Strategic Direction E
Growing Sydney’s Economy
Introduction

A strong economy in Sydney and NSW provides the resources to fund economic, social and cultural infrastructure. Sydney is home to Australia’s largest economy, one whose strength is derived from a diversified and sophisticated industry structure and broad economic base. Industry & Investment NSW estimates Sydney’s economy accounts for almost a quarter of Australia’s Gross Domestic Product (GDP) and 70 per cent of the NSW economy. It has a key two-way relationship with the State’s regional economies—processing their products and providing a gateway for exports and imports, as well as being a substantial market for their finished products.

A strong Sydney economy provides:
• resources to fund economic, social and cultural infrastructure
• the income to fund a skilled workforce
• residents with capacity to purchase goods and services, and
• the opportunity to manage the region in an environmentally sustainable way

Sydney’s economy is currently very healthy after almost two decades of virtually uninterrupted growth, despite the global financial crisis. Its size and diversity shield it from many global and regional economic challenges.

Although Sydney scores highly in global economic rankings, Infrastructure Australia (2010) has highlighted the need to retain skilled labour and avoid the ‘brain drain’ to other global centres.

The NSW Government vision for 2020 is an economy that will be more than 30 per cent larger than it is today, driven by growth in highly skilled, high-value-added industries. The NSW industry base will be internationally recognised for its innovation, productivity, knowledge intensity and carbon efficiency (Industry & Investment NSW 2010). Achieving this outcome and maintaining a strong and dynamic economy will be a broadly based task involving many arms of governments and the private sector.

SYDNEY’S STRENGTHS AND COMPETITIVE ADVANTAGES

Sydney’s economic strength is underpinned by its competitive advantages, which include:
• a diversified, sophisticated industry structure that is highly service and knowledge focused
• a dynamic, globally competitive and growing financial services sector, fortified by its size and diversity. Sydney also has a significant cluster of carbon market services that help position it as a centre for emissions trading and reporting
• a highly skilled and multi-lingual population. Approximately 43 per cent of Sydney’s population aged 15 or older has a post-school qualification and one in three residents speaks a language other than English at home
• five major universities (including two in the world’s top 50) and campuses of two other Australian universities, 20 Cooperative Research Centres and Centres of Excellence including CSIRO, National Information and Communications Technology Australia (NICTA), Australian Nuclear Science and Technology Organisation (ANSTO), National Measurement Institute, and the Defence Science Technology Organisation
• four major medical schools and four of Australia’s major teaching hospitals, as well as high quality medical research precincts in the east, west and north
• physical infrastructure such as sea and airport facilities, logistics hubs and telecommunications infrastructure, and
• a strong transport network with Australia’s highest capital city public transport use and a $50.2 billion program of transport improvements over the next 10 years

SYDNEY’S GLOBAL ECONOMIC CORRIDOR

The Global Economic Corridor extends north and south from the Sydney CBD. To the north it runs through North Sydney, St Leonards and Chatswood to Macquarie Park and to the south through Pyrmont–Ultimo and Green Square to Port Botany and Sydney Airport. It is a substantial corridor, clustering jobs and economic activity in finance and business services, information intensive industries, global and national transport and multimedia.

Already near high income residential areas, access to the corridor was boosted by the Chatswood to Epping Rail Link which connects Macquarie Park and Macquarie University with further residential areas and Major Centres such as Chatswood and Hornsby. The rail link’s extension to Parramatta, Sydney’s second CBD, will improve accessibility for more Sydney workers, unlocking further economic potential.

Additional economic opportunities along this extended corridor must be pursued, especially as Chatswood and Macquarie Park reach capacity. The initial focus will be to connect residents in the Growth Centres with employment opportunities along the corridor via the North West and South West rail links.

TRENDS AND OPPORTUNITIES IN THE COMING DECADES

For the next decade and beyond, many factors will provide opportunities and challenges for the region’s economy. The NSW Economy in 2020—A Foresighting Study (Access Economics 2010) was commissioned by the NSW Innovation Council and identifies four ‘mega–trends’ that will considerably impact the shape and performance of the NSW and Australian economies.
Four significant trends impacting the NSW economy growth path to 2020 and beyond  
(Access Economics, 2010)

1. **Climate Change Mitigation and Adaptation, and Transition to a Low Carbon Economy**

Climate change will create opportunities and challenges for NSW industry over the next decade. It will create opportunities for businesses specialising in carbon reduction technology, consulting services, research and trading. It will also shift incentives towards renewable and lower emission electricity generation technologies, with the largest impact being to bring forward commercially proven technologies. It will also provide impetus to reduce greenhouse gas emissions in all aspects of business with a variety of implications for various sectors of Sydney’s economy.

2. **Demand and Competition from Emerging Economies**

The growth of China and India also presents opportunities and challenges for the NSW economy. Many sectors are expected to benefit from growth in China and India, primarily mining and related industries such as construction and utilities. The growth in these countries’ middle classes will continue along with demand for new high value goods and services. This will be particularly important for NSW as a service economy, especially in the growing export areas of education, health and professional services. However, there will be greater competitive pressures from these economies as they increasingly move from production of less complex goods into higher-value manufacturing and services. Australia’s surging mining sector, driven by rapid growth in Asia will also have further competitive implications for NSW. Higher terms of trade and exchange rates will have negative implications for trade-exposed areas, such as manufacturing and tourism.

3. **Rapid Development of the Digital Economy**

The information economy will have both a direct and indirect effect on the composition of the NSW economy. These changes are being brought about by the rapid development of new products and services around the globe including the introduction of intelligent systems in virtually every part of the economy. The roll-out of the National Broadband Network (NBN) provides the potential to extend these developments through the economy and society.

4. **Ageing and Growing Population**

An implication of the demographic shift will be changing service requirements, particularly in health, aged care and housing (with increased rates of dementia and disability). An ageing population will also have direct impacts upon the supply of labour; this will be reflected in workforce changes and how work itself is managed. A relatively older population will also have different consumption patterns, with increased demand for leisure, tourism and financial services at the expense of more durable products such as cars and whitegoods. Overall population growth will substantially impact the required stock of dwellings and related infrastructure in NSW.
The combined influence of these trends will shape the NSW economy’s growth path and overall structure over the next decade and beyond. Overall, these trends are likely to raise living standards and benefit the NSW economy. However, some sectors will need to adapt to profoundly different incentives and opportunities to meet future challenges.

In 10 years, NSW’s five largest sectors by share of value–add are expected to be:

- **financial and insurance services**—Sydney is well placed to build on its existing strong financial services reputation and sound regulatory system
- **construction**—economic and population growth will generate demand for hard infrastructure and new dwellings, providing opportunities for renewable and sustainable technologies and building methods
- **professional, scientific and technical services**—higher education levels and servicing emerging Asian economies in accounting, legal and education will boost growth
- **manufacturing**—while its share of the economy will fall, its scale will grow through development of highly specialised and technologically advanced manufacturers, and
- **health care and social assistance**—a larger, ageing population will drive growth in demand for care (Access Economics 2010).

