



26 August 2013

The Hon Brad Hazzard
Minister for Planning and Infrastructure
GPO Box 39
SYDNEY NSW 2001

Dear Mr Hazzard,

**MACROC Submission - Draft Structure Plan for the Broader Western Sydney
Employment Area**

MACROC welcomes the opportunity to comment on the Draft Structure Plan for the Broader Western Sydney Employment Area, released by the State Government in June 2013.

MACROC is the regional organisation of councils for the Macarthur area of South West Sydney. Formed in 1985, it represents the local government areas of Camden, Campbelltown and Wollondilly. MACROC's role is to identify issues of regional importance and advocate for positive regional outcomes. Regional issues for the Macarthur region include managing population growth, transport infrastructure planning, employment generation, economic development and land use planning.

South West Sydney is the area targeted by the State Government to accommodate the major proportion of Sydney's projected growth and the challenge for Government will be to develop a targeted strategic approach to specific forms of employment generation for our region, to building a workforce that better matches the skill set of the residents and that has a greater resilience to the changing economic futures of industries such as manufacturing.

MACROC understands that the Government in its Draft Metropolitan Strategy for Sydney to 2031 recognises the Broader Western Sydney Employment Area as the largest employment space in the metropolitan area and one of the nine city shapers. The Draft Metropolitan Strategy identified the following priorities for the Broader Western Sydney Employment Area:

- Investigate the potential south west expansion of the WSEA of up to 10,000 hectares through a structural planning process.
- Encourage critical industries that support the economy's global functioning and promote employment such as industrial uses, freight, logistics and research and development functions as well as opportunities for agribusiness and food production.
- Identify opportunities to improve connections to the area, including protecting a corridor for the Western Sydney Freight Line and completing the Western Sydney Employment Area arterial network.

- Identify and protect opportunities for a major intermodal terminal at Eastern Creek.
- Investigate opportunities for better connections with surrounding centres such as possible transport connections to Mount Druitt, Fairfield and Leppington.

MACROC supports the opening up of 6,329 hectares of land for employment uses on top of the 1,750 hectares of existing employment lands. The potential of the Broader Sydney Employment Lands to deliver 57,000 new jobs in Western Sydney over the next 30 years is most welcome. However MACROC believes that the Government also needs to focus on the employment needs of South West Sydney. The bulk of Sydney's future population will be in the South West so the Government needs to proactively target employment generation here.

Transport access to employment and job diversity are two key employment issues for the Macarthur region. While the Broader Western Sydney Employment Area now extends to Bringelly there is no public transport access planned for our residents to be able to access the new jobs being created so unless they have their own transport they will be disadvantaged. Lack of public transport to employment areas impacts particularly on young people seeking traineeships and apprenticeships. If our residents are to access these jobs by private vehicle then there will also need to be major upgrades to road links, particularly in Wollondilly LGA.

The residents of Macarthur need access to a wide range of jobs. The focus of employment in the Broader Western Sydney Employment Lands is on blue collar jobs: freight and logistics. Our region needs employment opportunities that better align with the predominant skill set of Macarthur's growing resident population.

The South West Subregion is acknowledged as having a key role in accommodating a substantial proportion of the future growth of Sydney. Despite this there is little in the Draft Metropolitan Strategy for Sydney to 2031 that demonstrates a commitment by the Government to deliver key infrastructure and other projects which will support job creation. Without this commitment by the Government the relative inequities and disadvantage that exist for the Macarthur region will be further exacerbated.

In April 2013 MACROC engaged consultants Hill PDA to review the employment targets established in the Draft Metropolitan Strategy for Sydney to 2031 for the South West Subregion, as defined in the Draft Strategy. ***'Employment Prospects for South West Sydney. 2013'***¹ found that the South West Subregion is forecast to experience 21% of all job growth in Sydney which is the third largest growth of any Subregion. Notwithstanding this, it is forecast to achieve 37% of population growth (+449,610 people) which represents the largest single component of population growth of any Sydney Subregion.

Given the South West Subregion is forecast to provide 37% of Metropolitan Sydney's population growth between 2011 and 2031, the South West Subregion should aim to capture 37% of Metropolitan Sydney's employment growth. That would increase the current South West Subregion employment target from 134,000 to 229,125 jobs.

The Draft Metropolitan Strategy for Sydney to 2031 identifies targets to support growth across Sydney. In doing this it recognises that "Planning for this growth in the right way will help to boost our economy and make Sydney a great place to work and live." To achieve this objective, the Draft Strategy recognises the importance of creating jobs close to where people live.

¹ Employment Prospects for South West Sydney. Hill PDA. 2013. Attachment A

While the Draft Strategy seeks to achieve these objectives by significantly increasing the targeted number of jobs to be generated in the South West Subregion, compared to earlier strategies and plans, as a proportion of population growth and by Subregion, the ratio of jobs has declined. In addition there has been no corresponding shift in planning to achieve this significant additional growth and relatively limited review or addition to the number of centres, employment areas or Government policies to refocus business into the South West Subregion other than the ambition for the area to become an even more significant location for housing growth.

The Draft Strategy lacks a targeted approach to specific forms of employment generation for the South West, to building a workforce that better match the skill set of the residents and that has a greater resilience to the changing economic futures of industries such as manufacturing.

The employment targets for the South West Subregion continue to be grounded on the BTS forecasts that are based on long term trends by industry and the historical trends of employment growth and industry profiles in the South West Subregion. MACROC believes however that to achieve real and positive change, the NSW Government must plan to readdress the reliance of the South West Subregion on sunset industries (old industries in decline) to sunrise (new industries expanding) that better align with the predominant skill set of the South West Subregion's growing resident population.

The Draft Metropolitan Strategy for Sydney to 2031 identifies targets and strategies to support growth across Sydney and acknowledges the importance of creating jobs close to where people live. However the focus of the Draft Strategy is on concentrating business investment, job creation and infrastructure provision within more established areas of Sydney, while merely setting housing and employment targets for the South West Subregion. This planning imbalance is not acceptable and the Strategy needs to be redrafted to provide real strategies to support job creation for our region.

The Draft Strategy also identifies **specialised employment precincts**. These specialised precincts have been identified for the promotion of growth and investment opportunities in places that 'play an economic and employment role of metropolitan significance, sometimes associated with a hospital or university or an important business or office cluster'. **There are no specialised employment precincts identified for South West Sydney**, despite the fact that the Campbelltown/Macarthur region clearly satisfies the eligibility criteria having a strong cluster of the University of Western Sydney, Campbelltown TAFE, Campbelltown Public Hospital as well as rail and motorway access. The Draft Strategy undervalues the urban status of Campbelltown/Macarthur and MACROC considers that Campbelltown/Macarthur should be acknowledged as a regional city.

Conclusion:

MACROC broadly supports the Draft Structural Plan for the Broader Western Sydney Employment Lands and welcomes the release of an additional 6,329 hectares of land for employment use and the prospect of an additional 57,000 new jobs for the residents of Western Sydney.

However in addition to the Broader Western Sydney Employment Area the Government also needs to focus on the employment needs of the Macarthur region. The bulk of Sydney's future population will be in the South West so the Government needs to proactively target employment generation there.

MACROC seeks commitment from the Department of Planning and Infrastructure and the Government that the inequity in the South West Subregion between housing growth targets and employment growth targets identified in the Hill PDA study will be addressed and that there will be a strong focus in the Metropolitan Strategy on the South West Subregion on establishing infrastructure and investment to provide economic drivers to ensure the housing and employment targets are met.

If the State Government is genuinely committed to delivering actual jobs close to where people live then that policy must be applied to Macarthur and South West Sydney. The Broader Western Sydney Employment Lands Draft Structure Plan provides for no proper access from the South West and it seems once again that the South West has been forgotten when the Government is planning infrastructure to connect residents to jobs in the new employment lands.

MACROC thanks you for the opportunity to provide input into the Draft Structure Plan for the Broader Western Sydney Employment Area. Our region is committed to working with the Government to ensure that the planning for Western Sydney delivers sustainable long term benefits for the residents of the Macarthur region.

Yours sincerely

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Employment Prospects for South West Sydney

Updated 2013

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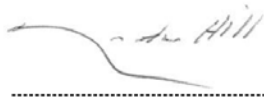
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This document is for discussion purposes only unless signed and dated by a Principal of Hill PDA.

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LIST OF ABBREVIATIONS

Australian Bureau of Statistics	ABS
Bureau of Transport Statistics	BTS
Greater Metropolitan Area	GMA
Land Quotient	LQ
Local Environmental Plans	LEPs
Local Government Areas	LGAs
Macarthur Regional Organisation of Councils	MACROC
NSW Department of Planning and Infrastructure	DP&I

DEFINITION OF TERMS

Greater Metropolitan Area – Refers to the area covering the Sydney Statistical Division, Illawarra, Central Coast and Newcastle localities.

Macarthur Regional Organisation of Councils – Incorporates Campbelltown, Camden and Wollondilly LGA's

MACROC Region – Defined for the purposes of this Study as the LGAs of Campbelltown, Camden, Liverpool and Wollondilly to align with Hill PDA's 2008 Study.

South West Subregion – In accordance with the *draft Metropolitan Strategy for Sydney to 2031* the Subregion is defined as Liverpool, Campbelltown, Camden, Bankstown, Fairfield and Wollondilly LGAs.

Sydney Metropolitan Area – Comprising of the six Subregions defined in the draft Metropolitan Strategy for Sydney to 2031 (i.e. South, South West, North, West, Central, West Central and North West).

Statistical Local Area (SLA) - a small geographic area that comprises of a number of suburbs or postcodes. An SLA is usually equivalent to the boundaries of a local government area unless it does not fit entirely within a Statistical Subdivision.

Travel Zone - a small geographic area used as the basis for BTS modelling and data analysis. Travel Zones provide a level of analysis between Census Collection District (CD) and Statistical Local Areas (SLA) as defined by the Australian Bureau of Statistics.

