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**Q1**

Contact information

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**Q2**

Submissions may be made public (including full name, organisation name and postcode only). You can choose to publish your submission anonymously (using your postcode only). Please select from the options below:

**My submission can be made public (with my full name, organisation name and postcode published)**

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**Q3**

What has been your experience with the retain and manage industrial lands policy?

**Respondent skipped this question**

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**Q4**

What has been your experience with the review and manage industrial lands policy?

**Respondent skipped this question**

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**Q5**

What suggestions would you make for industrial lands policy in the Greater Sydney Region Plan?

**Respondent skipped this question**

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**Q6**

Are there any barriers to industrial lands fulfilling their functions?

**Respondent skipped this question**

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**Q7**

Respondent skipped this question

From your perspective, what would be the most productive way to manage industrial lands? What are the opportunities to make industrial areas more productive?

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**Q8**

Respondent skipped this question

Are there particular locations in Greater Sydney that are most appropriate to transition to alternative uses for industrial lands? Why?

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**Q9**

Respondent skipped this question

Are you aware of any new types of industrial or urban services uses occurring in industrial areas?

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**Q10**

Respondent skipped this question

Please provide any further comments below

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**Q11**

Would you like to attach a document?

**190821 GSC Industrial lands review PIA submission.pdf (270.7KB)**

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19 August 2021

Elizabeth Mildwater  
Chief Executive Officer  
Greater Sydney Commission (GSC)  
PO Box 257  
Parramatta NSW 2124

Ms Mildwater,

**PIA SUBMISSION – GSC INDUSTRIAL LANDS (PROTECT & MAINTAIN) POLICY REVIEW**

The Planning Institute of Australia (PIA) welcomes the opportunity to engage on strategy of critical importance to the productivity and resilience of Greater Sydney.

PIA strongly supports the GSC in a precautionary ('no regrets') approach towards the residential conversion of commercial core and industrial land. This should promote urban services uses and evolving enterprise and job opportunities into the future. It should not be a static policy and should actively support emerging opportunities through subsidiary plans which curate place outcomes that include higher intensity uses.

The basic principles outlined in the GSC Thought Leadership Paper ['A Metropolis that Works'](#) (2018) remain relevant.

PIA endorses strategic planning for higher intensity housing growth in diverse settings and typologies – in accessible locations that reinforce the '30 minute city'. There are opportunities for housing growth and renewal consistent with the Regional Plan that do not prejudice the integrity of central and eastern industrial precincts – and which respond to the availability of public transport and other services. It should not be assumed that converted industrial land is suited for housing or mixed uses. The costs and difficulty of re-routing public transport and providing amenity are significant – especially in places like Camelia, and the implications should be considered in a district strategic centres context.

The productivity advantages of conversion of central and eastern industrial precincts to housing is not accurately represented by the Productivity Commission (PC). Our submissions to the Green and White papers (see **Attachment A**) note that the economic gains generated by housing can be amplified by locating growth in accessible mixed use centres at a range of scales – rather than ad hoc

conversion of industrial lands. Whereas the loss of access to inner city industrial land has significant long term implications – due to their enabling role hosting urban services, urban infrastructure and other emerging uses.

A [recent analysis by SGS](#)<sup>1</sup> compared the industrially-zoned land within Sydney’s Eastern City with large commercial centres across Australia. The analysis found that these employment precincts are more than twice as economically productive from a Gross Value Added (GVA) perspective than the Parramatta CBD and higher than the Adelaide CBD. The paper also found that planning for ‘flexibility’ does not necessarily boost the economic contribution of these lands.

The long term economic value of industrial sites is not always reflected in land price and there is significant pressure for upzoning, typically to housing or retail. Strategic planning has a role to regulate against excessive conversion of industrial land to maintain the productive capacity of nodes of economic activity. The ‘protect and maintain’ policy serves this function in central and eastern Sydney.

Industrial / Employment zones and other planning interventions are needed to deliver strategy where the market would otherwise:

- exclude productive ‘employment’ land uses that might be displaced or priced out by uses that can generate a higher private short term return (ie retail / residential uses)
- reduce the return on public and private investment in accessible centres, infrastructure and services

This point is acknowledged by DPIE in their Employments Land Framework documentation:

*“within parts of Greater Sydney and particularly the Eastern Harbour City, there is “limited industrial land and strong pressure to adapt this land to mixed uses to meet the supply demands of other higher order land uses. While there will always be transition of land between land use activities, once industrial land flips to commercial or residential, that land is unlikely to ever revert to an industrial use. From a productivity perspective, industrial areas often yield low job ratios, but these operations are often critical to a well-functioning city.”*

PIA advocates a resilient planning approach for Sydney’s future – applying planning controls which enable positive outcomes under a range of growth and industry change scenarios.