While population growth will always stoke the economy, further opportunities need to be supported through well–targeted initiatives and actions from business and government.

Demand for freight transport is projected to grow rapidly over the coming decades, as a result of economic and population growth. Nationally, freight delivery is expected to triple between 2006 and 2050 with more containers moving through Port Botany, on motorways and dedicated rail freight lines, with increased deliveries to businesses and shops throughout Sydney.

While significant in its own right, freight is a key ‘enabling’ industry for other sectors; this Plan therefore provides for this expanding sector while managing congestion issues.

This Metropolitan Plan builds on the significant elements implemented from the 2005 Metropolitan Strategy. For example, employment capacity targets have now been incorporated into all draft Subregional Strategies across Sydney and additional employment lands (including 780 hectares in Western Sydney) have been released. Land use and transport planning will now be integrated to improve productivity and support implementation of economic development and business growth strategies in this Plan.
Sydney will require 760,000 additional jobs to support the anticipated population growth by 2036. This plan aims for half of these jobs to be in Western Sydney, to match expected population growth. The Department of Planning estimates Sydney may need:

- 10,000,000 m² additional commercial floor space
- 5,000,000 m² of additional retail floor space, and
- 8,500 hectares of employment lands

These figures are indicative only, as land use trends may change. Consequently, levels of supply and demand must be monitored to ensure the changing needs of various sectors are accommodated over the next 25 years. This chapter focuses on measures to ensure land supplied across the Sydney region will cater for growth to 2036 and beyond.

The overarching principles for guiding Sydney’s economic growth are:

- To provide jobs closer to home by setting new employment capacity targets for each subregion
- Ensuring employment lands continue to meet Sydney’s freight and industry needs by establishing an Employment Lands Task Force

**Objective E1**

**TO ENSURE ADEQUATE LAND SUPPLY FOR ECONOMIC ACTIVITY, INVESTMENT AND JOBS IN THE RIGHT LOCATIONS**

While Sydney and the Central Coast are considered to be separate regions, this table includes Central Coast forecasts given its strong employment links with Sydney.

To achieve greater employment self-sufficiency, the targets aspire to achieve substantial growth in the South West Subregion. The Department of Planning recognises the significant challenge some of these targets present and will work with councils to develop strategies to achieve growth in these areas. The NSW Government will closely monitor progress and will undertake further research on the spatial distribution of economic activity across the Sydney Region. The findings will be used to inform future targets in subsequent reviews of the plan.

Subregional targets will also form the basis of discussions between councils in each subregion to develop employment capacity targets for each Local Government Area as part of the ongoing subregional planning process (refer Table E1).

**Action E1.1**

Reflect new subregional employment capacity targets in Subregional Strategies and Local Environmental Plans

Broadly, jobs are located in three areas—centres, employment lands and ‘dispersed’. While employment targets focus on new jobs in Strategic Centres, the Metropolitan Plan seeks to increase the number and diversity of jobs closer to home. Sydney's economy therefore needs to support a wide variety of employment types in all subregions, including in out-of-centre locations.

The subregional employment capacity targets in Table E1 reflect Sydney’s new, faster than expected population growth forecasts and a more optimistic outlook for workforce participation and growth in some industry sectors. The targets were developed using job, housing, demographic and economic trends and projections, and the jobs/population ratio which guides decisions about employment and directly links targets to the NSW State Plan ‘jobs closer to home’ measure.

**Action E1.2**

Establish an Employment Lands Task Force to promote and ensure the orderly development of Employment Lands

Following the 2005 Metropolitan Strategy, an Employment Lands Advisory Group was established to ensure government worked with industry to inform decisions about employment lands. In 2007, the group released the Employment Lands for Sydney Action Plan, setting out initiatives the NSW Government is now pursuing to advance planning of employment lands. Additional employment lands have been released, with the gazettal of the Western Sydney Employment Area SEPP in 2009, and the first Employment Lands Development Program report will be released in late 2010.

The Government will continue working with industry to ensure ongoing improvements to the coordination, delivery, servicing and accessibility of employment lands through a new Employment Lands Task Force, comprising industry and government representatives.
### TABLE E1 EMPLOYMENT CAPACITY TARGETS BY SUBREGION

<table>
<thead>
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<th></th>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Sydney City</td>
<td>429,000</td>
<td>543,000</td>
<td>+114,000</td>
<td>27%</td>
</tr>
<tr>
<td>East</td>
<td>136,000</td>
<td>167,000</td>
<td>+31,000</td>
<td>23%</td>
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<tr>
<td>South</td>
<td>193,000</td>
<td>245,000</td>
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<td>27%</td>
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<tr>
<td>Inner West</td>
<td>99,000</td>
<td>124,000</td>
<td>+25,000</td>
<td>25%</td>
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<tr>
<td>Inner North</td>
<td>238,000</td>
<td>300,000</td>
<td>+62,000</td>
<td>26%</td>
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<td>North</td>
<td>83,000</td>
<td>98,000</td>
<td>+15,000</td>
<td>18%</td>
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<tr>
<td>North East</td>
<td>89,000</td>
<td>112,000</td>
<td>+23,000</td>
<td>26%</td>
</tr>
<tr>
<td>West Central</td>
<td>322,000</td>
<td>420,000</td>
<td>+98,000</td>
<td>30%</td>
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<tr>
<td>North West</td>
<td>266,000</td>
<td>411,000</td>
<td>+145,000</td>
<td>55%</td>
</tr>
<tr>
<td>South West</td>
<td>133,000</td>
<td>274,000</td>
<td>+141,000</td>
<td>106%</td>
</tr>
<tr>
<td>Central Coast</td>
<td>104,000</td>
<td>158,000</td>
<td>+54,000</td>
<td>52%</td>
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<td><strong>Total</strong></td>
<td><strong>2,092,000</strong></td>
<td><strong>2,852,000</strong></td>
<td><strong>+760,000</strong></td>
<td><strong>36%</strong></td>
</tr>
</tbody>
</table>

Share in Western Sydney: 34% 39% 50%

Note: all employment targets are rounded to the nearest 1,000. Source: Department of Planning 2010
OBJECTIVE E2
TO FOCUS SYDNEY’S ECONOMIC GROWTH AND RENEWAL, EMPLOYMENT AND EDUCATION IN CENTRES

ACTION E2.1
Plan for more commercial and retail jobs in highly accessible Strategic Centres

Concentrating a wide range of activities, including employment, in centres plays a critical role in the functioning of a city and can:
• improve access to retail, office, health, education, leisure, entertainment, and cultural facilities and community and personal services
• foster collaboration, healthy competition and innovation among businesses through clustering
• better use existing infrastructure
• promote sustainable transport and encourage healthier communities by giving more people the option of taking public transport, walking and cycling, and
• enable people to carry out more activities in one location

Centres on the public transport network with critical mass and a diversity of activities have capacity to shape the structure of the city and influence access to jobs.