Figure 1 - Metropolitan Subregions as defined by the draft Subregional Strategies for Sydney (2007)

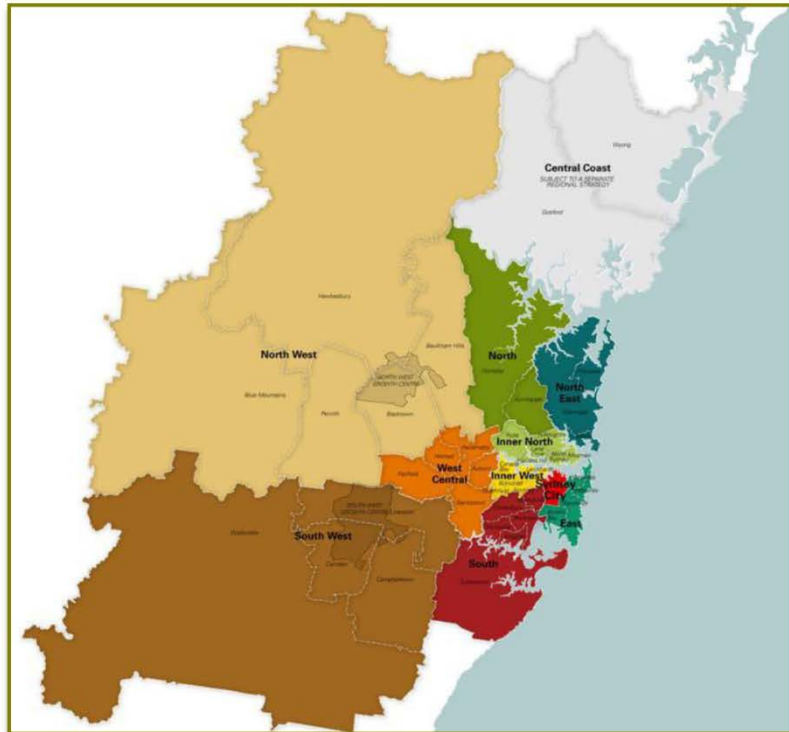
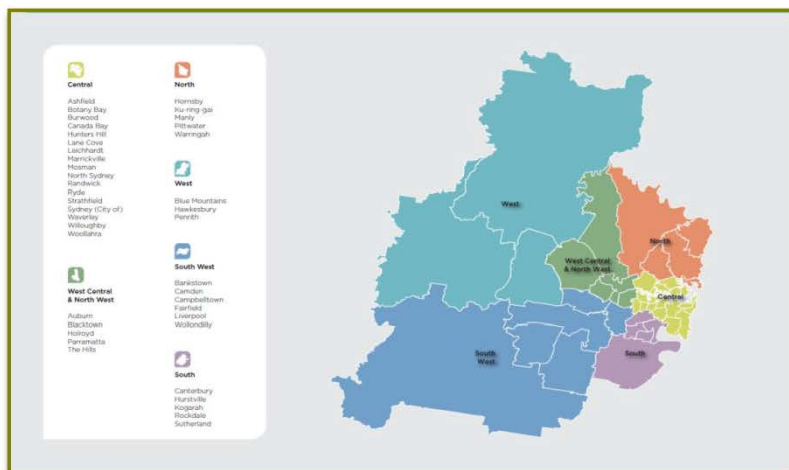


Figure 2 - Subregions as defined by the draft Metropolitan Strategy for Sydney to 2031 (2013)



EXECUTIVE SUMMARY

In 2008 Hill PDA prepared a Study that reviewed employment prospects for the South West Subregion¹ of Sydney. The Study reviewed the targets established by the State Government at that time for employment growth by 2031. It found that whilst the South West Subregion was forecast to receive 23% of Sydney's population growth over the plan period, it was only forecast to receive 13% of its job growth resulting in the lowest ratio of residents to jobs across the Greater Metropolitan Area. This was considered a notable mismatch that would exacerbate existing inequalities in the South West Subregion creating a 'two Sydney' phenomenon.

Since 2008, the State Government has released two subsequent reviews of employment and housing targets for Sydney, the most recent being the draft Metropolitan Strategy for Sydney to 2031 (draft Strategy). The release of the draft Strategy has led to the Macarthur Regional Organisation of Councils (MACROC) to commission this Study to review whether the new Strategy, and its revised targets, sufficiently addresses the job to housing mismatch described above.

This 'update' Study has consequently analysed the most recently released employment targets and their apparent basis to better understand their assumptions and alignment with other targets for the MACROC Region² and broader South West Subregion³. The key findings of this analysis have been summarised below.

"Growth and balance are the key underlying goals. The South West will grow in population. The challenge is to grow the other attributes of a self-sustaining city unit in balanced proportion. The South West will be a population centre over twice the current size of Canberra, mechanisms for ensuring it develops the other attributes of a metropolitan centre of that size are vital to ensuring that it is not permitted to be a centre for disadvantage. The key component of balanced development is the growth of a commensurate level of local industry. Local industry can be thought of as fulfilling two functions, to provide employment and livelihood for employees, and to provide goods and services to the community."

Employment Prospects for South West Sydney 2008, Hill PDA

KEY STUDY FINDINGS

Basis of Targets: The basis of the most recent employment targets is not clarified in the draft Strategy however our review of the Bureau of Transport Statistics (BTS) employment forecasts shows a strong correlation between the two. In the case of the Sydney Metropolitan Area, the BTS forecasts growth of 624,746 jobs whilst the Strategy targets 625,000 jobs.

Job Growth - Proportion of Forecast Share: The South West Subregion is forecast to experience 21% of all job growth in Sydney (128,170 jobs according to the BTS) which is

¹ The Region as defined in 2008 related to the local government areas of Campbelltown, Camden, Wollondilly and Liverpool.

² Defined for the purposes of this Study as the local government areas of Campbelltown, Camden, Wollondilly and Liverpool to align with Hill PDA's 2008 Study.

³ As of 2013 the South West Subregion is defined as the local government areas of Camden, Campbelltown, Wollondilly, Liverpool, Bankstown and Fairfield.

the third largest growth of any Subregion. Notwithstanding this, it is forecast to achieve 37% of population growth (+449,610 people) which represents the largest single component of population growth of any Sydney Subregion (according to the BTS)⁴.

On this basis, the South West Subregion would only achieve a job to population growth ratio of 57% - the lowest of any Subregion. The ratio further reduces to 51% when we consider the MACROC Region on its own (i.e. the South West Subregion excluding Bankstown and Fairfield LGA's). This compares to the figures in Hill PDA's 2008 Study of 55% showing that on a population basis, the forecast number of jobs in the MACROC Region has declined further in the draft Strategy compared to earlier Government targets for the same area.

Looking at the matter another way, as of 2031 the South West Subregion is forecast to generate 0.28 jobs per person. For the MACROC Region this would reduce to 0.26 jobs per person which would compare unfavourably to the rate of 0.286 by 2031 we calculated in 2008. All of these forecasts compare poorly to our estimate of 0.304 jobs per resident that existed in 2006. In essence this means that based on current targets, the ratio of jobs to residents will get worse over time. A similar situation is found on a job growth to dwelling growth basis as summarised in the blue box.

Job Growth to Dwelling Growth Ratio	
2007 MACROC Region 1.66	2013 MACROC Region 1.43
2007 South West Subregion 1.11	2013 South West Subregion 0.95

Share of Job Growth in Centres: Despite the draft Strategy's focus on job growth in centres, only 6 of Sydney's existing or proposed centres are located within the South West Subregion and thereby 13% of job growth in these locations. The South West Subregion is also poorly represented with respect to Specialised Centres with only 1 of the 11 Specialised Centres (2% of forecast job growth). This is considered symptomatic of the disproportionate share of knowledge sector jobs to other Subregions in Sydney.

Share of Overall Population and Jobs: As of 2011 the South West Subregion comprised 15% of Sydney's population, by 2031 this is projected to increase to 18% yet the share of jobs in the Subregion will only grow from 11% to 12% over the same period. For the MACROC Region, the resident population is forecast to increase from 8% to 12% yet the overall share of jobs is only anticipated to grow from 6% to 7% of Sydney's jobs.

Fair Market Share: Given the South West Subregion is forecast to provide 37% of Metropolitan Sydney's population growth between 2011 and 2031, the South West Subregion should aim to capture 37% of Metropolitan Sydney's employment growth. That would increase the current South West Subregion employment target from 134,000 to 229,125 jobs.

It is important to note that whilst this approach would achieve parity between population and job growth, owing to the existing mismatch between residents and jobs provision in the South West Subregion and MACROC Region, even if this revised target is achieved, an overall deficit would continue along with the associated social and economic challenges.

⁴ The Metropolitan Strategy does not provide the basis of its population forecasts. For the purposes of this assessment we have used the most recent BTS population forecasts to ensure alignment with the BTS employment forecasts we discuss in this Study. It is also worth noting that the most recently released DP&I population forecasts were based on the BTS 2006 population base.

CONCLUSION – DON'T SHOOT THE MESSENGER

The draft Strategy identifies targets to support growth across Sydney. In doing this it recognises that *"Planning for this growth in the right way will help to boost our economy and make Sydney a great place to work and live."* To achieve this objective, the draft Strategy recognises the importance of creating jobs close to where people live in accordance with the priorities of the NSW State Plan.

Whilst the draft Strategy seeks to achieve these objectives by significantly increasing the targeted number of jobs to be generated in the South West Subregion (and MACROC Region) compared to earlier strategies and plans⁵, as a proportion of population growth and by Subregion, the ratio of jobs has declined. Furthermore there has been no corresponding shift in planning to achieve this significant additional growth. By this we mean that there has been a relatively limited review or addition to the number of centres, employment areas or Government policies to refocus business into the South West Subregion other than the ambition for the area to become an even more significant location for housing growth.

Consistent with our earlier assessment, we believe that if left unaddressed, this would lead to the exacerbation of the 'two Sydney' phenomenon foretold in Hill PDA's 2008 Study and the compounding of existing inequities. Whilst these targets may now be argued as a minimum, the draft Strategy still appears to 'plan' for this figure⁶ rather than the alternative or aspirational target of close to 230,000 jobs calculated by this Study.

Furthermore the employment targets for the South West Subregion continue to be grounded on the BTS forecasts that are based on long term trends by industry and the historical trends of employment growth and industry profiles in the South West Subregion. We believe however that to achieve real and positive change, the NSW Government must plan to readdress the reliance of the South West Subregion on sunset industries (old industries in decline) to sunrise (new industries expanding) that better align with the predominant skill set of the South West Subregion's growing resident population. We believe it is not the role of the BTS to comment on planning and suggest contrary planning strategies but rather the role of the draft Metropolitan Strategy for Sydney to 2031 to seek to address means of better planning for Sydney, particularly in the South West Subregion with one of the highest levels of population growth.

