

FAIRFIELD EMPLOYMENT LANDS STRATEGY

**Prepared for
Fairfield City Council**

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SYDNEY MELBOURNE CANBERRA

QUALITY ASSURANCE

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

REVIEWED BY

.....
Adrian Hack
B.TP (Hons). M Land Econ. MPIA
Principal, Hill PDA Land Economists and Valuers

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.....
Date

REPORT CONTACT:

Adrian Hack

Telephone: 612 9252 8777

Fax: 612 9252 6077

Email: adrian.hack@hillpda.com

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ABBREVIATIONS

ABS – Australian Bureau of Statistics

DCP – Development Control Plan

DoP – Department of Planning

GFA – Gross Floor Area

Ha – Hectares

LEP – Local Environment Plan

LGA – Local Government Area

NLA – Net Lettable Area

SQM – Square Metres

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1. EXECUTIVE SUMMARY

1.1 Introduction

Hill PDA on behalf of Fairfield City Council (Council) has prepared an employment lands strategy for the Fairfield Local Government Area (LGA). The main purpose of this strategy is to provide the vision as well as the appropriate planning framework (DCP and LEP amendments) to attract employment generating uses into the LGA.

1.2 Employment Trends

Since 1970 employment throughout Australia has been characterised by a significant shift away from the primary and secondary sectors of the economy (agriculture and manufacturing), to the service sectors (retailing, financial, property, business, community, recreation and personal services).

The trend across the Sydney workforce where traditional blue collar and unskilled workers are declining in number and professional and managerial positions are increasing is not as profound in the Fairfield LGA as it is in other LGAs in Sydney. Fairfield LGA is characterised by a slightly lower proportion of people employed as managers, administrators and professionals than the Sydney region. The LGA also has a slightly higher proportion of traditional blue collar and unskilled workers – labourers, production and transport related workers.

The NSW Department of Planning's recently released Sydney Metropolitan Strategy defines a set of sub-regions across Sydney. The Fairfield LGA falls within the West Central Sub-Region which also includes the LGAs of: Auburn, Bankstown, Holroyd and Parramatta.

The ongoing role of the sub-region as a manufacturing hub together with the improved accessibility via the Transitway M5 and M7 corridors, will fuel job growth. The industrial and blue collar image of Fairfield LGA is likely to persist for some time and lower skilled and paid workers are likely to remain as a large proportion of the population for much of the region. It will be important to replace departing industrial uses in strategic areas with other industrial employment generators (not ancillary office or retail uses) regardless of pressure from some areas to be converted into residential uses.

1.3 Population and Workforce

The Fairfield LGA experienced a slight increase (0.4%) in population growth from 1996 to 2001. Other LGAs within the West Central Sub-Region and Sydney SD all experience higher growth rates than Fairfield. Out of the 5 LGAs in the Sub-Region, Holroyd LGA has experienced the highest growth rate between 1996-2001 being 6.2%.

The occupational structure of the West Central Sub-Region as a whole is characterised by a relatively high proportion of blue collar workers and a lower proportion of white collar workers than the Sydney SD.

Fairfield LGA has a different employment by industry profile to Sydney SD, having a significantly higher proportion of workers employed in manufacturing and construction. In comparison to Fairfield, the Sydney SD shows a higher proportion of the workforce working in finance, insurance property and business services together with education, health, community & personal services.

The following industries within the LGA have the highest representation of employees:

- Manufacturing (23%)
- Retail (14.7%)
- Finance, Insurance Property and Business Services (13.6%)
- Education, Health, Community & Personal Services (13.6%)
- Construction (8.7%)

1.4 Planning Framework

Metropolitan Strategy – Economy and Employment

The NSW Department of Planning has recently released the Sydney Metropolitan Strategy which is a broad framework to facilitate and manage growth and development over the next 25 years. The Strategy identifies the different industrial areas in Fairfield LGA as being ‘broad strategic precincts’ of employment land and ‘residual’ local industrial areas.

Specific potential impacts the Metropolitan Strategy has for Fairfield LGA in terms of employment, employment lands and the economy are as follows:

1. Western Sydney jobs growth is projected to be 230,000 by 2031;
2. Specialised Centres and Employment Lands – The Government will work with industry and local government to create development planning mechanisms to facilitate renewal of old industrial areas such as Wetherill Park and Milperra;
3. Redevelopment of existing areas - Fairfield comprises the Smithfield/Wetherill Park employment area together with older employment areas at Yennora and Lansvale. The Strategy aims to regenerate these existing employment areas;
4. Release of new employment lands – The Strategy has identified an area of land zoned rural and currently located immediately south of the Sydney water pipeline as a future employment land area. This land is to be incorporated with land on the northern side of the pipeline (presently the SEPP 59 Employment Area) to form what is referred to as the “Western Sydney Employment Hub”. The area located in Fairfield LGA is viewed as a future extension to this existing employment area. Specifically, Horsley Park is declared as part of the Employment Hub, and is likely to be required for employment uses in around 7-10 years time. This area is identified as State Significant (part 3A – major projects) development.

Employment Lands for Sydney: Action Plan

In March 2007, the Department of Planning launched the “Action Plan for Sydney Employment Lands”, addressing issues raised by industry and government. The Action Plan advises the Government not only on the current situation with regards to employment lands in NSW, but puts forth recommendations to

maximise opportunities for new investment and jobs, as well as the provision of employment lands in appropriate areas.

The timing of the release of the Action Plan comes after the majority of analysis and recommendations for this study were completed. As such, we note the intention of the Action Plan, specifically with regards to the Western Sydney Employment Hub.

The Western Sydney Employment Hub lies at the intersection of the M4 and M7 motorways. This includes the SEPP 59 lands, Erskine Park and Eastern Creek, and will provide an additional 929ha of employment lands contributing 36,000 jobs to the area.

The Action Plan recognises the need to establish an Employment Lands Development Program (ELDP) to maintain the balance between demand and supply of employment land.

NSW Planning Reform and the Standard Local Environmental Plan Template

To simplify the NSW State's planning system, the Department of Planning has prepared a standard local environmental plan, namely the *Standard Instrument (Local Environmental Plans) Order 2006* (LEP Template). The intent is to modernise local planning controls and make the planning system simpler to understand and use.

The employment zones identified under the Standard Instrument LEP Template are as follows: **IN1 – General Industrial Zone; IN2 – Light Industrial Zone; IN3 – General Industrial Zone; IN4 – Working Waterfront; RU1 – Primary Production; B1 – Neighbourhood Centre; B2 – Local Centre; B3 – Commercial Core; B4 – Mixed Use; B5 – Business Development; B6 – Enterprise Corridor; B7 – Business Park; SP1 – Special Activities; and SP3 – Tourist.**

The above-mentioned employment zones are considered and incorporated within this employment lands study, in particular when making rezoning recommendations (as detailed in the 'Employment Lands Analysis of Zones' chapter of this report).

1.5 Employment in Fairfield LGA

The industrial land area, building area and number of employees by industrial precinct within the Fairfield LGA as shown in the table below was determined using various sources (including: the LEP, a combination of Council records, physical land use / photographic survey carried out by Hill PDA, Geographical Information System (GIS) and Council database and Journey to Work data).

Table 1 - Total Estimated Land Area, Business No's, Employees by Industrial Precinct

	Current Zone	Land Area (ha)*	No. Businesses	Estimated Number of Employees (2006)**
Precinct 1 Bonnyrigg	4(c) Special Industrial	10.6	21	431
Precinct 2 Cabramatta Rd	4(c) Special Industrial	1.6	25	330

	Current Zone	Land Area (ha)*	No. Businesses	Estimated Number of Employees (2006)**
Precinct 3 Cabramatta 4(b)	4(b) Light Industrial	3.4	29	330
Precinct 4 Lansvale	4(b) Light Industrial & 4(c) Special Industrial	17.2	103	1,184
Precinct 5 Cabramatta North Hume Highway	4(c) Special Industrial	3.2	6	360
Precinct 6 Canley Vale	4(b) Light Industrial	4.7	32	179
Precinct 7 Fairfield	4(b) Light Industrial	65.1	267	310
Precinct 8 Fairfield East	4(a) General Industrial, 4(b) Light Industrial & 4(c) Special Industrial	41.4	230	2,683
Precinct 9 Guildford	4(a) General Industrial, 4(b) Light Industrial & 4(c) Special Industrial	19.9	63	1,303
Precinct 10 Smithfield	4(a) General Industrial & 4(c) Special Industrial	45.6	237	1,450
Precinct 11 Villawood	4(b) Light Industrial & 4(c) Special Industrial	6.8	14	987
Precinct 12 Wetherill Park	4(a) General Industrial, 4(b) Light Industrial & 4(c) Special Industrial	603.9	1557	15,500
Precinct 13 Yennora	4(a) General Industrial, 4(b) Light Industrial	16.2	202	1,797
TOTAL		839.6	2,786	26,844

*Hill PDA Estimate from land use survey

**Hill PDA estimate from 2001 Journey to Work data.

The above analysis reveals the following:

- A total of approximately 839.6ha of industrial zoned land was identified within the LGA.
- The majority of the industrial zoned land is located within Wetherill Park (603.9ha), followed by Fairfield East (65.1a) and Smithfield (45.6ha).
- The highest representation of land use types across the industrial precincts of the LGA include:
 - Light Manufacturing – 209.2 ha (24.9%);
 - Freight & Logistics – 210.4 ha (25.1%); and
 - Local Light Industry & Urban Support – 103.6 ha (12.3%)
- A total of approximately 2,786 businesses were identified within the industrial precincts of the LGA.
- Wetherill Park (1,557 businesses) followed by Fairfield East (267), Smithfield (237), and Lansvale (103) comprise the highest number of businesses, totalling 55.9%, 9.6%, 8.5% and 8.3% respectively. This is expected given the significant size of these industrial precincts.
- 4.07 million square metres of industrial building area exists across all industrial precincts in the LGA.
- Wetherill Park industrial precinct comprises around 68% of this total building area.

- Average floor space ratios on occupied (non-vacant) land is 0.57:1.
- The total number of employees across all industrial precincts in the LGA is estimated to be around 26,844 employees.
- The precincts that employ the greatest number of workers include: Wetherill Park (15,500), followed by Fairfield East (2,683), and Yennora (1,797).

1.6 Consultation

Consultation with key land owners (within the non-urban zone and industrial zones of the LGA) was undertaken to inform the preparation of the employment lands strategy.

A total of 4 land owners with land identified as part of the Western Sydney Employment Hub were consulted. These lands are presently zoned non-urban and are part of the 929 ha of land that the State Government has earmarked at the intersection of the M4 and M7 motorways, to be rezoned for employment purposes.

The purpose of the consultation was to obtain the views and aspirations of land owners and identify key issues affecting existing and potential employment lands.

1.7 Strategic Recommendations – Guiding Principles for Industrial/Employment Lands

A set of guiding principles for industrial/employment lands to be considered by Council are summarised below.

General Guiding Principles – Industrial Lands

- Should Council adopt the recommended rezoning's of specific industrial precincts to another more appropriate zone, (based on the underlying land use and pressing economic and strategic planning factors), the implementation of these rezoning recommendations by Council should occur in a holistic manner and with the end zone/s clearly identified.
- Recognise that industrial land is a limited resource and any defined oversupply may be misinterpreted due to failure to recognise existing constraints (i.e.: physical, environmental, lot size etc) and consider the available useable industrial land - land suitable to accommodate employment generating uses.
- Council should promote a robust and diverse employment area. In particular Council should encourage the use of industrial land to provide residential support services (including car and house repairs). Industrial zoning on land helps to protect establishments that provide residential support services from being redeveloped into other uses i.e.: residential, retail or commercial.
- Preserve zoned land that can accommodate relatively large floor plates (larger sized lots) and that are well serviced or connected to main road networks.
- Develop buffer zones of low impact industrial uses (e.g. storage, parking, and landscaped areas) around land zoned industrial to minimise its impact with residential uses. Light industrial zones can be used to act as a buffer between general industrial and residential uses e.g.: this buffering can be applied to such industrial precincts as Smithfield, East Fairfield and Yennora. Such buffering between zones will protect residential amenity and reduce land use conflicts. Along with LEPs

(zoning), DCPs are an effective mechanism to create buffers i.e.: via specification of setbacks and designation of landscaped areas to separate buildings on general industrial zoned land from residential buildings in residential zones.

- Encourage the clustering of industries. Businesses and industries with similar environmental impacts and business synergies can be clustered to reduce land use conflicts, improving business efficiency and identity. To a large extent clusters are market driven and Council's role should be to encourage and accommodate these clusters via LEPs and DCPs.
- Ensure that subdivision is controlled to make certain land is not fragmented into parcels unsuitable for the identified long term employment use. This is important to avoid fragmented ownership and avoid an increase land value to the extent that it becomes economically unviable to consolidate in the future.
- Maintain high standards of environmental quality for industrial development which enhance the streetscape and amenity of industrial areas.
- Do not permit bulky goods retailing in the IN1 – General Industrial and IN2 – Light Industrial. Allow retailing in industrial areas only where it is ancillary to industrial uses. Bulky goods retailing should principally be situated within existing commercial centres. In some cases the location of bulky goods may be considered outside commercial centres such as an existing large bulky goods cluster with good highway/main road frontage. These clusters should be identified as an Enterprise Zone – Zone B6 under the Standard Instrument LEP Template. It should be noted that the rezoning recommendations defined in the previous sections, propose to rezone a significant amount of the existing 4 (c) Special Industrial zoned lands (which permit bulky goods) to an Enterprise Corridor Zone – Zone B6 (which also permit bulky goods). All proposed industrial zones under the Standard Instrument LEP Template, should not permit bulky goods development.

General Industrial

- The existing supply of general industry lands in the LGA needs to be preserved across the LGA. However, should there be any future rezoning of general industrial land, then consideration must be given to its social, environmental and economic impact on the local land supply for general industry, existing employees and its economic impact to the area and the region.
- General industrial land should ideally be separated from residential neighbourhoods and other sensitive land uses. Appropriate buffers should be put in place. The adequacy of buffer zones is an important issue for general industrial. Increasing awareness of environmental impact of noise and gas emissions is making the placement of general industry increasingly difficult.
- Preserve and enhance existing buffer zones that protect the impact of general industry to surrounding uses i.e.: such as the 4(c) Special Industrial zone /enterprise corridor zone that can be used as a buffer to protect residential amenity and reduce land use conflicts.
- Protect general industrial employment clusters from encroachment of incompatible land uses to minimise any adverse effect of industry on land uses in other zones.
- Establish a broad range of general industrial land uses (not hazardous or offensive) and permit general industrial land uses only within the IN1 – General Industrial Zone under the Standard Instrument LEP Template.

Light Industrial

- Attempt to preserve light industrial land adjacent to major/arterial roads or rail.
- Establish a broad range of light industrial land uses, prohibit heavy industrial uses (and all other industry not identified as light), prohibit retail uses including bulky goods retailing (permit neighbourhood shops only).
- Create and/or improve buffer zones around land zoned light industrial to reduce environmental impact and land use conflict.

- Safeguard light industrial clusters from encroachment of incompatible land uses both from within the cluster and its surrounds
- To be consistent with the LEP Planning Template the following key uses should be permitted within this zone: Depots; light industries; neighbourhood shops (small shops that service the industrial area such as a corner store); warehouse or distribution centres.

Business Parks/ Hi -Technology Parks

Given the number of proposed business park developments surrounding the Fairfield LGA, demand for another business park within the region in the short to medium term is weak.

However notwithstanding this, in the long term there may be potential for business parks within the LGA subject to issues such as the future of the Badgery's Creek Airport and the inclusion of better public transport through the 'Western Sydney Employment Hub'.

The following are key requirements for business parks that Council should consider:

- Require new business parks to be located in locations that will support the existing network of commercial centres and can be accessed;
- Business parks should only permit businesses that require large floor plates; (more than 1000m2) are linked with research and technology or require storage/warehousing component. Those businesses that are purely office related should not be permitted within business parks but encourage in commercial/retail centres to help support their viability.
- A maximum office space component of 60% should be required for each development/business and development standards should be set for FSRs and car parking provisions.
- Require an EIA study prior to permitting businesses proposing to locate in a business parks to undertake studies justifying the location.
- Future Business Parks must demonstrate a contribution to subregional economic and job growth and provide for recreational, cultural and/or learning facilities.

Bulky Goods Retailing

Bulky goods are also permitted in the Town Centres/Business Zones of the City, but these areas have not been a strong focus for bulky goods activities due to high costs in land acquisition and building and due to difficulties of access and convenience.

The proposed rezoning recommendations direct that the majority of the existing 4(c) – Special Industrial Zones in the LGA, be rezoned to an Enterprise Corridor – Zone B6 under the Standard Instrument LEP Template (which also permits bulky goods). Further to this, it is recommended that bulky goods should be prohibited in all areas defined as industrial areas under the new template i.e.: IN1 – General Industrial Zone, IN2 – Light Industrial Zone.

Bulky goods retailing should primarily be located within existing commercial centres, which helps ensure centre vitality, viability and a sustainable form of development. There may be special circumstances where the location of Bulky Goods may be considered outside commercial centres such as an existing large bulky goods cluster with good highway/main road frontage. Such development areas would be restricted within a newly defined enterprise area and any expansion of floor space must be supported by the performance of

an Economic Impact Assessment (EIA) study that looks at the impact on a regional basis with the centre hierarchy to be protected. These clusters should be identified as an enterprise zone – zone B6 under the Standard Instrument LEP Template, whereby their boundary is restricted so as not to encroach further into the surrounding light industrial area/uses. Expansion of bulky goods retailing should only be permitted within this new designated boundary.

1.8 Future Key Industries & Recommendations

The manufacturing industries will continue to play a major role in Fairfield LGA but it will decline in significance over time.

Creative industries are a growing industry on a national level. These industries will be difficult to attract and foster in Fairfield LGA in the foreseeable future. Despite this, Council should consider pursuing these industries in the medium to long term, especially given that employment in manufacturing will continue to decline.

Clustering Model

Clusters are geographic concentrations of interconnected companies, specialised suppliers, service providers, and associated institutions in a particular field. Clusters arise because they increase the productivity with which companies can compete. The development and upgrading of clusters is an important agenda for governments, companies, and other institutions.

The most famous examples are found in Silicon Valley in the US, but clusters exist in Australia (e.g. North Ryde/Macquarie University Bio-Tech/medical cluster), and are evidenced within Fairfield LGA, where location and land subdivision have played an important role in instigating industry clusters. Examples include the smaller lots on narrower roads attracting auto service industries in Smithfield, or major roads with good exposure contributing to bulky goods and car sale yard clusters along Hume Highway.

In theory, location should no longer be a source of competitive advantage. Open global markets, rapid transportation, and high-speed communications should allow any company to source anything from any place at any time. But in practice, location remains central to competition.

Clusters affect competition in three broad ways¹:

1. Increasing the productivity of companies based in the area;
2. By driving the direction and pace of innovation; and
3. By stimulating the formation of new businesses within the cluster.

¹ Michael E. Porter, Clusters and the New Economics of Competition, Harvard Business Review, Nov-Dec 1998.

The objective of the industry cluster initiative is to stimulate long-term sustained growth and focus the allocation of resources on key industry clusters that may become the engine of job creation and economic development in a LGA.

Council should strengthen and foster appropriate industry sectors in the Fairfield LGA, which will act as economic drivers, using the 'clustering model'.

An economic development policy of 'business cluster promotion' should be introduced as one of the LGA's core employment policies. Apply the clustering concept to foster the growth of other industry sectors, and establish Fairfield as a recognised centre of excellence in relation to these industries.

There is an opportunity for cluster industries to be identified relating to the housing industry (home/building products), given that the LGA is part of the expanding south west urban growth corridor. For example industries such as glass cutting and glazing; roofing supplier kitchen and bathroom manufacturing/supplier; water tank manufacturers; general machinery suppliers, etc together with our related industries may effectively create a cluster of home/building industries. These clusters can include the full spectrum of industrial uses (e.g. manufacturing, distribution, showroom for display with manufacturing at rear), however do not include bulky goods retailing.

Industries that are focussed/related to the surrounding environs and development of the local area provide for the most appropriate and successful industry clusters. Creating a business cluster will also lead to numerous 'spin off' industries which will further reinforce the specific cluster.

Clusters of car related industries may also be an appropriate type of clustering to be pursued by Council, given the LGAs close proximity to Eastern Creek. It is however understood that Blacktown Council are pursuing a cluster of car related industries. Fairfield may specialise in a specific type of car based industry that differs from the surrounding Blacktown LGA.

Cluster industry has been successful within the Nambucca Shire in the mid north coast of NSW. In the Shire niche manufacturing has emerged as a key industry sector and economic driver. This has been led by the emergence of a vehicle body manufacturing cluster with some 126 people employed directly by cluster group companies. The cluster objective is to establish the Nambucca Shire as the recognised centre of excellence for vehicle body manufacturing in Australia.

Whilst clusters should be encouraged across the LGA, generally clustering occurs due to the subdivision pattern of land with smaller lots on narrower roads attracting auto service industries, kitchen renovators, and other small scale industries (e.g. Smithfield), and larger lots attracting clusters of distribution centres and other larger industries. Major roads with good exposure are also a contributing factor for clustering (e.g. bulky goods clusters and car sale yard clusters along Hume Highway). Location, land subdivision, and local support services to these industrial areas will encourage clustering.

An Economic Development Officer should have the responsibility to facilitate the development and encouragement of appropriate industries within the Fairfield LGA whilst recognising location, land subdivision patterns, exposure, major roads and access also play critical roles in attracting particular industries.

Release of New Employment Lands

With the release of employment lands in the 'Western Sydney Employment Hub', freight and logistics together with distribution and warehouse uses will be the dominant employment industries in the LGA. These industries will be attracted by the M4 and M7 and possibly also with Badgerys Creek Airport should it go ahead. Council should ensure that large sized parcels of both light and general industrial land are preserved in order to effectively accommodate the future expansion of these growth industries.

Service related industry will also continue to be a prominent employment industry across the LGA.

1.9 Employment Lands Analysis of Zones

The following summarises the recommendations made concerning the future zonings of existing industrial 4(a) General Industrial; 4(b) Light Industrial; and 4(c) Special Industrial zones across the Fairfield LGA. Rezoning recommendations take into consideration the zoning categories as defined within the Standard Instrument LEP Template and also considers the Hill PDA survey work, estimation of employment numbers and other assessment criteria.

As such the following zoning recommendations are made.

Proposed Rezoning's/Conversion to New Template

Precinct 1: Bonnyrigg Industrial Precinct:

- 4(c) Special Industrial Zone to B6 - Enterprise Corridor Zone or B4 - Mixed Use Zone, in line with the Town Centre Master Plan as set out in DCP No 28.

Precinct 2: Cabramatta Road Industrial Precinct:

- 4(c) Special Industrial Zone to B6 - Enterprise Corridor Zone.

Precinct 3: Cabramatta 4(b) Industrial Precinct:

- 4(b) Light Industrial to IN2 – Light Industrial.

Precinct 4: Lansvale Industrial Precinct:

- 4(b) Light Industrial to IN2 – Light Industrial; and
- 4(c) Special Industrial Zone to B6 - Enterprise Corridor Zone.

Precinct 5: Cabramatta North Hume Hwy Industrial Precinct:

- 4(c) Special Industrial Zone to B6 - Enterprise Corridor Zone.

Precinct 6: Canley Vale Industrial Precinct:

- 4(b) Light Industrial to IN2 – Light Industrial.

Precinct 7: Fairfield Industrial Precinct:

- 4(b) Light Industrial Zone to B6 - Enterprise Corridor Zone.

Precinct 8: Fairfield East Industrial Precinct:

- 4(a) General Industrial Zone to IN1- General Industrial Zone;
- 4(b) Light Industrial to IN2 – Light Industrial ; and
- 4(c) Special Industrial Zone to B6 – Enterprise Corridor Zone.

Precinct 9: Guildford Industrial Precinct:

- 4(a) General Industrial Zone to IN1- General Industrial Zone;
- 4(b) Light Industrial to IN2 – Light Industrial ; and
- 4(c) Special Industrial Zone to B6 – Enterprise Corridor Zone.

Precinct 10: Smithfield Industrial Precinct:

- 4(c) Special Industrial Zone (and part of the existing 4(a) zone fronting The Horsley drive and Market Street) to B6 – Enterprise Corridor; and
- The remainder of the 4(a) General Industrial Zone to IN1 – General Industrial Zone.

Precinct 11: Villawood Industrial Precinct:

- 4(b) Light Industrial to IN2 – Light Industrial ; and
- 4(c) Special Industrial Zone to B6 - Enterprise Corridor Zone.

Precinct 12: Wetherill Park Industrial Precinct:

- 4(a) General Industrial Zone to IN1- General Industrial Zone;
- 4(b) Light Industrial to IN2 – Light Industrial ; and
- 4(c) Special Industrial Zone to B6 - Enterprise Corridor Zone.

Precinct 13: Yennora Industrial Precinct:

- Most of the 4(a) – General Industrial Zone to IN1- General Industrial Zone; and
- Existing 4(b) Light Industrial retain as Light Industrial (IN2) as well as part of the existing General Industrial Zone.

Western Sydney Employment Hub

It is also recommended that those parcels of industrial land that fall within Fairfield LGA and are part of the Western Sydney Employment Hub be zoned IN1- General Industrial Zone.

We understand that a SEPP is being prepared for the Western Sydney Employment Hub and most likely the area will be controlled by the NSW Minister for Planning. A number of studies will need to be undertaken as part of the LES process or equivalent. This includes transport and accessibility, environmental issues, existing services and infrastructure and required amplification, heritage, ecological conditions, and so on.

B6 Zone – Enterprise Corridor

The rezoning recommendations concerning the B6 Zone - Enterprise Corridor do not completely align with the specifications of this enterprise zone identified in the Standard Instrument LEP Template.

It is recommended that Council engage in discussions with the NSW Department of Planning (DoP) concerning the B6 Zone - Enterprise Corridor discussions should primarily focus on making the Enterprise Corridor 'flexible', so it can be used to cater for the needs of specific areas i.e.: whereby permitted uses in this zone will vary to suit the particular area – 'place based controls'. For example: residential may be appropriately permitted in the Bonnyrigg industrial precinct but prohibited in other Enterprise Corridors across the Fairfield LGA. All industrial precincts in the LGA where rezoning recommendations include the accommodation of an Enterprise Corridor Zone (except for the Bonnyrigg Industrial Precinct), should not permit residential uses. This will ensure that employment lands are protected, such that employment generating uses within the enterprise corridor will not be encroached by residential development.

It is important that when identifying which uses are appropriate for a specific Enterprise Corridor, that consideration should be given to restrict the commercial/retail development that is permitted. That is: permit non-food and non-clothing retail only (i.e.: bulky goods) and permit commercial premises that have a maximum office space component of 40%. Any greater than this proportion of office space and the business should be accommodated in the commercial centre.

This will ensure that existing commercial centres are protected, such that these enterprise corridors will not directly compete with existing commercial centres.

2. INTRODUCTION

2.1 Background & Brief

Fairfield City Council (Council) commissioned Hill PDA to prepare an employment lands strategy for the Fairfield Local Government Area (LGA). The main purpose of this strategy is to provide the vision as well as the relevant planning framework (policy amendments) for which to attract employment generating uses into the LGA.

Council commissioned Hill PDA to review employment lands and prepare a strategy to guide Fairfield LGA in the identification, release, rezoning and development of these lands to ensure the provision of adequate jobs for the future. Given the trend whereby over 70% of employed residents hold jobs outside the LGA, there is a need to increase employment through the development and growth of existing and new industry.

A strategy must identify a need to provide a firm supply of appropriately zoned lands, to ensure appropriate servicing and minimise any impediment to accommodate existing and emerging employment opportunities. To assist this process, Council acknowledges the need to identify the existing supply and the future demand for employment lands within the LGA.