STRATEGIC CENTRES
Traditional business centres—Central Sydney and North Sydney, the Regional Cities, Major Centres and Specialised Centres—contain over 39 per cent of Sydney’s jobs. These are supplemented by jobs in lower order centres which accommodate another eight per cent of Sydney’s jobs.

Further job concentration in centres, especially Strategic Centres, will deliver a more sustainable and equitable city while also supporting critical industry sectors and promoting competition and innovation. State infrastructure and investment will support growth of Strategic Centres, to allow efficient delivery of services. Updated employment capacity targets to guide planning and investment in Strategic Centres have been developed and appear in Table E2.
<table>
<thead>
<tr>
<th>STRATEGIC CENTRE</th>
<th>2006 BASE EMPLOYMENT</th>
<th>2036 LONG TERM EMPLOYMENT TARGET</th>
<th>2006-2036 EMPLOYMENT GROWTH</th>
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<td>Sydney</td>
<td>358,000</td>
<td>454,000</td>
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</tr>
<tr>
<td>Green Square</td>
<td>2,000</td>
<td>16,000</td>
<td>+14,000</td>
</tr>
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<td>Bondi Junction</td>
<td>12,000</td>
<td>14,000</td>
<td>+2,000</td>
</tr>
<tr>
<td>Randwick Health &amp; Education</td>
<td>12,000</td>
<td>17,000</td>
<td>+5,000</td>
</tr>
<tr>
<td>Port Botany &amp; Environs</td>
<td>12,000</td>
<td>16,000</td>
<td>+4,000</td>
</tr>
<tr>
<td>Sydney Airport &amp; Environs</td>
<td>34,000</td>
<td>56,000</td>
<td>+22,000</td>
</tr>
<tr>
<td>Hurstville</td>
<td>10,000</td>
<td>17,000</td>
<td>+7,000</td>
</tr>
<tr>
<td>Kogarah</td>
<td>10,000</td>
<td>12,000</td>
<td>+2,000</td>
</tr>
<tr>
<td>Burwood</td>
<td>9,000</td>
<td>13,000</td>
<td>+4,000</td>
</tr>
<tr>
<td>Rhodes</td>
<td>10,000</td>
<td>14,000</td>
<td>+4,000</td>
</tr>
<tr>
<td>North Sydney</td>
<td>47,000</td>
<td>61,000</td>
<td>+14,000</td>
</tr>
<tr>
<td>Chatswood</td>
<td>22,000</td>
<td>31,000</td>
<td>+9,000</td>
</tr>
<tr>
<td>St Leonards</td>
<td>34,000</td>
<td>39,000</td>
<td>+5,000</td>
</tr>
<tr>
<td>Macquarie Park</td>
<td>39,000</td>
<td>58,000</td>
<td>+19,000</td>
</tr>
<tr>
<td>Dee Why–Brookvale</td>
<td>12,000</td>
<td>17,000</td>
<td>+5,000</td>
</tr>
<tr>
<td>Hornsby</td>
<td>10,000</td>
<td>12,000</td>
<td>+2,000</td>
</tr>
<tr>
<td>Penrith</td>
<td>20,000</td>
<td>31,000</td>
<td>+11,000</td>
</tr>
<tr>
<td>Blacktown</td>
<td>11,000</td>
<td>16,000</td>
<td>+5,000</td>
</tr>
<tr>
<td>Castle Hill</td>
<td>8,000</td>
<td>13,000</td>
<td>+5,000</td>
</tr>
<tr>
<td>Rouse Hill</td>
<td>—</td>
<td>12,000</td>
<td>+12,000</td>
</tr>
<tr>
<td>Norwest</td>
<td>13,000</td>
<td>30,000</td>
<td>+17,000</td>
</tr>
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<td>Parramatta</td>
<td>43,000</td>
<td>70,000</td>
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</tr>
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<td>Bankstown</td>
<td>10,000</td>
<td>14,000</td>
<td>+4,000</td>
</tr>
<tr>
<td>Westmead</td>
<td>14,000</td>
<td>21,000</td>
<td>+7,000</td>
</tr>
<tr>
<td>Bankstown Airport–Milperra</td>
<td>16,000</td>
<td>20,000</td>
<td>+4,000</td>
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<tr>
<td>Sydney Olympic Park</td>
<td>4,000</td>
<td>23,000</td>
<td>+19,000</td>
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<tr>
<td>Liverpool</td>
<td>16,000</td>
<td>31,000</td>
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<td>Campbelltown–Macarthur</td>
<td>14,000</td>
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<td>Leppington</td>
<td>—</td>
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</tr>
<tr>
<td>Gosford</td>
<td>13,000</td>
<td>18,000</td>
<td>+5,000</td>
</tr>
<tr>
<td>Wyong–Tuggerah</td>
<td>10,000</td>
<td>15,000</td>
<td>+5,000</td>
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<td><strong>CENTRES TOTAL</strong></td>
<td><strong>825,000</strong></td>
<td><strong>1,199,000</strong></td>
<td><strong>+374,000</strong></td>
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<tr>
<td><strong>ALL SYDNEY TOTAL</strong></td>
<td><strong>2,092,000</strong></td>
<td><strong>2,852,000</strong></td>
<td><strong>+760,000</strong></td>
</tr>
</tbody>
</table>

Source: Department of Planning 2010. Notes: *Rhodes and Olympic Park are now considered separate centres. When adjusting the Olympic Park boundary amendments were made to also exclude Carter St. Employment figures for town centres and planned Strategic Centres are not included, but increase the share in centres towards 50 percent of jobs in centres target.
JOURNEY-TO-WORK TO STRATEGIC CENTRES
ENCOURAGING PUBLIC AND ACTIVE TRANSPORT

The 2006 journey to work figures calculated by the Department of Planning, from the Bureau of Transport Statistics data (formerly the Transport Data Centre) shows people living within a Strategic Centre are more likely to catch public transport to work than those living outside a centre. Around 32 per cent of people living within Global Sydney (which includes Sydney and North Sydney Strategic Centres as well as the Kings Cross, Surry Hills–Darlinghurst and Pyrmont–Ultimo precincts), 29% living within regional cities and 32% living within Major Centres take public transport to work—compared with a Sydney-wide average of 21%.

People working within Strategic Centres are also far more likely to catch public transport to work than those who do not. In particular, 66% of all people working in Global Sydney arrive via public transport and a further eight per cent walk or cycle. Around 20% of all people working in a major or Regional City travelled by public transport, compared to an average of nine per cent for people working in a non-centre location (i.e. employment lands or ‘dispersed’ locations).

