Star

Greater Dandenong

INCORPORATING SOUTH EASTERN STAR REAL ESTATE

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An artist's impression of the IKEA store to be built in Springvale.

IKEA jobs boom

By Lia Bichel

SPRINGVALE will boast Australia's largest Homemaker Centre in 2011, which will include about 20 stores including home furnishing giants IKEA and Harvey Norman.

The $286 million development will sit on an 80,000 square metre site on the corner of Westall Road and the Princes Highway and will create about 1500 jobs.

Probuild, a national construction company headquartered in Victoria, was the successful tenderer for the building.

City of Greater Dandenong mayor Jim Memeti said the announcement, which was made last Friday, was not only fantastic news for the City of Greater Dandenong but for Melbourne's south-east region as a whole.

"Not only will the arrival of big-name brands like IKEA and Harvey Norman help foster business growth and development in the region, but it will also highlight the business and employment opportunities available in the City of Greater Dandenong," he said.

"The decision to build a development of this scale in our city, not only shows confidence in our local economy and our future but it also expands on Greater Dandenong's retail diversity."

IKEA is the world's largest home furnishings retailer with over 285 stores in 36 countries and territories, employing more than 135,000 co-workers.

Last year the turnover for all IKEA stores was approximately $40 billion.

Melbourne, Brisbane and Sydney are currently home to the only three IKEA stores in Australia.

Springvale's IKEA store will be 25 per cent larger than IKEA Richmond, according to IKEA Australia country manager David Hood.

"We are very excited about the plans for our new store and believe the location of the Springvale site offers incredible potential for both IKEA and Harvey Norman. There will be no other homemaker centre quite like this in Australia," Mr Hood said.

The store will create over 350 jobs.

Harvey Norman and about 20 other retailers are expected to create about 300 jobs.

Harvey Norman has more than 190 stores nationwide and another 60-plus stores in Europe, Asia and New Zealand. Last year, the company had a turnover of more than $2.5 billion.

Planning Minister Justin Madden said the fast-tracking of this and other proposals was one reason why Australia was currently weathering the impact of the global financial crisis better than almost anywhere in the world.

"The increased tenancies will provide greater shopping choice in the 72,000 square metre development, which will house a number of homemaker type stores," he said.

"The development will provide local job opportunities and greater choice for the community.

"Securing this retail development is a major boost to the Victorian economy and provides for future employment options in south-east Melbourne."

The development is expected to be completed in early 2011.