Increasingly, the supply of employment land is being seen to be a constraint on the future growth and regional competitiveness of the Region.

The main purpose of this study was to:

- Identify the existing employment areas in the Fairfield LGA and determine future supply and demand for industrial land.
- Identify current employment trends, which provide a review of literature research into the key influences of why and how our cities are changing in response to economic and structural change.
- Provide a population, household and employment profile of Fairfield LGA and compare to the other LGA's in the West Central Sub-Region and Sydney region based on ABS Census data.
- Provide a clear strategic direction for which the Fairfield LEP and DCPs are updated to enable Council to respond to development proposals in an informed way.
- Provide guidance for Council in relation to a number of spot rezoning issues.
- Examine the present land parcels zoned for employment/industrial uses throughout the LGA and make recommendations regarding any alteration in zoning giving consideration to the Draft Standard Instrument (Local Environmental Plans) Order 2006 prepared by the Department of Planning (DoP).
- Identify land use guiding principles to deal with any land capacity issues and to promote future employment generating land uses in the region.

2.2 Evolution of the Urban Economy

The challenge presented by the eroding supply of employment land is not simple. The complexity is arising from the changing nature of employment and demand for employment land. There are many influences at play.

Historically, urban development has been governed by proximity to natural resources and access to water borne or rail transportation, leading to the development of the manufacturing industry. In industrialised economies around the world however, with NSW as no exception, innovations in transportation and communication have propelled economic advancement. New influences are coming into play.

Today the demand for employment land and its geographic distribution is being increasingly influenced by a new and more diverse set of factors. Needs for operational speed and efficiency, driven by the globalisation of trade, the rapid growth of airfreight, the advances in information technology and the growth of outsourcing or third party logistics, are generating increased demand for locations offering high levels of accessibility. Pressures for new large clear span accommodation which addresses requirements for horizontal rather than vertical efficiency, and optimum flexibility are experienced. There are other needs, contributing to the development of new forms of accommodation and changes in the spatial distribution of economic activity, with the rise of business park an example.

From the outset please note that this study is concentrated on employment lands that are industrial in nature, including “out-of-centre” business estates. It does not include special use zones and commercial/retail zones.

A current and emerging issue surrounding employment lands across metropolitan and regional areas. Concerns the loss of significant tracts of industrial land largely due to the pressures of residential development. Sustained population growth and a demographic trend towards smaller households have and continue to generate demand for residential accommodation, with consequential pressures on redundant or under-utilised industrial/employment land.

The market is not an effective mechanism to ensure an adequate balance between residential and employment land. We can only rely on the land use planning system, but this must be founded on a sound understanding of economic needs and of the fundamental dynamics of economic change.

3. REVIEW OF PLANNING FRAMEWORK

This section provides an overview of the planning context in which employment lands are managed within the Fairfield LGA. It outlines the State, regional and local statutory provisions (including State Environmental Policies, Regional Environmental Plans, Ministerial Directions, Development Control Plans and Local Environmental Plans), applicable to employment/industrial land use and development.

3.1 Metropolitan Strategy

The DoP's Sydney Metropolitan Strategy is a broad framework to facilitate and manage growth and development over the next 25 years. The plan identifies how local government will work with State Government to translate the aims and actions into local plans. It also aims to improve the city's sustainability in terms of transport, energy demand, affordability and infrastructure provisioning.

Part of achieving these aims is an 'Economic and Employment Strategy for Sydney', which clearly recognises that industrial land is an important resource and seeks to:

- Concentrate employment;
- Ensure good management of existing land resources;
- Ensure there is sufficient supply of suitable commercial sites and employment lands; and
- Efficiently utilise existing infrastructure.

The Strategy indicates that by 2031, the majority of jobs are likely to be located in strategic centres or employment lands, which will provide the foundations for more sustainable and targeted infrastructure and transport planning.

DoP is intending to form partnerships with groups of councils to undertake Sub-Regional planning with the aim to define the structure and future distribution of zones to accommodate housing and employment growth. The Metropolitan Strategy identifies ten subregions, whereby Fairfield LGA is included as part of the Central West Sub-Region, which also comprises the LGA's of Auburn, Bankstown, Holroyd and Parramatta.

Sub-Regional planning has a fundamental role in achieving the aims of the Economic and Employment Strategy. In regards to the first aim of ensuring there is adequate zoned land for employment uses, the economic planning of the sub-region will consider:

- Land supply (in centres and employment land precincts); and,
- Demand for land and floorspace for different employment land uses based on industry (activity) trends, location and characteristics.

In regards to the second aim of promoting economic development and ensuring access to good job opportunities, sub-regional planning will identify key aspirations and concerns by subregion and advise which activities, 'soft' and 'hard' infrastructure, and actions might be needed. This will necessitate an audit of:

- Workforce characteristics and skills base; and,
- What infrastructure exists and is required to satisfy the vision of the sub-region.

The Metropolitan Strategy has specific potential impacts for Fairfield LGA in terms of employment, employment lands and the economy are as follows:

1. Western Sydney jobs growth is expected to be over 230,000 by 2031;
2. Specialised Centres and Employment Lands – The Government will work with industry and local government to create development planning mechanisms to facilitate renewal of old industrial areas such as Wetherill Park and Milperra;
3. Redevelopment of existing areas - Fairfield comprises the Smithfield/Wetherill Park employment area together with older employment areas at Yennora and Lansvale. The Strategy aims to regenerate these existing employment areas;
4. Release of new employment lands – The Strategy has identified an area of land zoned rural and currently located immediately south of the Sydney water pipeline as a future employment land area. This land is to be incorporated with land on the northern side of the pipeline (presently the SEPP 59 Employment Area) to form what is referred to as the "Western Sydney Employment Hub". The area located in Fairfield LGA is viewed as a future extension to this existing employment area. Specifically, Horsley Park is declared as part of the Employment Hub, and is likely to be required for employment uses in around 7-10years time. This area is identified as State Significant (part 3A – major projects) development.

3.2 Employment Lands for Sydney: Action Plan

The NSW Department of Planning's Sydney Metropolitan Strategy, identified 14,790ha of zoned employment land in the Sydney Region.

In March 2007, the Department of Planning launched the "Action Plan for Sydney Employment Lands", addressing issues raised by industry and government. The Action Plan advises the Government not only on the current situation with regards to employment lands in NSW, but puts forth recommendations to maximise opportunities for new investment and jobs, as well as the provision of employment lands in appropriate areas.

The timing of the release of the Action Plan comes after the majority of analysis and recommendations for this study were completed. As such, we note the intention of the Action Plan, specifically with regards to the Western Sydney Employment Hub.

The Action Plan recognises the need to establish an Employment Lands Development Program (ELDP) to maintain the balance between demand and supply of employment land.

The Western Sydney Employment Hub lies at the intersection of the M4 and M7 motorways. This includes the SEPP 59 lands, Erskine Park and Eastern Creek, and will provide an additional 929ha of employment lands contributing 36,000 jobs to the area.

According to the Action Plan, the Department of Planning, the Department of State & Regional Development, and the Growth Centres Commission will investigate policy and planning options to accelerate the early development of employment lands in the South West and North West Growth Centres.

3.3 NSW Planning Reform – Standard Instrument LEP Template

To simplify the NSW State's planning system, the DoP prepared a standard local environmental plan, namely the *Standard Instrument (Local Environmental Plans) Order 2006* (LEP Template). The intent is to modernise local planning controls and make the planning system simpler to understand and use. The planning template seeks to standardise land use terminology, definitions for uses, provide a standard for permitted uses by zone and a standard nomenclature for town centres including out of centre specialised centres and enterprise corridors.

The recommendations in this report have considered the concepts of the LEP Template and nomenclature of the employment/ industrial lands. However, note that there will be regular reviews of DoP's Standard Instrument LEP, which will include the land use tables (see below).

All councils will use the Standard Instrument LEP template to prepare new local plans for their LGA. Councils will be expected to adopt a single LEP within 3-5 years of the date of the Standard Instrument, after tailoring the template to their local needs.

Land Use Zones

The land use zones identified under this Standard Instrument LEP Template are as follows:

Table 2 - Land Use Zones and Zoning Categories – Standard Instrument (Local Environmental Plans) Order 2006 (LEP Template)

Residential Zones	Rural Zones	Business Zones	Industrial Zones	Special Purpose Zones	Recreation Zones	Environmental Protection Zones	Waterway Zones
R1: General Residential	RU1: Primary Production	B1: Neighbourhood Centre	IN1: General Industrial	SP1: Special Activities	RE1: Public Recreation	E1: National Parks & Nature Reserves	W1: Natural Waterways
R2: Low Density Residential	RU2: Rural Landscape	B2: Local Centre	IN2: Light Industrial	SP2: Infrastructure	RE2: Private Recreation	E2: Environmental Conservation	W2: Recreational Waterways
R3: Medium Density Residential	RU3: Forestry	B3: Commercial Core	IN3: General Industrial	SP3: Tourist		E3: Environmental Management	W3: Working Waterways
R4: High	RU4:	B4:	IN4:			E4:	

Residential Zones	Rural Zones	Business Zones	Industrial Zones	Special Purpose Zones	Recreation Zones	Environmental Protection Zones	Waterway Zones
Density Residential	Rural Small Holdings	Mixed Use	Working Waterfront			Environmental Management	
R5: Large Lot Residential	RU5: Village	B5: Business Development					
	RU6: Transition	B6: Enterprise Corridor					
		B7: Business Park					

Source: Standard Instrument (Local Environmental Plans) Order 2006 (LEP Template)

Collectively there are a total of 8 proposed Land Use Zones identified in the LEP Planning Template: a residential zone that consists of 5 separate zoning categories, a rural zone that also consists of 6 separate zoning categories, a business zone that consists of 7 zoning categories, an industrial zone with 4 zoning categories, a special purpose zone with 3 zoning categories, a recreation zone containing 2 zoning categories, an environmental protection zone with 4 zoning categories and a Waterway Zone that comprises 3 zoning categories.

The employment zones identified and their key permitted uses are as follows:

Table 3 - Employment Zones – Standard Instrument (Local Environmental Plans) Order 2006 (LEP Template)

Employment Zones	Permitted Uses*
IN1 – General Industrial Zone	Depots; Freight Transport facilities; light industries; neighbourhood shops; standard industries; warehouse or distribution centres.
IN2 – Light Industrial Zone	Depots; light industries; neighbourhood shops; warehouse or distribution centres.
IN3 – General Industrial Zone	Depots; freight transport facilities; hazardous industries; hazardous storage establishments; general industries; offensive industries; offensive storage establishments; warehouse or distribution centres.
IN4 – Working Waterfront	Boat launching ramps; boat repair facilities; jetties; light industries.
RU1 – Primary Production	Extensive Agriculture; dwelling houses; Extractive activities; Mining
B1 – Neighbourhood Centre	Child Care Centres; Community facilities; Neighbourhood shops; Shop top housing.
B2 – Local Centre	Child Care Centres, Community Facilities, Educational establishments; Entertainment Facilities, Function centres; Information and education facilities, Office premises; Passenger transport facilities, Recreation facilities (indoor); Registered clubs; Retail premises; Service stations; Shop top housing; Tourist and visitor accommodation.
B3 – Commercial Core	Child Care Centres, Community Facilities, Educational establishments; Entertainment Facilities, Function centres; Hotel accommodation; Information and education facilities, Office premises; Passenger transport facilities, Recreation facilities (indoor); Registered clubs; Retail premises
B4 – Mixed Use	Boarding houses; Child care centres; Community facilities; Educational establishments, Entertainment facilities, Function centres, Hotel accommodation; Information and education facilities; Multi dwelling housing. Office premises, Passenger Transport facilities, Recreation facilities (indoor); Registered clubs, Residential flat buildings;

Employment Zones	Permitted Uses*
	Retail premises; Senior housing.
B5 – Business Development	Child care centres; Office premises, Passenger transport facilities; Retail premises; Warehouse or distribution centres
B6 – Enterprise Corridor**	Community facilities; Hardware and building supplies; Hotel accommodation; Landscape and garden supplies; Light Industries, Multi dwelling housing; Office premises; Passenger transport facilities; Retail premises; Warehouse or distribution centres.
B7 – Business Park	Child care centres; Light Industries, Neighbourhood shops; Office Premises; Passenger transport facilities; Warehouse or distribution centres
SP1 – Special Activities	The purpose shown on the Land Zoning Map, including any development that is ordinary incidental or ancillary to development for that purpose.
SP3 - Tourist	Food and drink premises; Tourist and visitor accommodation

* Must be included as either permitted without consent or permitted with consent for this zone

** It is understood that DoP are considering deleting 'multi-dwelling housing' as a mandatory use from this zone.

Source: Standard Instrument (Local Environmental Plans) Order 2006

3.4 State Controls

In NSW the legal framework for the regulation of land use is broadly defined under the Environmental Planning and Assessment Act 1979 (EPA). Under the EPA Act, to gain a complete picture of the possibilities and constraints of a particular site/area it is necessary to consult a wide range of sources. These include:

- Local Environmental Plans (LEPs);
- Deemed environmental planning instruments;
- Development Control Plans (DCPs);
- Council codes/policies;
- Regional Environmental Plans (REPs);
- State Environmental Planning Policies (SEPPs);
- Directions under sections 117 (2) and 71 of the EPA Act;
- Departmental circulars;
- Model provisions; and
- Management plans.

For this study a brief outline is presented below of the key planning policies which are relevant to the planning and development of activity in the Fairfield LGA.

The following SEPPs have been considered in the formulation of an Employment Lands Strategy for the LGA:

State Environmental Planning Policy No.22 – Shops and Commercial Premises

SEPP 22 - 1987 (as amended) provides controls to permit changes of use from one kind of shop to another or to a commercial premise or one kind of commercial premise to another or to a shop within a business zone. This change of use is still considered to be permissible if the proposed use is prohibited under an

environmental planning instrument. Although this can occur, it is still necessary to obtain development consent should the consent authority be satisfied that the change of use will not have an adverse impact.

State Environmental Planning Policy No.34 – Major Employment Generating Industrial Development

SEPP 34 - (1993) contains provisions to allow certain types of major employment-generating industrial development to be considered as state significant. It also allows the certain types of labour-intensive rural industrial development to be of state significance. It is intended that these provisions will promote and coordinate major activities with significant employment impacts.

State Environmental Planning Policy No 59—Central Western Sydney Economic and Employment Area.

SEPP 59 is a long-standing planning policy which promotes employment-generating activities. Under this SEPP, more than 100 hectares are being rezoned for employment purposes in Western Sydney including:

- 43 hectares at Huntingwood West --potential for 2,000 jobs;
- 58 hectares on the former Wonderland site --potential for 3,000 jobs;
- Land to build a new road link between the established industrial estate at Erskine Park and the M7; and
- A further 80 hectares is also being investigated for employment use around Ropes Creek.

This SEPP also applies to the Wetherill Park and Smithfield industrial precincts.

The NSW Government has recently announced the creation of a new major employment hub near the intersection of the M4 and M7 motorways, where up to 36,000 jobs could be created. It is understood that the NSW Government will create an additional 929 hectares of employment land within what it defines as the Western Sydney Employment Hub. The Western Sydney Employment Hub spans four local government areas - Fairfield, Penrith, Blacktown and Holroyd.

It is presently subject to four environmental planning instruments including three council Local Environmental Plans and a State Environmental Planning Policy (SEPP 59 - Central Western Economic Employment Area). This is a complicated planning framework.

The NSW Governments aim is to make the entire Western Sydney Employment Hub area a State significant site in the Major Projects SEPP. This would mean that the Planning Minister will be able to set planning parameters for future land uses and the type and scale of development.

The following Ministerial Directions should be considered by Council in relation to the preparation of an employment lands strategy and DCP and LEP amendments.

Ministerial Direction No. 3 – Business Zones

This direction applies when a council prepares an LEP which creates, removes or alters a business zone boundary or provision. The direction's objective is to ensure the economic and efficient development of existing business areas and centres, and related public services.

The direction states that:

'The draft LEPs shall not substantially alter the location of existing zonings or alter the area of existing zonings or create, remove or alter provisions applying to land zoned for business that will result in a reduction of potential floor space area'.

Ministerial Directions No. 16 – Industrial Zones

This direction should be taken into consideration by Council when preparing their new LEP.

The direction states that:

'The draft LEPs shall not substantially alter the location of existing zonings or alter the area of existing zonings or create, remove or alter provisions applying to land zoned for industrial purposes that will reduce existing floor space ratio or height controls'.

Ministerial Directions No. 17– Integrating Land Use and Transport

This direction should be taken into consideration by Council when preparing their new LEP.

The direction states that:

'Urban structures, building forms, land use locations, development designs, sub-division and street layouts must achieve the following planning objectives:

- *Improving access to housing, jobs and services by walking, cycling and public transport;*
- *Increasing the choice of available transport and reducing dependence on cars;*
- *Reducing travel demand including the number of trips generated by development and the distances travelled, especially by car;*
- *Supporting the efficient and viable operation of public transport services; and*
- *Providing for the efficient movement of freight'.*

3.5 Local Environmental Planning

This section examines the existing Local Environmental Plan (LEP) that applies to the Fairfield LGA, being Fairfield Local Environmental Plan 1994. Specifically industrial land zones were analysed, whereby key objectives together with permitted employment based uses within each of the zones were identified.

The Fairfield LEP (2004) identifies 3 zones that relate to industrial land use across the LGA, namely 4(a) General Industrial Zone, 4(b) Light Industrial Zone and 4(c) Special Industrial Zone.

4(a) General Industrial Zone

The objectives of this zone are:

- (a) *to encourage the establishment of a broad range of industrial and allied uses which will generate employment and contribute to the economic development of the City of Fairfield;*
- (b) *to allow community uses to serve the needs of the local industrial workforce; and,*
- (c) *to allow retail development only:*
 - i. *where associated with, and ancillary to, industrial purposes on the same land,*
 - ii. *where it primarily serves the daily convenience of the local industrial work force, or*
 - iii. *for motor orientated activities (that is, the use of a building or place associated with, and ancillary to, industrial purposes on the same land for the sale by retail of motor vehicle components or goods but not for the use of a building or place elsewhere defined in this plan)*

and only if the proposed development will not detrimentally affect the viability of any nearby business centre.

Permitted employment based uses within this 4(a) zone include: Light industry, extractive industry, general industry, and industry – defined as the manufacturing, assembling, altering, repairing, renovating, ornamenting, finishing, cleaning, washing, dismantling, processing or adapting of any goods or articles for commercial purposes, but does not include anything elsewhere defined in this plan (among other uses that are not defined as prohibited in the plan) and prohibits the following key employment based uses: bulky goods salesrooms or showrooms, hazardous industry, offensive industry, shops (except take away food shops), business premises.

4(b) Light Industrial Zone

The objectives of this zone are:

- (a) *to encourage the establishment of a broad range of light industrial and warehouse activities compatible with neighbouring residential areas to generate employment and contribute to the economic development of the City of Fairfield;*
- (b) *to allow community uses to serve the needs of the local industrial work force; and,*
- (c) *to allow retail development only:*
 - i. *where associated with, and ancillary to, industrial purposes on the same land,*
 - ii. *where it primarily serves the daily convenience needs of the local industrial work force, or*
 - iii. *for motor oriented activities (that is, the use of a building or place associated with, and ancillary to, industrial purposes on the same land for the sale by retail of motor vehicle components or goods but not the use of a building or place elsewhere defined in this plan),*

and only if the proposed development will not detrimentally affect the viability of any nearby business centres.

Permitted employment based uses within this 4(b) zone include: Light industry (among other uses that are not defined as prohibited in the plan) and prohibits the following key employment based uses: bulky goods

salesrooms or showrooms, hazardous industry, extractive industry, offensive industry, general industry, industry – defined as the manufacturing, assembling, altering, repairing, renovating, ornamenting, finishing, cleaning, washing, dismantling, processing or adapting of any goods or articles for commercial purposes, but does not include anything elsewhere defined in this plan, shops (except take away food shops), business premises.

4(c) Special Industrial Zone

The objectives of this zone are:

- (a) *to encourage the establishment of a broad range of light industrial and warehouse activities and a limited range of business and retail activities compatible with nearby residential areas to generate employment and contribute to the economic development of the City of Fairfield;*
- (b) *to allow community uses to serve the needs of the nearby industrial workforce; and,*
- (c) *to allow retail development only:*
 - i. *where associated with, and ancillary to, light industrial purpose on the same land,*
 - ii. *for the display and sale of bulky goods,*
 - iii. *where it primarily serves the daily convenience needs of the local industrial workforce, or*
 - iv. *for motor oriented activities (that is, the use of a building or place associated with the sale by retail of motor vehicle components or goods, where that building or place has a work bay or area for the fitting of motor vehicle components or goods or a large area for the handling, storage or display of motor vehicle components or goods but not the use of a building or place elsewhere defined in this plan),*

and only if the proposed development will not detrimentally affect the viability of any nearby business centres.

Permitted employment based uses within this 4(c) zone include: Light industry, bulky goods salesrooms or showrooms (among other uses that are not defined as prohibited in the plan) and prohibits the following key employment based uses: general industry, hazardous industry, extractive industry, offensive industry, industry – defined as the manufacturing, assembling, altering, repairing, renovating, ornamenting, finishing, cleaning, washing, dismantling, processing or adapting of any goods or articles for commercial purposes, but does not include anything elsewhere defined in this plan, shops (except take away food shops), business premises.

Bonnyrigg Industrial Precinct – Cl. 25H of LEP Bonnyrigg Town Centre and Bonnyrigg Town Centre DCP No. 28

It should be acknowledged that the abovementioned LEP controls for the 4(c) Special Industrial zone in Fairfield LGA is not applicable to the Bonnyrigg Industrial Precinct. This industrial precinct is subject to a specific DCP that has been developed for the Town Centre to promote it as a viable mixed use centre.

Despite the fact that industrial land within Bonnyrigg is zoned 4 (c) Special Industrial under the LEP, Cl. 25H of the LEP specifies this area to allow for a mix of integrated land uses and activities to support the Town Centre. As such, the 4(c) zoned land within the Bonnyrigg Town Centre can accommodate a mix of uses (including retail, commercial and residential development) different to those permitted in the rest of the 4(c) zoned lands across the LGA.

The Special Industrial lands in Bonnyrigg are likely to undergo transition in future years toward, residential and mixed use developments as a result of current and future LEP/DCP provisions. Further assessment of this and appropriate zoning changes need to be considered. One option may be to establish an Enterprise Corridor on the industrial lands, but this needs to be assessed in light of the demand for additional

retail/commercial development in the area as a result of urban renewal in the surrounding area, including the DOH Estate.

Extractive Industrial Uses

Extractive industrial uses are not permitted in any of the industrial zones. Such uses are accommodated within Zone 1(b) Non Urban – Extractive Industry Zone. This is consistent with the Standard Instrument LEP Template given that extractive industrial uses are not permitted within any of the industrial zones and only permitted within Rural Zone RU1 – Primary Production Zone.

Comments/Conclusions

The review of the 3 industrial zones within the Fairfield LGA revealed disparity in regards to the type of key employment based uses permitted/prohibited. The following key observations were made:

- General Industry is only permitted in the 4(a) General Industrial Zone.
- Extractive Industry is not permitted in any of the industrial zones.
- Bulky goods salesrooms or showrooms are only permitted in all existing Business zones and 1(v) Non Urban Village zone.
- Light Industry is permitted in all 3 industrial zones.

Some key general differences identified between the existing Fairfield LEP collection of industrial zonings and those in the Standard Instrument LEP Template are that the Template:

- Identifies a General Industrial Zone as a zoning category.
- Introduces a Working Waterfront Zone.
- Excludes a Special Industrial Zone.

It is recommended that for each of the LGA's the zoning categories and provisions be revised to take into consideration those identified in the Standard Instrument LEP Template. The application of a common LEP template, common local planning provisions, common definitions and common zones will provide a strong structure to give effect to metropolitan and regional strategies.

This Employment Lands Strategy considers the Standard Instrument LEP Template industrial zonings and permitted uses accordingly in making recommendations on amendments to existing planning instruments that apply to the LGA to ensure conformity.

3.6 Development Control Plans

Fairfield City Wide Development Control Plan - 2006

The Fairfield City Wide Development Control Plan 2006 (City Wide DCP) came into effect on 5 July 2006. The previous industrial DCP controls have been absorbed into the City Wide DCP, effectively consolidating all of Council's DCPs (excluding site specific DCPs such as Fairfield and Bonnyrigg Town Centres DCPs which now stand on their own).

The key objective of this DCP is: *to ensure industrial development is catered for in Fairfield City in a manner that encourages business investment and promotes local employment opportunities.* Suitable development controls contribute to these objectives.

The formulation of the City Wide DCP effectively satisfies the planning reforms (that specifically relate to DCPs) that have been initiated by the NSW State Government which include:

- The reduction of the numbers and layers of planning instruments;
- Rationalise DCPs and give them clarity; and
- Reduce the number of DCPs for each LGA and make their relationship with the relevant LEP clearer.

The City Wide DCP should be considered whilst determining an Employment Lands Strategy for the region, especially in the identification of specific guiding principles for employment lands in the region.

To ensure that there is consistency between the guiding principles identified and those within the City Wide DCP, recommendations to amend this policy (where appropriate) will be provided in this report. Potential changes to DCP provisions to encourage priority industries defined by the Employment Lands Strategy will be identified, including specific controls and objectives.

Chapter 9 of the City Wide DCP4 defines the planning controls relevant to industrial development within the Fairfield LGA. This chapter of the DCP acknowledges that there are some industrial activities that require more specific development controls to ensure they are managed effectively.

4. EMPLOYMENT TRENDS

There are several emerging trends in employment and economic activity, which are having direct and indirect impacts on urban structure. These impacts are particularly pronounced in the inner city regions of South Sydney and Botany where both structural and functional characteristics are being conditioned by substantial improvements to the transport infrastructure and the growing strategic importance of the CBD, the Airport and Port Botany. They are also pronounced in the harbour suburbs of Homebush Bay, Rhodes, and Canada Bay where residential prices are outstripping traditional industrial land. Finally they are pronounced in the fringe areas of the metropolitan which continues to accommodate considerable population growth and the relocation of traditional industrial uses. In this context, the planning and development of the metropolitan should reflect and be guided by the influences of rapid and fundamental change in the form and function of urban land, both in Sydney and Australia.

The two main forces acting on employment change are the globalisation of economic activity and a radical deepening in the knowledge-intensity of business products and processes. The key likely consequence of both is that development is likely to become more polarized with growth occurring in the primary core areas where opportunities permit, and in peripheral areas, which offer greater economies.

4.1 Globalisation

The required quantum and qualitative characteristics of demand for land and commercial real estate products are being significantly changed by an ever-increasing trend towards the globalisation of economic activity. Large and highly influential trans-national corporations are now operating in almost all countries of the world and are imposing an increasingly uniform set of key criteria in determining the most effective locations for their productive plants and head quarters.

The development and adoption of new technologies, the introduction of flexible production methods and the increasing use of the market mechanism for allocating economic resources and investment priorities is having a profound effect on where, and how, corporations will site their facilities. In essence, there is an increasing trend towards a greater flexibility in location choice, where corporate organisations are requiring large sites for consolidation of previously fragmented activities, and where opportunities to co-locate in specialised clusters of activity are being increasingly sought.

This has resulted in the emergence of new nodes of commercial activity and business park estates such as Riverside Corporate Park in North Ryde, Norwest in Baulkham Hills, Australia Technology Park in Eveleigh and Australia Centre in Homebush Bay.

4.2 Knowledge Intensive Industry

The industrialisation of emerging economies over the past two-three decades, together with the high pace of world trade growth has resulted in traditional manufacturing industries moving either off-shore to developing economies with lower production costs, or to peripheral locations where land costs are less.