⁵ The current employment targets have increased notably since the 2007 draft Subregional Strategies

⁶ Action states that it is planning for these minimums rather than aspirations (page 41)

1. INTRODUCTION

The following Study has been commissioned by the Macarthur Regional Organisation of Councils (MACROC) to review the targets established by the draft Metropolitan Strategy for Sydney to 2031 (draft Strategy) for the MACROC Region and the broader South West Subregion. The Study has been prepared as evidence to accompany a submission to the Department of Planning and Infrastructure (DP&I) in relation to the draft Strategy.

The Study questions three key matters:

1. What is the basis of the Metropolitan employment targets for South West Sydney?
2. How do the revised employment targets relate to other Subregions?
3. Do the revised employment targets improve or detract from the 'two Sydney' phenomenon identified by Hill PDA's 2008 Study of *Employment Prospects for South West Sydney* e.g. the disparity between residential growth and job provision in the Subregion.

The Study generally refers to two geographic areas being:

The MACROC Region: which is defined as the Local Government Areas (LGAs) of Camden, Campbelltown, and Wollondilly and for the purposes of this Study, Liverpool LGA.

The South West Subregion: which aligns with the subregion defined by the draft Strategy to include Camden, Campbelltown, Liverpool, Wollondilly, Bankstown and Fairfield LGAs.

In accordance with the draft Strategy, this Study has adopted a 2011-2031 timescale.

1.1 STUDY BACKGROUND

As referenced above, in 2008 Hill PDA prepared a Study for MACROC concerning the MACROC Region's employment prospects. Of note Hill PDA's 2008 Study identified the following:

On a Sydney subregional basis the forecast distribution of jobs suggests a rising concentration of employment in the North West, Lower North and Sydney City in comparison to resident population, benefiting from the growth and affluence of the macro position of Sydney as a Global City. By contrast, the South West will host 23% of population growth but only 13% of growth in local employment. If realised, the ratio of local employment will fall from 0.304 jobs per capita to 0.286 and it will become a major impediment for the vitality of the Subregion that is already burdened by longer work travel times.

Over the same period the Greater Metropolitan Area (GMA) ratio will strengthen from 0.474 to 0.485 taking the South West to the lowest ratio in the GMA despite its having significant natural advantages for employment growth. This view is consistent with a conclusion that is enjoying some currency, that Sydney is tending to bifurcate into two communities with the affluent one to the East, housing higher paid

knowledge workers while the one to the West being dominated by the lower paid production and in-person service/trades workers.⁷

The 2008 Hill PDA Study sought to respond to the State Government's employment targets and their deficiencies at the time by identifying the factors that appeared to be leading the South West Subregion⁸ into such poor future prospects. It examined the employment dynamics of the South West Subregion⁹ in terms of labour market drivers, employment and business requirements and related community attributes to recommend principles for their co-ordinated development in the South West Subregion¹⁰.

It also examined existing local industries and related them to wider trends affecting Sydney's industry and employment as a whole. It related these trends to the opportunities provided in the South West and recommended opportunities to be leveraged off. From these, a set of mechanisms were identified for the realisation of employment goals believed to be both realistic and effective in raising the prospects of the South West Subregion¹¹ to a more acceptable level.

This Study seeks to review the recent release of targets for the South West Subregion¹² including any subsequent adjustments that may have been made to the prior mismatch between targeted housing and employment growth in the MACROC Region.

1.2 DATA SOURCES

In undertaking this analysis we have relied upon the following key data sources:

1. The Australian Bureau of Statistics (ABS) 2011 Census Data;
2. Tables 3, 4, 5 and 6 of the draft Metropolitan Strategy for Sydney to 2031;
3. The August 2012 release of the Bureau of Transport Statistic (BTS) Employment Forecasts;
4. The August 2012 release of the BTS Population Forecasts; and
5. Various tables referenced in Hill PDA's 2008 Study of Employment Prospects for South West Sydney. Prepared for MACROC.

⁷ Employment Prospects for South West Sydney 2008, Hill PDA Page 12.

⁸ The Region as defined in 2008 related to the local government areas of Campbelltown, Camden, Wollondilly and Liverpool.

⁹ Ibid

¹⁰ Ibid

¹¹ Ibid

¹² As of 2013 the South West Subregion is defined as the local government areas of Camden, Campbelltown, Wollondilly, Liverpool, Bankstown and Fairfield.

2. NEW STRATEGIC DIRECTIONS

Of relevance to this Study *"the Metropolitan Strategy lays the strategic planning foundation to ensure the City's economic activity drives productivity, employment growth and accessibility to jobs"* (Page 8). In this respect it identified and targets:

- At least 625,000 new jobs in Sydney by 2031;
- Subregional employment targets that are now defined as 'a minimum' to be planned for;
- Fifty percent of new jobs will be in Western Sydney by 2031;
- The need for greater employment diversity in Western Sydney;
- The balanced delivery of *"growth through a new planning framework"*;
- More jobs closer to where people live (in accordance with the objectives of the NSW State Plan);
- The extension of the Global Economic Corridor *"to the north west and to Parramatta. This will capitalise on the Strengths of the Corridor to open up new opportunities for investment and jobs in Sydney's west"* (Page 8); and
- The inclusion of part of the Western Sydney Employment Area in the South West Subregion.

2.1 HOW THE TARGETS HAVE CHANGED

The draft Strategy identifies that the employment and housing targets for Sydney have increased notably since subsequent plans. To better understand this degree of change, we have compared the targets provided by:

1. The draft South West and West Central Subregional Strategies (released in December 2007);
2. The Metropolitan Plan for Sydney 2036 (released in December 2010); and
3. The Draft Metropolitan Strategy for Sydney to 2031 (released in March 2013).

A key challenge in comparing data across these plans / strategies relates to their varying time periods (i.e. 2001 to 2031 for the 2007 Strategies; 2006 to 2036 for the 2010 Metropolitan Plan and 2011 to 2031 for the most recent draft Strategy) as well as their changing geographies (i.e. the draft Strategy revises the boundary for the South West Subregion compared to the 2007 strategies and 2010 Plan).

To account for these changes and to try to bring the targets into alignment we have prepared a table that:

- Averages the targets and aligns them to a 20 year period (i.e. so that they align with the 2013 draft Strategy);
- Adjusted the Subregional targets so that they have the same proportional split of jobs as the 2006 Subregional Strategies by LGA in order to provide a rough estimate of what the revised targets could be on an LGA basis.

We caution that these adjustments have been undertaken for indicative purposes only and will no doubt be subject to notable refinement as the revised Subregional Strategies are prepared in due course.

The comparison of targets in Table 1 below shows a notable increase in jobs and dwellings forecast over a 20 year period by each subsequent Plan / Strategy. **These changes translate into an 83% increase in Employment Targets and a 113% increase in Housing Targets between the 2007 and 2013 documents.** The comparison also shows that consistently the targets for additional dwellings are more than the targets for new jobs in the MACROC Region and South West Subregion.

Further analysis of the implications of these changes and how they relate to broader Sydney's targets is discussed in Chapters 3 and 4.

Table 1 - Target Comparisons for 2006, 2010 and 2013 Plans and Strategies

Job Target Comparison	2007 Employment	2010 Employment	2013 Employment	Net Change 2007-2013
	Targets Adjusted to 20 years	Targets Adjusted to 20 years and by LGA	Targets Adjusted for LGAs	
Camden	17,333	27,461	31,673	14,339
Campbelltown	17,333	27,461	31,673	14,339
Liverpool	23,333	36,966	42,636	19,303
Wollondilly	1,333	2,112	2,436	1,103
MACROC Region	59,333	94,000	108,418	49,085
Bankstown	4,000	6,426	7,309	3,309
Fairfield	10,000	16,066	18,273	8,273
South West Subregion	73,333	116,492	134,000	60,667
Housing Target Comparison	2007 Housing Targets Adjusted	2010 Housing Targets Adjusted	2013 Housing Targets	Net Change 2007-2013
	Targets Adjusted to 20 years	Targets Adjusted to 20 years and by LGA	Adjusted for LGAs	
Camden	6,849	19,849	14,561	7,712
Campbelltown	16,435	47,630	34,941	18,505
Liverpool	8,885	25,750	18,890	10,004
Wollondilly	3,487	10,104	7,412	3,926
MACROC Region	35,657	103,333	75,804	40,148
Bankstown	14,667	14,743	31,181	16,514
Fairfield	16,000	16,084	34,015	18,015
South West Subregion	66,323	134,160	141,000	74,677

Source: Based on Forecasts provided in the draft South West and West Central Subregional Strategies 2007; the Draft Metropolitan Strategy for Sydney to 2031 and the Metropolitan Plan for Sydney 2036.

2.2 BASIS OF TARGETS

Our review of the draft Strategy and its targets have identified the following:

- The basis of the employment targets is not explored however our analysis has found that they closely align with the Bureau of Transport Statistics (BTS) forecasts;
- The draft Strategy does not explain the basis of the housing targets nor population growth assumptions or dwelling yields. In light of the use of BTS forecasts for employment we have also used the BTS forecasts for population in our analysis. The reasoning for this is twofold;
 - Population and employment growth are interlinked and hence for consistency we have used the same base data; and
 - The BTS August 2012 Population Forecasts are based on the DP&I's 2010 Interim Population Projections. Allowing for minor rounding differences, they are consistent with DP&I totals for Estimated Resident Population (ERP) at the Statistical Local Area (SLA) level.
- Owing to the timing of the draft Strategy's release, there is a mixed use of data sources i.e. SEIA data from the 2006 Census (Page 34) as well as March 2012 unemployment and labour force data rather than consistent (i.e. 2011 Census Data) as a basis.

3. ANALYSING THE TARGETS

The following Chapter undertakes an initial review of the most recently released employment targets for the South West Subregion and compares them to the housing targets for the same area. It then provides a comparative analysis to the targets that were released in the 2007 draft Subregional Strategies to better understand how they have changed in absolute as well as proportional terms.

3.1 ANALYSING EMPLOYMENT DATA

Firstly analysing the employment targets and data provided by the draft Strategy, the following can be found:

1. The South West Subregion had 17% of Sydney's workforce as of March 2012 representing the third largest workforce by Subregion in Sydney (following the Central Subregion at 30% and the West Central and North West Subregion at 18%)¹³;
2. The South West Subregion had the highest unemployment rate (6.58%) as of 2012 (Table 6);
3. Whilst the South West Subregion had 17% of the workforce in 2011 it only had 14% of Sydney's estimated jobs (Table 5). Furthermore the South West's share of jobs is only targeted to increase to 15% by 2031 as a proportion of the total (Table 5);
4. Whilst the share of jobs is targeted to increase to 15%, based on our estimates the South West Subregion's share of Sydney's workforce could increase to 18% by 2031¹⁴; and
5. The South West Subregion is forecast to achieve the second largest proportional growth (37% increase on its existing jobs) following the South Subregion which is targeted to achieve 45%.

