. The housewife formed the basis of their market and was consistently wooed. For many women, the attraction was mutual. Clean, safe environments with well maintained toilets and baby change rooms, cafes, plentiful shops and even child minding facilities, they offered balance to the marginalisation of a patriarchal society. This did not mean equality: centres were built and usually managed by men, participation in the ‘public’ life of the centre was premised on consumption, child minding was temporary, work within the centre was relatively low paid and, through the 1970s and 1980s, increasingly casualised. The benefits for many women, though, were obvious. If the isolation of the housewife was a grinding despair, a car and a shopping centre could offer an avenue of light.

Fringe dwellers aside, young people, too, have always embraced shopping centres.\(^{22}\) Initially the excitement of modern facilities and consumer-centric social space in their suburbs was celebration enough, highlighted as it was by celebrities and rock stars (see, for

\(^{21}\) Robert, OHR no. 11, 14 - 20 January 2007.
\(^{22}\) On the continuation of this pattern which we have charted through this thesis, see, White and Sutton, ‘Social Planning for Mall Redevelopment: an Australian case-study’, p. 66.
example, Figure 11.3). Over time, the naturalisation of shopping centres did not diminish their attraction to new generations of youth. Even for those with no spending money, the shopping centre could offer hours of entertainment, simply because one’s peers were also there. A few dollars could buy a meal or drink; resources shared could be spun out extending a visit across a day or evening. The growth in the ‘youth dollar’ that had been targeted in the 1960s spawned ‘youth fashion precincts’ in the 1990s, as part-time work and affluent parents increased the value of the demographic. These precincts grouped fashion and accessories for younger shoppers, attaching an identifiable image to sections of malls.

Entertainment precincts, which included games arcades, fast food and movies became the destination of choice for many younger people. If there were some in the community who feared congregations of shoplifters or the nefarious influence of video parlours, others, as we saw in Chapter Five were comforted that youth were not roaming the streets. For most parents it was probably enough to know that their kids were in a safe and controlled environment.

It was not just children and teenagers who moved off the street. Retail changed form through the 1950s and 1960s to the point where an older way of life was seen to be passing. A principal impetus was the car: spreading the population, allowing people to travel long distances to shops, and clogging the old retail infrastructure that was built around public transport and the pedestrian. Shopping centres provided retail for a society with a new transportation base. A ‘one-stop’ destination with parking was, quite simply, much more convenient for car-driving shoppers who were increasingly the norm – not least because suburbia had expanded beyond the reach of public transport. This convenience remains a central attraction.

---

23 See, for example, the youth shopping precinct at Westfield Shoppingtown Chatswood circa 1999, Willoughby City Council Library, Local Studies Collection, Retail Trade – Chatswood Chase file, Westfield Advertising Brochure, ‘Welcome to the heart of North Shore style’, 1999; North Shore Times, 23 April 1999, p. 7.

24 The convenience factor was widely recognised amongst survey respondents. See, for example, Kate, OHR no. 19, 14 - 20 January 2007; Margaret, OHR no. 19, 14 - 20 January 2007; Lindsay, OHR no. 35, 21 - 27 January 2007; Robyn, OHR no. 47, 21 - 27 January 2007; Diane, OHR no. 52, 28 January - 3 February 2007; David, OHR no. 59, 28 January - 3 February 2007.
suburbs still do have local shops where you can get most things that you need… it just becomes easier to drive to a centre somewhere.’

People surveyed for this project looked back with mixed feelings about a time now passed. We saw in our early history of retail its importance in the social life of communities. Ray provides a compelling memory of his childhood in Croydon Road, Ashfield in the 1950s, illustrating the linkage between local retail, social interaction and conceptions of ‘community’:

Mr Craig was the Grocer on the corner [who]… had everything in food the housewife could want… He even took me fishing! Next door to him was a nice Italian migrant family who had the Fruit Shop. I think the hairdresser was next. The Butcher… Mr Needs, a cheeky bugger who had the usual butcher’s people skills of those days, knew all the housewives very well, and ‘never sold anything but the best’. Over the road from him was ‘the next’ corner