Coincident with, and partly driving these processes has been the rapid development and take up of new technologies and processes, including information and communications technologies, materials, environmental and bio-technological sciences. In essence, the economic shift in developed economies has been away from low cost manufacturing towards the generation, distribution and use of intellectual capital and information.

With the technological advances in communications, corporations are locating themselves in agglomerated business park estates, rather than in traditional CBD locations. Demand is increasing for purpose-built facilities at well-located nodal points in suburban locations offering the benefits of agglomeration, corporate prestige, amenity, proximity to labour and cost-effectiveness.

4.3 Home Based Employment

Home-based employment is becoming an increasingly significant characteristic of the economy. It is occurring in sectors ranging from manufacturing, professional occupations, retailing, high technology and telecommunications. The growth can be attributed to several interrelated trends including:

- A decline in primary and manufacturing industry;
- Growth in service and high technology industry;
- Increasing levels of competition and resulting needs to minimise costs;
- Out sourcing of non-core activities;
- Dramatic improvements in communications technology which has increased mobility and freed many jobs from centralised and often costly locations; and
- Increasing technological complexities and the need to access a wider range of skills that are provided by consultants rather than employees.

An examination of Census data reveals the significance and rapidity of the growth. In 1996 5% of all households carried out a home-based business (excluding people who occasionally work at home). By June 2000, the proportion had risen to 7.7%, equivalent to 692,600 people. In addition, another 135,000 people had a second job, which they conducted from home.

In a report prepared by the Australian Bureau of Statistics (ABS 1997), on the characteristics of home based businesses (as opposed to the wider category of home based employment) two categories were identified: “Businesses at home” (e.g. consultants, herbalists) and “Businesses from home” (e.g. Plumbers). It was found there were some 1.3 million people operating approximately 846,000 home-based businesses.

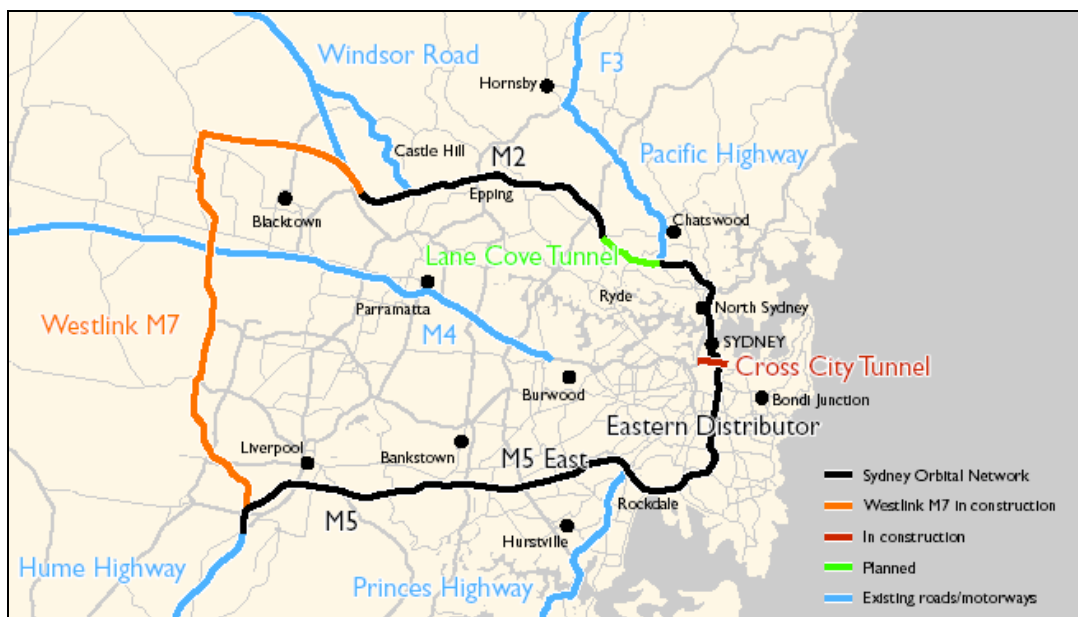
The ABS also found that “property and business services” were the most common focuses of home-based employment (19.5% of employees), followed by “education” (12%), “construction” (10%) and light manufacturing. A key finding of the research was that the vast majority of home based business people (78%) cited low overheads as the principal reason for their decision to work from home, followed by lifestyle reasons. Significantly, it found that most worked at home by choice.

4.4 Accessibility and the Need for Speed

In all likelihood, and as current evidence suggests, demand will be focussed on the development of high throughput distribution facilities and what has been termed “bulk fulfilment distribution centres”, where large quantities of goods are broken down for distribution to consumers of small business markets. Locations for these facilities are being increasingly sought in hub/gateway metropolitan areas within close proximity to major transportation infrastructure. In contrast there is likely to be reduced or stagnant demand for more traditional storage and commodity based industrial property.

In Sydney this pattern can be seen with the realisation of opportunities generated by the development of new transport infrastructure. In areas located on periphery of the Sydney metropolitan region – areas such as Arndell Park – comparatively inexpensive land serviced by new infrastructure (e.g. the Western Sydney Orbital and the M4) have become attractive alternatives to traditional industrial areas for transport and logistics related activity. The M5 Industry Park at Moorebank, which offers a high level of access to the M5 Motorway, Hume Highway and several other major arterial roads, exemplifies this trend. In this Park, the logistics group, Toll Ipec, occupy a large building comprising some 21,500sqm.

Figure 1 - Sydney's Major Road Network



Source: Westlink M7

As development opportunities have increased with this infrastructure, so have capital values. There have been large increases in land values in the western Sydney industrial precincts.

Table 4 - Land Value Growth

Location	Land Value Growth March 2002-03 (%)	Infrastructure Impact
Ingleburn (Outer SW)	14	M5 East
Arndell Park (West)	24	West Syd Orbital
Wetherill Park (West)	27	West Syd Orbital
South Sydney	14	Alternative use
Botany (South Sydney)	25	Alternative use

Source: Macquarie Bank/JLL (Property Market Outlook 2003)

Another significant transformation in the spatial distribution of activity has been the displacement of the more traditional forms of industrial activity in the inner metropolitan areas with economic activities that have lower rent sensitivity. In Sydney, in the area between the central business district, Port Botany and Sydney Airport, this change has been particularly pronounced. Here, there has been significant growth in both employment and investment in activities closely associated with logistics and transport, and a commensurate decline in manufacturing activity, which has either relocated to less expensive land (often on the urban periphery) or has simply ceased operations. Such is the significance of this change that it is now argued that the area, which has been traditionally identified as the Central Industrial Area, should be referred to as Sydney's Economic Gateway.

4.5 Economic Gateways

Of specific relevance to the present exercise is the increasingly significant role played by economic gateways in urban economies. Economic gateways are broadly defined as the exit/entry points to a region that supports the movement of commodities, products, services, information and ideas between itself and regions with which it has economic and commercial relationships. They are usually focussed on interaction points between the national and the global economy, but they can also be the interaction points between the metropolitan economy and other cities and regions of the national economy.

Specifically gateways are the physical infrastructure – such as airports and seaport, information technology and telecommunication systems – that facilitates the movement of tradeable products, services, data and information and/or people. Over the past 2-3 decades a dramatic expansion of production, trade, finance and the movement of people have resulted in a fundamental reorganisation of the global economy and widespread recognition of the need to reinforce the strategic role played by economic gateways.

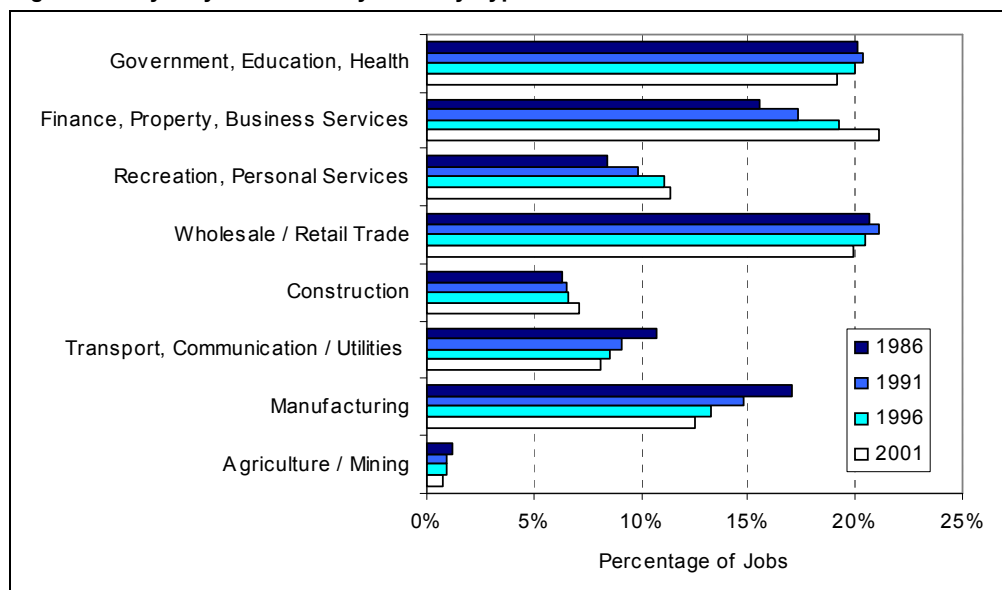
These developments have had significant implications for the spatial characteristics of global cities, of which Sydney is one. Today they are reflected in the development of economic gateways, nearly always centred on an international airport and/or on major ports.

4.6 The Changing Nature of Work

Since 1970 employment throughout Australia has been characterised by a significant shift away from the primary and secondary sectors of the economy (agriculture and manufacturing), to the service sectors (retailing, financial, property, business, community, recreation and personal services).

This shift is a direct reflection of the transformations occurring in developed economies around the world, transformations that are being driven by technological change and developments in information technology and telecommunications.

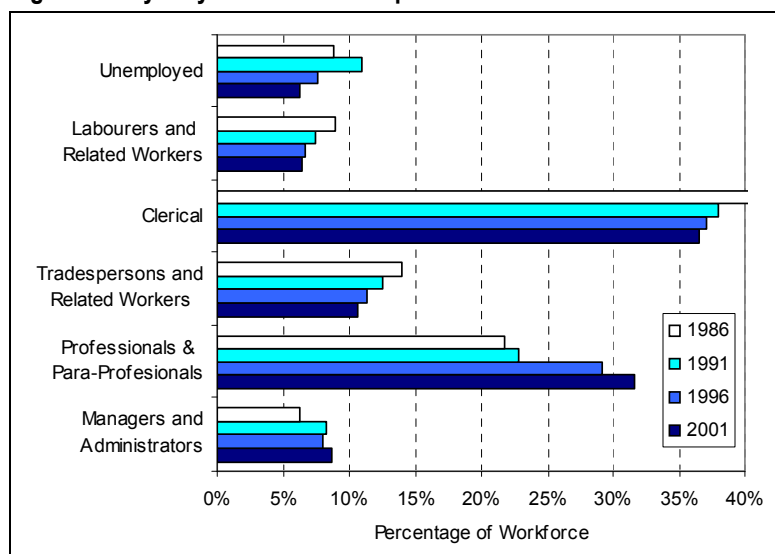
Figure 2 - Sydney Workforce by Industry Type 1986 to 2001



Source: ABS Census 1986, 1991, 1996, 2001

Occupational changes in the workforce are a manifestation of structural changes in the economy over the past several decades assisted by technological change. Traditional blue collar and unskilled workers are declining in number while professional and managerial positions are increasing, as depicted in the Figure below.

Figure 3 - Sydney Workforce Occupation



Source: ABS Census 1986, 1991, 1996, 2001

4.7 Implications for Fairfield and the West Central Sub-Region

Fairfield LGA

Fairfield LGA is in a strategic position in the heart of Western Sydney. In 2001 Fairfield LGA was the third most populated LGA in the Sydney Statistical Division after Blacktown and Sutherland LGA. The M7 has given the area strong access and rapid travel times to the west, although its links to Sydney CBD, the ports and the airport remain somewhat limited without an M4 east link.

The LGA is a major destination for employment having the largest industrial precinct in the Sydney metropolitan area. As such many people from outside Fairfield LGA rely on the area for work. Within Fairfield LGA, there is a large amount of industrial land located at Wetherill Park, where industry specialisations include manufacturing and wholesaling.

The trend across the Sydney workforce where traditional blue collar and unskilled workers are declining in number and professional and managerial positions are increasing is not as profound in the Fairfield LGA as it is in other LGAs in Sydney. Fairfield LGA is characterised by a slightly lower proportion of people employed as managers, administrators and professionals than the Sydney region. The LGA also has a slightly higher proportion of traditional blue collar and unskilled workers – labourers, production and transport related workers.

DoP's Sydney Metropolitan Strategy has identified an area of land zoned rural and currently located immediately south of the Sydney water pipeline and west of the Regional Park as a future employment land area. This land is to be incorporated with land on the northern side of the pipeline (presently the SEPP 59 Employment Area) to form what is referred to as the "Western Sydney Employment Hub". The area located in Fairfield is viewed as a future extension to this existing employment area. Specifically, Horsley Park is declared as part of the Employment Hub and is likely to be required for employment uses in around 7-10 years time. This area is identified as State Significant (part 3A – major projects) development.

West Central Region

An important consideration is that whilst this study analyses employment and jobs within Fairfield at an LGA level, decisions should also recognise not be made without regard to the broader regional context.

The Sydney Metropolitan Strategy defines a set of sub-regions across Sydney. The Fairfield LGA falls within the West Central Sub-Region which also includes the LGAs of: Auburn, Bankstown, Holroyd and Parramatta. The plan for this sub-region is for 35,000 new jobs by 2031, 14% of Sydney's employment growth. Total employment in the West Central region in 2001 was 264,270 (up 2% from 258,990 in 1996). Despite the fact that this growth rate seems quite low, the West Central sub-region remains the second largest employment destination by a significant margin, second only to the Sydney City sub-region.

SGS Economics have prepared a 'Metropolitan Strategy Subregional Employment Profile' (2006) report for the DoP. This report will identify some relevant information concerning the employment situation within the

West Central sub region which should be considered in the preparation of an employment strategy for Fairfield LGA. Some key points defined by SGS relating to employment trends in this Sub Region of Sydney are described in the following few paragraphs.

The West Central Sub Region is viewed as 'The Manufacturing Centre' of Sydney. It comprises 5 of the top 10 LGAs for manufacturing employment, accounting for around one third of manufacturing employment in Greater Sydney in (2001). The region includes many of Sydney's larger manufacturers together with a range of medium and small manufacturing operations.

The key factors influencing the sub-region include:

- Its central location within Greater Sydney;
- Its historic and continued role as the manufacturing hub of Greater Sydney and as a significant employment area;
- Its standing as a transition area for income and employment of residents;
- High level of migrants living in the region;
- The relatively low skill levels and lack of higher skills when compared to other parts of Sydney;
- Limitations to redevelopment from the established existing built form in the area;
- The challenge to manufacturing with rising imports from low labour cost countries;
- The steady relocation of manufacturing to outer suburban areas; and,
- Providing sites for in situ transformation, renewal and intensification in older industrial areas.

As defined above, since the 1970s the changing nature of work throughout Australia has resulted in a significant shift away from the primary and secondary sectors of the economy (agriculture and manufacturing) to the service industries.

Despite this trend, it is expected that manufacturing and distribution will continue to play a major role in the sub-region, declining in significance over time due to the transformations occurring in developed economies across the globe. These transformations are being driven by technological changes, developments in information technology and telecommunications, globalisation and relocation of manufacturing off-shore. As such overtime there will be a reasonable shift from manufacturing to the service sectors. It is essential that this is a steady transition to sustain a high level of employment self-sufficiency and compatibility between locally available skills and skill demand. It is suggested that existing employment zones be safeguarded and intensified given the expected population increase.

Over the past couple of decades there has been a significant loss of industrial zoned land in the inner and middle ring LGAs of the Sydney Region. This is clearly shown in the table below.

Table 5 - Industry zoned Lands (Hectares)

Sub-Region	1996 ^{*1}	2001 ^{*2}	Difference	% Difference	Undeveloped
Inner LGAs ^{*3}	2,874	1,412	-1,462	-50.9%	93
Central West ^{*4}	1,905	888	-1,017	-53.4%	62
South & Southwest ^{*5}	2,468	1,383	-1,085	-44.0%	98
Outer West ^{*6}	3,296	3,481	185	5.6%	1,106
Outer Southwest ^{*7}	2,611	3,291	680	26.0%	1,060
Remainder ^{*8}	460	414	-46	-10.0%	51
TOTAL	13,614	10,869	-2,745	-50.9%	2,469

1. Source: Employment Lands Development Program (NSW Department of Urban Affairs and Planning)

2. Source: NSW Industry Lands

3. Comprises 19 LGAs including Manly, Willoughby, Ryde, The Inner West sub-region and inner LGA's.

4. Comprises Parramatta, Auburn and Holroyd

5. Comprises Canterbury, Bankstown, St George LGAs and Sutherland

6. Comprises Blacktown, Baulkham Hills, Blue Mountains, Hawkesbury and Penrith

7. Comprises Fairfield, Liverpool and the Macarthur Sub-Region

8. Comprises Ku-ring-gai, Warringah and Pitt Water

In reviewing demand for employment lands in the Fairfield LGA, it is important to look at the sub-region (the 'bigger picture'). The Central West Sub-Region has experienced a considerable loss of industrial land. Most was lost in Auburn (particularly with the redevelopment of Homebush Bay) and Holroyd (Greystanes)². The outer LGAs have taken up some of the loss of the inner LGAs as industries have moved out west to cheaper sites.

Fairfield LGA has retained the vast bulk of its industrial zoned land, even though there has been a significant loss of industrial land in the Sub-Region. Recognition of this loss is important in the consideration of any future rezoning of land. Further to this, the release of employment lands within the 'Western Sydney Employment Hub' will be important in meeting future demand for industrial land in the Sub-Region.

The ongoing role of the Central West Sub-Region as a manufacturing hub together with the improved accessibility via the Transitway, M5 and M7 corridors, will fuel job growth. The industrial and blue collar image of Fairfield LGA is likely to persist for some time and lower skilled and paid workers are likely remain a large proportion of the population for much of the region. It will be important to replace departing industrial employment generators (not ancillary office or retail uses) in strategic areas with other employment generators regardless of pressure from some areas to be converted into residential uses.

². The Industry Lands data for Holroyd may be in error (2001 figure at 59ha is well below the 1996 figure of 657ha)

5. POPULATION & WORKFORCE

This section provides a profile on population and employment statistics from ABS Census data for Fairfield LGA. Comparisons are made to Sydney SD and other LGAs in the Central West Sub-Region which include: Auburn, Bankstown, Holroyd and Parramatta. This analysis is done to gain an appreciation of the context and labour related demand for employment land in Fairfield LGA.

5.1 Population

Population Growth

Sydney's population has grown faster than forecast, leading to increased housing construction and demand for infrastructure. This increased population growth combined with smaller household sizes generates significant demand for housing.

The population of the Sydney region was 3.95 million persons in 2001. This is a growth of 6.5% since 1996. Over the ten-year period since 1991, the metropolitan population increased by some 429,242 people or 12.2%. If this rate of increase continues, the population of the Sydney metropolitan region will reach approximately 4.5 million between 2011 and 2016.

The table below shows Fairfield LGA experienced a slight increase in population growth from 1996 to 2001 (0.4% increase). Other LGAs within the West Central Sub-Region and Sydney SD all experience higher growth rates than Fairfield. Out of the 5 LGAs in the Sub-Region, Holroyd LGA has experienced the highest growth rate between 1996-2001 – 6.2%.

Table 6 - Population Growth

	1991	1996	2001	96-01
Fairfield LGA	174,798	181,233	181,300	.04%
Holroyd LGA	78,970	80,237	85,261	6.2%
Parramatta LGA	132,348	138,162	143,143	3.6%
Bankstown LGA	153,590	157,161	164,841	4.8%
Auburn LGA	48,439	48,994	51,485	5.0%
Sydney Region (SD)	3,518,773	3,705,533	3,948,015	6.5%

Source: Australian Bureau of Statistics Census, 1991, 1996, 2001

Gentrification (the middle-class resettlement of older inner-city neighbourhoods formerly occupied by lower income people) is developing in the Central West Sub-Region. It began in areas like North Parramatta and Westmead and is now beginning to show signs in suburbs such as Harris Park, Lidcombe and Merrylands. The new middle-class households in many cases are smaller in size than many of the traditional working-class households.

Fertility rate are declining. In the 1950s-60s the rate exceeded 2. This rate has progressively declined to a point where today it is 1.6 (and still falling). Through changing lifestyles and relationship options couples are choosing to have fewer children, and in many cases no children at all.

5.2 Employment

Employment by Occupation

Fairfield LGA is characterised by a slightly lower proportion of people employed as managers, administrators and professionals than the Sydney region. Fairfield LGA has a slightly higher proportion of unskilled workers (labourers, production and transport related workers).

The occupational structure of the Central West Sub-Region as a whole is characterised by a relatively high proportion of blue collar workers and a lower proportion of white collar workers than Sydney SD.

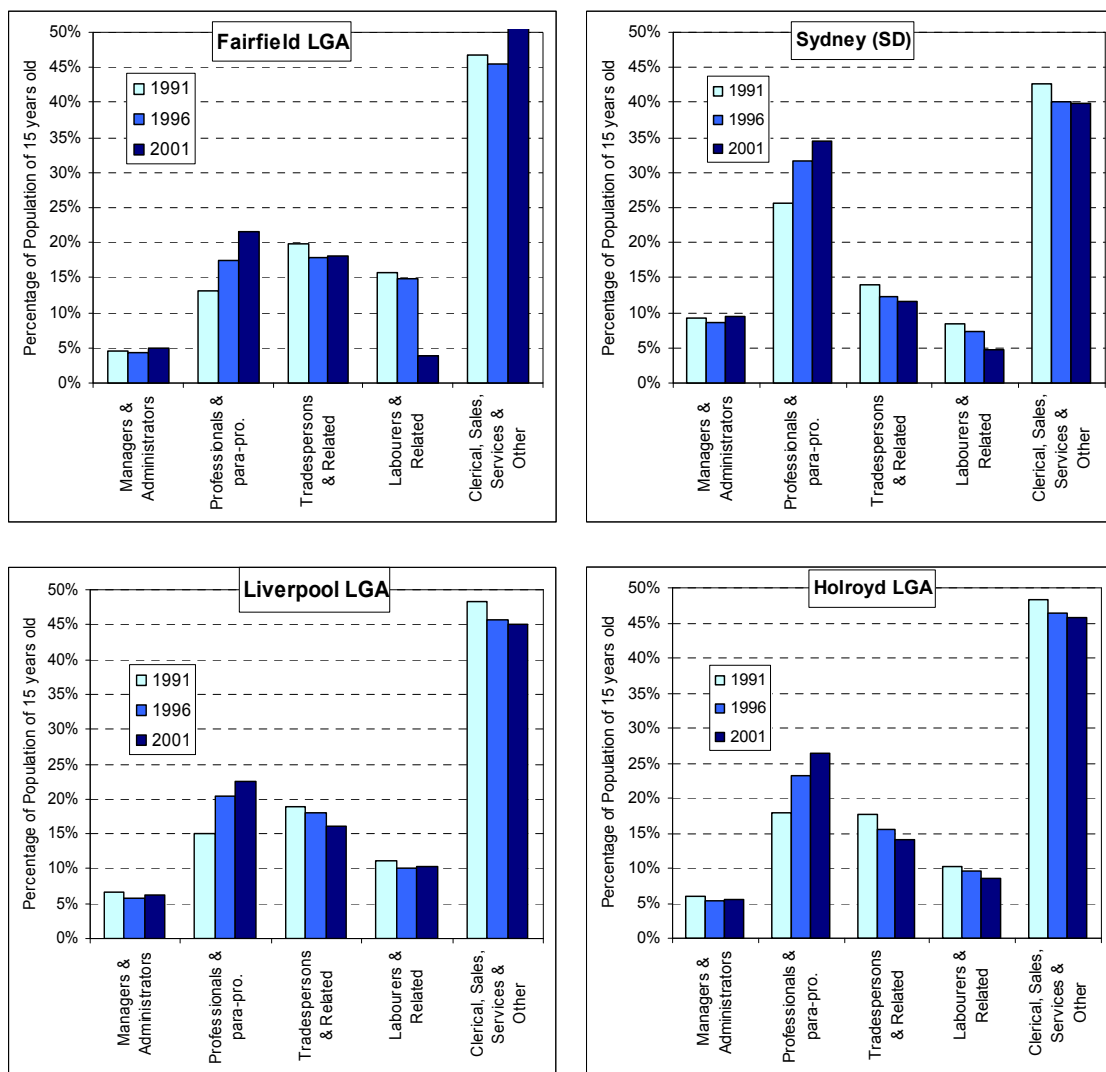
Table 7 - Employment by Occupation, 2001

	Fairfield LGA No.	Fairfield LGA %	Sydney SD
Managers & Administrators	2,728	4.3%	9.0%
Professionals	6,703	10.3%	21.2%
Associate Professionals	5,256	8.1%	11.8%
Tradespersons & Related	10,131	15.6%	11.1%
Advanced Clerical & Service	2,111	3.2%	4.5%
Intermediate Clerical, Sales & Service	10,479	16.1%	17.2%
Intermediate Production & Transport	9,508	14.6%	7.4%
Elementary Clerical, Sales & Service	6,575	10.1%	9.1%
Labourers & Related	4,541	13.9%	6.6%
Inadequately described	833	1.2%	0.9%
Not stated	1,382	2.1%	1.2%
TOTAL	64,813	100.0%	100.0%

Source: Australian Bureau of Statistics Census Data 2001

Both Fairfield LGA and Sydney SD have experienced a decline in traditional blue collar occupations and a rise in white collar workers – particularly in the professional category as shown in the figure below.

As defined by SGS Economics in their 'Metropolitan Strategy Sub Regional Profiling' report (2006) it is apparent that the West Central Sub-Regions employment base between 1996-2001 has made gains in higher skilled occupational groups such as managers and administrators (+11.4%) and professionals and associate professionals (+9.9%). The Sub-Region as a whole has experienced a moderate decline in blue collar occupations including tradespersons and related workers (-12.9%) and labourers, production and transport workers (-1.2%).

Figure 4 - Occupation Type Time Series 1991-2001 – Fairfield LGA and Sydney SD

Source: ABS Census 1991, 1996 and 2001

Whilst trends in Fairfield are similar to Sydney SD, Fairfield has always, and still has an under representation of professionals and managers and over representation of 'blue collar' workers.

Table 8 - Labour Force & Unemployment

Fairfield LGA	% of Labour Force
White Collar	45.7%
Blue Collar	38.6%
Inadequately Described/Not Stated	3.0%
Unemployed	12.7%
Total	100.0%

As at the 2001 census, Fairfield LGA had an unemployment rate of 12.7%. This rate is significantly above the Sydney SD which is 3.8%.

Employment by Industry Type

Fairfield LGA has a different employment by industry profile to Sydney SD. Fairfield LGA has a significantly higher proportion of workers employed in manufacturing and construction. In comparison Sydney SD shows a higher proportion of the workforce working in finance, insurance property and business services together with education, health, community & personal services.