The proportion of people living and/or working in a Strategic Centre who travel to work by public transport has increased between 2001 and 2006. Concentrating jobs and housing within the walking catchment of Strategic Centres, therefore, clearly encourages greater public transport use and more active transport—a key focus of the 2005 Metropolitan Strategy (Action B4) and one that will continue in this Metropolitan Plan.

ACTION E2.2
Ensure an adequate supply of retail, office space and business parks

As most people do most of their shopping close to home, it is easier to forecast future retail requirements than other types of land and floor space. The Department of Planning will work with local councils to ensure each council’s Standard Instrument LEP contains appropriate provisions to meet retail capacity needs.

Ensuring adequate levels of high grade office space in our Strategic Centres is central to meeting employment capacity targets and enhancing Sydney’s global competitiveness as a premier location for business investment. Over the next decade, Sydney will need another 2.5 million square metres of office space or, another 10 million square metres of commercial floorspace by 2036. Planning for this growth in key office markets is a shared process between the local councils, the NSW Government and industry. It will also be a key component of each council’s Standard Instrument LEP.

Industry currently monitors supply, vacancy levels, development in the pipeline and aspects of demand, although it generally focuses on short-term demand predictions in key office precincts. To inform longer term strategic planning and ensure sufficient supply of office and business park space, the Department of Planning will incorporate these uses into its Employment Lands Development Program (ELDP), which will:
• review each Strategic Centre’s capacity to accommodate future office and retail versus residential floorspace needs
• include a detailed supply and demand analysis of the office sector to determine future floorspace needs and the potential number and scale of business parks, and
• review trends and factors influencing take-up rates

The Department will work with local councils to refine employment capacity targets for each Strategic Centre, drawing on the expanded ELDP and council strategies, visions and LEPS to produce detailed targets in the Subregional Strategies. The Government will also play a key role in critical locations such as Barangaroo to bring significant projects to fruition.
**ACTION E2.3**

**Plan to meet future demand for business parks by establishing a framework to identify suitable sites in Subregional Strategies**

Business parks such as the specialised Macquarie Park and Norwest have been Sydney’s job ‘hot spots’ over the past 15 years with employment growing there at triple the rate of other Strategic Centres. Large corporations are increasingly seeking campus style business park accommodation that amalgamates cost-effective and flexible office, R&D and warehousing onsite. Competitive office accommodation in strategically located business parks encourages global businesses to establish in Sydney and distributes more office jobs across the metropolitan area. It also provides opportunities to integrate business parks with key public transport infrastructure.

Business park jobs will be accommodated in either metropolitan or subregional scale business parks. The Department of Planning will work closely with relevant state and local government agencies to identify business park locations—especially around Strategic Centres in Western Sydney (in circumstances where there is market demand and feasibility)—in Subregional Strategies and to attract growth in these locations.

**ACTION E2.4**

**Deliver spatial components of the NSW Business Sector Growth Plan**

The *NSW Business Sector Growth Plan* outlines actions to enhance Sydney’s global competitiveness. Some are spatial (e.g. development of a financial precinct at Barangaroo), while others are industry specific (develop Sydney as a hub of emissions trading and reporting).

Implementation of the Metropolitan Plan and the *Business Sector Growth Plan* will be integrated where possible to maximise the benefits for Sydney and its global positioning. The NSW Government will partner with industry to implement economic development strategies including the projects of Regional Development Australia (Sydney) and the *NSW Government Response to the Western Sydney Jobs Summit*.

**CRITERIA FOR BUSINESS PARK LOCATIONS**

- Access to public transport corridors (preferably rail)
- Links to freight corridors and major transport nodes
- Land area (50—180 hectares) to allow expansion to accommodate 8,000—40,000 employees
- Proximity to workforce (within 30 minutes commute)
- Business parks should have a relationship to adjoining economic infrastructure e.g. hospitals, universities, educational facilities, research institutes or clusters of knowledge-based activity
**ACTION E2.5**  
**Strengthen clusters of activity in Specialised Centres, particularly those for high growth and high value sectors, and support emergence of new clusters**

Four of the five sectors identified by Access Economics (2010) as likely to emerge as key high value industries over the next 10 years have established clusters in Sydney. These are:

- Finance and Insurance Services
- Professional, Scientific and Technical Services
- Health Care and Social Assistance, and
- Manufacturing

The education sector combination with health care and social assistance is a potent driver of economic activity and potential employment, especially in clusters across Western Sydney.

Other significant clusters occur around specific areas of the professional scientific and technical services sector, especially information and communication technology and defence.

Sydney is well placed to build on its existing strengths in financial and insurance services. The *NSW Business Sector Growth Plan* seeks to develop Sydney’s position as a global centre for finance, insurance and professional services and identifies Barangaroo as a potential finance and business precinct. The NSW Government also seeks to attract the Australian Government’s proposed Centre for International Finance.

Professional, scientific and technical services are expected to grow as a result of future higher education levels, existing science and research strengths and infrastructure, and opportunities to provide expertise to emerging Asian economies in areas such as accounting, consultancy, legal and education (Industry & Investment NSW 2010). Growth of existing centres will continue to be encouraged, exemplified by the new Macquarie Park Defence Technology Hub and Ultimo Creative Industries Hub. The Department of Planning will seek to expand the professional, scientific and technical services sector into emerging centres and business parks in Western Sydney.

Sydney’s growing and ageing population will boost the health care and social assistance sector. Clustering health, aged care, education and R&D facilities can improve efficiencies and foster innovation. Clusters already occur with many hospitals connected to universities and TAFE colleges. This will continue to be supported with better transport links and provision for future growth (see Actions E2.6 for specific actions relating to R&D).

Sydney is also well placed to consolidate growth of the information and communications technology (ICT) sector. In the medium term, the largest potential gains are likely to be obtained by ICT users enabled by the rollout of the *National Broadband Network (NBN)*, rather than changes within ICT itself. The Department of Planning will work with local councils and other agencies help grow significant industry clusters and identify and support emerging clusters in accessible locations across Sydney (refer Table E3).