---

25 Tanya, OHR no. 64, 04 - 10 February 2007.
store, but it was a ‘busy road’(!!) and we knew where our loyalties lay, so never ventured there!26

This linkage between retailing and the social life of suburbs retains a strong hold on many people who lived through the transitions of post-war retail. Indeed, as we have seen, these associations were used in the marketing of shopping centres themselves, which were positioned as modernised continuities of earlier retail spaces. They were welcomed as such by many, and remain popular for many Australians. For those who view shopping centres positively, they provide jobs, attract spending, and can improve nearby house prices: ‘They are convenient for busy families, who want everything under the one roof and use the visit as a form of recreation for the family.’27 For respondents Kate, Rita and Michelle, shopping centres are useful social spaces where they are likely to meet friends by chance.28

Others find no such value, describing corporatised space, mindless consumption and an absence of sociability. They see older suburban retail forms as friendly community spaces, and large centres as ‘impersonal’.29 ‘the local store’, writes Barry, ‘was the ‘heart’ of the town where people would catch up with each other for a chat and swap a bit of gossip…You could even’, he adds, ‘buy a bottle of beer which would come, illegally [sic], from beneath the counter.’30 For such shoppers, the local strip may still provide a sanctuary, and its retailers a friendly ear and warm smile.31 Belinda describes a rapport built up over years with local merchants, claiming that a ‘faceless checkout chick… is not going to befriend you because she may not be there next week.’32 Dawn recognises a degree of self-interest here – a dependence on the community that ensures a small independent retailer’s investment in friendly customer service.33 For Diane, the sense of knowing the local shopkeepers, and being known by them, creates a sociability binding communities

28 Kate, OHR no. 19, 14 - 20 January 2007; Rita, OHR no. 22, 21 - 27 January 2007; Michelle, OHR no. 38, 21 - 27 January 2007.
31 Vicki, OHR no. 50, 21 - 27 January 2007; Cathryn, OHR no. 79, 8 January 2008 - 23 February 2008.
32 Belinda, OHR no. 49, 21 - 27 January 2007. For others, pleasantries such as ‘have a nice day’ are simply rude. See, Grahame, OHR no. 82, 8 January 2008 - 23 February 2008.
together.\textsuperscript{34} In contrast, shopping centres were characterised as promoting materialism and a ‘shift of values… from independence of activities to a growing consumerism.’ This was seen as negative and detrimental to ‘community’ life.\textsuperscript{35}

Such understandings of community, and the historical engagement of retail in local social landscapes have links to the pedestrianisation we explored in Chapter Nine. Pedestrian malls targeted traffic congestion and retail decline, but contained a suggestion of community revival. The integration of public social space, shops, cafes, food outlets and services was intended to bring people back to the street. But shopping centres were powerful competitors. They created coherent tenant mixes to attract the broad middle market, and strategically organised these tenants to coax shoppers around the mall when they arrived. They invested in continuous promotion, and provided twenty-four hour security, clean public toilets, baby change facilities, air-conditioning and a comparatively safe environment separated from traffic noise and pollution. They also reinvented themselves through refurbishment and tenant selection to maintain pace with contemporary fashions.

The attraction of shopping centres for both retailers and shoppers gave the industry enormous bargaining power in negotiating leases. Big retail held its own, as necessary to the shopping centre as its concrete foundations. Small tenants, though, with hundreds queuing for a place in the mega emporiums, had little to offer but high rental payments. Some prospered into chains in their own right – Darrell Lea, while noting the difficulties of dealing with a ‘monolithic giant’, credits its success to shopping centre locations, growing from a single store in Westfield Shoppingtown Burwood in 1966 to ninety stores across Australia in 2000. There were other success stories, Best & Less and Boost Juice both flourished in the shopping centre environment; the former with discount family clothing, the latter with convenient, cogently branded, fast (health) food.\textsuperscript{36} The shopping centre offered opportunities, but required acumen and a sound business model. Even with these,

\textsuperscript{34} Diane, OHR no. 52, 28 January – 03 February 2007.
\textsuperscript{35} Llewena, OHR no. 90, 8 January 2008 - 23 February 2008; Robyn, OHR no. 47, 21 - 27 January 2007; Vicki, OHR no. 50, 21 - 27 January 2007.
\textsuperscript{36} On Darrell Lea and Best & Less see, Westfield Holdings Ltd, \textit{The Westfield Story}, pp. 54, 87.
some tenants complained that the conditions were so onerous, unpredictable or weighted against them that failure was inevitable. Their cries were loud enough for State and Federal governments to initiate inquiries, and State governments to trial industry self-regulation, and eventually introduce legislation to protect small tenants from the market power held by their landlords. The industry cried foul, but continued to expand and prosper.