Table 9 - Employment by Industry Type in Fairfield LGA and Sydney SD, 2001

Industry Type	Fairfield LGA		Sydney SD
Primary Industry	616	0.6%	0.7%
Manufacturing	12,250	23.6%	12.2%
Utilities, Transport, Storage and Communications	5,764	7.7%	8.0%
Construction	5,532	8.7%	6.9%
Wholesale	4,166	6.2%	6.1%
Retail	8,792	14.7%	13.4%
Accommodation and Restaurants	2,269	3.9%	4.8%
Finance, Insurance Property and Business Services	8,962	13.6%	20.6%
Government Admin & Defence	1,476	2.3%	3.4%
Education, Health, Community & Personal Services	10,591	13.6%	18.1%
Other	2,421	3.7%	6.0%
TOTAL	61,470	100.0%	100.0%

Source: Australian Bureau of Statistics Census Data 2001

The following industries within the LGA have the highest representation of employees:

- Manufacturing (23%);
- Retail (14.7%);
- Finance, Insurance Property and Business Services (13.6%);
- Education, Health, Community & Personal Services (13.6%); and
- Construction (8.7%).

Household Income

Household income levels in Fairfield LGA and within the other LGAs that make up the Central West Sub-Region, are a little below Sydney SD as shown below. Most notably there is an under representation of high household incomes (over \$2,000 per week).

Table 10 - Weekly Household Income 2001

	Fairfield LGA	Holroyd LGA	Parra. LGA	Bankst. LGA	Auburn LGA	Sydney SD
\$0-\$299	11.0%	11.6%	12.6%	12.7%	12.1%	10.2%
\$300-\$599	23.0%	19.6%	18.3%	21.0%	22.9%	16.8%
\$600-\$999	20.3%	20.0%	18.4%	18.2%	20.0%	17.6%
\$1,000-\$1,499	16.3%	17.8%	16.9%	16.0%	15.6%	16.7%
\$1,500-\$1,999	8.9%	11.3%	11.9%	10.6%	8.8%	13.3%
\$2,000+	7.0%	8.2%	10.3%	8.6%	6.4%	13.8%
Partial income stated	9.8%	8.0%	8.0%	8.7%	9.8%	8.4%
All incomes not stated	3.8%	3.5%	3.6%	4.2%	4.4%	3.3%
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Source: Australian Bureau of Statistics Census Data 2001

Summary

Consideration of the above population and workforce assessment of the Fairfield LGA, reveals the following significant points:

- High representation of blue collared workers indicates a strong demand for industrial zoned lands;
- With the exception of the new employment release area in the 'Western Sydney Employment Hub', there is a reducing supply of industrial land that is appropriate to accommodate this class of workers that predominates the LGA's workforce;
- The declining ratio of workers to land area due to the increased mechanisation and replacement of manufacturing with freight and logistics is resulting in the requirement for more industrial land to accommodate the traditional blue collared workers; and
- Unemployment within the Fairfield LGA (12.7%) is significantly above the Sydney SD (3.8%). This study aims to promote/guide employment opportunity in the LGA, which will assist in alleviating the current unemployment level.

The abovementioned points further reinforce the need for a good supply of industrial land, which is an important consideration in the determination of future land uses zones.

6. EMPLOYMENT IN FAIRFIELD LGA

This section provides estimates of industrial space and employment numbers in Fairfield LGA. This information provides an important criterion in which to evaluate precincts for potential rezoning and hence loss in local employment.

6.1 Summary

A summary of the total land area, gross floor area and number of employees by industrial precinct within Fairfield LGA is as follows:

Table 11 - Total Estimated Land Area, Floor Space, Employees by Industrial Precinct

	Current Zone	Land Area* (ha)	Building Area (sqm)	Estimated Number of Employees (2006)**
Precinct 1 Bonnyrigg	4(c) Special Industrial	10.6	67,100	431
Precinct 2 Cabramatta Rd	4(c) Special Industrial	1.6	6,724	330
Precinct 3 Cabramatta 4(b)	4(b) Light Industrial	3.4	30,879	330
Precinct 4 Lansvale	4(b) Light Industrial & 4(c) Special Industrial	17.2	273,074	1,184
Precinct 5 Cabramatta North Hume Highway	4(c) Special Industrial	3.2	100,002	360
Precinct 6 Canley Vale	4(b) Light Industrial	4.7	12,254	179
Precinct 7 Fairfield	4(b) Light Industrial	65.1	18,852	310
Precinct 8 Fairfield East	4(a) General Industrial, 4(b) Light Industrial & 4(c) Special Industrial	41.4	377,828	2,683
Precinct 9 Guildford	4(a) General Industrial, 4(b) Light Industrial & 4(c) Special Industrial	19.9	112,899	1,303
Precinct 10 Smithfield	4(a) General Industrial & 4(c) Special Industrial	45.6	244,483	1,450
Precinct 11 Villawood	4(b) Light Industrial & 4(c) Special Industrial	6.8	39,287	987
Precinct 12 Wetherill Park	4(a) General Industrial, 4(b) Light Industrial & 4(c) Special Industrial	603.9	2,785,763	15,500
Precinct 13 Yennora	4(a) General Industrial, 4(b) Light Industrial	16.2	93,234	1,797
TOTAL		839.6	4,162,379	26,844

*Hill PDA Estimate from land use survey **Hill PDA estimate from 2001 Journey to Work data (NSW Dept. of Transport)

6.2 Jobs in Fairfield

Journey to work data analyses the origin, destination, type of travel, occupation and industry type of people who work within Fairfield LGA. Journey to work data is based on the census results of employed persons aged 15 years and over, who were employed during the week before census night. As such journey to work data surveys the majority of actual full time and part time employees.

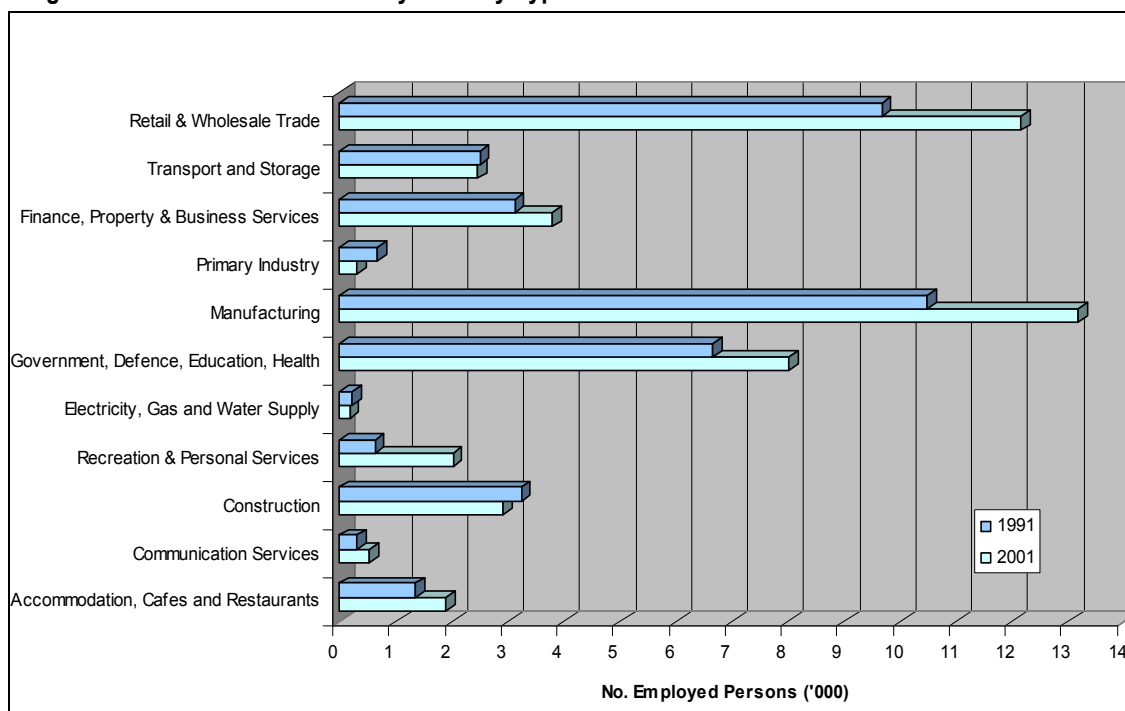
The table below provides the number of jobs in the Fairfield LGA in 1991 and 2001. Note that this refers to jobs in the local government area and not the number of employed residents.

Table 12 - Jobs in Fairfield LGA by Industry Type in 1991 and 2001

Industry Type	1991	2001	Growth
Accommodation, Cafes and Restaurants	1,365	1,889	38%
Communication Services	300	534	78%
Construction	3242	2,915	-10%
Recreational & Personal Services	636	2,023	218%
Electricity, Gas and Water Supply	217	179	-18%
Government ,Defence, Education and Health	6668	8,015	20%
Manufacturing	10478	13,185	26%
Primary Industries	685	297	-57%
Finance, Property & Business services	3130	3,800	21%
Transport and Storage	2507	2,468	-2%
Retail and Wholesale Trade	9677	12,162	26%
Not Stated	593	731	23%
TOTAL	39,498	48,198	22%

Source: Journey to Work, NSW Department of Transport

Figure 5 - Jobs in Fairfield LGA by Industry Type in 1991 and 2001

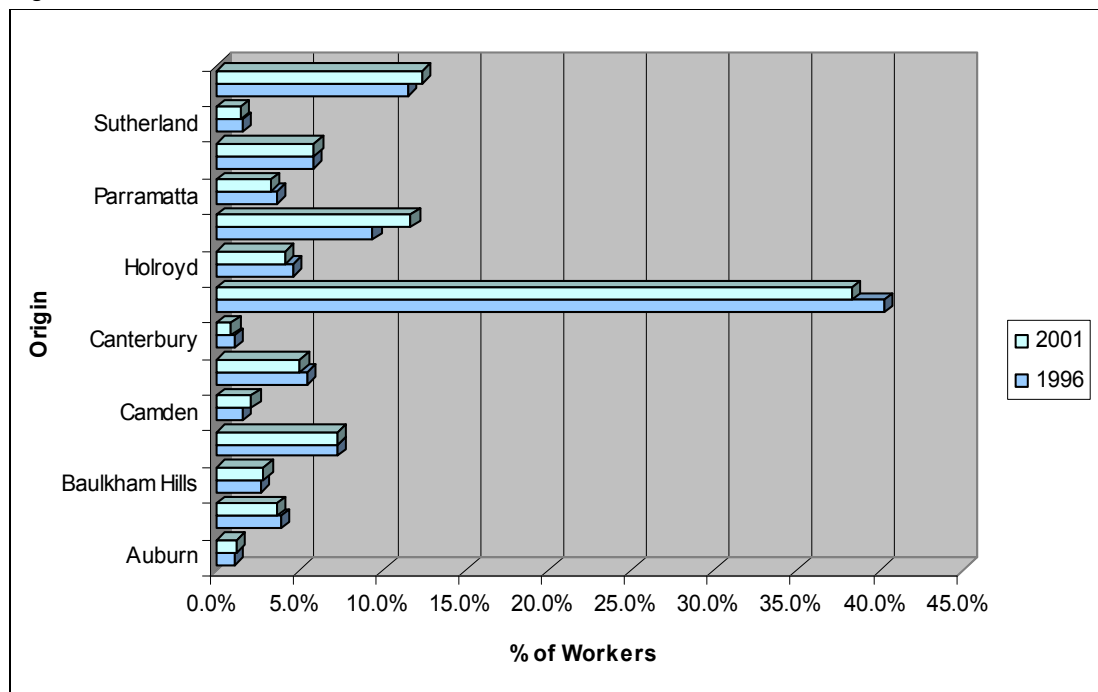


Source: Journey to Work, NSW Department of Transport

The high growth areas shown in the above graph have been in recreation and personal services, communication services, accommodation, cafes and restaurants, retail and wholesale trade. The traditional blue collar jobs in primary industries, construction and transport and storage have declined slightly. Note that this does not translate to reduced demand for industrial floor space. Much of the decline in these jobs is attributable to increased automation in manufacturing and other blue collar industries.

The table below indicates the origin of where workers employed in Fairfield LGA reside.

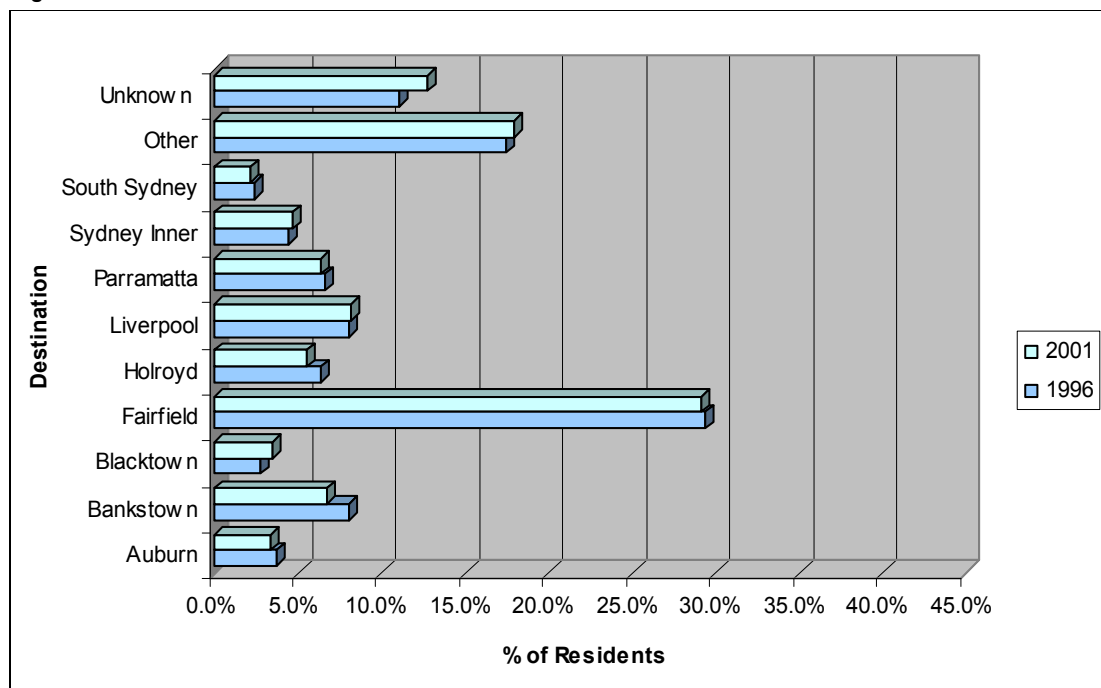
Figure 6 - Where Fairfield LGA Workers Live



Source: Journey to Work, NSW Department of Transport

The above graph indicates 61.7% of employees who work within Fairfield LGA, reside outside the LGA boundaries, with only 38.3% of workers (as at 2001) originating from within the LGA. This is a slight decline (decrease of 2%) from 1996. Since the 1996 census there has been an increase in employees coming from outside Fairfield LGA for work, especially from Liverpool LGA. Blacktown and Penrith LGAs remain a consistent source of employees for Fairfield LGA.

The graph below shows where residents living in Fairfield LGA go to work.

Figure 7 - Where Fairfield LGA Residents Work

Source: Journey to Work, NSW Department of Transport

The above graph indicates that 79.1% of residents within Fairfield LGA leave the LGA for work, with only 29.1% of residents (as at 2001 census) living and working with the LGA, and this has been fairly constant since 1996. Increasingly, Fairfield LGA residents are travelling to Inner Sydney, Liverpool, and Blacktown LGA's for work, most likely due to growth in jobs around Prospect, Arndell Park and Huntingwood. As such, there has been a decline in residents travelling to Bankstown, Holroyd, Auburn and Parramatta LGA's for work than in 1996.

6.3 The Supply of Employment Land

The supply of employment land in Fairfield LGA was determined from the zones under the existing Fairfield LEP, Council records, physical land use / photographic surveys carried out by Hill PDA, Geographical Information System (GIS), and Council's database. The GIS software was used for combining the available digital data sets (cadastre, aerial photography and constraints) to provide a tool for determining site areas, building areas and land availability.

Gross floor area (GFA) was calculated from the estimation of floor space ratios using data from the photographic land use survey, aerial photographic survey, GIS mapping tool and Journey to Work data.

The land use survey of employment lands undertaken by Hill PDA, categorised each lot within each of the industrial precincts across the Fairfield LGA as follows:

Table 13 - Employment Land Use Categories

Code	Category	Types of Land Uses
FL	Freight and Logistics	Warehousing; Distribution
US	Urban Services	General construction such as concrete batching; State and local Government depots; Utilities such as sub-stations, water, sewer plants, etc; Waste and recycling depots.
LM	Light Manufacturing	Chemical manufacturing; Wood and furniture manufacturing; metal fabrication and minor engineering work;
FM	Food Manufacturing	Including bakeries, pet foods, etc
LIS	Local Light Industry and Urban Support	Automotive servicing and smash repairers; joinery; construction and building supplies (e.g. doors, air-conditioning, etc); domestic storage (including Millards, etc); Appliances servicing.
OFF	Office	Predominantly office commercial space 40% or more; Integrated office/warehouse; Research and development (R+D);
RET	Retail	Bulky goods: Petrol stations; Fast foods, etc; Any other type of retail use
RES	Residential	Residential uses
SA	Special Activities	Universities, TAFE; Large hospitals; Other large institutions with regional trade areas
DA	Dispersed Activities	Schools; Medical centres; Neighbourhood and community centres; Other local based social and community services
VB	Vacant Building	
VL	Vacant Land	
UC	Under Construction	
?	Unknown	Could not be identified by survey

The following table shows the number of business establishments by land use for each industrial precinct across the Fairfield LGA as identified by the land use survey:

Table 14 - No. of Business Establishments by Land Use for Industrial Precincts in Fairfield LGA

Land Use Code	Bonnyrigg	Cabramatta 4(b)	Cabramatta 4(c)	Cabramatta Nth Hume Hwy	Canley Vale	Fairfield	Fairfield East	Lansvale	Old Guildford	Smithfield	Villawood	Wetherill Park	Yennora	TOTAL	Land Use %
FL	1	1	2	3	0	2	48	42	10	34	0	387	26	556	20.0%
US	0	0	0	0	1	0	0	1	0	1	0	14	2	19	0.7%
FM	0	2	1	2	0	1	6	5	1	3	1	30	4	56	2.0%
LM	0	3	6	11	0	13	57	49	7	51	0	536	57	790	28.4%
LIS	5	16	6	55	0	9	73	38	13	81	3	230	76	605	21.7%
OFF	1	0	0	0	0	1	2	0	6	4	0	22	0	36	1.3%
RET	1	1	5	9	0	2	5	55	1	32	8	46	1	166	6.0%
SA	0	0	0	0	0	0	0	0	0	2	1	1	0	4	0.1%
DA	6	0	1	2	0	0	0	2	0	0	0	5	0	16	0.6%
RES	5	1	3	10	0	0	1	0	20	0	0	0	6	46	1.7%
VB	0	0	2	6	0	4	18	6	1	22	1	107	12	179	6.4%
VL	2	0	3	4	0	0	5	6	1	1	0	45	8	75	2.7%
UC	0	0	0	0	0	0	30	2	0	0	0	0	0	32	1.1%
?	0	1	0	1	5	0	22	24	3	6	0	134	10	206	7.4%
TOTAL	21	25	29	103	6	32	267	230	63	237	14	1,557	202	2,786	100.0%
% of	0.8%	0.9%	1.0%	3.7%	0.2%	1.1%	9.6%	8.3%	2.3%	8.5%	0.5%	55.9%	7.3%	100.0%	

Land Use Code	Bonnyrigg	Cabramatta 4(b)	Cabramatta 4(c)	Cabramatta Nth Hume Hwy	Canley Vale	Fairfield	Fairfield East	Lansvale	Old Guildford	Smithfield	Villawood	Wetherill Park	Yennora	TOTAL	Land Use %
Total															

Source: Hill PDA Estimate from land use survey

The table above indicates:

- Approximately 2,786 businesses were identified within the industrial precincts of the LGA.
- Wetherill Park (1,557 businesses) followed by Fairfield East (267), Smithfield (237), and Lansvale comprise the highest number of businesses, totalling 55.9%, 9.6%, 8.5% and 8.3% respectively. This is expected given the significant size of these industrial precincts.

The following table shows the land area (ha) by land use for each industrial precinct across the Fairfield LGA as identified by the land use survey:

Table 15 - Land Area (ha) by Land Use for Industrial Precincts in Fairfield LGA

Land Use Code	Bonnyrigg	Cabramatta 4(b)	Cabramatta 4(c)	Cabramatta Nth Hume Hwy	Canley Vale	Fairfield	Fairfield East	Lansvale	Old Guildford	Smithfield	Villawood	Wetherill Park	Yennora	TOTAL	Land Use %
FL	2.02	0.09	0.02	0.28	-	0.13	13.62	6.70	2.72	9.34	-	172.09	3.35	210.4	25.1%
US	-	-	-	-	2.47	-	-	0.15	-	0.10	-	30.42	0.10	33.3	4.0%
FM	-	0.04	0.02	0.17	-	2.73	1.46	0.84	0.24	0.62	0.30	23.77	0.24	30.4	3.6%
LM	-	0.05	0.36	4.91	-	0.88	12.96	6.95	1.64	13.49	-	163.04	4.94	209.2	24.9%
LIS	2.57	0.42	0.49	6.17	-	0.57	15.20	4.63	5.78	11.61	0.44	50.96	4.78	103.6	12.3%
OFF	0.26	-	-	-	-	0.06	3.49	0.02	3.52	0.18	-	7.92	-	15.5	1.8%
RET	0.32	0.87	1.11	1.02	-	0.13	0.61	14.30	0.40	6.55	5.35	10.37	0.09	41.1	4.9%
SA	-	-	-	-	-	-	-	-	-	0.45	0.44	0.93	-	1.8	0.2%
DA	2.73	-	0.10	1.39	-	-	-	0.07	-	-	-	4.43	-	8.7	1.0%
RES	1.00	0.04	0.67	1.03	-	-	0.06	-	1.64	-	-	-	0.43	4.9	0.6%
VB	-	-	0.06	0.49	-	0.25	2.46	0.26	0.75	2.55	0.26	26.61	0.65	34.3	4.1%
VL	1.66	-	0.53	1.53	-	-	1.37	1.15	2.85	0.12	-	50.37	0.53	60.1	7.2%
UC	-	-	-	-	-	-	7.93	0.88	-	-	-	-	-	8.8	1.0%
?	-	0.10	-	0.18	0.75	-	5.95	5.47	0.39	0.55	-	63.01	1.05	77.4	9.2%
TOTAL	10.55	1.62	3.36	17.17	3.22	4.75	65.10	41.44	19.94	45.57	6.79	603.93	16.16	839.6	100.0%
% of Total	1.3%	0.2%	0.4%	2.0%	0.4%	0.6%	7.8%	4.9%	2.4%	5.4%	0.8%	71.9%	1.9%	100.0%	

Source: Hill PDA Estimate from land use survey

The above table shows:

- A total of approximately 839.6 ha of industrial zoned land was identified within the LGA.

- The majority of the industrial zoned land is located within Wetherill Park (603.9ha), followed by Fairfield East (65.1a) and Smithfield (45.6ha).
- The highest representation of land use types across the industrial precincts of the LGA include:
 1. Light Manufacturing – 209.2 ha (24.9%);
 2. Freight & Logistics – 210.4 ha (25.1%); and
 3. Local Light Industry & Urban Support – 103.6 ha (12.3%)

The following table shows the building area ('000sqm) by land use for each industrial precinct across the Fairfield LGA. Building floor space was estimated from on-site surveys and orthophoto mapping.

Table 16 - Building Area ('000sqm) by Land Use for Industrial Precincts in Fairfield LGA

Land Use Code	Bonnyrigg	Cabramatta 4(b)	Cabramatta 4(c)	Cabramatta Nth Hume Hwy	Canley Vale	Fairfield	Fairfield East	Lansvale	Old Guildford	Smithfield	Villawood	Wetherill Park	Yennora	TOTAL	Land Use %
FL	-	1.7	0.0	1.8	-	0.9	89.2	41.9	15.6	53.9	-	956.3	24.3	1,186	29.1
US	1.9	-	-	-	7.4	-	-	0.9	-	0.1	-	40.0	0.6	51	1.3
FM	-	0.6	0.0	1.1	-	2.9	8.5	5.5	1.5	2.4	2.0	141.1	1.4	167	4.1
LM	-	1.2	0.9	31.0	-	6.5	81.1	40.4	10.9	71.7	-	867.7	26.9	1,138	28.0
LIS	5.2	6.5	1.6	28.2	-	4.7	68.3	35.1	36.1	68.3	3.5	285.1	27.3	570	14.0
OFF	3.2	-	-	-	-	0.9	41.4	0.5	17.0	1.1	-	30.8	-	95	2.3
RET	12.0	-	2.4	8.2	-	1.3	2.5	119.9	2.5	30.3	32.8	76.7	0.5	289	7.1
SA	-	-	-	-	-	-	-	-	-	0.4	-	4.8	-	5	0.1
DA	11.9	8.6	0.3	17.4	-	-	-	0.5	-	-	-	21.7	-	60	1.5
RES	7.4	0.7	1.2	6.8	-	-	0.4	-	5.2	-	-	-	1.8	23	0.6
VB	-	-	0.2	1.5	-	1.7	14.7	1.7	4.8	13.8	1.0	100.9	3.7	144	3.5
VL	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0
UC	-	-	-	-	-	-	39.0	-	-	-	-	-	-	39	1.0
?	-	1.6	-	1.1	4.8	-	31.8	25.2	2.5	2.6	-	228.6	4.8	303	7.4
TOTAL	41.6	20.9	6.7	97.0	12.3	18.9	376.9	271.6	96.1	244.5	39.3	2,753.8	91.3	4,071	100.0
FSR	41.2%	51.2%	49.8%	58.8%	49.6%	37.6%	63.4%	65.3%	49.7%	60.7%	57.8%	49.8%	65.4%	52.6%	

Source: Hill PDA Estimate from land use survey

Based on the above analysis:

- The total building area across industrial precincts of the LGA is approximately 4.07 million square metres;
- Wetherill Park industrial precinct comprises around 68% of this total building area;
- Average floor space ratio on occupied (non-vacant) land is 0.57:1; and
- It should be recognised that over 70% of the businesses and the same percentage of building floor area is associated with the following three industry categories: freight and logistics; light manufacturing; and local light industry and urban support. As tabulated in section 6.2 'Jobs in Fairfield', over 25% of jobs in the Fairfield LGA are in manufacturing, while only 5% are in transport and storage. This indicates that freight and logistics are not big employment generators

compared to other industries such as manufacturing and retail. In broad terms, freight and logistics employ around 1 worker per 400sqm of floor area compared to manufacturing which employs around 1 worker per 100sqm of floor area.

Land use Survey/Site Coverage maps were prepared based on the information defined in the above tables (refer to Appendix 1).

6.4 Future Demand for Industrial Employment Lands

Demand for employment land is more closely aligned to the growth (GDP) of the economy than population. Over the long term growth in GDP is more than double that of population increases and hence employment land demand will be underestimated over the long term if linked to population growth. Furthermore employee numbers and hence demands for employment land between industry classes varies over time as evidenced by the decline in manufacturing and the growth in demand for business services. Failure to identify these major economic variables will lead to an inaccurate assessment of employment land demand.

The following adopted approach forecasts the future demand for industrial zoned land across the Fairfield LGA.

1. Using Journey to Work Data (2001), the estimated number of workers in travel zones of each Fairfield industrial precinct was escalated to 2006 (base year) based on TPDC (Transport Data Centre) Employment Forecasts (v. Sept. 2004).
2. The same source was used to forecast number of workers to 2016.

Council recognises that the Sydney Metropolitan Strategy and Sub Regional job targets apply to a forecast period to 2031. However, Council has made a commitment to deliver the recommendations provided in the Strategy to 2016, and will carry out further research into the future of employment lands as scheduled reviews of Council's LEP occur.

