



## **A Submission to the**

# **Proposed Amendment of State Environmental Planning Policy (Western Sydney Employment Area) 2009**

**September 2014**

*To advance sustainable economic development and social equity  
for the Whole of Sydney region.*

## Introduction

### *About Regional Development Australia (RDA)*

Regional Development Australia (RDA) is a partnership between the Australian, State and Local Governments created to strengthen regional communities. RDA Sydney is part of a national network of 55 RDA committees. These committees are made up of local leaders who volunteer their time to work with government, business and community groups to grow and strengthen their communities.

RDA Sydney's purpose is to build partnerships between governments, key regional organisations, local businesses, community groups and key regional stakeholders to provide strategic and targeted responses to economic, environmental and social issues affecting Sydney.

RDA Sydney has developed a Regional Plan for Sydney. It is based on inputs from stakeholders and draws information from 87 existing plans and reports published by the Australian, NSW and Local Governments and other key agencies. The Plan describes Sydney's attributes, industries, employment base and key advantages. The Regional Plan sets out the economic, environmental and social vision for the region, articulating the drivers of change, identifying strengths, weaknesses and opportunities, and listing priorities for action. It is a 'living' document which is updated annually and used by RDA Sydney and its Region to implement specific strategies. (see [www.rdasymdney.org.au](http://www.rdasymdney.org.au) )

#### **RDA Sydney's priorities are:**

- Reshaping all of greater Sydney as a prosperous, liveable and socially inclusive 'city region';
- Capturing next generation business and jobs opportunities for the greater Sydney region;
- Creating shared economic and social value, where pressing social inclusion objectives are achieved through action on economic and workforce issues;
- Developing and promoting place-based innovation solutions and models. For example demonstrating regions and cities as drivers of innovation that create and capture value by solving problems that matter to business and communities throughout greater Sydney.

In this context some of RDA Sydney's priority areas of focus have been in the following areas:

- Apply a Sydney regional lens to the application of federal/state policy and planning as a comparison to other states, and be the eyes and ears of government
- Engage with all stakeholders including each level of government, to create a whole of region identity and vision, identifying *Whole of Sydney* metro issues

## About our submission

RDA Sydney congratulates and agrees in principle with the NSW Government on their proposal to amend the State Environmental Planning Policy (Western Sydney Employment Area) 2009 so as to include the new additional Precinct 11 Broader Western Sydney Employment Area “WSEA SEPP” with boundaries outlined in the new Land Application Map.

RDA Sydney welcomes the idea of the Broader Western Sydney Employment Area as one of the nine key city shapers for industry and employment growth as a critical part of the Draft Metro Strategy for Sydney-particularly in Greater Western Sydney. We have welcomed the opportunity to-date to participate in the Broader WSEA Structure Plan workshops, and look forward to working collaboratively with the government and other key stakeholders in finalising the vision and bringing about change.

In this submission we seek to reinforce some of the key findings and recommendations that have been made in several of our reports over the last few years, with respect to population and employment growth, and the connect to growth centres and employment lands.

Firstly, we would like to reinforce our findings from our 2013 RDA Sydney Economic Baseline Assessment Report (AEC Group) on economic growth, population and job growth by Sub Region and LGA and the impact on the proposed Draft Metro Strategy.

Secondly, we will discuss the potential opportunity of the Broader WSEA Structure Plan as one of the nine city shapers - particularly now that a decision has been made on Badgery’s Creek, on its ability to close the loop with respect to a long term planning vision for Sydney as a more balanced *City of Cities*, providing more jobs closer to home for the rapidly growing population in the West and South West Sydney growth centres.

Thirdly, we will discuss the implications of the inclusion of the Broader WSEA precinct into the Western Sydney WSEPP region, and finally provide some overall comments and recommendations with respect to new potential industry development that could come from having the new Greater Sydney Commission in place, with a reinvigorated Employment Lands Taskforce and revised Employment Lands planning policy covering the development of the WSEA SEPP region.

The following documents have been referenced in our Submission, which are available from our Website: [www.rdasydney.org.au](http://www.rdasydney.org.au)

### References

1. *RDA Sydney Submission to the Broader WSEA Structure Plan August 2013*
2. *Critical Planning Recommendations to NSW Draft Metro Strategy August 2013 (RDA Sydney)*
3. *2013 Edition RDA Sydney Economic Baseline Assessment for Sydney (prepared by AEC group);*
4. *RDA Sydney Draft Metropolitan Strategy Submission 2013 (prepared by SGS Economics and Planning, Strategic Economics and Cox Richardson)*
5. *RDA Submission to Implementing the Metropolitan- Planning Principles for Industrial Lands (October 2011)*
6. *Regional Development Australia Sydney Employment Lands Policy Position June 2012 (Johnston Enterprises)*

**If you require any additional comment regarding RDA Sydney’s submission please don’t hesitate to contact: Bob Germaine, Executive Officer, Regional Development Australia – Sydney**

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## **1. What is happening now with respect to growth in Metropolitan Sydney and what are the broader implications for Greater Western Sydney (GWS)?**

RDA Sydney has been reviewing the economic growth of Metropolitan Sydney over the last six years, in terms of GRP, population, employment and businesses by sub region and local government areas.

In our **RDA Sydney Economic Baseline Assessment Report for 2013**, prepared by the AEC Group we highlighted some serious challenges for government with respect to current and future growth in Sydney as to what is planned in the current Draft Metro strategy and what is exactly happening. (See report attached)

Further to this report and our **RDA Sydney Broader WSEA Structure Plan** submission, we wish to reinforce some of the key findings about the overall growth of metropolitan Sydney but more importantly in this case, the broader implications for Greater Western Sydney (GWS):-