************************

Shopping centres have become central to Australian social and even cultural life. They have kept pace with changing times by incorporating new fashions, products, tastes and leisure pursuits. They aimed for perpetual ‘newness’ but built their success on a proven formula of convenience, comfort and the strategic selection and placement of retail outlets. A key to their success has been their ability to fuse consumer activity with social space. In this regard, they are an extension of earlier retail, which long provided such sites. The shopping centre brought a new degree of commercialisation and control to the retail environment, and through its short history has only increased this focus – non-profitable uses of space were being discarded by the 1970s. It made a home in the suburban consumer economy, reacting to business opportunities that were opening up, but it also influenced the direction of the society it catered for: its car parks encouraged shopping driving trips by making them easier; it promoted consumerism by creating an environment intensely focused on extracting purchases from customers; and it changed the nature of leisure by situating social relations within a highly commercialised environment.

The shopping centre was a business model that took advantage of broad historical forces. Technological developments enabled vast poured concrete building projects; air-conditioning allowed the resultant buildings to be inwardly focused. The car spread people from the city, shifting retail’s locational imperative beyond the reach of the great department stores that had flourished in the centralised, public transport oriented, pre-war city. When industry was reconfigured from war-time to domestic manufacturing, a nascent consumer economy flourished, unleashing a tide of prosperity and a demand for goods. Marketing successfully tied these to identity. Real wages rose continually through the
1950s and 1960s, credit facilities blossomed, and unemployment was negligible until the 1970s crash. Shopping centres drew on these forces to provide, in the simplest analysis, convenient, comfortable retail environments for a suburban economy built on consumption.

That this economy is now threatened by its reliance on growth and its, as yet, unsustainable systems of production, makes the historical study of shopping centres all the more fascinating and important. Embarkation on this thesis was sparked by the sight of a man with a trolley, laden with goods, emerging from The Reject Shop on the bottom floor of Macquarie Centre. The trolley’s contents were built for obsolescence; destined for roadside rubbish collection in the not too distant future. This sparked a simple question: ‘Why do we consume as much as we do, the way that we do?’ A single study of one significant distribution point in the consumer economy cannot answer what rapidly becomes a very large and complex question – but it provides a piece in the jigsaw puzzle. It seems necessary to ask questions about how we got to this point, in order to think about where we are headed. And at the least, a study such as this can dispel myths of our current practices, habits and beliefs as ‘natural’ by exploring the causes, decisions and forces that background our historical contingency.

Frank Lowy claimed in 1971, when the industry was riding high on the sixties boom, that ‘shopping centre development in its various forms can go on forever’. When the boom passed, shopping centres proved adaptable. Their success, though, should not distract us from their place in a particular historical era; an era marked by private transportation, high levels of home ownership, wide-spread credit facilities, unprecedented national affluence, and an economic and cultural integration of mass production and consumption. This is the context in which shopping centres are embedded. They will, of course, not last forever, and their longevity will depend on the extent to which they can continue to adapt. To date their transformations have been impressive, but not fundamental. There were claims in the 1970s that time for the largest, car-dependent centres had come, but the crises passed and centres flourished in the personal credit boom of the 1990s. Global warming and the conundrum

---

38 ‘Smaller shopping centres, strips, will prosper as fuel shortage curbs driving’ in Inside Retailing, no. 350, 18 December 1978, p. 17.
of sustainable development may pose more pressing challenges. If we stop consuming, the raison d’etre for shopping centres disappears.