PIA has consistently acknowledged that planning for industrial lands is integrated with planning for successful centres of activity. The *retain and manage* policy not only supports employment and urban services in central and eastern Sydney - but also works to focus more intense housing and business activity in accessible and well served locations.

There will always be parts of industrial areas that are less integral - and would be the subject to review. A Regional or District spatial planning approach is preferred which curates place outcomes

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<sup>1</sup> <https://www.sgsep.com.au/publications/insights/employment-precincts-have-a-greater-economic-value-than-you-probably-think-and-they-will-play-an-essential-role-in-australias-post-covid-economy>

across a range of economic and social needs. The use of prudent 'community benefit' criteria can provide guidance in these cases. But, ultimately Regional and District Strategies should make the trade-offs for which precincts should be prioritised for retention and what changes should be curated by State and local government to achieve strategic outcomes. Local Government employment lands and housing strategies will be valuable input for this work.

### Recommendation

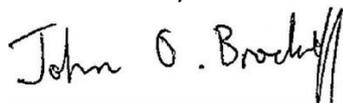
Continue the policy of retain and manage of central and eastern industrial lands – while using the Regional Plan review to apply a risk weighted (net community benefit) approach only to those sites that are most isolated or make the least contribution to the overarching directions of the plan.

GSC should continue to engage with local government and industry to identify and monitor the ongoing impact and performance of employment lands policy in achieving the strategic directions of the Regional and District Plans.

### Conclusion

PIA would appreciate the opportunity to remain engaged in planning for Greater Sydney's employment lands needs. Please contact John Brockhoff ([john.brockhoff@planning.org.au](mailto:john.brockhoff@planning.org.au) (0400953025) for further information on our submission.

Yours sincerely



National Policy Manager  
Planning Institute of Australia

### ATTACHMENT A: LINKS TO RELEVANT PIA SUBMISSIONS

- Continuing Prod Discussion Green Paper 2020 <https://www.planning.org.au/documents/item/10905>  
*SUMMARY: PIA noted that planning systems (including zoning) have a role in shaping urban structure to maximise productivity, this includes supporting accessible clusters and ensuring that market failures do not lead to housing dominating spaces and displacing employment and urban services infrastructure. PIA does not agree that rationalised zones and restrictions on permissible business activities will necessarily lead to industrial land being used more productively.  
PIA supports the preparation of clearer guidance on how current or modified zones and controls can be best deployed to achieve a strategic outcome for a place and to give stronger effect to strategic intent for employment and industrial lands. PIA also notes that consolidation of zones in Victoria combined with increased permissibility of retail and some housing uses has not been a success and is not transferable to NSW. This is because complexity has been reintroduced via overlays and other mechanisms in the Victorian system – while the ability to implement strategic outcomes for these places has been diminished from less precise tools being available.*
- Kickstarting Prod Discussion White Paper 2019 <https://www.planning.org.au/documents/item/10356>
- Greater Sydney Region Plan 2017: <https://www.planning.org.au/documents/item/8996>
- REAC Report Rec 2018 <https://www.planning.org.au/documents/item/8997>
- REAC SILEP Defn 2018 <https://www.planning.org.au/documents/item/9145>

- REAC Disc Paper 2018 <https://www.planning.org.au/documents/item/9146>
- Dist Plans <https://www.planning.org.au/documents/item/8305>
- GSC Plan Syd <https://www.planning.org.au/documents/item/8996>
- EP&A reform <https://www.planning.org.au/documents/item/8324>
- Retail drivers and other retail 2016 <https://www.planning.org.au/documents/item/8100>
- Retail sub 2016 <https://www.planning.org.au/documents/item/7947>
- Article: <https://sourceable.net/why-planners-and-economists-should-take-city-strategy-seriously/>
- BBBB complying development submission: <https://www.planning.org.au/documents/item/11322>
- Proposed DPIE Employment Zones Framework <https://www.planning.org.au/documents/item/11385>