### **Key Findings**

- The Sydney Metropolitan Region recorded a **steady population growth to 4,343,092 in 2012, averaging 1.5% per annum over the previous five years**. The recent annual growth is primarily attributable to the **western part of Sydney**, accounting for **over half** of the increase in population during the past five years to June 2012.
- Department of Planning and Environment (DPE) have identified population targets within the *Draft Sydney Metropolitan Strategy*, which include **an additional 1.31 million residents between 2011 and 2031**. The South West Growth Centre is projected to record the highest growth with approximately 470,000 additional residents in the South West. The North West Growth Centre is expected to record the next highest growth with a target of an additional 355,000 residents over the next 20 years. **The significant population growth will place pressure on existing transport and community infrastructure with a need to generate local employment opportunities for the new residents to generate diverse local employment opportunities and reduce the burden on infrastructure.**
- In 2011-12, the **Sydney Metropolitan Region recorded an estimated GRP of \$306.2 billion**, having recorded growth over the last five years of 2.3% per annum. **One third of this is currently generated by the Greater Western Sydney (West Region) at \$97.2 billion (2.1% p.a growth), compared with the City of Sydney region \$85.6 billion (2.0% p.a. growth).**
- **An estimated 2 million people were employed in the Sydney Metropolitan Region at February 2013, representing an average annual increase of 1.8% from 2006.** The increase in employment is largely driven by professional and service industries including health care and social assistance, professional and scientific services, education and training and finance and insurance services. There has been a small decline in employment in some parts of the manufacturing sector (-0.2%), as operations become more technologically advanced and less labour-intensive, and lower value-add manufacturers move offshore.
- Labour containment rates (proportion of employed residents that live and work in the area) throughout the Sydney Metropolitan Region are relatively low with the majority of residents leaving their local area to work in major employment centres such as the Sydney and Parramatta

CBDs. This places greater pressure on transport infrastructure, resulting in increased transport congestion and adverse social and environmental outcomes.

### Population Growth Targets

- **The South West subregion is projected to record an additional 392,388 residents by 2031, equating to over 35% of projected population growth within the Sydney Metropolitan Region.** The majority of growth is projected to be recorded in the South West Growth Centre in Liverpool and Camden.
- **The North West subregion is projected to record population growth of almost 321,749 by 2031.** The majority of growth is projected to be recorded in the North West Growth Centre in Blacktown and The Hills.

### Economic Growth

- **The subregions within the Sydney Metropolitan Region recorded variable economic growth ranging from 0.3% to 2.8% per annum over the past five years.** The Central subregion recorded the highest growth with GRP exceeding \$160 billion in 2011-12, accounting for over half of the Sydney Metropolitan Region's economy over the last five years largely due to growth in the finance and professional service sectors.

### Employment Growth vs Population Growth

As indicated in **Table 1** below, from 2006-2013 the overall employment growth (1.8%) for the Sydney Metropolitan Region grew faster than its respective population growth. Employment growth in the Central subregion of 2.4% exceeded population growth of 1.6% per annum, indicating that more people are travelling into the subregion from outside.

The West Central and North West subregion recorded the fastest population growth of 2.1% per annum, which was higher than the employment growth of 1.6% annum, indicating a lower employment containment ratio, necessitating more travel.

Employment growth in the West subregion (1.8%) more than doubled its population growth (0.8%) over the past six years as the subregion has attracted new business investment and employment opportunities. However, the job containment rate for the subregion is low necessitating residents leaving the region for work.

**Table 1 Employment Growth<sup>1</sup> vs Population Growth**

Subregion	Employment Growth (2006-2013)				Population Growth (2006-2012)	
	2006 <sup>2</sup>	2013 <sup>3</sup>	Ave Ann Growth (No.)	Ave Ann Change (%)	Ave Ann Growth (No.)	Ave Ann Change (%)
Central	835,658	988,597	21,848	2.4%	17,837	1.6%
West Central and North West	321,128	358,436	5,330	1.6%	16,893	2.1%
North	156,503	167,771	1,610	1.0%	6,357	1.2%
West	99,082	111,886	1,829	1.8%	2,424	0.8%
South West	237,845	261,297	3,350	1.4%	11,017	1.4%
South	152,186	158,139	850	0.5%	6,448	1.1%
<b>Sydney Metropolitan Region</b>	<b>1,802,401</b>	<b>2,046,127</b>	<b>34,818</b>	<b>1.8%</b>	<b>60,975</b>	<b>1.5%</b>

Note: 1: Place of work. 2: 2006 Census. 3: Feb 2013 estimate. Source: ABS (2007), ABS (2012a), AECgroup

The *Draft Sydney Metropolitan Strategy* has set a target for the Sydney Metropolitan Region's population to increase by 1,311,000 between 2011 and 2031 with the creation of 625,000 jobs, which represents a ratio of approximately 48 new jobs per 100 residents. The ratio is considerably lower in the South West subregion, which has a target of 134,000 additional jobs and 469,000 additional residents (29 new jobs per 100 residents). **Unless there is change in the Draft Sydney Metropolitan Strategy (and it's sub-regional boundaries in its present form), there will be a worsening with respect to jobs ratio in the outer subregions of Sydney, particularly in the South, South West, West and North, resulting in increasing congestion from additional travel and a policy failure in achieving more jobs closer to home.**

**Table 3: Draft Metropolitan Strategy Population v Job Targets**

Subregion	2011			2031		
	Population	Jobs	Job Ratio	Population	Jobs	Job Ratio
Central	1,144,000	998,000	87.2%	1,385,000	1,228,000	88.7%
West Central and North West	846,000	389,000	46.0%	1,201,000	531,000	44.2%
North	529,000	186,000	35.2%	610,000	225,000	36.9%
West	327,000	119,000	36.4%	416,000	156,000	37.5%
South West	829,000	298,000	35.9%	1,298,000	432,000	33.3%
South	609,000	183,000	30.0%	685,000	226,000	33.0%
<b>Sydney Metropolitan Region</b>	<b>4,284,000</b>	<b>2,173,000</b>	<b>50.7%</b>	<b>5,595,000</b>	<b>2,798,000</b>	<b>50.1%</b>

Source: NSW DPI (2013)

### **Diversity & Industry Job Growth**

**Employment growth (2006-2013) and diversity across industry sectors varies considerably between the subregions of Sydney.**

**Approximately half of workers in the Sydney Metropolitan Region were employed in the Central subregion in 2013. However, the region provided 82% of all information and telecommunications jobs, 77% of all finance & insurance jobs, 72% of all professional, scientific & technical services jobs, with a significant proportion (40-60%) of most other industry sectors.** The annual rate of growth for the Central region (2.4%) is also the highest of all subregions with most of the net change in employment occurring in professional services (19.8%), finance and insurance (11.9%) and health care & social assistance (11.3%).

In 2013, **358,436 workers** (17.5% of the Sydney Metropolitan Region) people were employed within the **West Central and North West subregion**, primarily in manufacturing, retail and health care, with only about 5% of the Sydney Metropolitan Region in finance and professional jobs (despite it including Parramatta and Norwest)

In 2013, employment in the **West and South West subregions totalled 111,886 and 261,297 respectively**. The majority of those employed were employed in health, manufacturing, retail and education, with again a very small proportion in finance and professional services. There is weak growth in manufacturing, information and telecommunications, finance and professional services necessary for regional city and strategic centre growth and business attraction and investment.