For now, however, shopping centres remain landmarks in our suburbs, hubs of intense consumer activity, social melting pots, and icons of our age. Born in America with a degree of European heritage, they have spread around the world, emerging wherever disposable income rises high enough for populations to enjoy the fruits of globalised capitalist production. In Australia they continue to thrive. If Roselands was not quite the glittering Persian bazaar promised by Bob Askin, it, and its contemporaries, did bring elements of the city to largely welcoming suburban populations. In time, the shopping centre returned to reinvent city retailing, but that is another story. The focus of this thesis has been the suburbs where shopping centres changed a changing Australia. They remain a crucial post-war urban form and a historically important site of Australian social, cultural and economic interaction.
Bibliography

Archives
Bankstown City Council Library, Local Studies Collection
Blacktown City Council Library, Local Studies Collection
Campbelltown City Library, Local Studies Collection
Canterbury City Council (Campsie) Library, Local Studies Collection
City of Botany Bay Library (Eastgardens), Local Studies Collection
Coles Myer Archive, MS13468, State Library of Victoria
D. H. Ramsey Library, Special Collections, University of North Carolina at Asheville
Hornsby Shire Council Library, Local Studies Collection
Liverpool City Library, Local Studies Collection
Nancy Hillier Archives, City of Botany Bay Library
National Archives of Australia, photographic collection, Series A1200
Parramatta Heritage Society Archive
Parramatta City Library, Local Studies Collection
Ryde City Council Library, Local Studies Collection
State Library of NSW, photographic collection
State Library of Victoria, photographic collection
Sutherland Shire Council Library, Local Studies Collection
Warringah Shire (Dee Why) Library, Local Studies Collection
Waverley Council Library (Bondi Junction), Local Studies Collection
Willoughby City Council Library, Local Studies Collection

Council Records

Sutherland Shire Council Minutes, 1960-1962.

**Parliamentary Debates**

*Botany and Randwick Sites Development Bill, 2nd Reading, NSW Parliamentary Debates, 1982*

Retail Leases Bill (no. 2), 2nd Reading, NSW Parliamentary Debates, Legislative Council, 1994

**Court Cases**


**Statistics**


Directories


Shopping Centre Directory, NSW & ACT / BOMA, Australian Council of Shopping Centres (Sydney: BOMA, Australian Council of Shopping Centres, NSW Division) [1992-2005]


The Inside Retailing & Foodweek Directory of Retail Chains (Darlinghurst, NSW: Philip Luker and Staff, 1985).

Periodicals

Australian Hardware Journal (Melbourne: Trade Press) [1967]

Australian Retailing (Sydney: Australian Council of Retailers) [1967-1973]

BOMA (NSW) News (Sydney: BOMA) [1985-1986]

BOMA Bulletin: Newsletter for N.S.W. Members (Sydney: BOMA (NSW)) [1991-1993]

BOMA New South Wales (Sydney: Building Owners & Managers Association of Australia Ltd) [1994-1996]

Building, Lighting Engineering (Sydney: Building Pub.) [1958]

Foodweek and Liquor Week (Sydney: Philip Luker) [1984]

Go-Set (Malvern, Vic.: Go-Set Publications) [1969]

Inside Retailing (Kings Cross, NSW: Information Australia Group) [1971-1994]

Life Magazine [1956]

Retail World (Sydney: National Association of Retail Grocers of Australia) [1970]

SCN: Shopping Centre News (Balmain; NSW: Rillage Publishing) [1989-1994]

The Journal of the Retail Traders’ Association of NSW (Sydney: The Association) [1957-1963]

The Retail Trader (Sydney: Retail Traders’ Association of NSW) [1984-1994]
Newspapers