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**TABLE E3**  
**EXAMPLES OF CLUSTERS LIKELY TO EXPERIENCE HIGH GROWTH**

<table>
<thead>
<tr>
<th>SECTOR</th>
<th>FINANCE AND INSURANCE SERVICES</th>
<th>PROFESSIONAL, SCIENTIFIC AND TECHNICAL SERVICES</th>
<th>HEALTH CARE</th>
<th>INFORMATION AND COMMUNICATION TECHNOLOGY</th>
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</thead>
<tbody>
<tr>
<td>Key Locations</td>
<td>Sydney Central Business District</td>
<td>Global Economic Corridor (particularly Sydney CBD and Macquarie Park)</td>
<td>Randwick</td>
<td>Macquarie Park</td>
</tr>
<tr>
<td></td>
<td>Parramatta</td>
<td>Parramatta</td>
<td>Camperdown</td>
<td>Sydney Central Business District (and Barangaroo)</td>
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<td></td>
<td>North Sydney</td>
<td>Norwest Business Park</td>
<td>Darlinghurst</td>
<td>Australia Technology Park, Redfern</td>
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**ACTION E2.6**
Promote development of education, research and development (R&D) clusters around TAFEs, universities and health infrastructure in accessible centres to promote skills development, capacity for innovation and lifelong community learning

Continued innovation is fundamental to economic growth and productivity and is fostered through research, ongoing education and skills development. Sydney needs to promote skills development to establish itself as a place of innovation and growth, focusing on:

- skills formation around industry clusters and infrastructure that acts as a magnet for new economic activities
- support for lifelong learning to sustain productivity growth, innovation and a workforce that can readily adapt to new challenges, and
- integration or coordination of local assets and capability

Through the NSW Business Sector Growth Plan and other initiatives, NSW aims to improve its performance relative to other states in attracting and retaining public R&D dollars.

The importance of Sydney’s R&D capacity was recognised in the 2005 Metropolitan Strategy through identification of several Specialised Centres where higher order research activities were co-located with education centres. These included the education and medical hubs at Randwick where UNSW adjoins a major hospital precinct, and Macquarie Park where many large, globally focused companies are based in a business park setting near Macquarie University. Other R&D hubs include the University of Sydney and Royal Prince Alfred Hospital at Camperdown, and the Ultimo-Broadway precinct where University of Sydney, University of Notre Dame Australia, University of Technology-Sydney and Sydney TAFE are located near the ABC and other media and high tech firms.

The highly specialised work undertaken in these locations attracts global experts and local firms seeking to locate near major institutions to achieve benefits of scale and intensity through clustering of like interests.

These and other research hubs must therefore be able to expand their floor space in large and small formats within and possibly beyond their current boundaries. However, most are in relatively highly developed areas where expansion can be challenging; nearby land can be relatively expensive for smaller institutions and firms whose support functions need to remain close by.

Innovation and major breakthroughs often occur in very small-scale firms. The fine grain of suburbs around the inner city such as Surry Hills and Chippendale provide lower cost space for start-up and smaller firms with good access to larger organisations and major precincts.

The NSW Government will investigate opportunities to strengthen and expand existing R&D clusters and plan for emerging innovation clusters. Industry & Investment NSW will work with the Department of Planning to identify:

- potential expansion opportunities around major research and development locations
- space for potential new Specialised Centres, building on clusters of existing institutions/organisations demonstrating excellence
- emerging innovation and/or research and development locations, and
- opportunities to encourage creative industries

**ACTION E2.7**
Prepare and implement measures to assist development of low cost space for creative industries and business start-ups

The Department of Planning will work with local government to develop planning tools to support and expand small-scale, fine-grain commercial space suitable for lower-cost, creative industries, business start-ups and innovation related activities.
OBJECTIVE E3
TO PROVIDE EMPLOYMENT LANDS TO SUPPORT THE ECONOMY’S FREIGHT AND INDUSTRY NEEDS

Employment lands accommodate traditional industrial activities such as heavy and light industry, repair and service businesses and utilities as well as freight terminals and support industries. However, many employment lands now include substantial office–based activity and involve knowledge workers. Nonetheless, the building forms, transport access and potential amenity impacts of many employment land uses require large sites, ready access to major freight networks and separation from some other uses.

Future employment land planning is based on an upper level estimate of 300 hectares per year, or around 8,000 hectares over the life of the Metropolitan Plan. The share of jobs in employment lands will be maintained at about 20 per cent (slightly below the 23 per cent proposed in the 2005 Metropolitan Strategy).

The Department of Planning will analyse in more detail the availability of employment lands in terms of servicing (water, sewer, power and transport) and work with local government and Transport NSW to identify suitable locations for new employment lands. Most areas currently identified are in Western Sydney, where most of Sydney’s future employment land is expected to be accommodated in line with long–term planning for the Western Sydney Freight Corridor.

Figure E2 shows future employment land areas already identified, including the area south of the existing Western Sydney Employment Area, extending towards the South West Growth Centre, and areas in the North and South West Growth Centres. This land will only be rezoned for development when infrastructure and servicing are programmed.

To ensure ongoing supplies of employment lands, the Department of Planning will undertake detailed precinct and infrastructure planning for these areas with relevant councils and Government agencies to ensure appropriate infrastructure and servicing are planned and delivered prior to development.

ACTION E3.1
Monitor supply and demand for employment lands, and plan for new employment lands

Employment lands require significant land take and, with demand fluctuating with economic cycles, planning and delivering enough land ahead of time is subject to some uncertainty. The knowledge base of Sydney’s employment lands has, however, increased substantially over the past three years under the new Employment Lands Development Program (ELDP).

In January 2010, 15,370 hectares of employment land was zoned within nearly 320 precincts across Sydney. In 2008, 264 hectares of zoned land was taken up and 205 hectares in 2009. Annual take–up from 2004 to 2008 ranged between 200 and 250 hectares, up from 140 hectares per year on average during the 1990s (due to the growing prevalence of warehouses and distribution centres).
The Employment Lands Development Program is the NSW Government’s key program for managing the supply of Employment Lands in the Sydney Region and assisting associated infrastructure coordination. The Employment Lands Development Program 2010 Report (ELDP 2010 Report), to be released in early 2011, provides a comprehensive assessment of Employment Lands across the Sydney Region. It is planned as the first of an ongoing series of periodic reports, and will provide the base data which future reports will build upon. The report identifies stocks of Employment Lands in several categories as at January 2010 and changes over the past two years.

The NSW Government will use the ELDP to liaise with other NSW Government agencies and local councils to develop a ‘rolling program’ for the release, rezoning and servicing of new and existing Employment Lands. The NSW Government will also investigate opportunities for the regeneration of Employment Lands precincts with significant development potential or where existing building stock is reaching the end of its life cycle.

However, there is concern now that categorisation may pressure existing enterprises and restrict the ability of localities to adjust to changing economic conditions, new technologies or infrastructure provision—scenarios that could increase employment numbers on a site. Consequently, the categories and potential future roles will no longer be included in the Subregional Strategies, but instead the Subregional Strategies will assess the strategic importance of employment lands. This will be guided by a strategic assessment checklist to provide a more consistent approach and common set of criteria to consider a site’s strategic importance.

An issue in many older employment areas is a declining level of activity due to factors such as obsolete building stock and subdivision patterns. The Department of Planning will work with councils to identify employment lands in decline and identify constraints on their use through the ELDP and Subregional Strategies. Options for renewal will then be established within the relevant subregional strategy.