### Journey to Work

The following **Table 4** summarises the comparison between the sub regions with respect to journey to work data.

**Table 4: Journey to Work and Containment Rates**

LGA	Live and Work	Travel in to Work	Travel out to Work	Containment Rate
Central	442,903	410,431	82,087	84.4%
West Central and North West	173,363	141,048	163,198	51.5%
North	107,304	40,515	129,159	45.4%
West	72,694	22,492	69,721	51.0%
South West	157,716	69,782	136,872	53.5%
South	101,178	39,119	150,010	40.3%

Source: ABS (2012a)

The Central subregion records the highest containment rate of almost 85% with over 440,000 residents working locally. The West Central and North West, West and South West sub regions each have a containment rate of between 45%-54% with approximately half of residents leaving the area each day for work.

Containment is generally highest in the service sectors such as retail trade, accommodation and food services, education and health. The largest outflows are generally in professional service and office based sectors with residents travelling to key regional centres such as the Sydney and Parramatta CBDs.

### Unemployment Rate

The South West subregion has generally recorded the highest unemployment rate in the Sydney Metropolitan Region, exceeding 7% in the September Quarter 2012. By comparison, the more affluent North and Central subregions have recorded 3-4% unemployment rates over the last two years.

### Tertiary Qualifications

**Tertiary qualification levels within the Sydney Metropolitan Region have increased over recent years as more residents enrol in university and technical courses** as a result of more students completing high school and more flexible enrolments. However **the numbers with tertiary qualifications and the level of qualifications varies considerably across the subregions**. The proportion of those with tertiary education differs significantly within the Sydney Metropolitan Region ranging from 40% to 65% with an average of 55%.

The Central subregion recorded the highest level of tertiary education with almost two thirds of working age residents having a post school qualification. The South West subregion recorded the lowest level of tertiary education with marginally over 40% of working age residents having a post-school qualification. This included Fairfield, Bankstown, Liverpool and Campbelltown which were the four lowest LGAs with tertiary education levels under 45% of the working age population. The West subregion had the highest proportion of residents with a certificate qualification, accounting for almost a quarter of the working age residents.

## **Summary**

***The ramifications of the above is that unless there is a major policy shift in the development of the final Metro Strategy this year, the current jobs deficits in GWS will get dramatically worse with the projected rapid growth in population, bringing about major social dislocation, worsening transport congestion, a significant lost opportunity cost with respect to the potential GRP growth in the economy of Sydney from the major contribution from GWS, and policy failure with respect to generating more jobs closer to home.***

## **2. Opportunities for the Broader Western Sydney Employment Area as the only one of the Nine City Shapers for GWS in the Draft Metro Strategy ?**

RDA Sydney most certainly agrees with the opportunity that the Draft Broader WSEA presents as one of the nine city shapers for Metropolitan Sydney in the Draft Metro Strategy.

However, we wish to point out that at this point in time, there is a unique (but rapidly closing) historical opportunity to develop a collaborative future vision for Sydney. With a decision now on a future second airport for Sydney at Badgery's Creek, the Broader WSEA precinct becomes the final critical key centrepiece for land use transport and economic development between the NW and SW Growth Centres. Now could be our only possibility in correcting past mistakes, and developing a more collaborative 30-40 year vision for Sydney and how GWS and the broader WSEA fit into the broader vision for Sydney. From this we will be able to create a more balanced city of interconnected cities and growth centres with long term economic and transport corridors.

To do this however it will need to be done in the following context:

- On its own, the broader WSEA area will not solve the major jobs deficit and diversity issues for GWS, but it needs to be a critical part of a broader overall action plan for GWS.
- As part of the Regional Action Plan for Greater Western Sydney, the new *Economic Development Strategy for GWS* needs to be developed collaboratively including new innovative industry centre opportunities and specific employment growth targets for the Broader WSEA Structure Plan region.
- This *GWS Economic Development Strategy* needs to be developed utilising the benefit of reports and empirical and statistical knowledge of the industries we have now, future potential growth of current and new additional industries adjacent to a new future airport, and the potential new emerging industries in Broader WSEA that could evolve with critical intervention and stimulation by government.
- Within this strategy, specific detail can be developed as to the current economic activity within the Broader WSEA area and to very specific potential industry, innovation and business growth opportunities that can be identified.



- All levels of government need to be prepared to intervene where appropriate, commit and support new key *magnet attraction* growth projects and supportive delivery of timely infrastructure.
- More certainty in planning and delivery will be achieved through better collaboration between industry , community and all levels of government in developing a collaborative vision with appropriately aligned policy settings. Establishing good coordination between Australian and NSW government departments is critical, particularly with respect to the long term development and connectivity of the region around the new airport at Badgery's Creek. Well timed and funded transport and infrastructure delivery and integration between government departments will be required.

### **3. Implications with the addition of the Broader WSEA Precinct to the overall Western Sydney Employment Area**

RDA Sydney supports the NSW Government's vision for the additional Broader Western Sydney Employment Area (Broader WSEA) to provide well-located, additional serviced employment lands to secure the State's future productivity and economic growth and a great opportunity to address the employment in Western Sydney as part of the draft Metropolitan Strategy target of at least 50 % of the 625,000 new jobs across Sydney by 2031.

As we understand it, the Land to which this Policy applies under the WSEA SEPP, the WSEA lands are currently divided into 10 precincts. The proposed amendment will introduce a new 11th precinct known as the *Broader Western Sydney Employment Area* precinct. The proposed extension of the existing WSEA boundary will introduce an additional 4,537 hectares of new employment lands to be administered under WSEA SEPP, and the *Penrith Local Environmental Plan 2010* and *Liverpool Local Environmental Plan 2008* will currently apply to any development within the proposed extension. We also note that the proposed amendment to the Land Application Map does not rezone land and local planning instruments will continue to apply to the land.