3rd Largest workforce
of any Subregion

Highest
unemployment rate of
any Subregion

By 2031, 18% of
Sydney's labour force
but only 15% of
Sydney's jobs

In isolation this all seems reasonable, however we are of the view that the 'devil may be in the more detailed comparisons'. Therefore to help understand how planning for jobs has changed over time and comparative to population growth we have assessed the 2006 employment and housing targets for the LGAs within the South West Subregion (as it is now defined). We have subsequently found that the job targets for the South West Subregion as of 2013 have increased by 60,666 (83%) jobs compared to an increase of 74,677 dwellings (112%) since 2007.

Furthermore when comparing targets for each Subregion across the 2007 draft Subregional Strategies, the Metropolitan Plan for Sydney 2036 and the most recent draft Strategy, it is evident that targets for dwellings have increased notably leaving the targets for jobs well behind.

¹³ Based on Table 6 of Draft Metropolitan Strategy for Sydney to 2031

¹⁴ Based on BTS 2012 population forecasts and a workforce ratio of 50% of 1,298,431 forecast population for the South West

For example it can be shown that as of 2006 there were 1.66 jobs targeted for each new dwelling in the Subregion. This reduced to 1.11 when the targets for Bankstown and Fairfield were included. By 2011 and 2013 however the Metropolitan Plan and draft Strategy significantly reduced this ratio to less than 1 new job per new dwelling. Given that new households in the South West Subregion are likely to have higher occupancy rates than other areas of Sydney (and therefore more occupants likely to be looking for jobs) this ratio is considered a particular matter for concern.

Table 2 - Ratio of Job Growth to Dwellings 2007 and 2013

2007 MACROC Region 1.66	2013 MACROC Region 1.43
2007 South West Subregion 1.11	2013 South West Subregion 0.95

Based on our adjusted targets established in Section 2.1 of this Study, the following table breaks this analysis down further on an LGA basis.

Table 3 - Estimated Job Growth Ratios to Housing by LGA 2006 vs. 2013

Subregion	Ratio Jobs to Housing 2007	Ratio Jobs to Housing 2013
Camden	2.53	2.18
Campbelltown	1.05	0.91
Liverpool	2.63	2.26
Wollondilly	0.38	0.33
MACROC Region	1.66	1.43
Bankstown	0.27	0.23
Fairfield	0.63	0.54
South West Subregion	1.11	0.95

We reiterate that caution should be applied in relying on these figures at the LGA level as they are based on the proportional split of jobs and housing provided in the 2007 draft Subregional Strategies which are likely to be altered with any revised Subregional Strategy.

3.2 ANALYSING JOB GROWTH BY CENTRE

The draft Strategy also outlines that the majority of job growth will be focused within centres to ensure accessibility to the growing population. Accordingly we have compared job growth by centre with the proportion of dwelling growth (26%) and population growth (37%) to be achieved by the South West Subregion to find that:

- Only 13% of job growth in Sydney's Centres is forecast to occur in centres in the South West Subregion;
- Only 6 of the 34 existing or proposed centres in Sydney are located in the South West Subregion (18%);
- Whilst the South West Subregion has centres at the Regional, Major and Major Planned Centre levels, the Subregion is poorly represented with respect to Specialised Centres (i.e. 1 centre of the 11 across Sydney representing only 2% of Sydney's growth in these centres). This is a likely reflection of the nature of

employment growth forecast for the South West Subregion being largely dependent on locations such as the Western Sydney Employment Lands as opposed to specialised centres such as Norwest or Macquarie Business Parks; and

- The South West Subregion does not benefit from the significant job growth (35% of all job growth targeted for centres) that is forecast to occur in Global Sydney nor the Global Economic Corridor where the majority of knowledge sector jobs are likely to be located.

Table 4 - Analysis of Job Growth by Centre

Centre Type	Total Number of Centres	Total Job Target	Number in South West	Proportion of Total Centres	Proportion of Total Jobs
Global Sydney	2	104,000			
None			0	0%	0%
Regional Centre	3	38,000			
Liverpool - 9,000 Job Target			1	33%	24%
Major Centre	10	42,000			
Bankstown - 3,000 Job Target					7%
Campbelltown-Macarthur - 10,000 Job Target					24%
Subtotal			2	20%	31%
Planned Major Centres	3	26,000	1		
Leppington - 13,000 Job Target				33%	50%
Potential Major Centres	4				
Fairfield - Target TBD		N/A	1	N/A	N/A
Specialised Precinct	11	84,000			
Bankstown Airport - Milperra - 2,000 Job Target			1	9%	2%
Potential Specialised	4				
None		N/A	0		N/A
Total	34	294,000	6	18%	13%

Source: Based on Table 4 of the Draft Metropolitan Strategy for Sydney to 2031

4. DON'T SHOOT THE MESSENGER

This Chapter delves down into greater detail than Chapter 3 to examine the most recent employment forecasts released by the NSW Government, namely the Bureau of Transport Statistics (BTS) employment forecasts (August 2012) and how they compare to the targets. The Chapter also provides an update of Chapter 8 of Hill PDA's 2008 *Employment Prospects for South West Sydney Report* prepared for MACROC which provided some of the key figures and analysis to underpin the 2008 Study's findings.

The BTS forecasts employment growth across the Sydney Metropolitan Area by industry category between 2011 and 2046. These assumptions are based on global economic trends, increased productivity and national growth of Gross Domestic Product. The BTS makes assumptions of employment distribution to geographic subregions and travel zones by industry. The assumptions include data on land releases, local area population growth, industry trends about offices space and storage, government policy on education and health and so on.

When considering BTS job counts by Place of Work, the estimates are generally higher than the ABS Census count numbers because the BTS adjusts for undercounts due to omissions and workers with no fixed address. The ABS job counts by Place of Work are typically an undercount of 12% - 20% to adjusted BTS data.

4.1 BTS FORECASTS VS. DP&I TARGETS

The BTS forecasts the creation of 621,947 jobs for the Sydney Metropolitan Area by 2031 which very closely aligns with the DP&I Target of 625,000 jobs over the same period. This suggests that the targets are based on the BTS forecasts albeit rounded up. The BTS forecasts by Subregion are provided in Table 5 below.

Breaking the forecasts down to the South West Subregion, the BTS forecasts an additional 128,170 jobs between 2011 and 2031 compared to the 134,000 targeted by the DP&I. Once again this is not too far out of alignment however there is no justification in the draft Strategy for the 5,830 job difference.

For the MACROC Region, the BTS forecasts job growth of 94,884 jobs, representing 15.19% of Sydney's forecast employment growth. This is a 1.92% improvement from the market share that was established by the 2007 draft South West Subregional Strategy Target of 13.26%.

Table 5 - BTS Subregional Forecasts (August 2012 Release) 2011 - 2031

Metropolitan Sydney	2011	2016	2021	2026	2031	2011 to 2031 Difference
Central	997,626	1,076,016	1,138,205	1,193,149	1,237,749	240,123
West Central & North West	389,010	424,341	460,271	493,356	523,766	134,756
North	185,757	197,881	208,915	218,750	227,525	41,768
West	118,790	128,123	137,586	147,156	155,611	36,821
South West	297,677	329,009	359,022	390,399	425,847	128,170
South	182,962	195,015	207,066	217,188	226,070	43,108
Total	2,171,822	2,350,385	2,511,065	2,659,998	2,796,568	624,746
MACROC Region	158,037	180,281	202,929	226,082	252,921	94,884

Source: BTS Employment Forecasts August 2012

4.2 PROPORTIONAL SHARE OF EMPLOYMENT GROWTH

By Subregion the largest proportional increase of jobs is forecast to occur within the Central Subregion, largely on account of Sydney CBD and the Global Economic Corridor. The South West Subregion would have the third largest share of forecast job growth at 20.52%.

Table 6 - Employment Growth 2011 – 2031 by Subregion and Proportional Share

Metropolitan Sydney	Job Growth	% of Total Growth	Ranking by Share
Central	240,123	38.44%	1
West Central & North West	134,756	21.57%	2
North	41,768	6.69%	5
West	36,821	5.89%	6
South West	128,170	20.52%	3
South	43,108	6.90%	4
Total Metropolitan Sydney	624,746	100.00%	
MACROC Region	94,884	15.19%	

Source: BTS Employment Forecasts August 2012

An important matter arises however when reviewing the proportion of forecast job growth to population growth. Using the BTS population forecasts, we have found that the Central Subregion would achieve the highest rate of jobs compared to population growth (211%), whilst the South West Subregion would achieve the lowest (57%). This figure drops even further when considering the MACROC Region (e.g. to 51%).

Accordingly the table below shows that the South West Subregion's growth in jobs, relative to its population growth, would be the poorest performer of all the subregions in Metropolitan Sydney. Furthermore the proportion to be achieved by the MACROC Region would be even lower than our forecasts in 2008 that found it would achieve a 55% rate of job growth to population¹⁵.

Table 7 - Job Growth vs. Population Growth 2011 – 2031 by Subregion

Metropolitan Sydney	Job Growth	% of total job growth	Population growth	% of total population growth	% job growth vs. population growth
Central	240,123	38.61%	227,862	18.25%	211%
West Central & North West	134,756	21.67%	342,474	27.42%	79%
North	41,768	6.72%	78,138	6.26%	107%
West	36,821	5.92%	83,883	6.72%	88%
South West	128,170	20.61%	449,610	36.00%	57%
South	43,108	6.93%	66,825	5.35%	129%
Total Metropolitan Sydney	624,746	100.00%	1,248,792	100.00%	100%
MACROC Region	94,884	15.19%	371,065	29.71%	51%

Source: BTS August 2012 Hill PDA Research

¹⁵ from 2001 to 2031 based on the TDC forecast

4.3 DON'T SHOOT THE MESSENGER

Why is the South West Subregion lagging in job growth when the Central, North and South Subregions are doing much better relative to population growth?