The results are shown in the table below:

Table 17 - Estimated No. of Workers in the Industrial Zoned Areas of Fairfield LGA 2006-16

		2006	2016
Precinct 1	Bonnyrigg	431	484
Precinct 2	Cabramatta Rd	330	374
Precinct 3	Cabramatta Rd 4(b)	330	365
Precinct 4	Lansvale	1,184	1,152
Precinct 5	Cabramatta Hume Hwy	360	398
Precinct 6	Canley Vale	179	203
Precinct 7	Fairfield	310	318
Precinct 8	Fairfield East	2,683	2,362
Precinct 9	Guildford	1,303	1,147
Precinct 10	Smithfield	1,450	1,735
Precinct 11	Villawood	987	869
Precinct 12	Wetherill Park	15,500	18,343
Precinct 13	Yennora	1,797	1,582
TOTAL		26,844	29,333

Source: Hill PDA, Journey to Work 2001, TPDC Employment Forecasts (2004)

The above analysis indicates:

1. That from 2006 – 2016 there will be an additional 2,500 workers in industrial areas of the LGA.
2. Between 2006 – 2016 there will be a net increase of 3,322 workers in those travel zones which are forecast to have an increase in number of workers.
3. At 2006 the occupied industrial zoned site area per worker was 268sqm. This rate was calculated based on the LGA comprising 719.7 ha (as at 2006) of occupied industrial land which accommodated some 26,844 workers.
4. When applying this site rate (268sqm per worker) of industrial land per worker to the net increase of 3,322 workers, a demand of 89ha of industrial zoned land across the LGA between 2006 – 2016 results.

At present, there is 55ha of vacant industrial land in the LGA that can be utilised to accommodate the majority of this demand. However to ensure competitiveness and to keep a check on industrial land price rises, it is healthy to maintain some supply of vacant land.

Given this, the overall conclusion is that to accommodate forecasted employment job numbers to 2016, it is estimated that some 100ha of additional industrial land needs to be provided.

The release of an additional 656ha of employment lands within the 'Western Sydney Employment Hub' to the south of the water pipeline will provide more supply to accommodate the additional industrial land required in the LGA. 274ha of the Hub lies within Fairfield LGA and comprises of essentially 4 parcels of land owned by CSR/PGH, Austral and Gazcorp. It should be noted however that some of this industrial land may be constrained due to environmental and infrastructure factors.

In addition to this, it should be recognised that this estimated demand is conservative as it does not have regard to declining occupancy rates in those travel zones where employment is forecast to increase.

Also note from a sub-regional perspective, there is potential for the demand for industrial land to be significantly greater than the above forecast (100ha), as more land may be taken up to meet demand of LGAs in the sub-region. The release of the industrial lands in the 'Western Sydney Employment Hub', may partly satisfy this additional demand.

7. MARKET ANALYSIS

7.1 Regional Overview

Market research indicates that the strong performance of the Sydney industrial market is likely to continue over the short to medium term. Capital values are continuing to rise with more private investors and owner occupiers entering the market. Overall yields are continuing to firm at a time when new supply is also increasing.

Vacant Land Demand

Demand for industrial land throughout Sydney has continued to push land values to record levels with Listed Property Trusts (LPTs) especially keen to add to their land banks. Areas surrounding new infrastructure projects have seen land values increase substantially in recent years. The impact of the M7 Westlink has seen a particularly notable increase in land values.

Land Value

During 2004 and the start of 2005 Sydney West showed a decline in both volume and prices of land. There has been an oversupply in subdivisions creating a slow down in sales. However across the board the market has now stabilised. Although this there is an oversupply in subdivisions, there is limited supply of large pockets of developed land.

Capital Values

According to Jones Lang LaSalle, a shortage of quality warehousing is putting pressure on capital values across all sub-regions of Sydney. Interestingly, capital values for prime industrial properties in the eastern seaboard cities registered growth of 7% - 11% in the twelve months to December 2005. This is well above the five year average annual growth for prime industrial land of 4% - 8%.

Yields

Despite a marked slowdown in total retail spending in the past year, increased demand for quality warehouse facilities has maintained downward pressure on industrial property yields.

The following table illustrates the rentals, incentives, returns and average capital values for both the prime and secondary industrial property market within Western Sydney.

Table 18 - Sydney West Industrial Snapshot

Sydney West	Prime		Secondary	
	Low	High	Low	High
Rental Net Face (\$/m ²)	\$100	\$135	\$80	\$100
Average Incentives (%)	5%	10%	5%	10%
Yield – Market %	7.50%	7.75%	8.00%	8.50%
Average Capital Values (\$/m ²)	\$1,300	\$2,000	\$1000	\$1,300

Source: Colliers International market Indicators Sydney Industrial 06

7.2 Fairfield Industrial Market Area

Research conducted into the industrial land market within the study area determines the current value of vacant industrial land parcels within the precinct. The table below shows vacant land values based on recent transactions within the study area:

Table 19 - Vacant Industrial Land Values Fairfield LGA

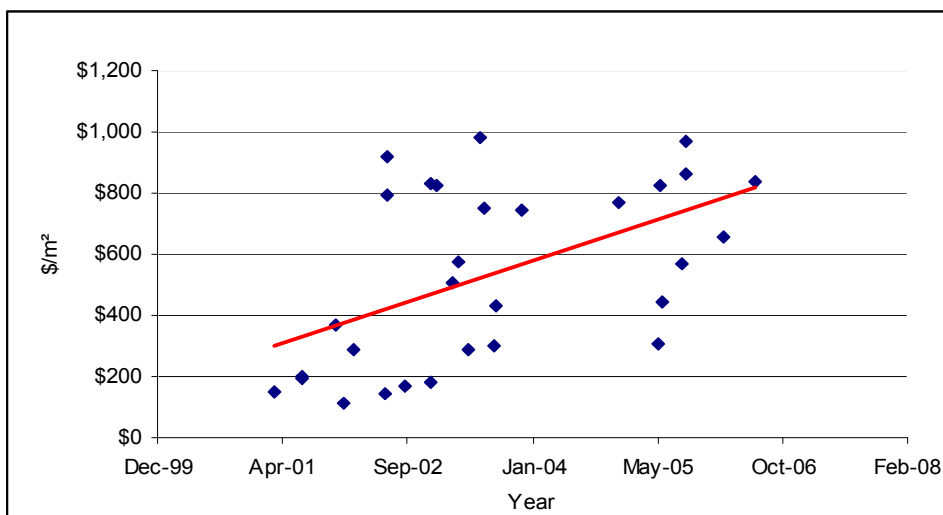
	Vacant Land Values < 1ha.		Vacant Land Values > 1ha.	
	\$/sqm Land	\$/sqm GFA	\$/sqm Land	\$/sqm GFA
Average	\$385	\$624	\$296	\$1,454
Min	\$100	\$308	\$211	\$924
Max	\$664	\$944	\$363	\$2,106

Source: Hill PDA, Reed Construction Data, RPData

As the table above demonstrates, vacant industrial land parcels or lands which are undercapitalised (less than 1ha) are currently exchanging for \$385/sqm. Vacant land parcels over 1 hectare are selling for an average for \$296/sqm. The industrial land market is more active in the areas of Smithfield and Wetherill Park.

We have extrapolated sales information over the past five years from RPData into graphical form to determine the sales trend for vacant industrial land within Fairfield LGA. A total of 30 properties were sampled to demonstrate the movement in values.

Figure 8 - Vacant Industrial Land Values Fairfield LGA <1h

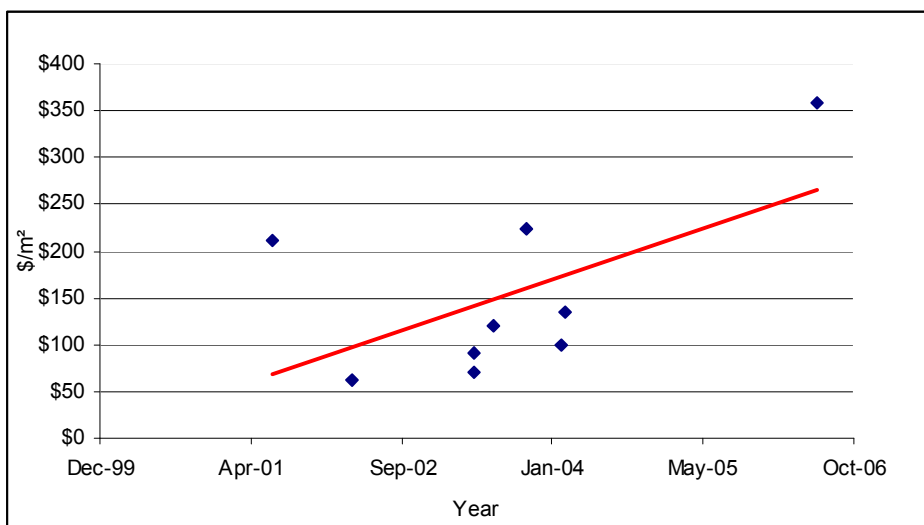


Source: Hill PDA, RPDData

As the chart above demonstrates the market is currently willing to pay around \$800/sqm for vacant blocks of less than 1 hectare. Sales values have more than doubled since 2001. This has been largely driven by the construction and subsequent opening of the M7 motorway.

Similar research has been undertaken to ascertain the level of capital growth for vacant industrial land parcels of greater than 1 hectare. However, there has been limited sales activity in this market with a total of 10 sales sampled.

Figure 9 - Vacant Industrial Land Values Fairfield LGA > 1ha



Source: Hill PDA, RPData

Interestingly, the chart shows capital growth with vacant land values as at 2004 recording a sales rate of \$175/sqm. A recent sales transaction indicates that parcels of greater than 1 hectare have sharply increased in value a result of a shortage in supply of large industrial allotments and the premium that is now being paid for land located near to an M7 transport interchange.

7.3 Suburban Rental Values and Vacancy

Over recent years the industrial market has experienced growth in capital values, yet stagnation in rental growth. This is partly due to low interest rates allowing prospective tenants to instead become owner occupiers. Adding to this has been the active design and construction market which has led many larger firms to have specific premises built for them, as apposed to re-leasing their existing premises or moving to vacant stock elsewhere.

There has been rental growth forecast for this the year, especially for properties that are over 10,000sqm, with the development market trying to play catch up with demand. According to forecasts by CBRE, the trend is likely to continue, with the strong growth in the High-Tech sector. Over the past year rentals in the south-west industrial market have firmed in some locations attributable to the opening of the M7.

Below is a table outlining the rental rate achieved for the individual precincts. A comparison is made between modern and older style industrial building.

Table 20 - Face Rental Values \$/sqm Fairfield LGA

	Yennora	Wetherill Park	Villawood	Smithfield	Lansvale	Guildford	Fairfield
Modern avg.rental \$/sqm	\$136	\$140	\$115	\$94	\$111	\$120	\$0
Min \$/sqm	\$114	\$83	\$85	\$85	\$110	\$85	\$0
Max \$/sqm	\$160	\$350	\$133	\$106	\$113	\$154	\$0
Secondary avg.rental \$/sqm	-	\$121	\$109	\$91	\$80	-	\$68
Min \$/sqm	-	\$84	\$75	\$70	\$80	-	\$68
Max \$/sqm	-	\$167	\$139	\$104	\$80	-	\$68

Source: Hill PDA

The main driver of rental values within Fairfield LGA has been the addition of the M7 motorway to Sydney's road network. This is providing greater accessibility to land parcels along the M7 corridor. A premium is being paid for land near to interchanges which has led to the redevelopment of obsolete stock. Therefore the addition of new building stock to the market has a positive impact on average rental levels for these industrial precincts.

Yennora

Yennora industrial precinct is split between the railway lines with half the industrial area falling within Fairfield LGA and other half in Holroyd LGA. Yennora on the east of the railway line consists largely of second-hand manufacturing and automotive properties with an average rental of between \$60 - \$80/sqm. The western side of the railway line comprises of "A" grade modern buildings with adequate parking both on and off site, air-conditioning, carpet and are fully secured. Within this precinct there are a large number of leased premises with an average rental of \$135/sqm. Rents in this industrial precinct (within the Holroyd LGA) achieve a slight premium as the 4 (c) Industrial zoning permits the land to be used for bulky goods retailing.

Wetherill Park

Wetherill Park comprises of quality modern warehouses. Road access is via the M7 freeway and main arterial roads. Additional “A” grade developments are under construction and opportunities exist for pre lease commitments. “A” grade warehouses are currently leasing at an average of \$140/sqm. Buildings of this nature include air conditioning, kitchens, security and wide open spaces for trucks to have B-doubled access.

Bonnyrigg

Discussions with local agents, together with the examination of past sales and lease indicate that there is currently no market in Bonnyrigg for industrial property. There is minimal turnover of stock in the area over the last decade as employment land in Bonnyrigg included at the time of survey a Bunnings, auto mechanic, tile shop and places of worship.

Villawood

Villawood industrial area is located between the M4 and M5, providing easy access to both freeways. The average rent achieved is approximately \$115/sqm which is slightly lower than both Yennora and Wetherill Park. This could be attributed to the availability of amenities on site. The maximum lease price in Villawood is \$133/sqm and with the minimum price being approximately \$75/sqm for secondary facilities. Parcels in this precinct are achieving a rental premium as the zone allows the property to be used for bulky goods.

Smithfield

The industrial area in Smithfield is located minutes away from the Cumberland Highway. However, Smithfield is further away from the M5 and the M7 corridors when compared to other industrial precincts. The quality of stock is lower in Smithfield, with modern buildings achieving rentals of \$110 - \$113/sqm whilst secondary industrial buildings are being marketed at \$70 - \$104/sqm.

Lansvale

Lansvale industrial buildings are marginally larger than other industrial areas. The average rental being achieved is \$111/sqm for a prime building and \$80/sqm for secondary facilities. Lansvale is further from the motorways and the Cumberland Highway when compared to other precincts. Lansvale is an ideal location for business that may not need to have frequent transportation access. The buildings are of moderate standards, with a number having been refurbished to maximise their rental potential.

Fairfield

There was only one property listed on the rental market in Fairfield at the time of survey. This could indicate either a low vacancy rate for the area or alternatively that there is a shortage of the type of stock preferred by the market. As such it was difficult to assess the prices for industrial buildings in the Fairfield area. The rental for this particular property was \$68/sqm with a building area of 337sqm. This property did not provide additional amenities.

Guildford

Guildford's industrial area is located a short distance to Parramatta Road, the M4 Motorway and the Hume Highway with parts benefiting from exposure to the Woodville Road. The average rent being achieved in Guildford is approximately \$120/sqm for modern grade stock. Although this is the average Guildford has a vast range of quality in industrial buildings. The minimum is \$85/sqm and the maximum rent being achieved is \$154/sqm for "A" grade modern unit with excellent exposure to Woodville Road.

8. LAND OWNER CONSULTATION

Consultation with key land owners (within the non-urban zone and industrial zones of the LGA) was undertaken to inform the preparation of the employment lands strategy.

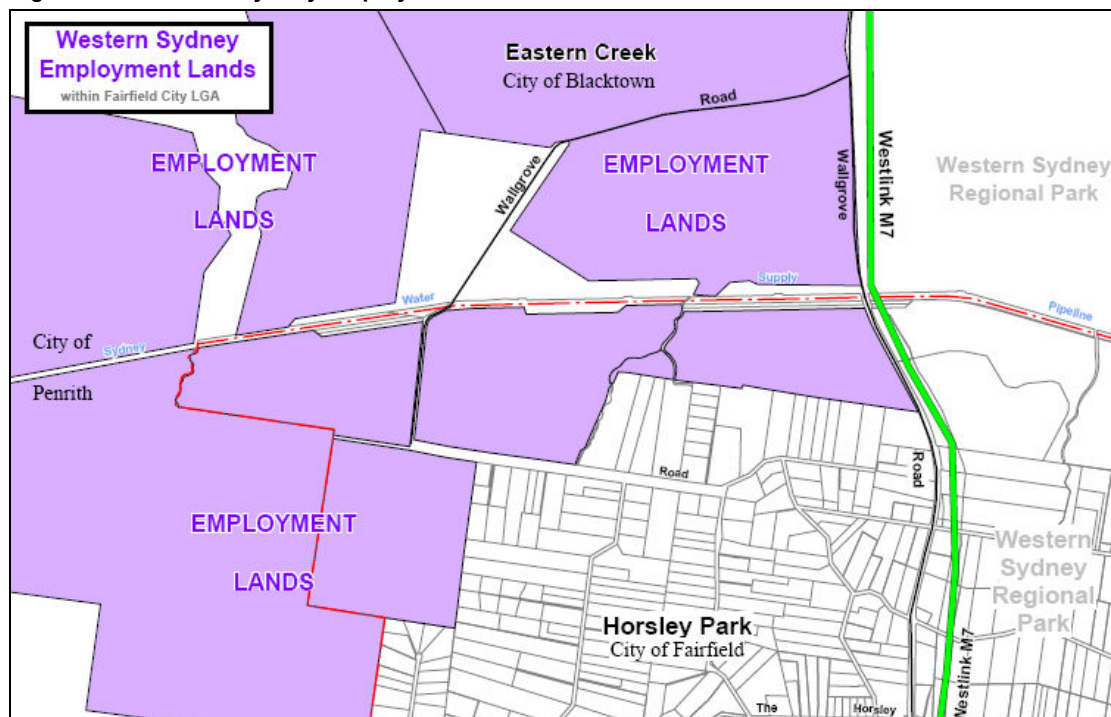
The purpose of the consultation was to obtain the views and aspirations of land owners and identify key issues affecting existing and potential employment lands.

Questions to the key landowners included: What would you like to see out of this employment lands strategy? What is your intended future use of your land?

8.1 Land Owners within the ‘Employment Hub’

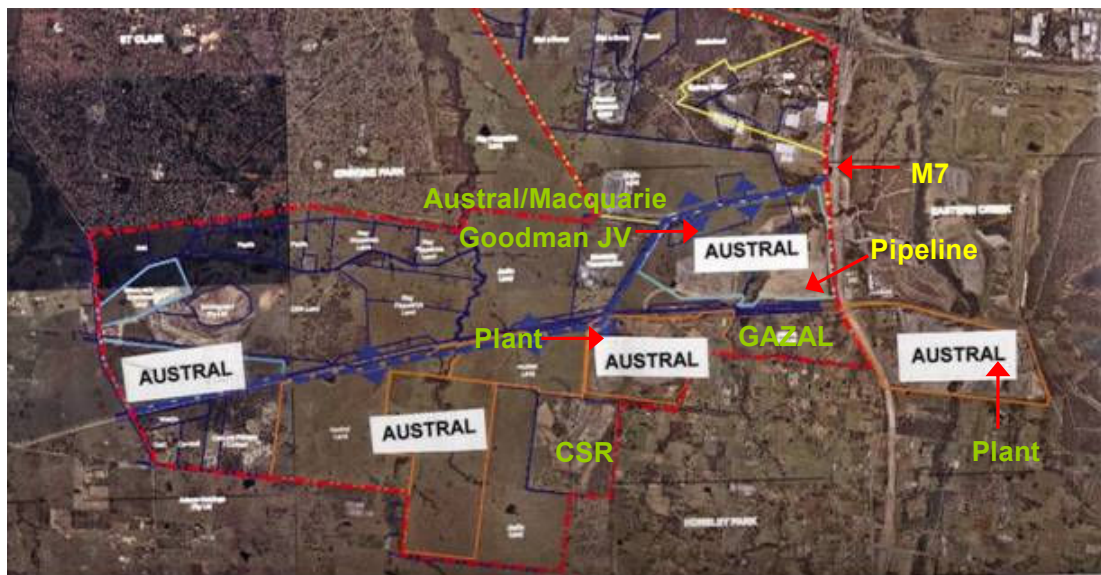
A total of 4 land owners with land identified as part of the Western Sydney Employment Hub were consulted. These lands are presently zoned non-urban and account for 274ha of the 656ha of employment lands earmarked by the State Government for employment purposes. That land, which lies within the Fairfield LGA and is part of the Western Sydney Employment Hub, is indicated in the map below.

Figure 10 - Western Sydney Employment Lands within Fairfield LGA



Source: Fairfield City Council

The aerial below outlines those parcels of land associated with the landowners consulted within the Western Sydney Employment Hub.

Figure 11 - Map of Land Owner Holdings Consulted within Employment Hub

Source: Austral

The following summarises our consultation with the 4 key land owners within the Employment Hub:

Table 21 - Summary - Land Owner Comments within the Employment Lands Hub

Land Owner	Comment
Austral (Brickworks Limited) & Macquarie Goodman	AUSTRAL - Austral holds some 333ha of land that is available for development for employment purposes (this land is south of the pipeline). In total they own some 407 hectares of land in this location. 150 hectares north of the pipeline – Eastern Creek and Marine Road Erskine Park. 2 main plant sites south of the pipeline: - Plant 1: is located within the regional parklands on the eastern side of the M7. - Plant 2: is located immediately to the south of the pipeline to the west of the M7. Has been in operation since 1970s/80s. - Both these extractive sites will eventually be in-filled and the lands will be remediated and used for future employment use. - Austral has approval for a rezoning to extractive industrial/mining uses on a vacant site adjoining the western side of Plant 2. Austral have agreed with Government not to go ahead with mining activities on this side only if they are assured that they will be able to continue activities on Plant 1 (that is located in regional parklands). Austral still may consider extracting first few layers of clay on the site then will explore other employment/development options. Options to explore may be freight and logistics use or Business Park. They identify such uses as being in demand within the area. - Austral identified that they will have to make plans to move out of the Sydney Basin on the future. They envisage that at the moment they have longevity of between 25-30years from their 2 existing plants. - Further along the M7 on the northern side of the pipeline toward the SEPP59 lands Austral propose a pad site with service station and fast food outlets to service the M7 immediately to the south of Old Wallgrove Road.

Land Owner	Comment
	AUSTRAL & MACQUARIE GOODMAN JV - Austral and Macquarie Goodman have a JV site along the northern side of the pipeline to the west of the M7. This site is within the SEPP 59 lands. - It is anticipated that the JV site will be in-filled by 2010 after extractive uses terminate. Land directly to the east of the JV site will be filled by 2007.
Gazcorp	- Site 813-913 Wallgrove Road, 52 ha currently zoned as rural-residential. - Site is located along the southern side of the pipeline, boarded to the east by the M7 and to the west by Austral Plant 2. It may be accessed via Wallgrove Road. No direct access off the M7. - Identified issues concerning servicing of the land which may impact on the type of uses accommodated on the site. Limitations on uses due to limited capacity of water and sewer services. - Options for the site include transport/logistic uses, warehouses/freight or business park use. At present the sewer system will not support a high employment use like a business park. - Landowners are keen to develop. They are ready to go. They are being held back due to the fact that land hasn't been serviced with sewer or electricity. - Owners are keen to develop a pad site that accommodates a service station and fast food outlets on the eastern edge of the site close to the M7. - Recommendation: A service station is not suitable for such a use given there is no direct access off the M7. Also Austral is considering putting a similar pad site further along the M7.
CSR (PGH Bricks/Monier)	- CSR are largest landowner in Erskine Park area. - The 72ha CSR site is located to the southwest of Austral's Plant 2 site and is presently accessed via Old Wallgrove Road. - The site presently accommodates a sandstock brick and the manufacturing plant that was developed in the 1960s. - It is important for them to locate in the Sydney Basin as it would be too costly to have a brick plant somewhere else outside basin. - No timing given as to when they perceive current land operations to cease. - They would encourage/support rezoning of site to another industrial/employment use once operations ceased. Site will need to be in-filled and rehabilitated – costly and time consuming process. - About 30% of Erskine Park is taken up. - Around 7% to 10% of Eastern Creek is taken up. - Link Road- RTA says they won't pay for it.

Response: It is also recommended that those parcels of industrial land that fall within Fairfield LGA and are part of the Western Sydney Employment Hub be zoned IN1- General Industrial Zone.

We understand that a SEPP is being prepared for the Western Sydney Employment Hub and most likely the area will be controlled by the NSW Minister for Planning. A number of studies will need to be undertaken as part of the LES process or equivalent. This includes transport and accessibility, environmental issues, existing services and infrastructure and required amplification, heritage, ecological conditions, and so on.

8.2 Land Owners within Existing Industrial Zones

The following key issues were identified from consultation with land owners within the existing industrial zones across the LGA:

- All landowners were open to a rezoning of their existing property on the provision that they can continue with their existing use. The majority were supportive of a rezoning if it presented opportunity to expand the types of uses presently permitted on their site.

Response: An objective of this strategy concerning new zoning recommendations is to maintain or improve flexibility and a range of permissible uses.

- Several land owners noted that if zonings change they would be keen to redevelop, provided it is for a better usage.

Response: An objective of this strategy is to ensure that existing industrial lands accommodate appropriate uses on them.

- Land use conflicts were an issue raised during the consultation process. The land use conflict raised predominately concerned existing residential cottages within industrial areas, which were experiencing access, parking and traffic problems from the surrounding industrial development and in some cases also from the prevalence of places of worship in these industrial areas.

Response: A solution to such issues that Council may consider is to not permit places of worship in industrial zones. Places of worship take up a lot of parking not only for existing residents within the industrial zone but for employees within light industrial businesses and their customers/clients. Further to this the strategy considers existing land use conflicts when making rezoning recommendations for any of the precincts.

- Access to industrial areas was an issue defined by several land owners. In particular road congestion was an issue. Some comments made were that Wetherill Park to M7- should be at least two lanes each direction. There is a lot of congestion along Hoxton Park Drive and also Eastern Creek raceway.

Response: Access to industrial areas should be further investigated by Council, with particular regard to be given to the Transitway. Difficulty in catching public transport across the LGA is also an issue that Council should address.

- Many of the 4(c) land owners are of the opinion that professionals that service the industrial area should be permitted within this industrial zone. It was identified that landowners within this zone are being approached by solicitors, surveyors, architects, Personnel Company as potential tenants in the 4(c) zone. Such commercial uses are not permitted in the zone, so they are turning them away. In addition to these uses, there is the opinion that restaurant/function centre for corporate use should be permitted under the 4(c) zone.

Response: Council should explore the option of rezoning this zone from a 4(c) zone to one that does not compete directly with the commercial zone but to a zone that permits some commercial to take advantage of exposure i.e.: an enterprise zone may be an option – Zone B6 Enterprise Corridor in line with the LEP Planning Template that will accommodate commercial uses together with light industrial. However restrictions should be placed within this zone as described in the following sections of this report.

- Landowners commented on Councils existing parking requirements/guidelines. A key issue revealed was that the present parking guidelines are inappropriate. For example several landowners wishing to expand their current building space indicated that the additional parking requirements for the expansion, will make it difficult to accommodate the additional space.

Response: Councils guidelines for car parking should match the specific type of use .i.e.: Certain uses should have to provide more parking than other uses.

- Security is a major issue of concern in industrial areas at night as these areas are empty outside of working hours. Vandalism in particular of property. Due to fire safety issues no bars are allowed for security on windows.

Response: Council should explore this concern and devise ways to minimise damage from vandals within the industrial zones of the LGA.

- Landowners would like to see a medical centre, Australia Post, banks, fast foods etc, to service the industrial areas.

Response: A services facility which includes retail, commercial, social (e.g.: child care) and recreational uses (e.g. gym) would be demanded for Wetherill Park. However, such activities would be strictly for servicing the local employment area and limited in size. Two landowners have expressed an interest in accommodating such uses – one adjoining the Greenway Plaza and the other at the corner of Cowpasture and Horsley Park Drive. Either option would require rezoning.

9. STRATEGIC RECOMMENDATIONS

9.1 Recommendation - Industrial Zoning Categories

Industrial zones in Fairfield LGA should be consistent with the LEP Planning Template, which includes the following zoning categories:

- **IN1 – General Industrial Zone:** Mandatory uses include - Depots; Freight Transport facilities; light industries; neighbourhood shops; standard industries; warehouse or distribution centres.
- **IN2 – Light Industrial Zone:** Mandatory uses include - Depots; light industries; neighbourhood shops; warehouse or distribution centres.
- **IN3 – Heavy Industrial Zone:** Mandatory uses include - Depots; freight transport facilities; hazardous industries; hazardous storage establishments; general industries; offensive industries; offensive storage establishments; warehouse or distribution centres.