The NSW Government continues to support the retention of existing strategically important employment lands across the Sydney region. Only areas that are not strategically important will be considered for rezoning.
FIGURE E2
EMPLOYMENT LANDS

- GLOBAL SYDNEY
- REGIONAL CITY
- SPECIALISED CENTRE
- POTENTIAL SPECIALISED CENTRE
- MAJOR CENTRE
- PLANNED MAJOR CENTRE
- POTENTIAL MAJOR CENTRE

RAIL NETWORK
- WESTERN SYDNEY EMPLOYMENT AREA
- POTENTIAL EXPANSION
- GROWTH CENTRE
- EXISTING ZONED EMPLOYMENT LANDS
- PROPOSED EMPLOYMENT LANDS

NEPEAN RIVER
HAWKESBURY RIVER
FRENCHS FOREST

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**ACTION E3.3**

**Strengthen existing freight and industry clusters and support emergence of new clusters**

**LAND FOR FREIGHT**

The freight logistics industry is a key contributor to Australia’s GDP. Land and infrastructure are vital elements of this transport system. Across Sydney, many clusters of freight industry activity have developed in close proximity to key freight transport corridors, the eight most significant being:

- Port Botany to Sydney Airport and Sydenham
- Chullora and Enfield to Silverwater
- the Western Sydney Employment Area
- Moorebank to Prestons and Minto
- Wetherill Park
- Villawood
- Bankstown
- Blacktown–Seven Hills

Sydney Airport handles half of Australia’s international air freight. As air freight demand grows, freight industry demand for land near Sydney Airport is likely to grow. This vital economic role must be supported with measures to ensure an efficient and mutually supportive relationship between the airport and the surrounding industrial land. Over time, opportunities may arise to convert some residential areas into areas for industry and freight transport. The NSW Government will investigate the feasibility of increasing available land for the freight industry near Sydney Airport by examining areas most affected by aircraft noise that may be unsuitable for other land uses. This work will proceed as a medium to long-term priority.

The NSW Department of Planning will work with Transport NSW and local councils to review planning controls for these key sites to ensure adequate capacity for growth in freight handling, improve infrastructure coordination to these areas and minimise environmental impacts on surrounding neighbourhoods.

**Figure E3** shows existing and planned freight clusters, intermodal terminals and freight corridors.

**Figure E3**

**EXISTING AND PLANNED FREIGHT CLUSTERS, INTERMODAL TERMINALS AND FREIGHT CORRIDORS**

**EXISTING FREIGHT RAIL**

**PROPOSED FREIGHT RAIL**

**EXISTING INTERMODAL TERMINAL**

**PROPOSED INTERMODAL TERMINAL**

**SIGNIFICANT FREIGHT INDUSTRY CLUSTERS**

1. Western Sydney Employment Area
2. Blacktown to Seven Hills
3. Wetherill Park
4. Villawood
5. Chullora and Enfield to Silverwater
6. Moorebank to Prestons and Minto
7. Bankstown
8. Port Botany to Sydney Airport and Sydenham
Specialised Clusters for Green Enterprise

Sustainable building design and construction is a key emerging industry for Sydney. As one of the world’s first climate-positive precincts, Barangaroo will become an international showcase of Sydney’s green building capabilities (Industry & Investment NSW 2010). The development and manufacture of renewable energy technologies is also recognised as a potential sunrise industry. The value of modern products lies in their design and functionality rather than their hardware; growth in advanced manufacturing, therefore, will create new jobs needing suitable locations for a highly skilled workforce.

MANUFACTURING

While manufacturing’s share of the economy is predicted to fall (Access Economics 2010), it will still continue to grow, particularly as highly specialised and technologically advanced manufacturing develops. Sydney’s manufacturing sector is predominately distributed across inner and Western Sydney, particularly in and around Auburn, Blacktown, Fairfield, Holroyd and Parramatta LGAs. This sector will evolve by ensuring advanced manufacturing and specialist jobs can be accommodated in existing and greenfield areas. The Metropolitan Plan aims to provide strategically located business parks across Western Sydney to accommodate manufacturing’s increasingly skilled and professional workforce.

Sydney’s population growth will also generate demand in the construction industry, supporting many building and manufacturing industries. Increased demand is expected for green technologies and renewable energy infrastructure and for sustainable and efficient building materials and methods. The Metropolitan Plan seeks to use this growth to foster innovation. The NSW Government will work with councils and business to develop a renewable energy design and manufacturing cluster and a sustainable housing service cluster.

INTERMODAL TERMINALS

Intermodal terminals are essential to improving the efficiency of the freight and logistics sector and encouraging more freight onto the rail network.

The NSW Government is working with the Federal Government and the private sector to plan and build new intermodal terminals in strategic locations across Sydney. The Enfield Intermodal Logistics Centre is scheduled for 2012 and additional intermodal terminals are planned at Moorebank and Eastern Creek respectively.

MANUFACTURING

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Objective E4
To provide for a broad range of local employment types in dispersed locations

Concentrating jobs in Strategic Centres and employment lands will reduce the share of jobs in dispersed locations but strong growth in the latter’s total job numbers is expected, especially in residential construction and services supporting a growing population. Dispersed locations are still recognised as an important source of jobs and are usually closer to home although often less accessible by public transport.

Action E4.1
Ensure all new LEPs provide for a broad range of local employment types

Approximately 30 per cent of all jobs will occur in dispersed locations, which includes local centres, trades and construction and the growing proportion of people who work from home. These are vital to Sydney’s economy, providing for the ongoing construction and maintenance of homes and buildings, and operation of infrastructure such as transport. The home business model is also supported as it reduces pressure on transport infrastructure and improves liveability by reducing or removing the need to commute. The Department of Planning will continue to explore options to ensure standard zonings allow a broad range of local employment uses to encourage appropriate home businesses across Sydney.
ACTION E4.2
Promote co-location or good transport connections between school and TAFE campuses

Schools need good access to centres and other education infrastructure. School and TAFE curricula are becoming increasingly linked as school students take more TAFE courses while still at high school. The Federal Government has set national targets that:

- by 2015, 90 per cent of young people aged 20 to 24 will have completed Year 12 (or a Certificate II qualification or higher), and
- double the number of higher qualifications completed (diploma and advanced diploma) by 2020

The NSW Tertiary Education Plan also identifies shared infrastructure as a way to broaden study options and lift participation. To encourage better connections between schools and other education facilities (particularly TAFE campuses), opportunities for co-location and shared use will be explored.
Western Sydney has capacity for growth and renewal; consequently, much of the growth in employment, skills and the economy will be focused in this region.

The 2005 Metropolitan Strategy planned that jobs in Western Sydney would grow from 663,000 to 900,000 between 2001 and 2031, lifting its share to 36 per cent from 34 per cent. New job targets aim for 1,105,000 jobs in Western Sydney by 2036, representing half Sydney’s total job growth and increasing Western Sydney’s share to 39 per cent.