Advertiser
Advocate
Age
Australian
Australian Financial Review
Bankstown Canterbury Torch
Bankstown Observer
Blacktown Advocate
Blacktown City Guardian
Blacktown City Star
Campbelltown-Ingleburn News
City of Liverpool Champion
City of Liverpool Leader
Daily Mirror
Daily Telegraph [1957, 1975]
Daily Telegraph Mirror
Express
Guardian [Blacktown]
Herald Sun
Illawarra Mercury
Liverpool-Fairfield Champion
Macarthur Advertiser
Macquarie Courier
Manly Daily
Messenger
North Shore Advocate
North Shore Times
Northern District Times
Northern Herald
Parramatta Advertiser
Southern Courier
St George and Sutherland Shire Leader (Sutherland ed.)
St George and Sutherland Shire Leader (Hurstville ed.)
Sun
Sun Herald
Sunday Age
Sunday Mirror
Sunday Telegraph
Sydney Business Review
Sydney Morning Herald
Sydney Morning Herald, Eastern Herald
Sydney Morning Herald, Northern Herald
Torch
Weekend News (WA)
Weekly Flash
West Australian
Western Districts Guardian

Reports


Cumberland County Council (NSW), ‘The Planning Scheme for the County of Cumberland, New South Wales/ the report of the Cumberland County Council to J.J. Cahill, 27th July 1948’ (Sydney: Cumberland County Council, 1948).


Davison, Graeme, ‘From the Market to the Mall’, Background Report, Victorian Retail Policy Review, Department of Planning and Community Development, December 2006.


Development Planning and Research Associates, ‘Chatswood Centre – Basic Data Report’, A report to the Council of the Municipality of Willoughby summarising basic data assembled for the second stage of the Chatswood Centre Redevelopment and Transport Study (Sydney: January 1972).


Grace Bros Holdings Limited, 22nd Annual Report (Sydney: 1 October 1982).
Hirst Consulting Services Pty Ltd, ‘Western Sydney Regional Organisation of Councils Study of Major Urban Centres of Western Sydney’ (Blacktown; NSW: WSROC, 1984).


James Boyce and Associates, ‘Blacktown Main Street Mall Literature Review, prepared for Blacktown City Council’ (Paddington, NSW; 13 January 1997).

James Boyce and Associates, ‘Blacktown Main Street Mall User and Attitude Survey, prepared for Blacktown City Council’ (Paddington, NSW; 13 January 1997).


Julie Bindon and Associates, ‘Blacktown Main Street Mall Planning Study, prepared on behalf of Blacktown City Council’ (North Sydney, NSW; Julie Bindon and Associates, January 1997).

Lend Lease Corporation Limited, 10th annual report and notice of annual general meeting (Sydney: 21 August 1967).


‘Liverpool Centre Study’ (Liverpool; NSW: The Council, June 1975).

Macarthur Development Board (MDB), ‘Campbelltown City Centre’ (Campbelltown; NSW: MDB, 1976).

MDB, ‘Macarthur Growth Centre’ (Campbelltown; NSW: The Board, June 1977).


Pure Potential Marketing, ‘Bankstown’s Old Centre Plaza Study, prepared on behalf of The Old Town Centre Plaza Main Street Committee and Bankstown City Council’, October 1996.


‘Thirty three home plans / Grace Bros home plans service, ground floor, furniture store, Broadway in association with the Sunday Telegraph’ (Sydney: Grace Bros. in association with the Sunday Telegraph, c196-?).


Books/ Chapters/ Articles


Arrow, Michelle, Friday on Our Minds: Popular Culture in Australia Since 1945 (Sydney: UNSW Press, 2009).


Ashbolt, Allan, Words From the Vietnam Years: An Australian Experience (Sydney: Australasian Book Society, 1974).


Beddington, Terry, *50 Years of Holden* (Hornsby, NSW: Clockwork Media Pty Ltd, n.d).


Bowman, Margaret, Local Government in the Australian States (Canberra: Department of Environment, Housing and Community Development, 1976).


Bradbrook, Adrian J. and Clyde E. Croft, Commercial Tenancy Law in Australia (North Ryde, NSW: Butterworths, 1990).

Bradbrook, Adrian J. and Clyde E. Croft, Commercial Tenancy Law in Australia, 2nd ed. (North Ryde, NSW: Butterworths, 1997).


Brett, Judith, Robert Menzies’ Forgotten People (Sydney: Pan Macmillan, 1992).


Burnett, D. W., Shopping Centre Management: The Shopping Centre Lease (Sydney: Building Owners & Managers Association of Australia, c1981).