One needs to realise that the BTS forecasts (don't shoot the messenger) continue to be based firstly on long term trends by industry and secondly on historical trends of the Subregion's employment growth and industry profile. The South West Subregion does poorly in job growth because of its reliance upon industries, such as manufacturing, that are viewed as being in decline across Sydney as a whole (please see analysis below).

The West Central and North West Subregions on the other hand have been successful in attracting business parks and with the growth in the property and business sectors there has been, and is anticipated to be, notable growth in employment in that sector as opposed to the continued contraction in manufacturing related industries.

The South West Subregion therefore needs to effectively shift its business model to encompass sunrise (new industries expanding) as opposed to sunset industries (old industries in decline). It is not the role of the BTS to comment on what is poor planning and suggest contrary planning strategies. It is however, the role of the draft Metropolitan Strategy to seek to address means of better planning for Sydney, particularly in the area of the highest level of population growth in Sydney.

4.4 SHIFTS IN INDUSTRY SHARE

This next section looks at the BTS forecasts at the Sydney Metropolitan level and then critically reviews assumptions of market share at the subregional level. A starting hypothesis of our analysis is that the South West Subregion should be able to gain the same share of job growth relative to population growth (Fair Market Share of Job Growth) as does the rest of the Sydney Metropolitan Area.

Global trends show that industries such as education, government administration, health, construction, transport and storage, personal services and retail are increasingly being suburbanised and can grow as a function of population growth and government intervention. Other industry categories, such as manufacturing, finance and insurance, property and business services are more industry led and government incentives will often be required to stimulate decision making. The establishment and sustained support of Parramatta CBD is noted as an example of this government intervention. On this basis our 2008 Study recommended such an approach for the South West Subregion.

Looking now at industries across Sydney and how they are forecast to shift in time, Table 8 shows that the majority of jobs in the manufacturing industry will continue to decline over the next 20 years. It also shows that the majority of job growth will be focused in the knowledge and service industries referenced above including health care and professional services.

Table 8 - Metropolitan Employment Forecasts by Industry as a Proportion of the Whole 2011 – 2031

Industry	2011	2031	Shift in Jobs	% shift 2011-2031
Agriculture, Forestry and Fishing	7,202	5,863	- 1,339	-19%
Mining	7,706	13,299	5,592	73%
Food Product Manufacturing	29,062	24,612	- 4,450	-15%
Beverage and Tobacco Product Manufacturing	4,981	4,085	- 896	-18%
Textile, Leather, Clothing and Footwear Manufacturing	8,657	5,023	- 3,634	-42%
Wood Product Manufacturing	5,406	2,865	- 2,541	-47%
Pulp, Paper and Converted Paper Product Manufacturing	5,123	2,767	- 2,356	-46%
Printing (including the Reproduction of Recorded Media)	15,433	11,759	- 3,674	-24%
Petroleum and Coal Product Manufacturing	1,642	1,171	- 471	-29%
Basic Chemical and Chemical Product Manufacturing	12,337	9,067	- 3,271	-27%
Polymer Product and Rubber Product Manufacturing	10,424	8,336	- 2,088	-20%
Non-Metallic Mineral Product Manufacturing	8,088	6,379	- 1,709	-21%
Primary Metal and Metal Product Manufacturing	8,972	9,467	495	6%
Fabricated Metal Product Manufacturing	10,946	9,787	- 1,160	-11%
Transport Equipment Manufacturing	9,205	6,413	- 2,791	-30%
Machinery and Equipment Manufacturing	27,085	19,175	- 7,910	-29%
Furniture and Other Manufacturing	28,335	21,908	- 6,427	-23%
Electricity, Gas, Water and Waste Services	18,890	12,673	- 6,217	-33%
Construction	116,505	143,939	27,435	24%
Wholesale Trade	112,208	140,323	28,115	25%
Retail Trade	222,060	288,329	66,269	30%
Accommodation and Food Services	147,649	168,608	20,959	14%
Transport, Postal and Warehousing	123,029	145,053	22,024	18%
Information Media and Telecommunications	53,821	71,970	18,149	34%
Financial and Insurance Services	149,175	211,122	61,947	42%
Rental, Hiring and Real Estate Services	37,523	42,077	4,554	12%
Professional, Scientific and Technical Services	219,062	346,232	127,170	58%
Administrative and Support Services	70,388	95,974	25,586	36%
Public Administration and Safety	123,429	165,649	42,220	34%
Education and Training	158,305	221,993	63,689	40%
Health Care and Social Assistance	238,391	363,991	125,599	53%
Arts and Recreation Services	40,014	48,491	8,477	21%
Other Services	78,180	89,116	10,935	14%
Unclassified	62,590	79,053	16,463	26%
Total	2,171,823	2,796,569	624,746	28.77%

Source: BTS August 2012

Translating the table above into a proportional breakdown by industry shows that the Manufacturing Supergroup will experience a drop in total market share from 7.84% to 4.69%. This equates to a total job loss of 39,209 jobs from 2011 to 2031 despite a growth in total workforce of over 624,746 for all industries over the Metropolitan Area. Other big losers in job growth are electricity, gas, water and waste services as well as accommodation and food services.

Table 9 - Share of Total Employment by Industry - Sydney Metropolitan Area 2011 - 2031

Industry	2011	2016	2021	2026	2031	Shift
Agriculture, Forestry and Fishing	0.33%	0.27%	0.23%	0.22%	0.21%	-0.12%
Mining	0.35%	0.43%	0.45%	0.47%	0.48%	0.12%
Food Product Manufacturing	1.34%	1.13%	0.97%	0.92%	0.88%	-0.46%
Beverage and Tobacco Product Manufacturing	0.23%	0.19%	0.16%	0.15%	0.15%	-0.08%
Textile, Leather, Clothing and Footwear Manufacturing	0.40%	0.30%	0.20%	0.20%	0.18%	-0.22%
Wood Product Manufacturing	0.25%	0.17%	0.13%	0.11%	0.10%	-0.15%
Pulp, Paper and Converted Paper Product Manufacturing	0.24%	0.16%	0.12%	0.11%	0.10%	-0.14%
Printing (including the Reproduction of Recorded Media)	0.71%	0.56%	0.47%	0.44%	0.42%	-0.29%
Petroleum and Coal Product Manufacturing	0.08%	0.06%	0.05%	0.05%	0.04%	-0.03%
Basic Chemical and Chemical Product Manufacturing	0.57%	0.48%	0.41%	0.35%	0.32%	-0.24%
Polymer Product and Rubber Product Manufacturing	0.48%	0.42%	0.34%	0.32%	0.30%	-0.18%
Non-Metallic Mineral Product Manufacturing	0.37%	0.31%	0.26%	0.24%	0.23%	-0.14%
Primary Metal and Metal Product Manufacturing	0.41%	0.42%	0.39%	0.35%	0.34%	-0.07%
Fabricated Metal Product Manufacturing	0.50%	0.48%	0.43%	0.37%	0.35%	-0.15%
Transport Equipment Manufacturing	0.42%	0.33%	0.27%	0.25%	0.23%	-0.19%
Machinery and Equipment Manufacturing	1.25%	0.97%	0.82%	0.74%	0.69%	-0.56%
Furniture and Other Manufacturing	1.30%	1.15%	0.98%	0.85%	0.78%	-0.52%
Electricity, Gas, Water and Waste Services	0.87%	0.59%	0.51%	0.47%	0.45%	-0.42%
Construction	5.36%	5.61%	5.59%	5.29%	5.15%	-0.22%
Wholesale Trade	5.17%	5.04%	5.03%	5.03%	5.02%	-0.15%
Retail Trade	10.22%	10.54%	10.38%	10.34%	10.31%	0.09%
Accommodation and Food Services	6.80%	6.55%	6.25%	6.11%	6.03%	-0.77%
Transport, Postal and Warehousing	5.66%	5.44%	5.36%	5.16%	5.19%	-0.48%
Information Media and Telecommunications	2.48%	2.62%	2.59%	2.58%	2.57%	0.10%
Financial and Insurance Services	6.87%	7.04%	7.35%	7.49%	7.55%	0.68%
Rental, Hiring and Real Estate Services	1.73%	1.66%	1.59%	1.53%	1.50%	-0.22%
Professional, Scientific and Technical Services	10.09%	10.73%	11.57%	12.13%	12.38%	2.29%
Administrative and Support Services	3.24%	3.48%	3.45%	3.45%	3.43%	0.19%
Public Administration and Safety	5.68%	6.06%	5.99%	5.96%	5.92%	0.24%
Education and Training	7.29%	7.08%	7.50%	7.79%	7.94%	0.65%
Health Care and Social Assistance	10.98%	11.70%	12.31%	12.76%	13.02%	2.04%
Arts and Recreation Services	1.84%	1.76%	1.71%	1.73%	1.73%	-0.11%
Other Services	3.60%	3.44%	3.30%	3.23%	3.19%	-0.41%
Unclassified	2.88%	2.85%	2.83%	2.83%	2.83%	-0.06%
Total	100.00%	100.00%	100.00%	100.00%	100.00%	
Manufacturing Supergroup	7.84%	6.57%	5.53%	5.00%	4.69%	-3.15%

Source: BTS August 2012

To assess what these shifts mean to the South West Subregion and MACROC Region, we have used the Land Quotient method. This method compares the proportional size of an industry within a given subregion to better understand industry under representation or need. In essence where a Land Quotient equals 1, there is an equal distribution of jobs between both areas however where the number exceeds 1, this represents a greater proportional share of jobs. In our case a number greater than 1 represents a greater proportional share of jobs

within an industry for the South West Subregion or MACROC Region compared to the Sydney Metropolitan Region or Greater Metropolitan Area.

As shown in Table 10 below, for the South West Subregion, the industry share trends established in the preceding table's impact the South West Subregion negatively. It is shown that 8 of the 9 proportionally largest employment generating industries in the South West Subregion are forecast to decline by 2031 across Sydney as a whole. The only exception being primary metal and metal product manufacturing.