This target has been developed in response to workforce growth forecasts and also aims to address inequities in job distribution and accessibility, particularly higher income jobs. Recent data provides cause for optimism; between 2001 and 2006, jobs in Western Sydney grew by 57,000—substantially exceeding the total labour force growth of 35,000 and improving the ratio of jobs to labour force from 0.83 to 0.87 (meaning fewer people had to travel outside the subregion to work). Despite recent increases, it is recognised that achieving these targets will be a challenge and the NSW Government will closely monitor progress and undertake research on business site selection processes to inform future targets.

Increasing ‘employment self-containment’—people living and working in the same region—remains an important objective.

Bureau of Transport Statistics (2008a and 2008b) data has been used to calculate employment self-containment levels, which vary considerably across the Sydney region. Western Sydney has moderate levels of employment self-containment (West Central 43 per cent, South West 45 per cent and North West 50 per cent). West Central has the second highest ratio of jobs per resident (1.2 jobs per working resident), but its moderate employment self-containment level suggests Strategic Centres such as Parramatta and Westmead and the significant number of major employment land precincts provide jobs for residents in adjoining subregions, with substantial numbers of local residents commuting elsewhere.

The South West subregion has a relatively low ratio of 0.7 jobs per working resident; its modest self-containment level also indicates most of its residents work outside the subregion.
This situation, and Western Sydney’s forecast population growth, suggests its subregions need significant employment growth over the next 25 years.

Providing more jobs in Western Sydney is only part of the goal; the NSW Government also aims to boost the diversity of jobs in Western Sydney to match growing trends in occupation, income, skills and participation across Sydney.

The West Central subregion continues to contain LGAs ranked with the lowest weekly income levels (generally, half the level of the highest ranked Sydney LGAs). The broad north–east/south–west split in income levels identified in the 2005 Metropolitan Strategy persists.

Diversifying types of jobs available is important in encouraging higher–order employment opportunities to emerge across different parts of Sydney. Experience has shown that major business parks (such as Norwest) can develop in areas with good access to a skilled and professional workforce. Securing higher–order jobs for the South West Subregion, for example, will require investment in skills and training, as well as a range of executive housing.

Unless this issue is addressed, there could be severe long–term implications for the growth and development of Western Sydney and the metropolitan region as a whole.

The strategies and actions in the 2005 Metropolitan Strategy will continue to be implemented and supplemented to address employment gaps in Western Sydney and bring jobs closer to home. In particular, the funding of key infrastructure projects in Western Sydney will assist with this objective.
ACTION E5.1
Plan for half of Sydney’s new employment by 2036 to be in Western Sydney by facilitating growth in Strategic Centres and development of greenfield employment lands

The average unemployment rate across Sydney in 2006 was 5.3 per cent (ABS 2006) although joblessness remains higher in Western Sydney. The West Central Subregion had the highest unemployment rate at 8 per cent (reaching 10.6 per cent in the Fairfield LGA) followed by the South West Subregion (6.6 per cent). Unemployment in the eastern subregions was relatively lower.

Bridging the east–west unemployment gap will be a key element in locating 50 per cent of all new jobs in Western Sydney by 2036. As discussed under Objectives E2 and E3, the NSW Government aims to provide for this jobs growth in Western Sydney by:
• promoting jobs growth in Western Sydney’s Strategic Centres
• investigating opportunities for business parks in some Western Sydney Strategic Centres
• delivering new employment lands, such as in the Growth Centres, and
• investing in skills, re-skilling and social inclusion programs to address physical and social access impediments to local and regional jobs

New transport infrastructure, such as the South West Rail Link, the Western Express program, the North West Rail Link, the Parramatta to Epping Rail Link and the Western Sydney Freight Line will support jobs and skills growth in Western Sydney.

Manufacturing, retail, health and professional and business services will be key industry sectors supporting economic activity and employment in Western Sydney. However, substantial employment growth in Western Sydney cannot rely on the current sectoral structure (Urban Research Centre—University of Western Sydney 2008) and will be a significant challenge.

Trends point to manufacturing remaining important, but with only moderate growth, retail growth benefitting part-time employment and there being challenges to the growth of high end professional and business services in Western Sydney. Therefore population driven employment growth will be important, especially in the health, education, social services and construction sectors—while specialisation and the formation of new businesses will be important and must be nurtured.

The Department of Planning will work with councils, economic development agencies and industry to identify and implement specific initiatives to foster employment growth in Western Sydney including new business parks and specialised industry clusters.

The Department of Planning will encourage the growth of new office spaces and business parks in centres in Western Sydney, in line with the area’s expected population growth (it is also where space for new business parks and commercial space is most likely to be available).
ACTION E5.2
Explore options to increase the diversity and accessibility of higher education options in Western Sydney

The NSW Tertiary Education Plan (2010) aims for at least 44 per cent of 25 to 34 year olds in NSW to hold a bachelor degree (or higher) by 2025, while the Federal Government is aiming for 20 per cent of domestic students in undergraduate degrees to be from low socio-economic status backgrounds by 2020. The participation rate for low socio-economic status students in NSW in 2008 was slightly higher than the national average (16.7 per cent compared to 16.1 per cent), but significant room for growth remains.

With strong population and employment growth planned for Western Sydney, demand for more university places and study options will grow. To improve education attainment rates, Western Sydney students will need better access to university facilities.

The NSW Government will explore options to expand access to university campus facilities in Western Sydney, preferably in an existing Strategic Centre like Parramatta, Blacktown or Liverpool. The Government will work with the universities and local councils to identify suitable locations.

ACTION E5.3
Prepare a structure plan for the broader Western Sydney Employment Area

The Western Sydney Employment Area will need new infrastructure and services to transform itself from a semi-rural area into a major zone of employment and economic activity. Its infrastructure needs include road, water and energy servicing and telecommunications.

The phasing and delivery of infrastructure in released areas will be supported by a coordinated infrastructure servicing strategy linked to a contributions framework. The first key step of this strategy is delivering the Erskine Park Link Road.

The Department of Planning will prepare a structure plan for the broader Western Sydney Employment Area, incorporating the former Badgerys Creek Airport site, taking into account desired employment types and numbers, infrastructure needs, development staging and appropriate governance and resourcing. It will apply a whole of government perspective to ensure infrastructure provision is incorporated into wider agency planning and budgets (where appropriate and consistent with procurement guidelines), so that elements like new roads, rail, water, sewer, power and telecommunications are in place to meet industry needs.