RDA Sydney congratulates the Department of Planning and Environment (DPE) in the work that they have done to date in developing the Broader WSEA Structure Plan concept and strategic planning process as a means of developing a future economic land use and transport planning strategy for a vast new area of Western Sydney between the North West Growth Centre (NWGC) and the South West Growth Centre (SWGC). **It is imperative however that this work is not forgotten in the integration of economic, spatial and infrastructure planning for the Broader WSEA into the overall WSEA. Similar efforts need to be made to develop more detailed structure plans for the other 10 WSEA precincts, with opportunities for integrating these plans and initiatives.**

Whilst RDA Sydney agrees with the above, we firmly believe with the idea and principle that all of this overall strategic planning be linked in to planning/development by the federal Department of Infrastructure & Regional Development to the development of Commonwealth Land around

Badgerys's Creek and the current planned North West and South West Growth Centre employment lands.

Having said this, RDA Sydney does have concerns with the following:-

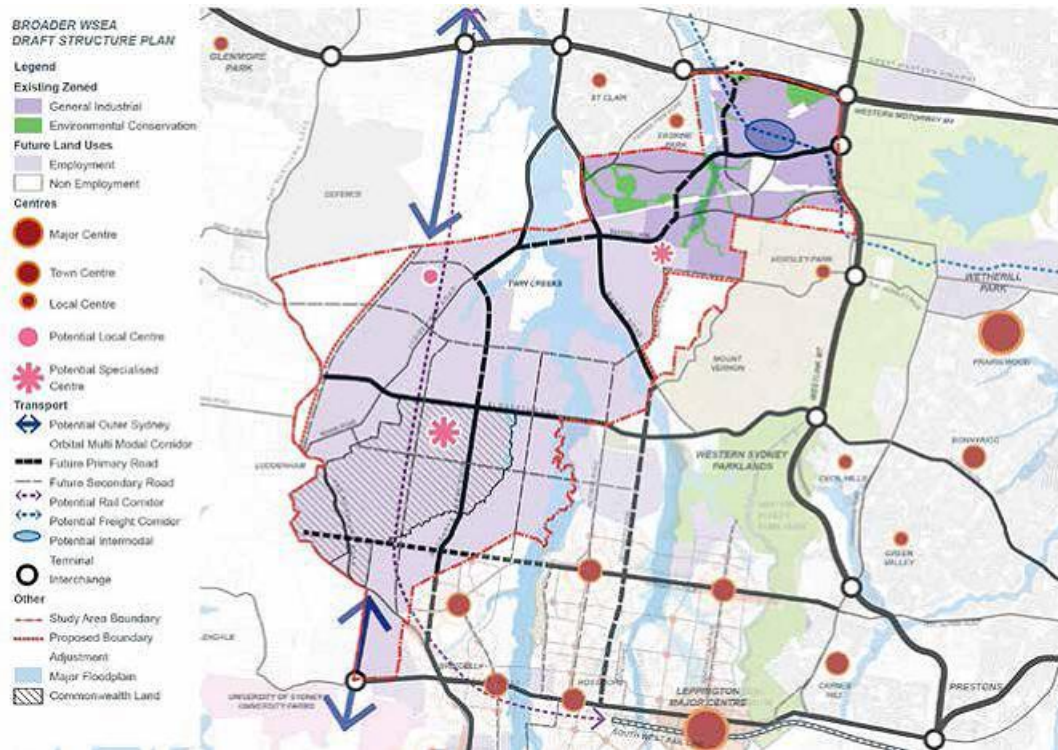
- The potential long term significance of an airport on the Commonwealth land will have more influence by far than any other factor with respect to current and future long term investment and development within Sydney but more particularly GWS.
- Scenario planning with respect to the second airport needs to be completed now, so that the benefits of the long term vision and potential land use and transport corridors from the Broader WSEA Structure plan can be realized. We need to plan now to develop the region on the basis that the airport was always meant to be there, and secure the long term corridors now for major infrastructure projects needed for the long term future of the Australia's eastern coast.
- Whilst the Broader WSEA Structure plan talked about the interrelationship with the North West and South West Growth Centre plans, it did not provide specific information as to the land-use, economic studies and transport aspects and infrastructure implementation timetable assumptions that were made in developing the NWGC and SWGC Structure Plans.

Even though the major studies undertaken as part of the Broader WSEA Structure plan gave a good overall assessment of the Greater Western Sydney region, the inter-relationship and potential impacts between the study area and the growth centre structure plans, did not come across particularly with respect to possible education and employment opportunities of a very large potential residential population adjacent to the study area.

- Whilst it is understood that the proposed extension of the existing WSEA boundary will introduce an additional 4,537 hectares of new employment lands to be administered under WSEA SEPP, and that the *Penrith Local Environmental Plan 2010* and the *Liverpool Local Environmental Plan 2008* will currently apply to any development within the proposed extension, it is imperative that the overall long term vision and planning for the WSEA SEPP region, potential long term infrastructure corridors around Badgerys's Creek airport is not unduly influenced by any local inappropriate development.

NB It is noted that the proposed amendment to the Land Application Map does not rezone land and local planning instruments will continue to apply to the land. However any such rezoning should take into account the above concerns.

## Employment Drivers & Land Use



RDA Sydney noted that in the Draft WSEA Structure Plan, it indicated an availability of a total of 8100 hectares of employment land comprising 1750m hectares of zoned employment land within the existing WSEA (labelled (A) on Page 52 Table 4) and 6329 hectares of future employment land. (See 3.6 Draft Structure Plan Map (Chapter 5))

This future employment land of 6329 hectares was to be made up from the following potential precincts:-

- (B) Aldington Road (493 hectares) - south west of the current WSEA precinct
- (C) South Creek (1732 hectares) – North of the Commonwealth Land site connecting the NW and SW sectors of the Structure Plan study area
- (D) Luddenham Road West (823 hectares)- NW side of Commonwealth Land
- (E) Adams Road (407 hectares)- west of Commonwealth land site
- plus
- (F) Commonwealth Land (1674 hectares) - Badgery's Creek second airport site
- (G) South West Growth Centre designated employment Land (1200 hectares)- east boundary of the Commonwealth land site but within the SWGC.

Whilst we welcome the additional 4537 hectares of employment land from this proposed revised Broader WSEA extension, we are concerned about the planning, the release, the zoning, the timing

and delivery of necessary infrastructure for these precincts.

Our concern from the Broader WSEA Structure Plan *Economics Issues and Drivers* study is that despite the overall demand for employment land varying 80 -300 hectares per annum for Sydney (during an economic downturn because of the GFC) with an average of 186 hectares per annum over the last 5 years, it only identified a potential demand of 2100 hectares in the study area for the next 30 years! We believe that this will be a major underestimation!