Table 10 - South West Subregion LQ Industries as of 2031 compared to Metro Sydney and GMA

Industry	Compared to Metropolitan Sydney	Compared to the GMA
Agriculture, Forestry and Fishing	1.7	1.2
Mining	3.1	1.8
Food Product Manufacturing	1.8	1.7
Beverage and Tobacco Product Manufacturing	0.6	0.6
Textile, Leather, Clothing and Footwear Manufacturing	1.6	1.8
Wood Product Manufacturing	2.9	2.4
Pulp, Paper and Converted Paper Product Manufacturing	3.3	3.7
Printing (including the Reproduction of Recorded Media)	1.2	1.4
Petroleum and Coal Product Manufacturing	1.3	1.2
Basic Chemical and Chemical Product Manufacturing	1.3	1.3
Polymer Product and Rubber Product Manufacturing	3.3	3.8
Non-Metallic Mineral Product Manufacturing	2.6	2.5
Primary Metal and Metal Product Manufacturing	2.4	1.5
Fabricated Metal Product Manufacturing	2.5	2.2
Transport Equipment Manufacturing	2.0	1.8
Machinery and Equipment Manufacturing	1.7	1.7
Furniture and Other Manufacturing	2.4	2.4
Electricity, Gas, Water and Waste Services	1.4	1.3
Construction	1.1	0.9
Wholesale Trade	1.2	1.3
Retail Trade	1.2	1.2
Accommodation and Food Services	0.9	0.9
Transport, Postal and Warehousing	1.6	1.7
Information Media and Telecommunications	0.3	0.4
Financial and Insurance Services	0.3	0.3
Rental, Hiring and Real Estate Services	1.4	1.4
Professional, Scientific and Technical Services	0.3	0.4
Administrative and Support Services	0.9	0.9
Public Administration and Safety	0.8	0.8
Education and Training	1.1	1.1
Health Care and Social Assistance	1.2	1.2
Arts and Recreation Services	0.8	0.8
Other Services	1.4	1.3
Unclassified	0.9	0.9

Source BTS August 2012 forecast & Hill PDA Research

Note: Top 9 employment generating industries by LQ highlighted in yellow

In MACROC Region's case, 6 of the 9 top land quotient industries will have negative shifts in industry share when viewed over the Sydney Metropolitan Area. This means that 6 of the 9 proportionally largest industries in the MACROC Region are forecast to decline by 2031 across Sydney as a whole. The exceptions being non-metallic mineral product manufacturing; transport, postal and warehousing; rental, hiring and real estate services.

Table 11 - MACROC Region LQ Industries as of 2031 compared to Metro Sydney and GMA

Industry	Metropolitan Sydney	GMA
Agriculture, Forestry and Fishing	2.3	1.7
Mining	4.9	2.8
Food Product Manufacturing	1.5	1.5
Beverage and Tobacco Product Manufacturing	0.3	0.3
Textile, Leather, Clothing and Footwear Manufacturing	1.3	1.4
Wood Product Manufacturing	1.5	1.3
Pulp, Paper and Converted Paper Product Manufacturing	2.6	3.0
Printing (including the Reproduction of Recorded Media)	1.0	1.2
Petroleum and Coal Product Manufacturing	0.3	0.3
Basic Chemical and Chemical Product Manufacturing	1.4	1.4
Polymer Product and Rubber Product Manufacturing	2.7	3.1
Non-Metallic Mineral Product Manufacturing	1.8	1.7
Primary Metal and Metal Product Manufacturing	1.1	0.7
Fabricated Metal Product Manufacturing	1.5	1.3
Transport Equipment Manufacturing	1.2	1.1
Machinery and Equipment Manufacturing	1.6	1.6
Furniture and Other Manufacturing	1.6	1.7
Electricity, Gas, Water and Waste Services	1.3	1.2
Construction	1.1	0.8
Wholesale Trade	0.8	0.9
Retail Trade	1.3	1.3
Accommodation and Food Services	1.0	0.9
Transport, Postal and Warehousing	1.7	1.7
Information Media and Telecommunications	0.3	0.4
Financial and Insurance Services	0.2	0.3
Rental, Hiring and Real Estate Services	1.7	1.7
Professional, Scientific and Technical Services	0.3	0.4
Administrative and Support Services	1.0	0.9
Public Administration and Safety	0.8	0.8
Education and Training	1.1	1.1
Health Care and Social Assistance	1.3	1.3
Arts and Recreation Services	1.0	1.0
Other Services	1.4	1.3
Unclassified	0.7	0.7

Source BTS August 2012 forecast & Hill PDA Research

Note: Top 9 employment generating industries by LQ highlighted in yellow

4.5 JOB CHANGE BY INDUSTRY 2011 – 2031

In accordance with Table 12, the top five growth industries for the South West Subregion up to 2031 are forecast to be:

1. The Health Care and Social Assistance industry with +32,577 jobs;
2. The Retail Trade industry with +17,324 jobs;
3. The Transport, Postal and Warehousing Industry with +14,257 jobs;
4. The Education and Training industry with +12,013 jobs; and
5. The Wholesale Trade industry with +7,821 jobs.

The top five industries in decline are forecast to be:

1. The Pulp, Paper and Converted Paper Product Manufacturing with a decline of -825 jobs;
2. The Transport Equipment Manufacturing industry with a decline of -736 jobs;
3. The Wood Product Manufacturing industry with a decline of -689 jobs;
4. The Furniture and Other Manufacturing industry with a decline of -653 jobs; and
5. The Machinery and Equipment Manufacturing industry with a decline of -610 jobs.

In accordance with Table 13, the top five growth industries for the MACROC Region are forecast to be:

1. The Health Care and Social Assistance industry with +22,900 jobs;
2. The Retail Trade industry with +13,997 jobs;
3. The Transport, Postal and Warehousing industry with +11,287 jobs;
4. The Education and Training industry with +7,508 jobs; and
5. The Professional, Scientific and Technical Services with +5,273 jobs.

The top five industries in decline are forecast to be:

1. The Agriculture, Forestry and Fishing industry with a decline of -366 jobs;
2. The Wood Product Manufacturing industry with a decline of -307 jobs;
3. The Pulp, Paper and Converted Paper Product Manufacturing industry with a decline of -281 jobs;
4. The Food Product Manufacturing industry with a decline of -271 jobs; and
5. The Non-Metallic Mineral Product Manufacturing industry with a decline of -243 jobs.

Table 12 - South West Subregion Employment Forecasts by Industry for the 2011 - 2031

Industry	2011	2016	2021	2026	2031	Job Shift 2011-2031
Agriculture, Forestry and Fishing	1,912	1,638	1,503	1,476	1,482	-430
Mining	3,723	4,908	5,427	5,918	6,331	2,608
Food Product Manufacturing	7,044	6,634	6,191	6,387	6,572	-473
Beverage and Tobacco Product Manufacturing	500	441	391	385	380	-119
Textile, Leather, Clothing and Footwear Manufacturing	1,742	1,490	1,142	1,242	1,258	-484
Wood Product Manufacturing	1,968	1,527	1,309	1,286	1,279	-689
Pulp, Paper and Converted Paper Product Manufacturing	2,200	1,711	1,449	1,409	1,375	-825
Printing (including the Reproduction of Recorded Media)	2,446	2,127	1,950	2,052	2,123	-323
Petroleum and Coal Product Manufacturing	256	274	239	235	232	- 24
Basic Chemical and Chemical Product Manufacturing	2,276	2,143	1,991	1,819	1,817	-459
Polymer Product and Rubber Product Manufacturing	4,504	4,475	4,044	4,118	4,204	-299
Non-Metallic Mineral Product Manufacturing	2,984	2,773	2,533	2,506	2,522	-463
Primary Metal and Metal Product Manufacturing	3,119	3,450	3,511	3,387	3,513	394
Fabricated Metal Product Manufacturing	3,839	4,026	3,952	3,696	3,733	-106
Transport Equipment Manufacturing	2,705	2,256	2,014	1,975	1,969	-736
Machinery and Equipment Manufacturing	5,663	4,876	4,618	4,793	5,052	-610
Furniture and Other Manufacturing	8,639	8,637	8,185	7,886	7,986	-653
Electricity, Gas, Water and Waste Services	2,902	2,371	2,364	2,461	2,665	-237
Construction	18,913	21,554	23,156	23,429	24,199	5,286
Wholesale Trade	16,810	18,495	20,397	22,528	24,631	7,821
Retail Trade	34,458	39,596	43,384	47,487	51,782	17,324
Accommodation and Food Services	18,442	19,775	21,022	22,296	23,807	5,366
Transport, Postal and Warehousing	21,122	25,129	28,695	31,183	35,379	14,257
Information Media and Telecommunications	2,453	2,742	2,897	3,115	3,427	974
Financial and Insurance Services	5,038	5,632	6,525	7,258	8,049	3,010
Rental, Hiring and Real Estate Services	5,220	6,008	6,873	7,775	8,981	3,761
Professional, Scientific and Technical Services	9,285	10,651	12,661	14,538	16,590	7,305
Administrative and Support Services	8,057	10,001	11,129	12,240	13,346	5,289
Public Administration and Safety	14,572	17,162	18,327	19,590	20,852	6,280
Education and Training	25,531	27,216	31,225	34,686	37,544	12,013
Health Care and Social Assistance	34,574	42,413	50,641	58,964	67,152	32,577
Arts and Recreation Services	3,574	3,956	4,470	5,180	5,980	2,406
Other Services	12,418	13,657	15,052	16,838	18,928	6,511
Unclassified	8,788	9,265	9,751	10,259	10,704	1,917
Total South West Subregion	297,678	329,010	359,021	390,398	425,848	128,170