Clausen, Meredith L., ‘Northgate Regional Shopping Center – Paradigm From the Provinces’, *Journal of the Society of Architectural Historians*, vol. 43, no. 2, May 1984, pp. 144-161.


Coombes, Paul, ‘It’s the Little Things that Count, Like Committees, Commitment and Common Sense’, *Rydges*, June 1984, pp. 52-55.


Darwin, Norm, *100 Years of GM in Australia* (Ballarat, Vic.: H@ND Publishing, 2002).


Game, Ann and Rosemary Pringle, Gender at Work (Sydney: George Allen & Unwin, 1983).


General Motors-Holden’s Pty Limited, A Look at GMH, (Pagewood, NSW; Woodville, SA; Fishermen’s Bend, Victoria: Public Relations Department, General Motors-Holden’s Pty Limited, August 1967).


Gluckson, Jim, ‘“Casting” Products in Films’, Boxoffice, December 1985, p. 34.


Green, Evan, ‘The Day They Killed the Kingswood’, Wheels, May 1994, pp. 82-87.


Hilferty, Kevin, Sutherland Shire: Birthplace of Modern Australia (Sutherland: Sutherland Shire Council, 1995).

Hipkins, Max, ‘Practical Realities of Retail Regulation’, Proceedings from the Seminar Shopping for a Retail Policy, Perth, 6 November 1981, pp. 5-23.


Hussey, David and Margaret Ponsonby, ‘Between the Shop and the Home’, in David Hussey and Margaret Ponsonby (eds), Buying for the Home: Shopping for the Domestic from the Seventeenth Century to the Present (Hampshire: Ashgate, 2008).


Kapell, Matthew and William G. Doty, Jacking In To the Matrix Franchise: Cultural Reception and Interpretation (New York: Continuum International Publishing, 2006).


Liston, Carol, Campbelltown, the Bicentennial History (Sydney: Allen & Unwin, 1988).


Mackay, Hugh, Reinventing Australia: The mind and mood of Australia in the 90s (Pymble, NSW: Angus & Robertson, 1993).


Murray, Suellen, ‘“Where Are They? Who Are They?”: Reuniting With Family of Origin After Leaving Care’, *Australian Historical Studies*, no. 39, 2008, pp. 229-244.


Rawlinson, Phillip, Commercial Tenancy Disputes in New South Wales (Bondi Junction, NSW: LAAMS Publications, 1997).


Reekie, Gail, Temptations: Sex, Selling, and the Department Store (St. Leonards, NSW: Allen & Unwin, 1993).


Ryan, Peter James and Gerard Manion, *Retail is a University* (Melbourne: Workstar, c2007).


The Holden Story (Melbourne: GMHA, 1989).

Thomas, Martin, ‘Making this State Grate: The Pretensions of Darling Harbour’, Art and Text, no. 29, June/ August, 1988, pp. 64-75.


Turner, Dennis, The Revitalisation of Woolworths: Case Study (Kensington, NSW: Centre for Corporate Change, Australian Graduate School of Management, The University of New South Wales, 1991).


Wilson, Lexia, *Retail Leases Handbook: “Don’t Sign That Lease!”: (Until you have read this retail leases handbook)* (Sydney: NSW Business and Regional Development, 1994).


**Theses**


Websites


Appendix A:
Oral History Survey Questions

Questions for Customers

Personal details are for record keeping and statistical purposes only. Names will be altered, or shortened to first names only to protect identities in any published work. No information will be passed onto businesses for marketing or any other purposes. (*Response required)

* Name:
* Occupation:
* Post Code:
Marital Status:
Number of Children:
Parent’s Occupations:
Contact (email and/or phone):

Please include dates and locations where possible, and where you feel comfortable.

Feel free to answer any or all of the following questions, or simply post a story, anecdote, experience or recollection under ‘submit story’.

1) Do you recall the opening of any major shopping centre? Can you describe how the local community felt about the centre? What did you think of it when it opened?

2) Why do you visit major shopping centres and how do you spend your time there?

3) Do you feel that you had any say in the development of shopping facilities in your area? Why/why not?

4) How have major shopping centres changed your community or suburb?