Now that we have a decision for an airport at Badgery's Creek, we are concerned that this could be the major catalyst or government incentive to kick start demand so as to make it happen, but once it does, demand will take off and then supply of sufficient suitably priced zoned employment land will not be available. We agree with the NSW government that there is an urgent need now to revise up the Draft WSEA structure plans to generate 57,000 jobs to 2046 out of a needed visioned 325,000 jobs for GWS (by 2031)!

In the above *Economic Issues and Drivers* study it discussed separately about the potential demand and drivers for employment land and for business parks, and then reaches a conclusion that growth for the above jobs will involve the need for one specialised centre at Baker's Lane and another possible specialised centre around Badgery's Creek with a new local centre near a potential rail station at Luddenham. In the light of the airport decision, we believe that the potential for more innovation driven manufacturing and technology centres of excellence exist, and that a further study into this potential latent demand be undertaken.

RDA Sydney also has a major problem with the initial assumptions that necessarily the only likely demand for the broader WSEA is going to be in the freight and logistics areas, but we certainly agree that incentives and intervention by government will be critical to stimulate and encourage sufficient magnet attraction technology driven centre growth required to make the whole effort worthwhile!

We would like to re-tender the following observations made in our Broader WSEA Structure Plan submission about other industrial regions of the world and make the following suggestions with respect to incentives and interventions:-

- World class industrial regions in Sweden, Finland, Germany , Italy, Singapore have not emerged or exist without “ centres of excellence” within them where industry and leading edge innovation, science and technology support centres co exist alongside major university or other supportive presence in the form of R&D clusters, training facilities.
- In fact, as example in Australia, in the Clayton industry precinct outlined in the attached photo from the paper *The Role of Precincts in Innovation Systems – by Dr Terry Cutler* he showcases just how the success of Clayton as an industrial precinct has organically evolved. Note: the presence of CSIRO, Monash University, and Support GSI Knowledge Centre. And also Professional services in the form of technology Management Consultants, ANZ and NAB Banking for local administration and retail support facilities.

- In the case of the Broader WSEA we would suggest the potential of:-
  - New intermodal terminal with major T&L industry Centre of Excellence precinct at Eastern Creek, and supportive SME technology companies for all of the T&L precincts in GWS;
  - Building materials and metal specialist industry cluster precinct near Bluescope Steel plant near Erskine Park;
  - IT Data Centre cluster around Eastern Creek
  - Environmental Water and Renewable energy cluster;
  - Bio energy, recycling and waste remediation cluster around the SITA waste site
  - Aerospace and defence industry technology, sustainment and manufacturing facility
  - Major agribusiness technology and commercial business park appropriately located within the study area.
  - And lastly but most importantly around a future second airport, could be another specialist centre with commercial banking, professional services, airport services, air /road/rail freight intermodal T&L facilities.

Each of the above potential projects is based upon the fact that there is already a significant industry presence and potential competitive position in GWS or in elsewhere Sydney which could be capitalised upon. None of the above will happen unless we can get commitment by both the federal government and NSW government that they are prepared to commit policy and industry support to some of these initial catalyst projects to kick start the process.

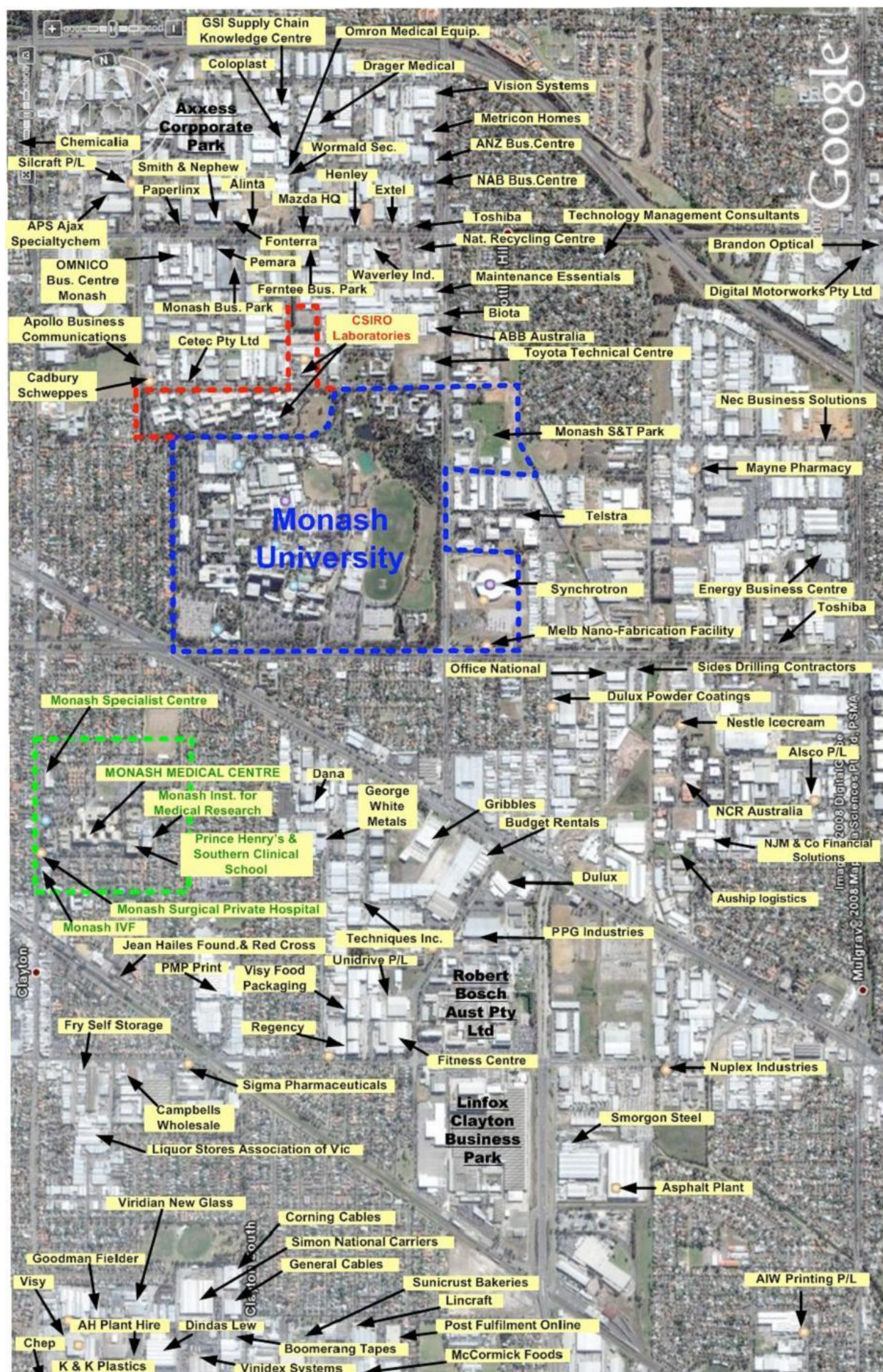
RDA Sydney would also like to table reservations as to the realisable zoned employment land areas that are going to be able to be developed with the appropriate timely delivery of infrastructure at a competitive price to that offered in say Melbourne or outer areas of Brisbane. We believe that the flood plain issues, riparian, ecological, topographic and environmental considerations outlined in the reports will reduce the nett available land more than that that has been outlined.