Source BTS August 2012

Table 13 - MACROC Region Employment Forecasts by Industry for 2011 - 2031

Industry	2011	2016	2021	2026	2031	Job Shift
						2011-31
Agriculture, Forestry and Fishing	1,601	1,369	1,255	1,231	1,234	-366
Mining	3,518	4,608	5,069	5,503	5,863	2,345
Food Product Manufacturing	3,602	3,350	3,107	3,221	3,331	-271
Beverage and Tobacco Product Manufacturing	180	149	124	116	109	-71
Textile, Leather, Clothing and Footwear Manufacturing	744	648	503	557	572	-172
Wood Product Manufacturing	703	530	435	412	396	-307
Pulp, Paper and Converted Paper Product Manufacturing	937	755	659	658	656	-281
Printing (including the Reproduction of Recorded Media)	1,014	912	883	999	1,094	79
Petroleum and Coal Product Manufacturing	38	46	37	33	30	-8
Basic Chemical and Chemical Product Manufacturing	1,260	1,244	1,197	1,118	1,138	-122
Polymer Product and Rubber Product Manufacturing	1,918	1,990	1,855	1,935	2,015	97
Non-Metallic Mineral Product Manufacturing	1,268	1,164	1,051	1,029	1,025	-243
Primary Metal and Metal Product Manufacturing	985	1,041	1,018	941	944	-41
Fabricated Metal Product Manufacturing	1,386	1,448	1,416	1,312	1,319	-66
Transport Equipment Manufacturing	736	623	578	625	673	-63
Machinery and Equipment Manufacturing	2,420	2,109	2,133	2,425	2,758	338
Furniture and Other Manufacturing	3,151	3,140	3,054	3,059	3,241	90
Electricity, Gas, Water and Waste Services	1,529	1,210	1,242	1,319	1,476	-53
Construction	10,486	12,087	13,135	13,411	13,974	3,487
Wholesale Trade	6,197	6,848	7,665	8,710	9,884	3,687
Retail Trade	20,036	23,778	27,051	30,394	34,033	13,997
Accommodation and Food Services	10,131	11,136	12,307	13,353	14,625	4,494
Transport, Postal and Warehousing	10,618	13,873	16,553	18,581	21,905	11,287
Information Media and Telecommunications	1,123	1,326	1,489	1,690	1,991	868
Financial and Insurance Services	2,477	2,812	3,327	3,758	4,284	1,807
Rental, Hiring and Real Estate Services	3,163	3,811	4,579	5,388	6,450	3,287
Professional, Scientific and Technical Services	5,274	6,222	7,656	8,952	10,548	5,273
Administrative and Support Services	4,617	5,897	6,746	7,559	8,445	3,828
Public Administration and Safety	8,981	10,359	11,037	11,788	12,562	3,580
Education and Training	14,516	15,626	18,089	20,219	22,024	7,508
Health Care and Social Assistance	20,919	26,224	31,930	37,830	43,819	22,900
Arts and Recreation Services	2,187	2,522	2,984	3,574	4,262	2,076
Other Services	6,287	7,120	8,186	9,530	11,140	4,853
Unclassified	4,035	4,305	4,575	4,854	5,101	1,066
Total MACROC Region	158,038	180,282	202,928	226,082	252,921	94,883

Source: BTS Employment Forecasts (August 2012)

When this analysis is compared on an industry share basis to the Metropolitan Sydney industry share, some interesting anomalies occur with job forecasts. Namely the South West Subregion, although strong in manufacturing, is losing more industry share when compared to the Sydney Metropolitan Area. For example, the South West Subregion is forecast to experience a 0.82% decline in the Food Product Manufacturing industry whilst Sydney as a whole is only forecast to experience a decline of 0.46%.

Table 14 - Shift in Industry Share for Metropolitan Sydney & South West Subregion 2011 - 2031

Industry	SW 2011	SW 2031	SW Percentage Point Shift	Metro Sydney 2011	Metro Sydney 2031	Metro Sydney Percentage Point Shift
Agriculture, Forestry and Fishing	0.64%	0.35%	-0.29%	0.33%	0.21%	-0.12%
Mining	1.25%	1.49%	0.24%	0.35%	0.48%	0.12%
Food Product Manufacturing	2.37%	1.54%	-0.82%	1.34%	0.88%	-0.46%
Beverage and Tobacco Product Manufacturing	0.17%	0.09%	-0.08%	0.23%	0.15%	-0.08%
Textile, Leather, Clothing and Footwear Manufacturing	0.59%	0.30%	-0.29%	0.40%	0.18%	-0.22%
Wood Product Manufacturing	0.66%	0.30%	-0.36%	0.25%	0.10%	-0.15%
Pulp, Paper and Converted Paper Product Manufacturing	0.74%	0.32%	-0.42%	0.24%	0.10%	-0.14%
Printing (including the Reproduction of Recorded Media)	0.82%	0.50%	-0.32%	0.71%	0.42%	-0.29%
Petroleum and Coal Product Manufacturing	0.09%	0.05%	-0.03%	0.08%	0.04%	-0.03%
Basic Chemical and Chemical Product Manufacturing	0.76%	0.43%	-0.34%	0.57%	0.32%	-0.24%
Polymer Product and Rubber Product Manufacturing	1.51%	0.99%	-0.53%	0.48%	0.30%	-0.18%
Non-Metallic Mineral Product Manufacturing	1.00%	0.59%	-0.41%	0.37%	0.23%	-0.14%
Primary Metal and Metal Product Manufacturing	1.05%	0.82%	-0.22%	0.41%	0.34%	-0.07%
Fabricated Metal Product Manufacturing	1.29%	0.88%	-0.41%	0.50%	0.35%	-0.15%
Transport Equipment Manufacturing	0.91%	0.46%	-0.45%	0.42%	0.23%	-0.19%
Machinery and Equipment Manufacturing	1.90%	1.19%	-0.72%	1.25%	0.69%	-0.56%
Furniture and Other Manufacturing	2.90%	1.88%	-1.03%	1.30%	0.78%	-0.52%
Electricity, Gas, Water and Waste Services	0.97%	0.63%	-0.35%	0.87%	0.45%	-0.42%
Construction	6.35%	5.68%	-0.67%	5.36%	5.15%	-0.22%
Wholesale Trade	5.65%	5.78%	0.14%	5.17%	5.02%	-0.15%
Retail Trade	11.58%	12.16%	0.58%	10.22%	10.31%	0.09%
Accommodation and Food Services	6.20%	5.59%	-0.60%	6.80%	6.03%	-0.77%
Transport, Postal and Warehousing	7.10%	8.31%	1.21%	5.66%	5.19%	-0.48%
Information Media and Telecommunications	0.82%	0.80%	-0.02%	2.48%	2.57%	0.10%
Financial and Insurance Services	1.69%	1.89%	0.20%	6.87%	7.55%	0.68%
Rental, Hiring and Real Estate Services	1.75%	2.11%	0.36%	1.73%	1.50%	-0.22%
Professional, Scientific and Technical Services	3.12%	3.90%	0.78%	10.09%	12.38%	2.29%
Administrative and Support Services	2.71%	3.13%	0.43%	3.24%	3.43%	0.19%
Public Administration and Safety	4.90%	4.90%	0.00%	5.68%	5.92%	0.24%
Education and Training	8.58%	8.82%	0.24%	7.29%	7.94%	0.65%
Health Care and Social Assistance	11.61%	15.77%	4.15%	10.98%	13.02%	2.04%
Arts and Recreation Services	1.20%	1.40%	0.20%	1.84%	1.73%	-0.11%
Other Services	4.17%	4.44%	0.27%	3.60%	3.19%	-0.41%
Unclassified	2.95%	2.51%	-0.44%	2.88%	2.83%	-0.06%

Source BTS August 2012

The most favourable shifts in industry share in the South West Subregion according to the BTS forecasts are:

- Health Care and Social Assistance (+4.15%);
- Transport, Postal and Warehousing (+1.21%);
- Professional, Scientific and Technical Services (0.78%); and
- Retail Trade (0.58%).

Table 15 - Shift in Industry Share for Metropolitan Sydney & MACROC Region 2011 - 2031

Industry	MACROC 2011	MACROC 2031	MACROC Percentage Point Shift	Metro Sydney 2011	Metro Sydney 2031	Metro Sydney Percentage Point Shift
Agriculture, Forestry and Fishing	1.01%	0.49%	-0.52%	0.33%	0.21%	-0.12%
Mining	2.23%	2.32%	0.09%	0.35%	0.48%	0.12%
Food Product Manufacturing	2.28%	1.32%	-0.96%	1.34%	0.88%	-0.46%
Beverage and Tobacco Product Manufacturing	0.11%	0.04%	-0.07%	0.23%	0.15%	-0.08%
Textile, Leather, Clothing and Footwear Manufacturing	0.47%	0.23%	-0.24%	0.40%	0.18%	-0.22%
Wood Product Manufacturing	0.44%	0.16%	-0.29%	0.25%	0.10%	-0.15%
Pulp, Paper and Converted Paper Product Manufacturing	0.59%	0.26%	-0.33%	0.24%	0.10%	-0.14%
Printing (including the Reproduction of Recorded Media)	0.64%	0.43%	-0.21%	0.71%	0.42%	-0.29%
Petroleum and Coal Product Manufacturing	0.02%	0.01%	-0.01%	0.08%	0.04%	-0.03%
Basic Chemical and Chemical Product Manufacturing	0.80%	0.45%	-0.35%	0.57%	0.32%	-0.24%
Polymer Product and Rubber Product Manufacturing	1.21%	0.80%	-0.42%	0.48%	0.30%	-0.18%
Non-Metallic Mineral Product Manufacturing	0.80%	0.41%	-0.40%	0.37%	0.23%	-0.14%
Primary Metal and Metal Product Manufacturing	0.62%	0.37%	-0.25%	0.41%	0.34%	-0.07%
Fabricated Metal Product Manufacturing	0.88%	0.52%	-0.36%	0.50%	0.35%	-0.15%
Transport Equipment Manufacturing	0.47%	0.27%	-0.20%	0.42%	0.23%	-0.19%
Machinery and Equipment Manufacturing	1.53%	1.09%	-0.44%	1.25%	0.69%	-0.56%
Furniture and Other Manufacturing	1.99%	1.28%	-0.71%	1.30%	0.78%	-0.52%
Electricity, Gas, Water and Waste Services	0.97%	0.58%	-0.38%	0.87%	0.45%	-0.42%
Construction	6.64%	5.53%	-1.11%	5.36%	5.15%	-0.22%
Wholesale Trade	3.92%	3.91%	-0.01%	5.17%	5.02%	-0.15%
Retail Trade	12.68%	13.46%	0.78%	10.22%	10.31%	0.09%
Accommodation and Food Services	6.41%	5.78%	-0.63%	6.80%	6.03%	-0.77%
Transport, Postal and Warehousing	6.72%	8.66%	1.94%	5.66%	5.19%	-0.48%
Information Media and Telecommunications	0.71%	0.79%	0.08%	2.48%	2.57%	0.10%
Financial and Insurance Services	1.57%	1.69%	0.13%	6.87%	7.55%	0.68%
Rental, Hiring and Real Estate Services	2.00%	2.55%	0.55%	1.73%	1.50%	-0.22%
Professional, Scientific and Technical Services	3.34%	4.17%	0.83%	10.09%	12.38%	2.29%
Administrative and Support Services	2.92%	3.34%	0.42%	3.24%	3.43%	0.19%
Public Administration and Safety	5.68%	4.97%	-0.72%	5.68%	5.92%	0.24%
Education and Training	9.19%	8.71%	-0.48%	7.29%	7.94%	0.65%
Health Care and Social Assistance	13.24%	17.33%	4.09%	10.98%	13.02%	2.04%
Arts and Recreation Services	1.38%	1.69%	0.30%	1.84%	1.73%	-0.11%
Other Services	3.98%	4.40%	0.43%	3.60%	3.19%	-0.41%
Unclassified	2.55%	2.02%	-0.54%	2.88%	2.83%	-0.06%

Source BTS August 2012

The most favourable shifts in industry share for the MACROC Region according to the BTS forecasts are forecast to be:

- Health Care and Social Assistance (4.09%);
- Transport, Postal and Warehousing (1.94%);
- Professional, Scientific and Technical Services (0.83%); and
- Retail trade (0.78%).