WESTERN SYDNEY EMPLOYMENT LANDS

The State Environmental Planning Policy (Western Sydney Employment Area) 2009 was gazetted in August 2009 and rezoned extensive areas of new employment lands, particularly in Ropes Creek and south of the Water Supply Pipeline precincts. It was also accompanied by the announcement of arrangements for funding of the extension of Lenore Lane to link Erskine Park to Eastern Creek and the M7. The rezoning added a net 780 hectares to zoned stocks and preserved 268 hectares of land for environmental conservation purposes. Investigation will now focus on delivering the infrastructure and servicing including the Southern Link Road Network Strategic Transport Assessment due for completion at the end of 2010.
Parramatta as Sydney’s second CBD

Parramatta is the economic powerhouse of greater Western Sydney. It has a strong residential base and operates as the primary commercial, education and retail district for Parramatta and the surrounding region. The Parramatta Strategic Centre supports approximately 43,000 jobs, while the whole Parramatta Local Government Area supports more than 107,000 jobs (Bureau of Transport Statistics 2010).

Parramatta’s employment sector is dominated by service-based industries such as public administration and safety, finance and insurance, retail and health care. While expected to become an attractive location for large finance and insurance industries, Parramatta will continue to play a significant role as an administrative centre, requiring strong connections from surrounding areas to support client access.

Parramatta has an extensive and expanding transport system, providing easy access in and around the city and to neighbouring centres. More than $1 billion has been invested improving transport to and from Parramatta in the last decade. To support more sustainable transport, the NSW Government is working closely with Parramatta City Council to prepare the Parramatta Regional City Transport Strategy. A primary objective is to stimulate economic growth through investment in the regional transport network, such as the Parramatta to Epping Rail Link.

An improved, efficient and better integrated transport system will grow Parramatta’s population and economic productivity. It will improve travel times, reduce congestion, encourage more jobs closer to home and strengthen Parramatta’s role as the cultural and employment centre of Western Sydney.

With this investment, Parramatta can become an exemplar city—a model of best practice that will lead to development of a clean, green, active and attractive civic, cultural and business centre in the west.
Sydney is Australia’s primary international hub with 46 per cent of international visitors and half the country’s air freight passing through its airport. The efficient movement of people and goods through Sydney’s ports and airports is essential for a competitive and productive economy. The expanses between our capital cities—and their distance from the rest of the world—make it vital for Australia to maximise these connections.

Efficient freight movement and the capacity to accommodate growth in the freight network are essential to maintaining a strong economy and supporting a growing population. An efficient freight industry enables other industries such as manufacturing, mining and retailing to import, export and distribute their products efficiently, thereby increasing their competitiveness and contribution to the economy.

**FREIGHT INFRASTRUCTURE NETWORKS**

World class infrastructure networks are essential to driving sustainable economic development and growth, lifting productivity and boosting employment. Infrastructure Australia identifies freight infrastructure twice among its seven themes to meet the nation’s need for infrastructure—competitive international gateways (i.e., more effective ports and associated land transport systems) and a national rail freight network, supported by appropriate pricing and incentives to move more freight by rail.

Sydney has the scale and location advantages to be Australia’s pre-eminent freight and logistics centre. Its central position on the east coast between Brisbane and Melbourne, and the importance of its air and sea ports give NSW clear advantages as a national logistics hub.

The NSW Government will work closely with the Federal Government to plan and provide national freight infrastructure and implement supporting policies. Transport NSW will work with the Federal Government to develop the *National Ports Strategy*, *National Freight Strategy* and the *National Freight Network Plans* and to ensure consistency with the *NSW Freight Strategy* which is also under development.
GROWING SYDNEY’S ECONOMY: OBJECTIVES & ACTIONS

ACTION E6.1  
Work with the Federal Government to plan for and meet Sydney’s future aviation infrastructure needs

Although it accounts for almost half of Australia’s international passenger movements and air freight tonnage, Sydney will eventually need to expand its aviation infrastructure capacity. To ensure long-term demand for aviation infrastructure is met, the Federal Government and NSW Governments are preparing an Aviation Strategic Plan for the Sydney Region.

A joint study has been established to prepare the plan, which will identify options and strategies to meet Sydney’s aviation capacity needs. The joint study will also consider land transport infrastructure surrounding Sydney Airport.

ACTION E6.2  
Build capacity and support economic growth in and around Sydney Airport and Port Botany

Sydney Airport will continue to serve as Sydney’s major airport and Australia’s major international gateway. Port Botany will continue to be NSW’s main container port and is expanding to cope with significant long-term growth. The NSW Government will review the current capacity limit of 3.2 million container movements through Port Botany and determine the need for additional capacity.

The Department of Planning will review planning controls for the nationally significant cluster of businesses around Sydney Airport and Port Botany. The review’s objective will be to ensure adequate capacity for economic growth, particularly aviation, freight and logistics. Transport NSW will work with the Department of Planning to prepare an Access Plan for Sydney Airport and Port Botany. Its key objectives will be to improve the efficiency of land transport access to Sydney Airport and Port Botany, facilitate economic investment and improve the local urban environment.
Port Botany is the State’s main container port, and operates as part of a network of major ports including Port Kembla and the Port of Newcastle. As a result, the future of Port Botany is closely linked to planning for these other ports. The three ports have different and increasingly complementary roles.

A Ports Strategy for NSW is currently being prepared to update the existing NSW Ports Growth Plan and to set strategic directions and priorities for NSW Ports. The NSW Ports Strategy will support State Plan priorities and targets and will be a companion document to the NSW Freight Strategy, (which sets the strategic direction and priorities for the landside freight networks servicing NSW ports). Consistent with the NSW Freight Strategy, the NSW Ports Strategy will have a 25 year planning outlook, and outline future roles for Port Kembla and the Port of Newcastle.

Port planning requires the involvement of industry, the community and all levels of government. It also involves looking beyond the port to the communities that live and work around ports, as well as the infrastructure, supply chains and regions that support them.

The NSW Government will work with the Federal Government to assess the future roles and capacity of Port Kembla and the Port of Newcastle through the National Ports Strategy, the NSW Ports Strategy and the NSW Freight Strategy.

Sydney’s rail freight network is a vitally important element of Sydney’s freight transport infrastructure. Transport NSW will undertake long term planning to expand and enhance Sydney’s freight network. The long-term vision for Sydney’s freight network includes rail freight corridors with rail freight lines to the south, west and north.

Work is already underway on the Southern Sydney Freight Line, which will deliver improvements for the movement of freight and connect to the Main Southern Railway. Future projects to be investigated include the Northern Sydney Freight Corridor and the Western Sydney Freight Line. Transport NSW will prioritise work with the Department of Planning to investigate options for the Western Sydney Freight Line in the short term.

The COAG National Criteria for strategic planning of capital cities emphasises the importance of identifying and protecting corridors. The Metropolitan Plan recognises the importance of mechanisms to identify corridors and programs to facilitate their acquisition, where economically feasible. As well as the rail freight lines already discussed, Transport NSW will also identify key road freight corridors, suitable for a wide range of truck movements.