Industrial zoning recommendations as identified in chapter 10 of this report and as consistent with the Standard Instrument LEP Template should be reviewed by council.

Other employment lands within the LGA should be categorised appropriately (considering the zoning recommendations for each industrial precinct identified in Chapter 8) using the following zoning categories:

- **B1 – Neighbourhood Centre:** Mandatory uses include - Child Care Centres; Community facilities; Neighbourhood shops; Shop top housing.
- **B2 – Local Centre:** Mandatory uses include - Child Care Centres, Community Facilities, Educational establishments; Entertainment Facilities, Function centres; Information and education facilities, Office premises; Passenger transport facilities, Recreation facilities (indoor); Registered clubs; Retail premises; Service stations; Shop top housing; Tourist and visitor accommodation.
- **B3 – Commercial Core:** Mandatory uses include - Child Care Centres, Community Facilities, Educational establishments; Entertainment Facilities, Function centres; Hotel accommodation; Information and education facilities, Office premises; Passenger transport facilities, Recreation facilities (indoor); Registered clubs; Retail premises.
- **B4 – Mixed Use:** Mandatory uses include - Boarding houses; Child care centres; Community facilities; Educational establishments, Entertainment facilities, Function centres, Hotel accommodation; Information and education facilities; Multi dwelling housing. Office premises, Passenger Transport facilities, Recreation facilities (indoor); Registered clubs, Residential flat buildings; Retail premises; Senior housing.
- **B5 – Business Development:** Mandatory uses include - Child care centres; Office premises, Passenger transport facilities; Retail premises; Warehouse or distribution centres.
- **B6 – Enterprise Corridor:** Mandatory uses include - Community facilities; Hardware and building supplies; Hotel accommodation; Landscape and garden supplies; Light Industries, Multi dwelling housing; Office premises; Passenger transport facilities; Retail premises; Warehouse or distribution centres (it is understood that DoP are considering deleting multi dwelling housing as a mandatory use in this zone).
- **B7 – Business Park:** Mandatory uses include - Child care centres; Light Industries, Neighbourhood shops; Office Premises; Passenger transport facilities; Warehouse or distribution centres.

- **SP1 – Special Activities:** Mandatory uses include - The purpose shown on the Land Zoning Map, including any development that is ordinary incidental or ancillary to development for that purpose.
- **SP3 – Tourist:** Mandatory uses include - Food and drink premises; Tourist and visitor accommodation.

9.2 Guiding Principles - Industrial/Employment Lands in the Fairfield LGA

This section identifies a set of guiding principles for industrial/employment lands to be considered by Council.

General Guiding Principles – Industrial Lands

- The implementation of any rezoning recommendations by Council should occur in a holistic manner and with the end zone/s clearly identified.
- Recognise that industrial land is a limited resource and any defined oversupply may be misinterpreted due to failure to recognise existing constraints (i.e.: physical, environmental, lot size etc) and consider the available useable industrial land - land suitable to accommodate employment generating uses.
- Council should promote a robust and diverse employment area. In particular Council should encourage the use of industrial land to provide residential support services (including car and house repairs). Industrial zoning on land helps to protect establishments that provide residential support services from being redeveloped into other uses i.e.: residential, retail or commercial.
- Preserve zoned land that can accommodate relatively large floor plates (larger sized lots) and that are well serviced or connected to main road networks.
- Develop buffer zones of low impact industrial uses (e.g. storage, parking, and landscaped areas) around land zoned industrial to minimise its impact with residential uses. Light industrial zones can be used to act as a buffer between heavier industrial uses and residential uses (e.g.: this buffering can be applied to such industrial precincts as Smithfield, East Fairfield and Yennora). Such buffering between zones will protect residential amenity and reduce land use conflicts. Along with LEPs (zoning), DCPs are an effective mechanism to create buffers (i.e.: via specification of setbacks and designation of landscaped areas to separate buildings on general industrial zoned land from residential buildings in residential zones.)
- Encourage the clustering of industries. Businesses and industries with similar environmental impacts and business synergies should be clustered to reduce land use conflicts, improve business efficiency and identity. To a large extent clusters are market driven and Council's role should be to encourage or accommodate these clusters through LEPs and DCPs.
- Ensure that subdivision is controlled to make certain land is not fragmented into parcels unsuitable for identified long term employment use. This is important so as to avoid fragmented ownership and increases in land value to the extent that it becomes economically unviable to consolidate in the future.
- Maintain high standards of environmental quality for industrial development which enhances the streetscape and amenity of industrial areas.
- Do not permit bulky goods retailing in the IN1 – General Industrial and IN2 – Light Industrial Zones. Allow retailing in industrial areas only where it is ancillary to industrial uses. Bulky goods retailing should principally be situated within existing commercial centres. In some cases the location of bulky goods may be considered outside commercial centres such as an existing large bulky goods cluster with good highway/main road frontage. In this case these clusters should be

identified as a Zone B6 Enterprise Corridor under the Standard Instrument LEP Template. It should be noted that the rezoning recommendations defined in the previous sections, propose to rezone a significant amount of the existing 4 (c) Special Industrial zoned lands (which permit bulky goods) to Zone B6 Enterprise Corridor Zone (which also permits bulky goods). All proposed industrial zones under the Standard Instrument LEP Template, should not permit bulky goods development.

General Industrial

- The existing supply of general industry lands in the LGA needs to be preserved across the LGA. However, should there be any future rezoning of general industrial land, then consideration must be given to its social, environmental and economic impact on the local land supply for general industry, existing employees and its economic impact to the area and the region.
- General industrial land should ideally be separated from residential neighbourhoods and other sensitive land uses. Appropriate buffers should be put in place. The adequacy of buffer zones is an important issue for general industrial. Increasing awareness of environmental impact of noise and gas emissions is making the placement of general industry increasingly difficult.
- Preserve and enhance existing buffer zones that protect the impact of general industry to surrounding uses i.e.: such as the 4(c) Special Industrial zone /enterprise corridor zone that can be used as a buffer to protect residential amenity and reduce land use conflicts.
- Protect general industrial employment clusters from encroachment of incompatible land uses to minimise any adverse effect of industry on land uses in other zones.
- Establish a broad range of general industrial land uses (not hazardous or offensive) and permit general industrial land uses only within the IN1 – General Industrial Zone under the Standard Instrument LEP Template.

Light Industrial

- Attempt to preserve light industrial land adjacent to major/arterial roads or rail.
- Establish a broad range of light industrial land uses, prohibit heavy industrial uses (and all other industry not identified as light), prohibit retail uses including bulky goods retailing (permit neighbourhood shops only).
- Create and/or improve buffer zones around land zoned light industrial to reduce environmental impact and land use conflict.
- Safeguard light industrial clusters from encroachment of incompatible land uses both from within the cluster and its surrounds
- To be consistent with the LEP Planning Template the following key uses should be permitted within this zone: Depots; light industries; neighbourhood shops (small shops that service the industrial area such as a corner store); warehouse or distribution centres.

Business Parks/ Hi -Technology Parks

Based on discussions with local agents and our assessment of the market, it may be concluded that business parks are presently not in strong demand within the Fairfield LGA. Demand for business parks within the south-west region will be met with the following proposed business parks:

- **Eastern Creek** – The main planning focus of the Central Western Sydney Employment Area zoned by the NSW Government is a major Greenfield site along the Western Sydney Orbital and M4 corridors near the old Wonderland theme park site at Eastern Creek. The first development stage at Eastern Creek is expected to be the Wonderland Business Park, together with others such as the proposed 130 hectare Wallgrove Business Park.

- **Erskine Park Employment Area** – The development of the Erskine Park Employment Area measuring 500 hectares has the potential for as many as 10,000 jobs being provided on the site upon full capacity.
- **Moorebank** – Moorebank International Technology Park is proposed to be built along the M5 corridor and expand land adjoining Moorebank Business Park, Holsworthy. The proposal includes a 100 hectare site which seeks to attract high-tech investment and knowledge based employment to both Liverpool and the entire South-Western Sydney Region. Approximately 10,000 knowledge based jobs and an additional 10,000 training position are capable of being generated within the site.
- **Campbelltown** – Part of the 120ha of land occupied by the University of Western Sydney's Campbelltown Campus was identified in the South West Sydney Employment Lands Study to be a potential site for the accommodation of a business park.
- **Boral Site** – Located directly south of the Wetherill Park industrial area, the Boral development is proposing 100,000sqm of business park and 15,000sqm of service retail. The proposal is currently being considered by the Minister of Planning and will impact on the demand for Business Parks in Fairfield if it is approved.

Given such proposed developments surrounding the Fairfield LGA, demand for another business park within the region in the short to medium term is weak.

However notwithstanding this, in the long term there may be potential for business parks within the LGA subject to issues such as the future of the Badgerys Creek Airport and the inclusion of better public transport through the 'Western Sydney Employment Hub'. It is understood that there is a proposal for the inclusion of a link road through the employment hub, linking the area to the M7. Business Parks must be supported by access to good quality public transport.

There may be demand in the future for genuine business incubators, where business parks can offer small businesses access to facilities and flexible space, and the ability to locate close to other innovation-focused businesses.

The following are key requirements for business parks that Council should consider:

- Require new business parks to be located in areas that will support the existing network of commercial centres and can be accessed.
- Business parks should only permit businesses that require large floor plates; (more than 1000m²) are linked with research and technology; or, require a storage/warehousing component. Those businesses that are purely office related (i.e. accountants, solicitors, etc), should not be permitted within business parks but encourage in commercial/retail centres to help support their viability.
- A maximum office space component of 40% should be required for each development/business and development standards should be set for FSRs and car parking provisions.
- Require an Economic Impact Assessment study prior to permitting a business park. It also should include an impact statement on the established centre hierarchy, and its use of existing and proposed infrastructure.
- Future business parks must demonstrate a contribution to subregional economic and job growth, and provide for recreational, cultural and/or learning facilities.

Bulky Goods Retailing

Whilst bulky goods retailing is permitted in the Town Centres/Business Zones of the City, there has been little development to date largely due to the constraints in securing large parcels of land inexpensively.

The proposed rezoning recommendations direct that the majority of the existing 4(c) – Special Industrial Zones in the LGA, be rezoned to Zone B6 Enterprise Corridor under the Standard Instrument LEP Template (which also permits bulky goods). Further to this, it is recommended that bulky goods should be prohibited in all areas defined as industrial areas under the new template (i.e.: IN1 – General Industrial Zone, IN2 – Light Industrial Zone).

Bulky goods retailing should primarily be located within existing commercial centres, which helps ensure centre vitality, viability and a sustainable form of development. There may be special circumstances where the location of bulky goods may be considered outside commercial centres such as an existing large bulky goods cluster with good highway/main road frontage. Such development areas would be restricted within a newly defined enterprise area with any expansion of floor space being supported by an Economic Impact Assessment (EIA). The EIA study looks at the impact of the proposed expansion especially in relation to any impacts on the existing retail hierarchy which should be protected.

The boundaries of these clusters should be restricted so as not to encroach further into the surrounding light industrial area/uses. Expansion of bulky goods retailing should only be permitted within this new designated boundary.

9.3 Future Key Industries & Recommendations

The manufacturing industry will continue to play a major role in Fairfield LGA but it will decline in significance over time. The gradual reduction in manufacturing (i.e.: relocation to outer areas) is attributable to several issues, some being as follows:

- Manufacturers that need to expand find it difficult to find larger sites in the area.
- Land use conflict with adjacent uses such as residential places restrictions on operations, increasing costs and making it difficult to stay in this location (in economic terms).
- Population growth has ensured a larger collection of labour skills in outer areas.

It is essential that this transition is incremental and well managed. Further to this, existing employment zones should be preserved and intensified in light of the expected population increase.

The improved accessibility via the M7 corridor and Transitway, will fuel job growth in the LGA. The industrial and blue collar image is likely to persist for some time with lower skilled and lower paid workers likely to remain as the central part of the population for much of the region. It will be important to replace departing industrial uses in strategic areas with other industrial employment generators regardless of pressure from some areas to be converted into residential uses.

Creative industries are a growing industry on a national level. These industries will be difficult to attract and foster in Fairfield LGA in the foreseeable future. Despite this, Council should consider pursuing these

industries in the medium to long term, especially given that employment in manufacturing will continue to decline.

Clustering Model

Clusters are geographic concentrations of interconnected companies, specialised suppliers, service providers, and associated institutions in a particular field. Clusters arise because they increase the productivity with which companies can compete. The development and upgrading of clusters is an important agenda for governments, companies, and other institutions.

The most famous examples are found in Silicon Valley in the US, but clusters exist in Australia (e.g. North Ryde/Macquarie University Bio-Tech/medical cluster), and are evidenced within Fairfield LGA, where location and land subdivision have played an important role in instigating industry clusters. Examples include the smaller lots on narrower roads attracting auto service industries in Smithfield, or major roads with good exposure contributing to bulky goods and car sale yard clusters along Hume Highway.

In theory, location should no longer be a source of competitive advantage. Open global markets, rapid transportation, and high-speed communications should allow any company to source anything from any place at any time. But in practice, location remains central to competition.

Clusters affect competition in three broad ways³:

1. Increasing the productivity of companies based in the area;
2. By driving the direction and pace of innovation; and
3. By stimulating the formation of new businesses within the cluster.

The objective of the industry cluster initiative is to stimulate long-term sustained growth and focus the allocation of resources on key industry clusters that may become the engine of job creation and economic development in a LGA.

Council should strengthen and foster appropriate industry sectors in the Fairfield LGA, which will act as economic drivers, using the 'clustering model'.

An economic development policy of 'business cluster promotion' should be introduced as one of the LGA's core employment policies. Apply the clustering concept to foster the growth of other industry sectors, and establish Fairfield as a recognised centre of excellence in relation to these industries.

There is an opportunity for cluster industries to be identified relating to the housing industry (home/building products), given that the LGA is part of the expanding south west urban growth corridor. For example industries such as glass cutting and glazing; roofing supplier kitchen and bathroom manufacturing/supplier; water tank manufacturers; general machinery suppliers, etc together with our related industries may

³ Michael E. Porter, Clusters and the New Economics of Competition, Harvard Business Review, Nov-Dec 1998.

effectively create a cluster of home/building industries. These clusters can include the full spectrum of industrial uses (e.g. manufacturing, distribution, showroom for display with manufacturing at rear), however do not include bulky goods retailing.

Industries that are focussed/related to the surrounding environs and development of the local area provide for the most appropriate and successful industry clusters. Creating a business cluster will also lead to numerous 'spin off' industries which will further reinforce the specific cluster.

Clusters of car related industries may also be an appropriate type of clustering to be pursued by Council, given the LGAs close proximity to Eastern Creek. It is however understood that Blacktown Council are pursuing a cluster of car related industries. Fairfield may specialise in a specific type of car based industry that differs from the surrounding Blacktown LGA.

Cluster industry has been successful within the Nambucca Shire in the mid north coast of NSW. In the Shire niche manufacturing has emerged as a key industry sector and economic driver. This has been led by the emergence of a vehicle body manufacturing cluster with some 126 people employed directly by cluster group companies. The cluster objective is to establish the Nambucca Shire as the recognised centre of excellence for vehicle body manufacturing in Australia.

Whilst clusters should be encouraged across the LGA, generally clustering occurs due to the subdivision pattern of land with smaller lots on narrower roads attracting auto service industries, kitchen renovators and other similar small scale industrial users (e.g. Smithfield), and larger lots attracting clusters of distribution centres and other large scale industries. Major roads with good exposure are also a contributing factor for clustering (e.g. bulky goods clusters and car sale yard clusters along Hume Highway). Location, land subdivision, and local support services to these industrial areas will encourage clustering.

An Economic Development Officer should have the responsibility to facilitate the development and encouragement of appropriate industries within the Fairfield LGA whilst recognising location, land subdivision patterns, exposure, major roads and access also play critical roles in attracting particular industries.

Release of New Employment Lands

With the release of employment lands in the 'Western Sydney Employment Hub', freight and logistics together with distribution and warehouse use will be the dominant employment industries in the LGA. These industries will be attracted by the M4 and M7 and possibly also with the Badgerys Creek Airport should it go ahead. Council should ensure that large sized parcels of both light and general industrial land are preserved in order to effectively accommodate the future expansion of these growth industries. Service related industry will also continue to be a prominent employment industry across the LGA.

Redevelopment/Renewal of Existing Industrial Areas

From physical inspection, it appears visually that some industrial precincts across the LGA, namely buildings located in Yennora, Lansvale and Smithfield (as in the photos below) are aging. Many industrial buildings within these precincts are becoming slowly becoming functionally obsolete.



Council should ensure actions will be taken to renew these existing industrial precincts so as to meet the objectives of the Metropolitan Strategy which seeks to use existing employment land more efficiently and regenerate existing employment areas to decrease the additional employment land required in the future.

To slow the rate at which these industrial areas may decay, Council may decide to pursue revitalisation strategies in conjunction with local chambers of commerce. These could include the development of action plans to renew investment in the area. Actions could include streetscape and amenity improvements, improved public transport etc. This partnership between Council and the chambers can strengthen communication between government bodies and local businesses in order to create and encourage better working environments. These action plans allow local government along with the community to create and economic and social environment that best suits their needs.

These precincts are still good locations for industrial users, and should not be forgotten in preference for promoting other areas within the LGA such as Wetherill Park.

10. EMPLOYMENT LANDS – ANALYSIS OF ZONES

Employment zoned lands in Fairfield LGA vary in scale and location. Industrial land is generally clustered together. Some of the smaller precincts include only a small number of isolated parcels whilst the larger precincts are largely intact and include many parcels of varying size (some of which accommodate nationally and regionally significant operations). Many of the precincts have a reasonable buffer from the residential areas. There are a number however that have poor interface with residential uses creating land use conflicts. Most precincts have reasonable access to the higher order road network.

This section specifically examines existing industrial employment lands across the Fairfield LGA that are zoned either 4(a) – General Industrial; 4(b) – Light Industrial; or 4(c) – Special Industrial.

Each industrial precinct identified in the LGA is described below in terms of its location, land use characteristics, relevant planning framework and appropriate recommendations identified.

10.1 Criteria for Assessment

This section identifies the criteria for assessment used in order to make recommendations concerning the future zonings of existing 4(a) – General Industrial; 4(b) – Light Industrial; and 4(c) – Special Industrial across Fairfield LGA. Rezoning recommendations take into consideration the zoning categories defined within the *Standard Instrument (Local Environmental Plans) Order 2006* prepared by the NSW Government (Standard Instrument LEP Template), and also considers the Hill PDA survey work and estimation of employment numbers.

Recommendations concerning potential rezoning's of existing industrial lands across Fairfield LGA were also based on fieldwork observations using the following assessment criteria:

- **Accessibility** – access to main arterial roads and location in an area with good access for large vehicles/machinery is a key factor in determining the suitability of a site for industrial use.
- **Land Use Conflict** – ensuring that the surrounding uses are conforming uses is a consideration. Industrial lands with limited conflict with surrounding incompatible land uses (i.e.: surrounding residential, commercial), are suitably zoned for industrial/employment purposes. Conflict with residential for example may occur where industrial land adjoins the residential and there is no buffer. Alternatively it may result from trucks and other industrial traffic accessing sites through residential streets.
- **Topography** – the slope of the land is an important consideration when assessing the most appropriate land use zone for a site. Land that is rather steep or sloped is not appropriate for industrial uses. Note however that there are no industrial sites in the Fairfield LGA with difficult topography.
- **Aesthetic Appeal** – refers to amenity and other factors that may make the land more suitable for residential uses. Note however that there are none of the industrial precincts in the Fairfield LGA scored high in terms of aesthetic appeal.

- **Site Encumbrances** – issues such as environmental protection, a sites cultural significance, flooding/bushfire issues and contamination are issues of significance.
- **Employment** – employment numbers is an important assessment criteria. The number of persons employed on existing industrial land, has been used in the identification of future uses/zonings i.e.: noteworthy consideration should be given to preserve an existing precinct of industrial zoned land that accommodates a high number of employees.
- **Size and Agglomeration** – the size and clustering of precincts is a consideration when assessing the future zoning of existing industrial land i.e.: it is appropriate to preserve large sized or clustered industrial lands.

In the assessment for each industrial precinct the following rating/evaluation table was applied for each (identified in the next section):

Table 22 - Evaluation Table

Assessment Criteria	Rating
Accessibility	Poor; Average; Good
Land Use Conflict	High; Moderate; Low
Topography	Steep/sloped; Moderate slope; Flat
Aesthetic Appeal*	Good; Average; Poor
Size and Agglomeration	Small size or no cluster; Average size or reasonable cluster; Large size or large cluster

In considering the future zoning of an existing industrial precinct the abovementioned assessment criteria was considered arrive at an appropriate recommendation. For example, a precinct that is flat with good access is ideal for industrial use.

Despite the fact that a precinct may have a flat topography and good access, the prevalence, for example, of extensive land use conflicts will deem the precinct unsuitable for industrial use. In this instance, the land use conflict criteria outweighs the other assessment criteria.

Employment Numbers

Employment numbers for each defined industrial precinct were estimated using a combination of Journey to Work data (2001); Hill PDA land use survey data and knowledge on the status of industrial lands post 2001.

Employment numbers assist in the formulation of future zoning recommendations of each precinct. Those precincts that accommodate a significant number of employees are more likely to be preserved as industrial/employment zoned lands.

10.2 Analysis/Recommendations of Industrial Precincts

Each industrial precinct identified in Fairfield LGA is defined below in terms of its location, land use characteristics and relevant planning framework, also providing appropriate zoning recommendations. Land Use and Site Coverage Maps for each precinct together with aerial maps are contained in Appendix 1 and 2 of this report.

Enterprise Corridor

The recommendations for the future zoning of existing industrial precincts across the Fairfield LGA consider rezoning some of these industrial lands to Enterprise Corridors – identified as B6 Zone – Enterprise Corridor under the Standard Instrument LEP Template.

The rezoning recommendations concerning the B6 Zone - Enterprise Corridor do not completely align with the specifications of the zoning as identified in the Standard Instrument LEP Template.

It is recommended that Council engage in discussions with the NSW Department of Planning (DoP) concerning the B6 Zone - Enterprise Corridor to consider making the Enterprise Corridor 'flexible', so it can be used to cater for the needs of specific areas (i.e.: whereby permitted uses in this zone will vary to suit the particular area – 'place based controls').

All industrial precincts in the LGA where rezoning recommendations include the accommodation of an Enterprise Corridor Zone should not permit residential uses or retail/commercial premises, unless otherwise stipulated by the Strategy (ie. Bonnyrigg and proposed Central Services Facilities). This will ensure that employment lands are protected, such that employment generating uses within the enterprise corridor will not be encroached by residential development and that the viability of the Town Centres are maintained.

It is important that when identifying which uses are appropriate for a specific Enterprise Corridor, consideration should be given to restricting the commercial/retail development that is permitted (i.e.: permit non-food and non-clothing retail only being bulky goods, and permit businesses that have a maximum office space component of 40%. Any greater than this office proportion and the business should be accommodated in the commercial centre. This will ensure that existing commercial centres are protected, such that these enterprise corridors will not directly compete with commercial centres.

If the abovementioned is not successful then a possible solution for Council to consider is the application of a 'placed based' DCP where there is an enterprise corridor zone which permits land uses appropriate to the particular area.

Should a flexible B6 Zone - Enterprise Corridor zone not be deemed appropriate for these lands, then the existing 4(c) Special Industrial Zoned land could be rezoned to the IN2 Zone – Light Industrial, with provision for bulky goods retailing to be permitted at select sites.

Business Development Zone

Advice from the Department of Planning in the preparation of the Strategy indicates that Council should also consider using the Business Development B5 zone as an option for rezoning its existing Bulky Goods zones (4(c) zones). The objectives of the Business Development B5 zone are to enable a mix of office, retail and warehouse activities in locations that support the viability of town centres.

Further discussion will be carried out with the Department of Planning as part of the LEP preparation process to work through the issue and provide a clear direction on Council's Bulky Goods zone. Where this

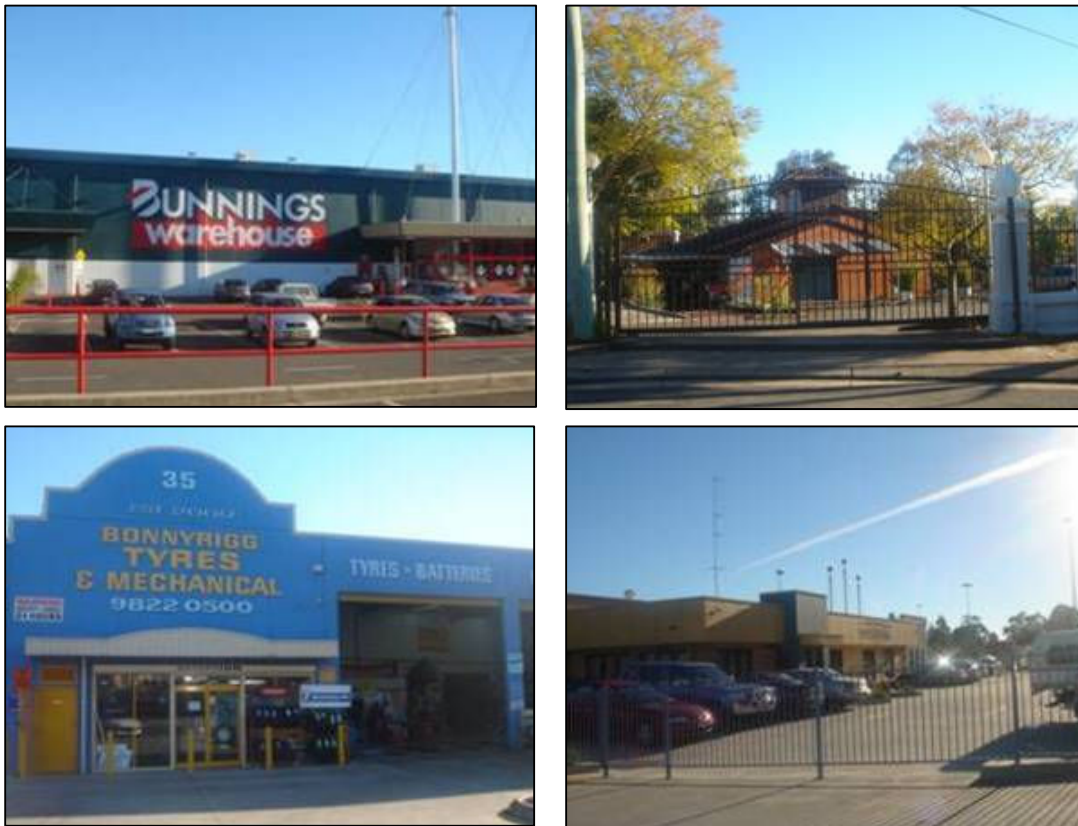
report recommends the B6 – Enterprise Corridor zone, discussions on the most appropriate option will need to be resolved with the Department of Planning.