Also because of the need to identify and consider major infrastructure transport and land-use corridors for the future development of each of these major precincts, they will have to be developed as a complete precinct, as no one individual developer will be prepared to take the up-front risks associated with trying to do it on their own.

### **Outer Sydney Orbital Corridor**

RDA Sydney supports the Western alignment of the Outer Sydney Orbital Corridor (OSO), as it would minimise any impact on the Commonwealth land. This would prevent any impedance in planning for a second airport at Badgery's Creek in the future.







## **Road Network**

RDA Sydney supports overall the methodology used by the Transport consultant GHD with respect to the Structure plan, but has concerns as to the potential ultimate employment figures and location densities that were used in each of the precincts as a starting point, because of the lack of detail with respect to the potential economic activity outlined previously.

In other countries such as Singapore for example, the long term potential economic activity and land use for an area is defined far more precisely with respect what types of industries will be encouraged , where they would be co-located and how the area would be developed over time with the appropriate transport and utility infrastructure in place.

Having said that, we are encouraged by the announcement of significant funding for major road upgrades adjacent to the new Badgery's Creek airport by the Federal government. RDA Sydney supports the three primary East-West connections between M7 Motorway and the OSO identified, ie Elizabeth Drive, Bakers Lane WSEA Southern Link Road, Fifteenth Avenue, and Bringelly Road, but also suggest that Horsley Park Drive needs to be up-graded as a primary road access to the industrial area of Wetherill Park with existing interchange at the M7.

We also support the North-South connections of Northern Road, Mamre Road, and Archibold Road.

## **Freight Rail**

RDA Sydney supports both the Western Sydney freight line from Chullora through Eastern Creek to the Western Line, and the proposed Outer Sydney Orbital freight line corridor option which proposes to link to the south to Port Kembla via Camden, the Southern Sydney Freight line and the proposed Maldon Dombarton Line, and then north via a future rail corridor to the Hunter (See Broader WSEA Structure Plan Figure 28, page 45).

We also support the need to ensure that a SW Rail heavy rail freight line link via Leppington to the Southern Sydney Freight Rail line is also planned to allow direct access to Badgery's Creek potential airport and the above OSO freight line.

We also support the two proposed intermodal terminals at Eastern Creek and on the west side of Luddenham Road West precinct, adjacent to the orbital corridor, but subject to change to fit in with any broader precinct plan for a future air/road /rail freight intermodal facility around an airport site.

## **Passenger Rail**

RDA Sydney supports the general concept of having a passenger rail SW Rail extension from the SW Rail line at Leppington to the Badgery's Creek potential airport site via Bringelly and then connecting the Outer Sydney Orbital transport corridor with a northern connection to St Mary's and onto a future connection to the NW Rail at Marsden Park. We also support the other proposed Southern rail link from Bringelly to Campbelltown link via Narellan.

Future options still need to be considered with respect to interlinking of any Badgery's Creek airport site via High Speed Rail to Parramatta and/or Sydney, as part of the national High Speed Rail project from Brisbane to Sydney to Melbourne.

### **Water, Sewer, Electricity, Gas, Communications**

RDA Sydney respects the current and future capacity work that has been undertaken by the consultants GHD, with respect to the future utility infrastructure that will be required as part of the Structure plan. As stated previously, it will be imperative to ascertain as far as possible, the potential future economic activity and land use before detailed planning and loadings can be planned in detail.

Consideration as to the long and immediate future staging, costings, and investment and implementation timetables for these utilities needs to be undertaken on a precinct by precinct basis, but taking into consideration the final staging strategies

### **Zoning, Staging, Delivery and Infrastructure Implementation**

RDA Sydney believe that the zoning and staging plans, delivery and infrastructure implementation timetable should be decided upon once an overall activity assessment as to how the fully developed Broader WSEA could look, based on what there is there now and on the basis of certain major assumptions and scenarios for example:

- Decision as to timing for the second airport to be built at Badgery's Creek on the Commonwealth site (F) plus Precincts (C),(D),(E) and possibly (G) requiring:
  - Terminals, runways, aircraft maintenance
  - Major multi modal airfreight/road/rail terminals
  - Specialised Centre - commercial/professional services
  - Hotels/conference/facilities
  - Technology centres
- Decision to establish transport and logistics intermodal terminal at Eastern Creek with key supportive transport and logistics innovative precinct, transport and logistics companies, freight forwarding customers and other SME support industries

**NB.** This terminal needs urgent planning and a decision to immediately reserve the appropriate transport and strategic land corridors that allow the necessary rail track alignment and necessary land for 600-1000m trains otherwise this terminal will never be built.

- Decision as to how the current proposed Erskine Park/Mamre Road/Old Wallgrove road transport links will assist the development of those types of specialised Innovative Industries mentioned previously, that could be developed alongside current key industries in Erskine Park and Eastern Creek.(Existing WSEA and Precinct B)



We need to encourage the presence of CSIRO and/or multi-university centres of excellence within this.

- Decision as to how a Specialised Centre around Bakers Lane can and will accommodate both current existing industries in Erskine Park but also those potential new additional emerging industry clusters. (Precinct B)
- Decision that a new additional environmental and waste technology park and centre with associated industries could perhaps be developed alongside the SITA waste facility north of Elizabeth Drive (Precinct C).
- Decision that a new additional food/agricultural/agribusiness technology park be developed.
- Decision that a very large second intermodal terminal be built on the west side of Luddenham Road West which would join up with the OSO and Port Kembla and Newcastle (Precincts(D) and (E)).
- Decision that a new aerospace/ defence technology precinct be built in the vicinity of the new airport.