5) Has your usage of shopping centres changed with different phases of your life (eg. as a youth, with children, middle-age, retirement)

6) Do you think the shopping centre has been a good thing for the local community? Why/why not?

7) Submit story:
Questions for Retailers/ Tenants/ Employees

Personal details are for record keeping and statistical purposes only. Names will be altered to protect identities in any published work. No information will be passed onto businesses for marketing or any other purposes. (* Response required)

* Name:
* Post Code:
* Type of shop owned or employed in:
Contact (email and/ or phone):

Please include dates and locations where possible, and where you feel comfortable.

Feel free to answer any of the following questions that are applicable to your experience, or simply post a story, anecdote or recollection under ‘submit story’.

Tenants

1) Why did you open a store inside a major shopping centre?

2) Do you feel your experience of operating a store within a major shopping centre was successful? Why/why not?

3) How did the shopping centre change over time? (For example: the types and styles of shops; management practices; lease terms; clientele; appearance and size of the centre; marketing strategies; merchant’s associations.)

Retailers

4) If you have operated a store outside of a major shopping center, how have such centres impacted on your business? Describe the relationship between your business and nearby shopping centers?

Employees

5) Describe the experience of working within a shopping centre. In what ways was it different from working in other environments? Did you enjoy it? Why/why not?

Tenants/ Retailers/ Employees

6) Submit story:
**Questions for Developers/ Operators**

Personal details are for record keeping and statistical purposes only. Names will be altered to protect identities in any published work. No information will be passed onto businesses for marketing or any other purposes. (*Response required*)

* Name:  
* Post Code:  
Company:  
Contact (email and/or phone):

Please include dates and locations where possible, and where you feel comfortable.

Feel free to answer any or all of the following questions, or simply post a story, anecdote, experience or recollection under ‘submit story’.

1) What were the existing shopping facilities surrounding the centre or centres that you have built?

2) Was there local opposition to the project?

3) How did the new centre integrate into the community? Could you provide specific examples of campaigns or competitions that were designed to encourage community involvement in the shopping centre?

4) How has the centre changed since its original construction? How has it shaped the surrounding area over time?

5) Submit story:
6 September 2006

Mr Matthew Bailey
21 Banksia Street
Ettalong NSW 2257

Reference: HE25AUG2006-D04837

Dear Mr Bailey

FINAL APPROVAL

Title of project: Shopping centre development in Sydney 1955-2005

Thank you for your recent correspondence. Your responses have satisfactorily addressed the outstanding issues raised by the Committee. You may now proceed with your research.

Please note the following standard requirements of approval:

1. Approval will be for a period of twelve months. At the end of this period, if the project has been completed, abandoned, discontinued or not commenced for any reason, you are required to submit a Final Report on the project. If you complete the work earlier than you had planned you must submit a Final Report as soon as the work is completed. The Final Report is available at http://www.ro.mq.edu.au/ethics/human/forms

2. However, at the end of the 12 month period if the project is still current you should instead submit an application for renewal of the approval if the project has run for less than five (5) years. This form is available at http://www.ro.mq.edu.au/ethics/human/forms. If the project has run for more than five (5) years you cannot renew approval for the project. You will need to complete and submit a Final Report (see Point 1 above) and submit a new application for the project. (The five year limit on renewal of approvals allows the Committee to fully re-review research in an environment where legislation, guidelines and requirements are continually changing, for example, new child protection and privacy laws).

3. Please remember the Committee must be notified of any alteration to the project.

4. You must notify the Committee immediately in the event of any adverse effects on participants or of any unforeseen events that might affect continued ethical acceptability of the project.

5. At all times you are responsible for the ethical conduct of your research in accordance with the guidelines established by the University (http://www.ro.mq.edu.au/ethics/human).

If you will be applying for or have applied for internal or external funding for the above project it is your responsibility to provide Macquarie University's Research Grants Officer with a copy of this letter as soon as possible. The Research Grants Officer will not inform external funding agencies that you have final approval for your project and funds will not be released until the Research Grants Officer has received a copy of this final approval letter.

Yours sincerely

Dr Margaret Stuart
Director of Research Ethics
Chair, Ethics Review Committee [Human Research]

cc. Dr Michelle Arrow