Another measure is to compare the South West Subregion's market share of jobs in Metropolitan Sydney and its population share in 2011 to the BTS forecast for 2031. Despite the South West Subregion increasing its population base from 15% of Metropolitan Sydney to 18% close to three quarters of its industry categories (23 of

34) are forecast to lose market share (industries coloured orange) relative to population share. This is shown in the table below under the column Job Share /Population Share.

Three of the industries with the lowest proportional share on a population basis are forecast to be:

1. Financial and Insurance Services;
2. Professional, Scientific and Technical Services; and
3. Information Media and Telecommunications.

Table 16 - South West Subregion Job Market Share of Sydney Metropolitan Area 2011 and 2031

Industry	Job Share / Pop Share		Job Share / Pop Share	
	2011		2031	
Agriculture, Forestry and Fishing	15%	1.01	14%	0.80
Mining	20%	1.36	21%	1.19
Food Product Manufacturing	19%	1.25	21%	1.14
Beverage and Tobacco Product Manufacturing	8%	0.54	7%	0.40
Textile, Leather, Clothing and Footwear Manufacturing	17%	1.16	21%	1.19
Wood Product Manufacturing	25%	1.65	29%	1.60
Pulp, Paper and Converted Paper Product Manufacturing	39%	2.62	44%	2.45
Printing (including the Reproduction of Recorded Media)	15%	0.98	17%	0.93
Petroleum and Coal Product Manufacturing	13%	0.88	15%	0.82
Basic Chemical and Chemical Product Manufacturing	16%	1.06	16%	0.88
Polymer Product and Rubber Product Manufacturing	39%	2.61	45%	2.52
Non-Metallic Mineral Product Manufacturing	28%	1.84	30%	1.65
Primary Metal and Metal Product Manufacturing	15%	0.97	18%	0.98
Fabricated Metal Product Manufacturing	26%	1.70	27%	1.49
Transport Equipment Manufacturing	22%	1.49	22%	1.22
Machinery and Equipment Manufacturing	17%	1.12	20%	1.13
Furniture and Other Manufacturing	25%	1.66	29%	1.60
Electricity, Gas, Water and Waste Services	11%	0.74	16%	0.87
Construction	10%	0.65	10%	0.57
Wholesale Trade	13%	0.87	15%	0.85
Retail Trade	12%	0.78	14%	0.76
Accommodation and Food Services	9%	0.63	11%	0.60
Transport, Postal and Warehousing	14%	0.92	20%	1.10
Information Media and Telecommunications	4%	0.27	4%	0.24
Financial and Insurance Services	3%	0.20	3%	0.19
Rental, Hiring and Real Estate Services	11%	0.73	17%	0.94
Professional, Scientific and Technical Services	4%	0.25	4%	0.23
Administrative and Support Services	9%	0.57	10%	0.57
Public Administration and Safety	9%	0.61	10%	0.54
Education and Training	12%	0.82	13%	0.72
Health Care and Social Assistance	11%	0.72	14%	0.77
Arts and Recreation Services	7%	0.47	10%	0.55
Other Services	12%	0.80	16%	0.89
Unclassified	11%	0.75	11%	0.61
Total South West Subregion	11%	0.71	12%	0.66

Source: BTS Population Forecasts August 2012 as adjusted by Hill PDA

Note: Orange indicates industries that will lose proportional share on a population basis between 2011 and 2031

Undertaking the same analysis now for the MACROC Region, despite the Subregion's population share increasing from 8% to 12% of Metropolitan Sydney most (30) of its 34 industry categories are also forecast to lose market share relative to population share. This is shown in the table below under the column Job Share/Population Share with industries losing market share highlighted in orange.

Three of the industries with the lowest proportional share on a population basis are forecast to include:

1. Financial and Insurance Services (0.15);
2. Information Media and Telecommunications (0.21); and
3. Professional, Scientific and Technical Services (0.22).

Table 17 - MACROC Region Market Share of Sydney Metropolitan Region 2011 and 2031

Industry	Job Share /		Job Share /	
	2011	Pop Share	2031	Pop Share
Agriculture, Forestry and Fishing	13%	1.58	12%	1.00
Mining	19%	2.40	20%	1.65
Food Product Manufacturing	10%	1.19	10%	0.87
Beverage and Tobacco Product Manufacturing	3%	0.36	2%	0.17
Textile, Leather, Clothing and Footwear Manufacturing	7%	0.93	10%	0.81
Wood Product Manufacturing	9%	1.10	9%	0.75
Pulp, Paper and Converted Paper Product Manufacturing	17%	2.09	21%	1.75
Printing (including the Reproduction of Recorded Media)	6%	0.76	9%	0.72
Petroleum and Coal Product Manufacturing	2%	0.24	2%	0.16
Basic Chemical and Chemical Product Manufacturing	9%	1.10	10%	0.82
Polymer Product and Rubber Product Manufacturing	17%	2.09	22%	1.81
Non-Metallic Mineral Product Manufacturing	12%	1.47	12%	1.00
Primary Metal and Metal Product Manufacturing	5%	0.57	5%	0.39
Fabricated Metal Product Manufacturing	9%	1.15	9%	0.79
Transport Equipment Manufacturing	6%	0.76	8%	0.63
Machinery and Equipment Manufacturing	7%	0.90	11%	0.93
Furniture and Other Manufacturing	9%	1.14	12%	0.98
Electricity, Gas, Water and Waste Services	6%	0.73	9%	0.72
Construction	5%	0.67	6%	0.49
Wholesale Trade	5%	0.60	6%	0.51
Retail Trade	7%	0.85	9%	0.75
Accommodation and Food Services	5%	0.65	7%	0.55
Transport, Postal and Warehousing	7%	0.87	12%	1.03
Information Media and Telecommunications	2%	0.23	3%	0.21
Financial and Insurance Services	1%	0.19	2%	0.15
Rental, Hiring and Real Estate Services	7%	0.83	12%	1.01
Professional, Scientific and Technical Services	2%	0.26	3%	0.22
Administrative and Support Services	5%	0.61	7%	0.54
Public Administration and Safety	6%	0.71	6%	0.49
Education and Training	7%	0.88	8%	0.64
Health Care and Social Assistance	7%	0.82	9%	0.76
Arts and Recreation Services	4%	0.54	7%	0.59
Other Services	6%	0.76	9%	0.79
Unclassified	5%	0.65	5%	0.44
Total MACROC Region	6%	0.71	7%	0.59

Source: BTS Population Forecasts August 2012 as adjusted by Hill PDA

Note: Orange indicates industries that will lose proportional share on a population basis between 2011 and 2031

Jobs in industry categories such as agriculture, mining, manufacturing, finance and general office are not necessarily proportional to the growth in population but nevertheless, overall the BTS has shown a further decline in job share relative to population share. **This is likely to continue to develop as a Government Policy issue, as the South West Subregion further loses its market share of jobs.** A more sustainable policy would be to seek an increase in job share, relative to the increase in population growth.

4.6 FAIR MARKET SHARE OF JOB GROWTH BY POPULATION

Given the South West Subregion is forecast to provide 36.7% of Metropolitan Sydney's population growth for the period 2011 to 2031, the South West Subregion could aim to capture 36.7% of Metropolitan Sydney's employment growth. That would increase the current South West Subregion employment target from 134,000 to 229,125 as follows:

- Job growth 2011 – 2031 Metropolitan Sydney = 625,000 jobs
- South West Subregion % contribution to population growth to Sydney (SD) = 36.66%
- South West Subregion Market Share of Job Growth (=36.66% x 625,000) = 229,125 new jobs

5. CONCLUSION

The draft Strategy identifies targets to support growth across Sydney. In doing this it recognises that *“Planning for this growth in the right way will help to boost our economy and make Sydney a great place to work and live.”* To achieve this objective, the draft Strategy recognises the importance of creating jobs close to where people live in accordance with the priorities of the NSW State Plan.

Whilst the draft Strategy seeks to achieve these objectives by significantly increasing the targeted number of jobs to be generated in the South West Subregion (and MACROC Region) compared to earlier strategies and plans¹⁶, as a proportion of population growth and by Subregion, the ratio of jobs has declined. Furthermore there has been no corresponding shift in planning to achieve this significant additional growth. By this we mean that there has been a relatively limited review or addition to the number of centres, employment areas or Government policies to refocus business into the South West Subregion other than the ambition for the area to become an even more significant location for housing growth.

Consistent with our earlier assessment, we believe that if left unaddressed, this would lead to the exacerbation of the ‘two Sydney’ phenomenon foretold in Hill PDA’s 2008 Study and the compounding of existing inequities. Whilst these targets may now be argued as a minimum, the draft Strategy still appears to ‘plan’ for this figure¹⁷ rather than the alternative or aspirational target of close to 230,000 jobs calculated by this Study.

Furthermore the employment targets for the South West Subregion continue to be grounded on the BTS forecasts that are based on long term trends by industry and the historical trends of employment growth and industry profiles in the Subregion. We believe however that to achieve real and positive change, the NSW Government must plan to readdress the reliance of the South West Subregion on sunset industries (old industries in decline) to sunrise (new industries expanding) that better align with the predominant skill set of the Subregion’s growing resident population. We believe it is not the role of the BTS to comment on planning and suggest contrary planning strategies but rather the role of the draft Metropolitan Strategy for Sydney to 2031 to seek to address means of better planning for Sydney, particularly in the Subregion with one of the highest levels of population growth.

¹⁶ The current employment targets have increased notably since the 2007 draft Subregional Strategies

¹⁷ Action states that it is planning for these minimums rather than aspirations (page 41)

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As is customary, in a report of this nature, while all possible care has been taken by the authors to prepare the attached financial models from the best information available at the time of writing, no responsibility can be undertaken for errors or inaccuracies that may have occurred both with the programming or the financial projections and their assumptions.

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