NOTE: Resolution from Council Meeting (26 February 2008) – Additional Permitted Uses

Council at its meeting resolved that the following uses be included as permitted uses in all industrial zones and enterprise corridor zones as part of the Comprehensive LEP process:

- i. Reception centres
- ii. Funeral Services
- iii. Childcare Services
- iv. Convention and Hotel Services

10.3 Precinct 1 – Bonnyrigg Industrial Area



Land Area	10 hectares
Gross Floor Area	67,100sqm
Estimated Workers	431
Location	The Bonnyrigg Industrial Area is located opposite the Bonnyrigg Shopping Centre, Bonnyrigg. The Precinct is bounded by Bonnyrigg Avenue to the east; Elizabeth Drive to the south; proposed Prospect Arterial to the west; and Edensor Road to the north. The precinct is in close proximity to the Bonnyrigg Plaza and Bonnyrigg Primary School.
Land Use Characteristics	The industrial precinct in Bonnyrigg comprises a mix of local light industry and urban support, warehousing/ distribution uses and dispersed local based social and community activities. In particular there is a considerable amount of land dedicated to places of worship (with a Mosque and Temple located just south of Edensor Road) and other community facilities including a community health centre. The industrial sites within this precinct are medium to large in size. Some key operations that exist within the precinct include, Westbus Depot and Bunnings Warehouse, both located towards the Elizabeth Drive end of the precinct. The precinct also consists of a cluster of residential in close proximity to some office based uses.

	This industrial area is accessed from Bonnyrigg Avenue via Elizabeth Drive or Edensor Road. The precinct is reasonably well defined and contained with separation from residential areas – except in a small area immediately south of the precinct around Goodman Way and Corlette Way where there is potential land use conflict. The precinct is largely surrounded by 6a and 6b recreation zoned uses together with 3b business zoned uses, which do not pose any land use conflicts.	
Planning Controls	Zoned 4 (c) Special Industrial - under Fairfield Local Environmental Plan 1994. Planning controls for the Industrial Area are contained in Fairfield City Wide Development Control Plan 2006 - Chapter 9.	
Evaluation	Assessment Criteria	Rating
	Accessibility	Average
	Land Use Conflict	High
	Topography	Flat
	Aesthetic Appeal*	Average
	Size and Agglomeration	Small Size or No Cluster
Strategic Planning Recommendation	The 4(c) Special Industrial Zoned land in Bonnyrigg is located within the Bonnyrigg Town Centre. It is understood that the longer term strategic direction for the area is mixed use in nature, given the recent Bonnyrigg town centre masterplan together with recent DA approvals for large residential development on industrial zoned land and the surrounding major urban renewal project under the Department of Housing 'Bonnyrigg Living Committee Project'. Further to this it is acknowledged that Cl. 25H of the LEP specifies this area to allow for a mix of integrated land uses and activities to support the Town Centre. Given this, the 4(c) zoned land within the Bonnyrigg Town Centre can accommodate a mix of uses different to those permitted in the rest of the 4(c) zoned lands across the LGA. As such, the viability of the area as purely an industrial precinct is questionable. The Special Industrial lands in Bonnyrigg are likely to undergo transition in future years toward residential and mixed use developments, as a result of current and future LEP/DCP provisions. Further assessment of this and appropriate zoning changes needs to be considered. One option may be to establish an Enterprise Corridor on the industrial lands, but this needs to be assessed in light of the demand for additional retail/commercial development in the area as a result of urban renewal in the surrounding area, including the DOH Estate. It is advised that under this enterprise zone Council allows residential uses and restricts both commercial and retail development by: allowing only non-food and non-clothing retail (i.e.: permit bulky goods retailing); and permitting commercial development/businesses that have a maximum office space component of 60%. These controls will ensure that the viability of the existing commercial centres in the LGA is protected. In addition to this, in order to further ensure that existing commercial/retail centres won't be undermined, a detailed impact assessment study should be performed prior to approving any retail/commercial use on the rezoned industrial land to enterprise zoned land. Another option for this precinct would be to rezone as B4 Zone - Mixed Use Zone under the Standard Instrument LEP Template.	

10.4 Precinct 2 – Cabramatta – Cabramatta Road Industrial Area



Land Area	1.4 hectares
Gross Floor Area	6,724sqm
Estimated Workers	330
Location	This industrial precinct is located along West Cabramatta Road, crossing Myall, Acacia and Church Streets.
Land Use Characteristics	This linear industrial precinct predominately consists of local light industry, urban support and retail land uses. In particular, automotive related industries and building supplies are highly represented in the eastern half of the precinct. Other land uses accommodated within the precinct include food manufacturing, retail uses and residential. Access to the site is via West Cabramatta Road off the Hume Highway. The precinct is reasonably well defined and contained with separation from residential areas – except in the area zoned 2 b residential immediately south of the precinct around Myall Street and Acacia Street which could pose a potential land use conflict. The precinct is also surrounded by 5a Special Uses (around the vicinity of Church Street and Boundary Lane) and 3b District Business Centre zoned uses (to the south of the precinct), which do not pose any land use conflicts.
Planning Controls	Zoned 4 (c) Special Industrial - under Fairfield Local Environmental Plan 1994. Planning controls for the Industrial Area are contained in Fairfield City Wide Development Control Plan 2006 - Chapter 9.

Evaluation	Assessment Criteria	Rating
	Accessibility	Average
	Land Use Conflict	Moderate
	Topography	Flat
	Aesthetic Appeal*	Average
	Size and Agglomeration	Small size or no cluster
Strategic Planning Recommendation	It is recommended that this precinct continues to be zoned for employment uses. This precinct is not suitable for residential development, given it is located along a main road, which is not aesthetically appealing.	
	Council should consider rezoning this existing industrial zone to an Enterprise Corridor – Zone B6 under the LEP Planning Template. An enterprise zone is appropriate due to the precincts good accessibility and main road frontage (along Cabramatta Road). This zone would accommodate bulky goods retailing which is presently permitted under its existing 4 (c) Special Industrial zoning.	
	It is advised that under this enterprise zone Council does not allow residential, commercial and retail development,, permitting only bulky goods retailing and businesses that have a maximum office space component of 40% where this is ancillary and directly related to a permitted use. These controls will ensure that the viability of the existing commercial centres in the LGA is protected.	
	Note: The Department of Planning recommends that Council consider the use of the B5 – Business Development zone in place of this 4(c) zone.	

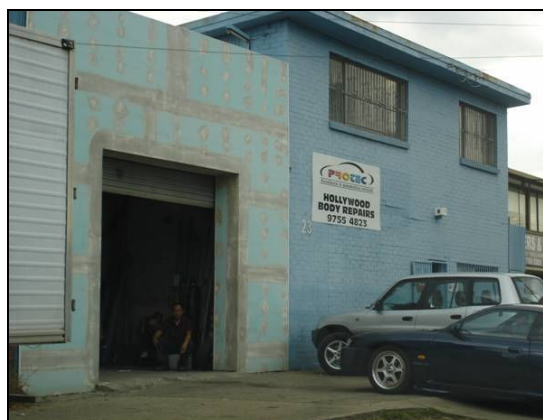
10.5 Precinct 3 – Cabramatta 4(b) Zone Industrial Area



Land Area	4 hectares
Gross Floor Area	30,879sqm
Estimated Workers	330
Location	The Cabramatta 4(b) Zone industrial precinct is located on the southern side of West Cabramatta Road. It is bounded by Mallee Street to the north, Broomfield Street to the east, Church Street to the west and the Cabramatta Sports Ground to the south.
Land Use Characteristics	The industrial activities in the 4(b) Cabramatta Zone predominately accommodates local light industry and urban support uses. Largely such uses are automotive related including for example smash repairer and mechanics. The majority of lots are small in size. Other uses within the precinct include a small component of food manufacturing and light manufacturing. The precinct also includes a few multi-user strata titled business units. The precinct is easily accessed from Railway Parade via West Cabramatta Road in the north. The precinct is reasonably well defined and contained with reasonable separation from residential areas – except along Church street, whereby there are residential uses that back onto the industrial area. It is our opinion that this presents an insignificant land use conflict.

Planning Controls	Zoned 4 (b) Light Industrial - under Fairfield Local Environmental Plan 1994. Planning controls for the Industrial Area are contained in Fairfield City Wide Development Control Plan 2006 - Chapter 9.	
Evaluation	Assessment Criteria	Rating
	Accessibility	Average
	Land Use Conflict	Moderate
	Topography	Flat
	Aesthetic Appeal*	Poor
	Size and Agglomeration	Small size or no cluster
Strategic Planning Recommendation	This precinct should remain to accommodate and consolidate a range of light industrial activities that service the surrounding residential area and provide employment opportunities for Cabramatta. It is recommended that Council should retain this light industry zone, identifying the zone as 'Zone IN2 – Light Industrial in line with the Planning Standard Instrument LEP Template, due to its reasonable accessibility, flat topography and intact industrial land uses. This zoning recommendation will help to preserve establishments that provide important residential support services (i.e.: mechanics, auto electricians, smash repairers etc) from being redeveloped into other uses (i.e.: residential, retail etc). Further to this the site is appropriate for its existing industrial use, as it adjoins the railway which is not aesthetically appealing to an alternative use such as a residential use. Maintaining this zone as light industrial (IN2 Light Industrial in line with the LEP Planning Template), acts as an acoustic buffer between the railway immediately to the east and the residential to the west.	

10.6 Precinct 4 – Lansvale Industrial Area



Land Area 41.5 hectares

Gross Floor Area 273,074 sqm

Estimated Workers 1,184

Location The Lansvale Industrial Precinct is located along the southern side of the Hume Highway, extending from Huntingdale Avenue in the southwest to Knight Street in the northeast.

The precinct is adjacent to the Chipping Norton Lake.

Land Use Characteristics The land uses within this precinct are mixed and include retail uses (including for example petrol stations, homeware and furniture suppliers, tile and lighting shops, bridal and beauty outlets, and car saleyards); Local Light Industry and Urban Support uses (including automotive related industry and construction supplies); Light Manufacturing uses and some food manufacturing uses. The Lansvale Industrial precinct predominately accommodates automotive related services.

The majority of businesses in this precinct are located on average to large sized sites

	dominated by retail uses, timber and wood products, large multi-unit industrial complexes comprising car repairers, small manufacturing/engineering units. The industrial area has direct access to a major arterial road, being well positioned along the Hume Highway. Within the precinct there is a low vacancy rate. The precinct is reasonably well defined and contained with separation from residential areas – except immediately south of the precinct where land is zoned for residential uses (2a residential) which indicates a potential land use conflict. The rest of the precinct is largely surrounded by 6a and 6b recreation zoned uses, which do not pose any land use conflicts. The precinct is also adjacent to the 4(c) zoned Cabramatta North Hume Highway precinct.	
Planning Framework	The majority of the precinct is zoned 4 (c) Special Industrial - under Fairfield Local Environmental Plan 1994. A portion of the precinct toward the Chipping Norton Lake end is zoned 4 (b) Light Industrial. Planning controls for the Industrial Area are contained in Fairfield City Wide Development Control Plan 2006 - Chapter 9.	
Evaluation	Assessment Criteria	Rating
	Accessibility	Average
	Land Use Conflict	Moderate
	Topography	Flat
	Aesthetic Appeal*	Poor
	Size and Agglomeration	Average size or reasonable cluster
Strategic Planning Recommendation	The Lansvale Industrial Precinct is a significant sized employment generating precinct that should remain to accommodate and consolidate a range of light industrial activities given that it is immediately surrounded to the north by compatible land uses (light industrial uses within the Cabramatta North Hume Highway Precinct), it is located within a cluster of light industrial land uses on flat land, it has good accessibility off the Hume Highway, intact industrial land uses and reasonable separation from residential areas and has no significant land-use conflicts. In line with the LEP Planning Template, it is recommended that the southern half of the precinct be zoned as Zone IN2 – Light Industrial (i.e.: the existing 4(b) zone) and the northern half of the precinct along the Hume Highway (presently zoned 4(c)) should be rezoned as an Enterprise Corridor under the LEP Planning Template on the condition that residential uses and commercial/retail uses are not allowed, permitting bulky goods retailing only and businesses that have a maximum office space component of 40% where this is ancillary or directly related to a permitted use - Any greater than the business should be accommodated in the commercial centre. This precinct is not suited to residential land use given that it is highly prone to flooding. This zoning recommendation will assist in preserving important residential support services (including house and car repair services). Note: The Department of Planning recommends that Council consider the use of the B5 – Business Development zone in place of this 4(c) zone.	

10.7 Precinct 5 –Cabramatta North Hume Highway Industrial Area



Land Area	16.5 hectares
Gross Floor Area	100,002 sqm
Estimated Workers	360
Location	This Industrial Precinct is located along the northern side of the Hume Highway, extending from Boundary Lane in the southwest to Lansdowne Road in the northeast.
Land Use Characteristics	The land uses within this precinct predominately comprise of local light industry and urban support uses - largely occupied by small auto repair shops and other automotive related industry together with some food manufacturing and dispersed activities. Some residential properties are also accommodated within the precinct. The industrial area has good access via a major arterial road - the Hume Highway. Within the precinct there is a low vacancy rate. The precinct is well defined and contained with minimal separation from residential areas.
Planning Framework	The precinct is zoned 4 (c) Special Industrial - under Fairfield Local Environmental Plan 1994. Planning controls for the Industrial Area are contained in Fairfield City Wide Development Control Plan 2006 - Chapter 9.

Evaluation	Assessment Criteria	Rating
	Accessibility	Good
	Land Use Conflict	Moderate
	Topography	Flat
	Aesthetic Appeal*	Average
	Size and Agglomeration	Small size or no cluster
Strategic Planning Recommendation	It is recommended that this existing industrial zone be rezoned to an Enterprise Corridor – Zone B6 under the LEP Planning Template. An enterprise zone is appropriate due to the precincts good accessibility and main road frontage (along the Hume Highway). This zone would accommodate bulky goods retailing which is presently permitted under its existing 4(c) Special Industrial zoning. Highway frontage is ideal for bulky goods retailing given it presents good access and exposure.	
	In order to protect/promote employment generating uses in this precinct, it is advised that under this enterprise zone Council does not allow residential uses, commercial or retail development to protect existing commercial centres from being undermined by: allowing bulky goods retailing only and permitting businesses that have a maximum office space component of 40% where this is ancillary and directly related to a permitted use. These controls will protect the economic viability of the existing commercial centres in the LGA.	
	Note: The Department of Planning recommends that Council consider the use of the B5 – Business Development zone in place of this 4(c) zone.	

10.8 Precinct 6 – Canley Vale Industrial Area



Land Area	3.2 hectares
Gross Floor Area	12,254sqm
Estimated Workers	179
Location	This precinct is a single parcel of land bounded by Cardwell Street, Sackville Street and a recreation reserve, situated on the northern side of the railway line.
Land Use Characteristics	This precinct consists of one large sized lot and functions as a Council Depot (referred to as Cardwell Depot). Council has recently undertaken a major refurbishment of the depot site and there is no Council policy or recommendation to abandon the land as a depot. This precinct is surrounded by residential properties and recreational sports based reserve/parks. Site access can be achieved from Sackville Street via Canley Vale Road and is in close proximity to the railway. The precinct is reasonably well defined; however there is a potential moderate land use conflict, given the precinct is immediately adjacent to residential 2a uses to the north and west around Sackville and Cardwell Streets. To the south the precinct is surrounded by 6a zoned uses, which do not pose any land use conflicts
Planning Framework	The precinct is zoned 4(b) Light Industrial - under Fairfield Local Environmental Plan 1994. Planning controls for the Industrial Area are contained in Fairfield City Wide

 Development Control Plan 2006 - Chapter 9.

Evaluation	Assessment Criteria	Rating
	Accessibility	Average
	Land Use Conflict	Moderate
	Topography	Moderate slope
	Aesthetic Appeal*	Average
	Size and Agglomeration	Small size or no cluster
Strategic Planning Recommendation	It is recommended that this light industrial zoned precinct that presently accommodates a Council Depot be preserved and zoned IN2 – Light Industrial under the Standard Instrument LEP Template.	
	Much of this precinct is flood liable and not suitable for other uses such as medium to high density residential development.	

10.9 Precinct 7 – Fairfield Industrial Area



Land Area	5 hectares
Gross Floor Area	18,852sqm
Estimated Workers	310
Location	This precinct is located west of the Yennora industrial precinct and is bounded by Douglas Street and the Horsley Drive.
Land Use Characteristics	This precinct does not have a diverse range of uses, consisting only of dispersed social and community activities and strata units. The northern end of the precinct accommodates food manufacturing based uses and the southern end consists of multi user strata titled units categorised predominately as light manufacturing and local light industry uses. The precinct is reasonably well defined, however there is a potential land use conflict, given the northern end of the precinct is immediately adjacent to Fairfield High school and residential uses. Access to the area is good, being located along a major arterial road – The Horsley Drive.

Planning Controls The precinct is zoned 4 (b) Light Industrial - under Fairfield Local Environmental Plan 1994.

Planning controls for the Industrial Area are contained in Fairfield City Wide Development Control Plan 2006 - Chapter 9.

Evaluation	Assessment Criteria	Rating
	Accessibility	Average
	Land Use Conflict	Low
	Topography	Flat
	Aesthetic Appeal*	Average
	Size and Agglomeration	Average size or reasonable cluster

Strategic Planning Recommendation This precinct should remain a precinct that accommodates light industrial uses. However, it is recommended that this industrial precinct be rezoned to an Enterprise Corridor - Zone B6 under the LEP Planning Template, (which still accommodates light industry along with other uses) on the proviso that residential uses and commercial/retail uses are not allowed, permitting bulky goods retailing only and businesses that have a maximum office space component of 40% where this is ancillary and directly related to a permitted use - Any greater than the business should be accommodated in the commercial centre).

An Enterprise zone will have less impact on the existing residential area around Bell Cr to the east of the precinct. Its close proximity to Fairfield Station (some 0.5km) is more reason that such a proposed zoning is appropriate.

In addition to this, bulky goods uses which can be accommodated within this enterprise zone are appropriately located in this precinct given it adjoins the town centre.

Note: The Department of Planning recommends that Council consider the use of the B5 – Business Development zone.

10.10 Precinct 8 – Fairfield East Industrial Area



Land Area	59 hectares
Gross Floor Area	377,828 sqm
Estimated Workers	2,683

Location	This precinct is located directly to the south of the Guildford Industrial Precinct. It is bounded by Malta Street in the south, Fairfield Street in the north, Woodville Road in the east and Crown Street in the west. Mandarin Street runs vertically through the centre of the precinct.
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Land Use Characteristics	The Fairfield East Industrial precinct predominantly consists of Local Light Industry and Urban Support uses followed by Light Manufacturing based uses. Such uses include for example, kitchen manufacturers, furniture manufacturers, metal companies, large appliance services and car repair places etc.
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Other uses accommodated within the precinct include: offices, food manufacturers and freight and logistics based businesses.

Several vacancies exist across the precinct.

A significant sized parcel of land within the western section of the precinct, in between Seville and Lisbon Streets, is presently under construction.

The precinct is easily accessed to the east being located along Woodville Road.

There is a potential land use conflict that exists given that this industrial precinct is largely surrounding by 2a residential land uses.

Planning Controls	The precinct is partly zoned 4(a) General Industrial, 4(b) Light Industrial and 4(c) Special Industrial - under Fairfield Local Environmental Plan 1994.
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Planning controls for the Industrial Area are contained in Fairfield City Wide Development Control Plan 2006 - Chapter 9.

Evaluation	Assessment Criteria	Rating
	Accessibility	Average
	Land Use Conflict	Moderate
	Topography	Flat
	Aesthetic Appeal*	Average
	Size and Agglomeration	Large size or large cluster
Strategic Planning Recommendation	It is recommended that this precinct be preserved to accommodate both light and general industrial uses given it is a significant sized industrial precinct with reasonable access, flat topography with no defined land use conflicts.	
	It is advised that the existing 4(c) zoned land within this precinct (along Woodville Road) be rezoned to B6 Enterprise Corridor on the condition that residential uses and commercial/retail uses are not allowed, permitting bulky goods retailing only and businesses that have a maximum office space component of 40% where this is ancillary and directly related to a permitted use- Any greater then the business should be accommodated in the commercial centre. The existing 4(b) industrial zoned lands is recommended to be rezoned to IN2 – Light Industrial zone under the LEP Planning Template. Further to this it is recommended that the existing 4(a) zoned land be rezoned to IN1 – General Industrial zone under the Standard Instrument LEP Template, which should permit general industrial uses (non hazardous and non offensive).	

10.11 Precinct 9 – Old Guildford Industrial Area



Land Area	19.4 hectares
Gross Floor Area	112,899sqm
Estimated Workers	1,303
Location	The Guildford Industrial Precinct is located in Old Guildford and is bounded by Orchardleigh Street to the north, Fairfield Street to the south, Woodville Road to the east and Donald Street to the west.
Land Use Characteristics	The precinct consists of a mix of defined clusters of uses including food manufacturing, warehousing/distribution, light manufacturing, local light industry and urban support, retail, office and residential uses. The principal land use being office based (including the RTA) together with automotive based industry uses including car dealers, automotive repairers; automotive part supplier (uses which are categorised as light manufacturing). The industrial activities in this precinct comprise a mixture of small to medium and large scale industrial including manufacturing, warehousing, automotive, wholesale and commercial uses. The precinct consists of a cluster of residential uses in close proximity to the office based uses to the northern and eastern end of the precinct. this may pose some land use conflict. However the precinct is appropriately located in close association with another existing industrial precinct, this being the Fairfield East precinct which is located to the south. The precinct is largely surrounded by 6a zoned uses to the west, 4(a) and 4(c) industrial zoned uses to the south and 2a residential uses to the north and east. The precincts access is average, being located along a major arterial road (Woodville Road). Other access routes are from Orchardleigh or Fairfield Street.
Planning Controls	The precinct is partly zoned 4(a) General Industrial, 4(b) Light Industrial and 4(c) Special Industrial - under Fairfield Local Environmental Plan 1994. Planning controls for the Industrial Area are contained in Fairfield City Wide

 Development Control Plan 2006 - Chapter 9.

Evaluation	Assessment Criteria	Rating
	Accessibility	Average
	Land Use Conflict	Moderate
	Topography	Flat
	Aesthetic Appeal*	Average
	Size and Agglomeration	Large size or large cluster
Strategic Planning Recommendation	This precinct should be preserved to accommodate both light and general industrial uses given it is a significant sized industrial precinct with good access, flat topography and no potential land use conflicts.	
	It is recommended that the existing 4(a) zoned lands within this precinct be rezoned to IN1 – General Industrial zone under the LEP Planning Template. Further to this it is recommended that the existing 4(b) zoned land (which is located along the southern side of Orchardleigh Street) continue with its light industrial use and be rezoned to IN2 – Light Industrial zone to be consistent with the Standard Instrument LEP Template. This will assist in protecting establishments that provide important residential support services (i.e.: mechanics, auto electricians, smash repairers etc) from being redeveloped into other uses (i.e.: residential, retail etc). The IN2 zoned land will also create a good (noise and visual) buffer between the general and residential zones, reducing land use conflict.	
	It is also recommended that the existing 4(c) zoned lands be rezoned to B6 – Enterprise Corridor on the condition that residential uses and commercial/retail uses are not allowed, permitting bulky goods retailing only and businesses that have a maximum office space component of 40% where this is ancillary and directly related to a permitted use- Any greater then the business should be accommodated in the commercial centre)	

10.12 Precinct 10 – Smithfield Industrial Area



Land Area	40.3 hectares
Gross Floor Area	244,483 sqm
Estimated Workers	1,450
Location	Smithfield Industrial Precinct is located to the north of Fairfield West, bounded by Long Street Park to the north, The Horsley Drive to the south, Warren Road to the east and Market Street to the west.
Land Use Characteristics	The Smithfield Industrial Area is easily accessed from The Horsley Drive, Victoria Street and the Cumberland Highway. It comprises predominantly of small lot subdivisions which have attracted a range of small scale industries. The precinct is dominated by warehousing and distribution uses; light manufacturing industries and local light industry. In particular there is a prominence of small engineering and metals fabrication industries and a significant number of smash and mechanical repair shops, auto electricians, auto parts and tyre services. Within the precinct there is a scattering of vacancies. The number of existing vacancies are not significant, totalling approximately 15 lots. The precinct is reasonably well defined, however there is potential land use conflict given the precinct is immediately surrounded by 2a residential zoned uses (largely to the west of the precinct).

Planning Controls

The majority of the precinct is zoned 4(a) General Industrial under the Fairfield Local Environmental Plan 1994. A small portion of the precinct toward the southern end between Warren Road and Justin Street is zoned 4(c) Special Industrial.

Planning controls for the Industrial Area are contained in Fairfield City Wide Development Control Plan 2006 - Chapter 9.

Evaluation**Assessment Criteria****Rating**

Accessibility

Average

Land Use Conflict

Moderate

Topography

Flat

Aesthetic Appeal*

Poor

Size and Agglomeration

Large size or large cluster

Strategic Planning Recommendation

It is recommended that the existing 4(c) zone and part of the existing 4(a) zone within this industrial precinct be rezoned to B6 – Enterprise Corridor under the LEP Planning Template. This will assist in preserving important residential support services (including house and car repair services) whilst also allowing bulky goods retailing (Note: The extent of the proposed B6 Enterprise Corridor is shown in green and the rest of the area is IN1 – General Industrial)

The rest of the existing 4(a) zoned land should be rezoned to IN1 – General Industrial zone under the Standard Instrument LEP Template. This zone should permit general industrial uses (not hazardous or offensive).



10.13 Precinct 11 – Villawood Industrial Area



Land Area	6.8 hectares
Gross Floor Area	39,287 sqm
Estimated Workers	987
Location	The Villawood Industrial Precinct is located approximately 25 kilometres from the CBD and with good access to Sydney's major road arteries. It is bounded by Woodville Road to the east, Mandarin Street to the west, Tangerine Street to the north and River Avenue to the south.
Land Use Characteristics	Villawood Industrial Precinct consists of a mix of local light industry, retail uses, food manufacturing and local based community facilities (a church). Specifically the uses are dominated by caryards, mechanical and smash repairs and retail/homeware uses (including furniture, bedding, lighting retailers). The northern end of the precinct comprises of strata units focused on retailing. There is also a vacant building in the northern end of the precinct. Key businesses in the precinct include, Bunnings Warehouse, Autobarn, The Warehouse, Sleep City and McDonalds. The precinct is reasonably well defined and contained, however there is potential land use conflict given the precinct is immediately surrounded to the west by 2a residential zoned uses.
Planning Framework	The precinct is predominately zoned 4(c) Special Industrial under the Fairfield Local Environmental Plan 1994. A small section to the northwest of the precinct is zoned 4(b) Light Industrial. Planning controls for the Industrial Area are contained in Fairfield City Wide Development Control Plan 2006 - Chapter 9.

Evaluation	Assessment Criteria	Rating
	Accessibility	Average
	Land Use Conflict	Moderate
	Topography	Flat
	Aesthetic Appeal*	Average
	Size and Agglomeration	Average size or reasonable cluster
Strategic Planning Recommendation	It is recommended that the existing 4(b) zone within this precinct be retained as light industrial but rezoned as Zone IN2 – Light Industrial to be consistent with the Standard Instrument LEP Template. This will assist in protecting establishments that provide important residential support services (i.e.: mechanics, auto electricians, smash repairers etc) from being redeveloped into other uses (i.e.: residential, retail etc). Council should consider to rezone the land presently zoned as 4(c) to an Enterprise Corridor under the LEP Planning Template on the condition that residential uses and commercial/retail uses are not allowed, permitting bulky goods retailing only and businesses that have a maximum office space component of 40% where this is ancillary and directly related to a permitted use- Any greater then the business should be accommodated in the commercial centre).	
	Note: The Department of Planning recommends that Council consider the use of the B5 – Business Development zone in place of its existing 4(c) zone.	