#### **Final Comment**

RDA Sydney recommends that the final overall WSEA SEPP Structure plan makes use of “Google maps” images of the existing study and its relation to the other areas of Sydney. This gives rise to a better understanding as to the existing assets, economic activity and land use, and the relationship to existing transport and utility infrastructure.

We also recommend that DPE works with RDA Sydney to develop further the *RDA Sydney Virtual Sydney 3D Planning concept model* with support from key councils as a major concept development and communications tool.

#### **4. Opportunities for new industry development with Greater Sydney Commission planning leadership, and revised Employment Land Policy structure**

RDA Sydney welcomes the efforts to produce a new final MetroStrategy for Sydney, and the appointment of the Greater Sydney Commission to assist in planning, integration and delivery of critical infrastructure. While supporting the decision to form a new Employment Lands Taskforce (ELTF) in 2011, we raise legitimate concerns as to whether the extensive work of the previous ELTF Task Force in 2006, and resultant Action Plan have been progressed to the extent that they could.

Since 2011, we have also welcomed the Employment Lands Development Program (ELDP) update reports, but once again raise concerns with respect to the public availability and use of the ELDP update reports, and the structure of the ELTF and the department with respect to their use of this information in current implementation strategies for employment lands and in bringing about future balanced and sustainable growth of Sydney.

RDA Sydney believes that the MetroStrategy can be improved by the development of an implementation Model similar to that undertaken in other States, particularly Queensland. This would enable the timely identification of new growth centres and employment lands, which is supported by a clear and transparent infrastructure roll-out strategy. The projected timetable for delivery of the roll out strategy should be part of any metropolitan plan and therefore understood by the investment and business community of NSW. A competitive employment lands planning strategy and process is critical!

We would like to re-emphasize the following key points made in our *RDA Submission to Implementing the Metropolitan- Planning Principles for Industrial Lands (October 2011)* :-

- Over the years, NSW has at times lagged other States in key Economic Indicators, particularly in areas of Urban Release, Greenfields Development and new Housing. This is largely due to the fact that planning has not integrated urban release programs and infrastructure supply in a timely and efficient manner. We have in fact left it to Industry and Investment markets to provide what is core and link infrastructure that enables urban development. Private industry does not have power over public land acquisition for key infrastructure and road corridors nor can it commercially supply “long line” service networks from its meager development proceeds – through up front user contributions.
- The result of years of public policy of this nature has been an under-performing investment sector, poor economic metrics and a critical shortage of land supply and in particular Employment Lands in Western Sydney. This has cost the NSW government millions of dollars in lost in-direct taxes and substantial employment opportunities within the property and construction sector.
- We need to develop a new set of Principles in the revised planning policy. Esoteric Principles like:
  - *“Maintain an adequate supply of appropriately located and serviced Industrial Lands for current and future demand and to maintain competitive pressures in the market”*
  - *“Ensure planning for new Industrial Land as meets the long-term needs of industry growth and growth management directions of the city”*

are essentially “motherhood statements” and do little to resolve the immediate issues facing Sydney.

Additional planning principles should be considered:

- Principle 1 - Urgent changes necessary to ELDP program so as to identify and deliver timely new lands
- Principle 2 - Proposed changes to strategic planning process supported by matching planned delivery of infrastructure needed to deliver more competitiveness, more investor confidence, and more certainty.

- Principle 3 - Any strategic assessment checklist process must be transparent, and clearly understood by industry. We need a responsive but equitable and fair system, competitive with other states. Major current and future transport and infrastructure growth corridors must be protected.
  - Principle 4 - A clearer and more detailed picture as to current employment land use is critical in identifying opportunities in future growth centres.
  - Principle 5 - Must plan employment lands in conjunction with new Strategic centres and against delivery timetable for infrastructure. All aspects of economic and social infrastructure need to be considered.
- We need some sort of regional infrastructure fund similar to Victoria which has a \$1Billion Regional Infrastructure Fund to support the advancement and growth of its regional economy and infrastructure needs. We have no such Fund, no Implementation Strategy, no Infrastructure network plan and little evidence that the current ELTF taskforce has been able to address the critical shortage of employment lands.

Failure by previous Governments to adequately address these concerns has resulted in “escape expenditure” to other States like Victoria – where the market has supply and therefore price competitive land. At present the ELDP 2014 Update report has highlighted the fact that the available zoned and serviced employment land in GWS has in fact reduced to only 1.5 years on the high demand (300 hectares per year) scenario. (See ELDP 2014 Update Report)

- Definition – “Industrial Lands” The current definition of Industry is too narrow and actually prejudices contemporary industry practice – especially in the South West Sydney Sector – where better quality employment opportunities are essential. The definition of Employment Lands need to be sufficiently broad to include innovative forms of development, technology and business parks and activity centres as per the original definition for the ELTF in 2006.
- ELTF Taskforce Principles DPE needs to undertake a review of the former ELTF Task Force recommendations (Employment Lands Task Force recommendations 2006/7) and the work associated with the Broader WSEA Structure Plan to determine how they can be inter-related, recognized and adapted to any new Principles.
- Employment Lands Taskforce (ELTF) We believe that role and make-up of the new ELTF should be reviewed. The original high-level Employment Lands Taskforce in 2006 was drawn from a much wider stakeholder grouping; State and local government, industry, developers, economic representatives, academia and the community base. As such it was able to provide the NSW government with a much broader assessment of the current and future planning issues affecting Greater Western Sydney (GWS) and Employment Lands in particular.

Without wider stakeholder representation and a keen understanding of the employment and self containment issues affecting GWS it is reasonable to assume that not all the issues present have been clearly articulated. Implementation in particular is an issue for the industry and developer groups who are charged day to day with having to service Employment Land needs to the market place.