10.14 Precinct 12 – Wetherill Park Industrial Area

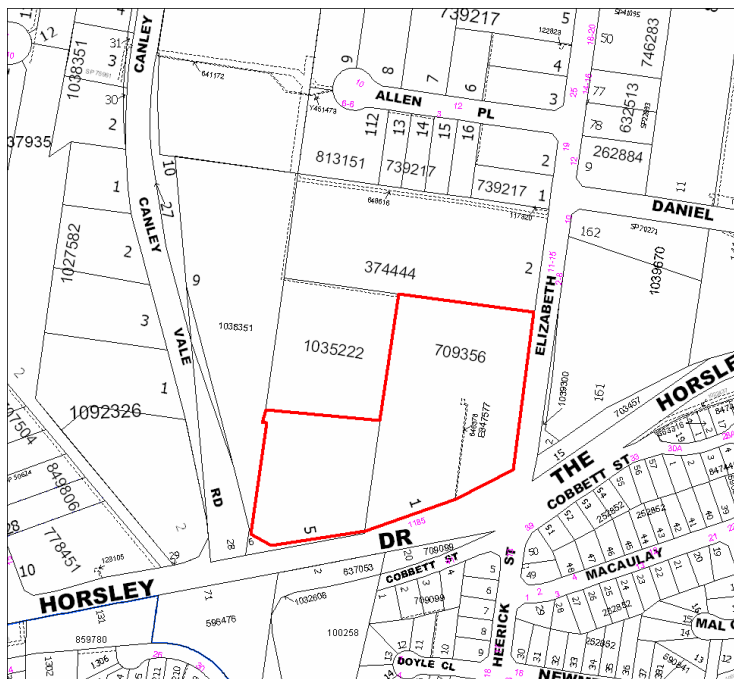


Land Area	553.3 hectares
Gross Floor Area	2,785,762 sqm
Estimated Workers	15,500
Location	The Wetherill Park Industrial Area is located some 30 km west of the Sydney CBD. It is located to the north of Bossley Park and Priariewood. Victoria Street runs across the middle of the industrial precinct, spanning the precinct from east to west. It is bounded by the Horsely Drive to the south and the Sydney Water Supply Pipeline to the north.
Land Use Characteristics	The industrial precinct developed quickly in the late 1970s and 1980s. Presently it provides a diverse base of manufacturing, warehousing and service industries. This precinct offers the largest industrial floor area across the LGA, accommodating some 3,300,000sqm of industrial GFA. The area is a mosaic of differing land uses, comprising numerous small to medium sized lots. This precinct comprises a significant amount of floor space – totalling around 3,300,000 sqm of GFA. The area predominantly accommodates Warehousing/distribution and light

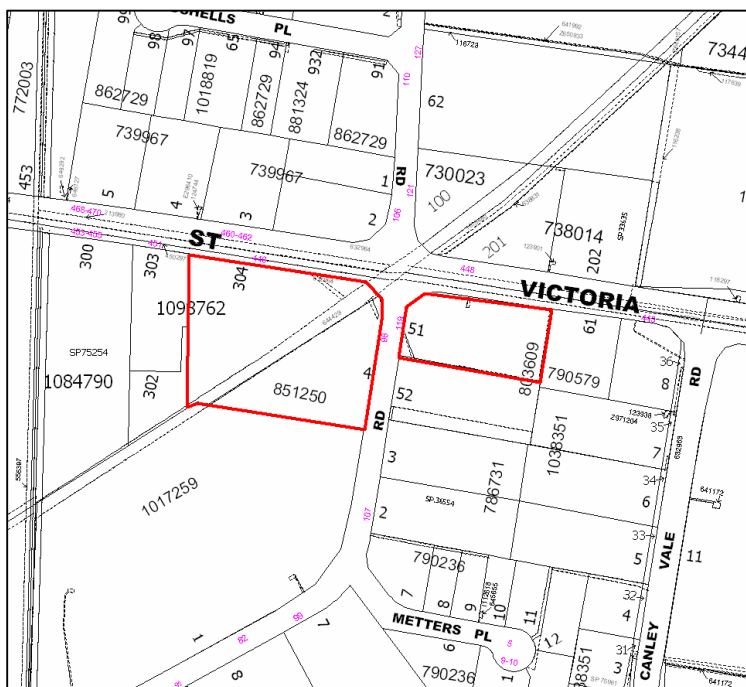
	manufacturing uses including for example kitchen and furniture manufacturers, importing companies and transport companies. Site access can be easily achieved via the Horsley Drive. Access would be improved if Horsley Drive was upgraded. Close to the M7 and Cowpasture Road. The precinct is reasonably well defined and contained with separation from residential areas – except in an area with 2a zoned residential land uses immediately southwest of the precinct where there is a potential small land use conflict. The precinct is predominately surrounded by SREP 31 and SEPP 59 zoned lands. Other significant uses adjacent to the precinct include 3c (Local Business Centre) , 5c (Special Uses), 6a (Existing & Proposed recreation) and 1b (Non- Urban Extractive Industry) zoned land uses, which do not pose any land use conflicts.	
Planning Framework	The majority of the precinct is zoned 4(a) General Industrial under the Fairfield Local Environmental Plan 1994. Two small pockets within the eastern portion of the precinct are zoned 4(b) Light Industrial and some portions zoned 4(c) Special Industrial. Planning controls for the Industrial Area are contained in Fairfield City Wide Development Control Plan 2006 - Chapter 9.	
Evaluation	Assessment Criteria	Rating
	Accessibility	Average
	Land Use Conflict	Low
	Topography	Flat
	Aesthetic Appeal*	Poor
	Size and Agglomeration	Large size or large cluster
Strategic Planning Recommendation	It is recommended that the existing 4(b) Light Industrial Zone be retained but rezoned as IN2 – light Industrial to be consistent with the LEP Planning Template. This will help to safeguard establishments that provide important residential support services (i.e.: mechanics, auto electricians, smash repairers etc) from being redeveloped into other uses (i.e.: residential, retail etc). Consideration should be given to rezone 4(a) General Industrial Zone to IN1 – General Industrial Zone. The existing 4(c) Special Industrial Zone should be rezoned to an Enterprise Corridor – B6 on the condition that residential uses and commercial/retail uses are not allowed, permitting bulky goods retailing only and businesses that have a maximum office space component of 40% where this is ancillary and directly related to a permitted use - Any greater then the business should be accommodated in the commercial centre). Note: The Department of Planning recommends that Council consider the use of the B5 – Business Development zone in place of its existing 4(c) zone. <u>CENTRAL SERVICES FACILITY (CSF)</u> It is recommended that Central Services Facility (CSF) nodes be included within Wetherill Park, which would provide daily services for the working population in the industrial area. This facility should comprise but not be limited to the following uses:	

conference centre, banks, copy centre, business supply centre, dry cleaners, deli, health club, gym, salon/day spa etc. This service area may be appropriately defined in either of the following two locations:

1. An area west of Daniel Street, bounded by Elizabeth Street to the east, Canley Vale Road to the west and The Horsley Drive to the south (refer to map below – CSF Option 1).



2. An area at the Victoria Road and Newton Road Intersection located on the southern side of Victoria Street (refer to map below CSF Option 2).



Both options are good locations for a CSF, given their close proximity to several T-Way Stations and the T-Way Route. The existing Greenway Plaza, and commercial/retail development at 119 Newtown Road are accommodated in both CSF location options, which creates a cluster of commercial/retail ensuring that this centres performance/viability is reinforced and protected.

It is important that this Central Services area be clearly defined and contained. Based on analysis of comparable CSF's (see Appendix 3) it is recommended 15,000-16,000sqm of floorspace be attributed to a single CSF node/cluster. Based on the number of employees in the Wetherill Park precinct multiple nodes may be appropriate for the area.

The proportion of retail to commercial or other floorspace may be particular to each node. However, any application to Council for development within a CSF which will result in a higher proportion of retail or commercial space than recommended in Appendix 3 should provide an economic impact assessment or other relevant study supporting this difference.

Furthermore, Council should develop a strategy to manage the delivery (through stages) of CSF nodes along major transit routes within the precinct.

A suitable zone under the LEP Planning Template would be B6 – Enterprise Corridor, which is flexible in that appropriate permissible uses are identified that is specific for this defined area (i.e.: retail/commercial). Further to this, a DCP should be developed that applies specifically to this Central Services Area to control and restrict the scale/type of retail and commercial development that is permitted so the existing commercial centres are not undermined.

The CSF is desirable to effectively accommodate the following type of uses: medical centre; gym; tavern; hotel; service station; retail/commercial office; child care centre; and hotel.

SPOT REZONING RECOMMENDATIONS

Our recommendations concerning 3 proposed spot rezoning's within the Wetherill Park industrial area are as follows:

- 1403 The Horsley Drive – This site is within the 4(c) zone. Council has received an application to rezone the site so business premises can be permitted.
- 1267 The Horsley Drive - This site is within the 4(c) zone. Council have not received an application for a spot rezoning however the owner has indicated to Council that there is interest to submit a rezoning application to allow business premises on the site.

In regards to both of the abovementioned rezoning's, it is recommended that business premises are not permitted on either of the sites, as all business/commercial facilities should be accommodated where the proposed CSF is. These sites do not fall within either of the proposed locations for the CSF. They are removed from the existing retail centre (Greenway Plaza) and from the Transitway. The proposals do not conform with either the principles of Draft SEPP 66 and Council's Retail Centres Policy.

- 1345 The Horsley Drive - This site is within the 4(c) zone and has been approved for the purposes of a restaurant. Council has received a request that the owner be permitted to operate an Entertainment Facility. As an Entertainment Facility of this nature is not permitted in the 4(c) zone, a spot rezoning has been lodged to Council that proposes an additional use to be permitted – being an Entertainment Facility.

The ideal location for such a uses is within the area proposed to be designated as a CSF. All entertainment/recreational uses should be accommodated in the CSF of the industrial precinct. As such, it is recommended that an Entertainment Facility is not an appropriate use on the site nor within the 4(c) zone.

Note: This strategy recommends that the existing 4(c) Special Industrial Zone be rezoned to an Enterprise Corridor under the Standard Instrument LEP Template where the permitted uses are to be defined by Council that are appropriate to the industrial area – uses that generate employment.

10.15 Precinct 13 – Yennora Industrial Area



Land Area	14 hectares
Gross Floor Area	93,234 sqm
Estimated Workers	1,797
Location	The Yennora Industrial Precinct is located directly to the north of East Fairfield on the southern side of the railway, approximately 20 km west of the Sydney CBD. The precinct is bounded by Railway Street, Junction street and Orchardleigh Street. The industrial area is in close proximity to Yennora primary school and knight park. The main access into the precinct is Railway Street and Orchardleigh Street, which is accessed via Woodville Road.
Land Use Characteristics	The Yennora Industrial Precinct is characterised by small scale industrial development, particularly to the west where there is a proliferation of clusters of local light industry and urban support uses - largely motor vehicle related industries i.e.: automotive servicing and smash repairs. Light manufacturing, specifically wood and furniture manufacturing and metal fabrication (including for example PLJ Woodworking, Adept Hardchrome), warehousing and distribution uses are also well represented within the precinct. The north - western end of the precinct near the railway, comprises a few residential lots. The precinct is also characterised by a lack of parking and landscaping, high site coverage and older style buildings with constrained vehicular access. The precinct is reasonably well defined and contained with separation from residential areas – except immediately south of the precinct around Orchardleigh Street where there is potential land use conflict. The precinct is largely surrounded by 5(a), 5(c) and 6(b) zoned uses, which do not pose any land use conflicts
Planning Framework	The majority of the precinct is zoned 4(a) General Industrial and a portion zoned 4(b) Light Industrial under the Fairfield Local Environmental Plan 1994.

Planning controls for the Industrial Area are contained in Fairfield City Wide Development Control Plan 2006 - Chapter 9.

Evaluation	Assessment Criteria	Rating
	Accessibility	Average
	Land Use Conflict	Moderate
	Topography	Flat
	Aesthetic Appeal*	Average
	Size and Agglomeration	Large size or large cluster

Strategic Planning Recommendation

It is suggested that this precinct be rezoned in accordance with the LEP Planning template to accommodate an IN2 – Light Industrial zone and an IN1 – General Industrial Zone that accommodates non hazardous and non offensive General industrial uses. This zoning recommendation will help to preserve establishments that provide important residential support services (i.e.: mechanics, auto electricians, smash repairers etc) from being redeveloped into other uses (i.e.: residential, retail etc).

The majority of the existing 4(a) zone should be rezoned to an IN1 zone and the existing 4(b) zone to an IN2 – Light Industrial Zone. Refer to the figure below that identifies the suggested rezoning's.



10.16 Summary

This section summarises those recommendations made concerning potential rezoning's of existing industrial/employment lands across the Fairfield LGA, based on the consideration of the following assessment criteria: accessibility, land use conflict, topography, aesthetic appeal, employment, size and agglomeration; together with the DoP's LEP Planning Template.

The following table summarises our recommendations for each of the identified industrial/employment precincts, taking into account the impacts on job numbers.

Table 23 - Rezoning Recommendations - Summary

	Precinct 1 Bonnyrigg	Precinct 2 Cabramatta Rd	Precinct 3 Cabramatta 4(b)	Precinct 4 Lansvale	Precinct 5 Cabramatta North Hume Highway	Precinct 6 Canley Vale	Precinct 7 Fairfield	Precinct 8 Fairfield East	Precinct 9 Guildford	Precinct 10 Smithfield	Precinct 11 Villawood	Precinct 12 Wetherill Park	Precinct 13 Yennora
Recommendation	X	X	√	+	X	√	X	+	+	X	+	+	+
Employment Estimates	431	330	330	1,184	360	179	310	2,683	1,303	1,450	987	15,500	1,797

√ Preserve Existing Zoning
 X Rezone
 + Rezone part of the precinct

It should be recognised that the majority of the rezoning recommendations made, are to another zone which will also accommodate employment uses (i.e.: to an enterprise corridor zone). Hence a rezoning does not necessarily mean a loss in employment numbers.

As such the following zoning recommendations are made.

Proposed Rezoning/Conversion to New Template

Precinct 1: Bonnyrigg Industrial Precinct:

- 4(c) Special Industrial Zone to B6 - Enterprise Corridor Zone or B4 - Mixed Use Zone, in line with the Town Centre Master Plan as set out in DCP No 28.

Precinct 2: Cabramatta Road Industrial Precinct:

- 4(c) Special Industrial Zone to B6 - Enterprise Corridor Zone.

Precinct 3: Cabramatta 4(b) Industrial Precinct:

- 4(b) Light Industrial to IN2 – Light Industrial.

Precinct 4: Lansvale Industrial Precinct:

- 4(b) Light Industrial to IN2 – Light Industrial; and
- 4(c) Special Industrial Zone to B6 - Enterprise Corridor Zone.

Precinct 5: Cabramatta North Hume Hwy Industrial Precinct:

- 4(c) Special Industrial Zone to B6 - Enterprise Corridor Zone.

Precinct 6: Canley Vale Industrial Precinct:

- 4(b) Light Industrial to IN2 – Light Industrial.

Precinct 7: Fairfield Industrial Precinct:

- 4(b) Light Industrial Zone to B6 - Enterprise Corridor Zone.

Precinct 8: Fairfield East Industrial Precinct:

- 4(a) General Industrial Zone to IN1- General Industrial Zone;
- 4(b) Light Industrial to IN2 – Light Industrial ; and
- 4(c) Special Industrial Zone to B6 – Enterprise Corridor Zone.

Precinct 9: Guildford Industrial Precinct:

- 4(a) General Industrial Zone to IN1- General Industrial Zone;
- 4(b) Light Industrial to IN2 – Light Industrial ; and
- 4(c) Special Industrial Zone to B6 – Enterprise Corridor Zone.

Precinct 10: Smithfield Industrial Precinct:

- 4(c) Special Industrial Zone (and part of the existing 4(a) zone fronting The Horsley drive and Market Street) to B6 – Enterprise Corridor; and
- The remainder of the 4(a) General Industrial Zone to IN1 – General Industrial Zone.

Precinct 11: Villawood Industrial Precinct:

- 4(b) Light Industrial to IN2 – Light Industrial ; and
- 4(c) Special Industrial Zone to B6 - Enterprise Corridor Zone.

Precinct 12: Wetherill Park Industrial Precinct:

- 4(a) General Industrial Zone to IN1- General Industrial Zone;
- 4(b) Light Industrial to IN2 – Light Industrial ; and
- 4(c) Special Industrial Zone to B6 - Enterprise Corridor Zone.

Precinct 13: Yennora Industrial Precinct:

- Most of the 4(a) – General Industrial Zone to IN1- General Industrial Zone; and
- 4(b) Light Industrial retain as Light Industrial (IN2) as well as some of the existing 4(a) General Industrial Zone.

Western Sydney Employment Hub

It is also recommended that those parcels of industrial land that fall within Fairfield LGA and are part of the Western Sydney Employment Hub be zoned IN1- General Industrial Zone.

We understand that a SEPP is being prepared for the Western Sydney Employment Hub and most likely the area will be controlled by the NSW Minister for Planning. A number of studies will need to be undertaken as part of the LES process or equivalent. This includes transport and accessibility, environmental issues, existing services and infrastructure and required amplification, heritage, ecological conditions, and so on.

10.17 Employment Lands Scorecard

Assessment of the existing industrial precincts across the Fairfield LGA is summarised in the table below which identifies total business numbers, land area (ha), average business size (ha), estimated workers, proposed future zone (in line with the Standard Instrument LEP Template), and proposed area of employment generating land under the recommended zoning (ha) for each precinct.

Table 24 - Employment Lands Scorecard – Fairfield LGA

	No. Businesses	Area (ha)	Average Land Size (ha)(sqm) *	Current Zone	Est. Workers	Proposed Zone	Proposed area (ha) **
Precinct 1 Bonnyrigg	21	10.6	0.48ha 4,800sqm	4(c) Special Industrial	397	B6 - Enterprise Corridor Zone or B4 – Mixed Use Zone	10.6
Precinct 2 Cabramatta Rd	25	1.6	0.05ha 500sqm	4(c) Special Industrial	317	B6 - Enterprise Corridor Zone	1.6
Precinct 3 Cabramatta 4(b)	29	3.4	0.15ha 1,500sqm	4(b) Light Industrial	312	IN2 – Light Industrial.	3.4
Precinct 4 Lansvale	103	17.2	0.17ha 1,700sqm	4(b) Light Industrial & 4(c) Special Industrial	1,261	B6 - Enterprise Corridor Zone IN2 – Light Industrial	17.2
Precinct 5 Cabramatta North Hume Hwy	6	3.2	0.16ha 1,600sqm	4(c) Special Industrial	341	B6 - Enterprise Corridor Zone	3.2
Precinct 6 Canley Vale	32	4.7	3.2ha 32,000sqm	4(b) Light Industrial	169	IN2 – Light Industrial Zone	4.7
Precinct 7 Fairfield	267	65.1	0.15ha 1,500sqm	4(b) Light Industrial	295	B6 - Enterprise Corridor Zone	65.1
Precinct 8 Fairfield East	230	41.4	0.19ha 1,900sqm	4(a) General Industrial, 4(b) Light Industrial & 4(c) Special Industrial	2,756	IN2 – Light Industrial Zone, IN1- General Industrial Zone	41.4
Precinct 9 Guildford	63	19.9	0.15ha 1,500sqm	4(a) General Industrial, 4(b) Light Industrial & 4(c)	1,338	IN2 – Light Industrial Zone, IN1- General Industrial Zone	19.9

	No. Businesses	Area (ha)	Average Land Size (ha)(sqm) *	Current Zone	Est. Workers	Proposed Zone	Proposed area (ha) **
				Special Industrial			
Precinct 10 Smithfield	237	45.6	0.17ha 1,700sqm	4(a) General Industrial & 4(c) Special Industrial	1,264	IN2 – Light Industrial Zone, IN1- General Industrial Zone	45.6
Precinct 11 Villawood	14	6.8	0.49ha 4,900sqm	4(b) Light Industrial & 4(c) Special Industrial	1,014	B6 - Enterprise Corridor Zone IN2 – Light Industrial	6.8
Precinct 12 Wetherill Park	1,557	603.9	0.33ha 3,300sqm	4(a) General Industrial, 4(b) Light Industrial & 4(c) Special Industrial	12,895	B6 - Enterprise Corridor Zone, IN1- General Industrial Zone IN2 – Light Industrial Zone	603.9
Precinct 13 Yennora	202	16.2	0.03ha 300sqm	4(a) General Industrial, 4(b) Light Industrial	1,846	IN2 – Light Industrial Zone, IN1- General Industrial Zone	16.2
TOTAL	2,786	839.6	0.24		24,205		839.6

* Average Land size = area of precinct/no. businesses

** Estimated area of employment generating land after the recommended rezoning.

In relation to the existing and proposed supply of industrial/employment lands of those industrial precincts examined across the Fairfield LGA, it may be concluded that:

- Apart from land identified in the Sydney Metropolitan Strategy, it is recommended that no additional land should be rezoned industrial in the immediate future.
- There is an existing supply of approximately 839.6ha of industrial zoned land.
- The above zoning recommendations do not result in any loss of existing employment lands across industrial precincts of Fairfield LGA.
- In a general sense (with a few exceptions depending on contrasting attributes of specific areas whereby a different zoning would be more appropriate) the current zonings translate to the following zones under the Standard Instrument LEP Template:

Table 25 - Zoning Conversions

Existing Zone	Translated Zone – under Standard Instrument LEP Template	Exceptions
4 (a) General Industrial	IN1 – General Industrial	
4 (b) Light Industrial	IN2 – Light Industrial	Precinct 7 – Fairfield: B6 Enterprise
4 (c) Special Industrial	B6 – Enterprise Corridor	Precinct 1 – Bonnyrigg: B6 Enterprise or B4 Mixed Use Precinct 10 - Smithfield: IN2 Light Industrial

- There is a declining level of vacant developable land – around 7% of total employment/industrial zoned lands.
- A strong supply of employment zoned land (including vacant land) is healthy and should be maintained as it keeps a check on land price rises. This keeps Sydney (and specifically Fairfield) competitive from other areas (i.e.: supply should always greater than demand).
- The release of 656 hectares of new employment lands, forming part of the 'Western Sydney Employment Hub', will provide the Fairfield LGA's future supply of employment lands. It is

acknowledged that some of this land may be constrained by environmental constraints, access, and infrastructure issues.

The following existing industrial precincts across the LGA appear to be constrained due to relatively small average land sizes:

- Precinct 2 – Cabramatta Road Industrial Precinct 4(c)
- Precinct 13 – Yennora Industrial Precinct

This indicates the prevalence of significant fragmentation, which constrains the precinct for future redevelopment. Further to this, such small sized lands do not have a good capacity to accommodate a broad range of employment generating uses, limited to only providing small scale service industry.

It should be recognised that employment land supply is subject to a range of additional constraints other than the presence of fragmented/small lot sizes and has not been investigated in detail as part of this study (i.e. the portion of existing undeveloped employment lands in sqm/ha that are unusable for employment use in the LGA due to such constraints has not been investigated). These additional constraints include, for example slope and topography, groundwater, drainage and flooding, land ownership and tenure, trunk infrastructure location and capacity, utilities and services provision, vehicular and rail access, major road network capacity, agricultural land suitability/capability, cultural heritage and archaeology, market preferences, location of labour supplies, or character of the location.

DISCLAIMER

This report is for the confidential use only of the party to whom it is addressed (the client) for the specific purposes to which it refers. We disclaim any responsibility to any third party acting upon or using the whole or part of its contents or reference thereto that may be published in any document, statement or circular or in any communication with third parties without prior written approval of the form and content in which it will appear.

This report and its attached appendices are based on estimates, assumptions and information sourced and referenced by Hill PDA and its sub consultants. We present these estimates and assumptions as a basis for the reader's interpretation and analysis. With respect to forecasts we do not present them as results that will actually be achieved. We rely upon the interpretation of the reader to judge for themselves the likelihood of whether these projections can be achieved or not.

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

This report does not constitute a valuation of any property or interest in property. In preparing this report we have relied upon information concerning the subject property and/or proposed development provided by the client and we have not independently verified this information excepted where noted in this report.

APPENDIX 1 - LAND USE AND SITE COVERAGE MAPS

APPENDIX 2 - AERIAL MAPS OF INDUSTRIAL PRECINCTS

APPENDIX 3 - CENTRAL SERVICES FACILITY FLOORSPACE CALCULATION

Central Services Facility Floorspace Calculation

The following table compares three central service facilities (CSF's), analysing the types of uses and floorspace associated to each use.

	Riverside (CSIRO)	Penrith	Tech. Park Perth
No. Employees (2006)	7,100	700	2,465
Floorspace (sqm)	11,080	36,740	
CSF Floorspace:	sqm	sqm	sqm
Retail ¹	1,050	1,500	450
Pad Site Retail		1,000	
Petrol Station/car wash/Convien.		200	
Restaurants			
Commercial ²	300	500	500
Medical Facilities		500	
Function Centre ³			2,000
Hot Desking Centre ⁴			400
Hotel ⁵	7,785	4,000	
	(173 room)	(80 room)	
Tavern/Bar		2,000	500
Gym	1,500	1,200	1,500
Child Care Centre (60 place)	1,000	1,000	1,000
Total CSF Floorspace	11,635	11,900	6,350
Sports Facilities:	Pool	Sports Centre	Tennis Court
	Tennis Court		Basketball Court

1 Retail space includes the following uses: convenience stores, printing/copy, beauty salons, café's, specialty stores, newsagent, general store, stationary store etc.

2 Commercial space includes financial institutions, accountants, lawyers etc.

3 Function Centre consists of seminar rooms, auditorium (80 people), boardroom, bistro, courtyards with BBQ facilities all of which are for hire.

4 The Hot Desking Centre consists of work desks, PC's, internet facilities, telephones for local calls, printer, fax, stationary, video conferencing hire.

5 The floorspace associated to the hotels are based on a rate of 45-50sqm per bedroom inclusive of an average ratio of public areas to bedroom floors.

Based on the above analysis the following comments are made:

- Riverside CSF is the most comparable with regards to employment numbers. However, Riverside is a high-tech bio-medical facility with a high density of employee's to floorspace. In comparison Wetherill Park industrial precinct has a lower proportion of employees to floorspace with 15,500 employees and approximately 2,753,800sqm of industrial building floorspace.
- The CSF at Technology Park in Perth is based on a smaller employee population, however they provide excellent service facilities including a function centre (seminar rooms, auditorium for 80 people, boardroom, bistro, courtyards with BBQ facilities all of which can be hired), and a Global Alliance Centre providing hot desking facilities for visiting business groups (work desks, PC's, internet facilities, telephones for local calls, printers, fax, stationary, video conferencing hire).

- The proposed facility at Penrith services not only the industrial occupants on site, but other employment lands nearby. As such the actual number of employees serviced by the CSF will be in excess of 700 people.

Based on the comparable analysis above it is estimated that the floorspace associated with a CSF node in the Wetherill Park industrial precinct could be proportioned as follows:

Wetherill Park CSF Nodes	
No. Employees (2006)	15,500
Floorspace (sqm)	2,753,800
CSF Floorspace:	
Existing Greenway Plaza Shopping Centre	11,000
Retail (specialties, café's etc)	3,000
Pad Site retail	1,000
Petrol Station/car wash/Convien.	250
Commercial	2,500
Function Centre	2,500
Hot Desking Centre	400
Medical Facilities	300
Hotel (80 room)	4,000
Tavern/Bar	500
Gym	1,500
Child Care Centre (60 place)	1,000
Total CSF Floorspace	27,950

It is important that this Central Services area be clearly defined and contained. Based on analysis of comparable CSF's it is recommended 15,000-16,000sqm of floorspace be attributed to any single CSF node/cluster. Based on the number of employees in the Wetherill Park precinct multiple nodes may be appropriate for the area.

The proportion of retail to commercial or other floorspace may be particular to each node. However, any application to Council for a CSF with a higher proportion of retail or commercial space than recommended should provide an economic impact assessment or other relevant study supporting this difference.

Furthermore Council should develop a strategy to manage (through stages), the delivery of CSF nodes along major transit routes within the precinct.