- Future Role & Activities of the Employment Lands Development Program(ELDP) The re-established ELDP program needs to be adequately resourced and supported by a cross-agency team able to provide *more updated detailed information* on an ongoing basis to the revamped ELTF with respect to current and future supply and demand. Use should be made of latest GIS and 3D Modelling systems. Industry reference groups should also be used (as in 2006) as additional guide to current issues, and identifying future trends and drivers.
- Review of Planning System - The opportunity now exists for the Hon Minister to consider further reforms to the Employment lands issue through the revised “Review of the NSW Planning System”. We at RDA Sydney welcome any such reform and see it as an opportunity to better connect economic development across our Regional Network with targeted and much needed Policy changes –particularly in the area of Employment Lands and Greenfields Infrastructure:-
  - Reviewing how current planning system in NSW including legislative instruments, policies, contributions, guidelines and plans impact the release of Employment Lands and the NSW State’s competitive position.
  - Regularly undertaking via the ELTF and the ELDP support team, a supply and demand review of Employment Lands benchmarked against eastern seaboard States, to determine if there is enough Employment Zoned Land and its price competitiveness.
  - Reviewing current strategic planning documents to ensure that a better understanding exists between current supply and pricing principles and the impact of insufficient core and link infrastructure has on new urban release areas.
  - Promoting and encouraging land assembly policies to facilitate the economic development of Employment Lands from current Greenfields locations.
  - Requiring greater transparency in the planning framework for future freight and transport corridors/reservations to allow industry to confidently and effectively plan for their future expansion.
  - Incorporating additional centres policy, social equity and environmental sustainability principles into any Employment Lands principles
  - Consolidating a range of activities – including employment and science based research and service industries into new locations – allows for Business Networks to develop, public transport corridors to be planned and improves community access in Greater Western Sydney to a range of Public and Private sector facilities – thus fostering business synergies through Clustering and Environmental management.
  - The current Draft MetroStrategy for Sydney sets out a strategic direction with many good aspirational objectives and action plans for the future. It does not however provide a complete long-term strategic vision for growth of the city against a planned delivery of matching infrastructure.
  - Like Infrastructure Australia and the previous Major cities Unit, we recommend that the Queensland State Planning process and South East Queensland Regional Plan 2009-2031 model be studied and reviewed with aspects used for updated model for Sydney and NSW. We also recommend that the current NSW government interdepartmental and interagency governance be improved and coordinated in a similar manner to that of Queensland- particularly with respect to identifying and mapping future growth centres, growth corridors and potential infrastructure implementation and delivery timetable.

- We encourage the NSW government to collaborate more with Federal government agencies, Infrastructure Australia, the federal Department of Infrastructure -Western Sydney team, and Infrastructure NSW, and work to improve the coordination and integration between State Departments and Agencies, councils and industry so that we can realise more economic development opportunities associated with employment lands policy.

## Growth Plan for Sydney “a City of Cities?” - The Role for the Greater Sydney Commission

The Draft MetroStrategy for Sydney will not achieve its goals of self containment, jobs closer to home, balance and sustainability, particularly with respect to South Western Sydney, without immediate action.

*Within the strategy, what is the Vision for Greater Western Sydney? Can we identify what the NSW government is doing to align that Vision to the economic investment required supporting the Metropolitan Planning objectives to 2031 – including the timely provision of infrastructure and services?*

It is hoped that the establishment of a single agency, the Greater Sydney Commission, will in fact streamline the way that NSW Government’s infrastructure and urban planning priorities are delivered in a similar way to other global cities like London.

The necessary future potential city or strategic centres and employment lands need to be identified as soon as possible around the potential new second airport and the WSEA SEPP to create the planned 380,000 jobs in Western Sydney or the major infrastructure strategies to overcome the backlog in infrastructure necessary for this targeted growth!

- Lands should be rezoned for development once infrastructure and servicing have been planned and budgeted for through an interagency coordinated process, not just when infrastructure and servicing is capable of being provided in a timely, orderly and economic manner.
- New planning for these new growth centres, employment lands and the necessary infrastructure in Western Sydney needs to be “Kick-started” - particularly in SW Sydney and the Broader WSEA.

In view of the above, RDA Sydney wish to offer the following revised recommendations from our *RDA Sydney Employment Lands Position 2012 Report* (prepared by Johnston Enterprises) to the NSW Government with respect to the Greater Sydney Commission and its role within planning policy and the NSW Government :-

### Recommendation One

*Employment lands are so critical to the economic future of Greater Western Sydney that the government should adopt an agreed Vision and Strategy for delivering over time on a rapid release program*

### Recommendation Two

*The Minister for Western Sydney establishes an “Implementation Committee” for employment lands, reporting to a nominated Minister & chaired by an independent professional from the commercial sector to facilitate employment land supply in NSW.*

### Recommendation Three (and/or)

*The Premier considers implementing a similar Model to the Western Australia Planning Commission which effectively coordinates planning & economic activity across the State.*

#### Recommendation Four

*Development and investment activity is stimulated by incentivizing the private sector through a similar initiative in Housing supply – where the industry can present solutions to the Planning Minister.*

#### Recommendation Five

*The Premier support the formation of an Inter-government working committee comprising representatives from local and state governments and the federal government to discuss infrastructure and financing arrangements for a rapid land release employment lands program. Infrastructure NSW (and/or Greater Sydney Commission) is then charged with coordination and servicing this committee and reporting findings to the Premier and Minister for Western Sydney - within 6 months of inauguration*

#### Recommendation Six

*The Premier of NSW task the Inter-government Committee with preparing recommendations to the Productivity Commission requesting an urgent inquiry into financing local infrastructure requirements in NSW, off-setting developer levies with more effective tax policy and encouraging local Councils to be actively and effectively involved.*

#### Recommendation Seven

*The Implementation Committee immediately focus consideration of the acquisition of key corridors for “catalyst infrastructure” in the form of road and services – to avoid rapid price escalation through rezoning and value enhancement.*

#### Recommendation Eight

*To remove the current spatial imbalance in employment lands across Sydney – which has resulted in all the Business & Technology Parks lying north of the M4, new Strategic Centres and Business & Technology Parks are to be planned along both existing and the newly acquired corridors in the South West Sub Region.*

#### Recommendation Nine

*To assist the Premier, Ministers, and the NSW Cabinet to visualize and comprehend the complex interplay of strategic planning initiatives which are vital to this process (including the overlay options for the second airport, numerous infrastructure, roads, utilities and servicing options on Greenfield land ) new planning tools are introduced as a matter of priority.*

*One such example, is the “RDA Sydney 3D Virtual Sydney concept model” which can breakdown complex interwoven planning and infrastructure options (often presented in complex prose) and turn them into an array of visual solutions which are easier to comprehend and readily acknowledgeable in a spatial form.*

*This will help understand the infrastructure and capacity problem, allow land use scenario planning and enable members of Parliament to explain solutions effectively to the public.*