

Growing populations need cities with capacity to deliver

Joint letter on the protection of industrial lands in Greater Sydney

6th December 2021

To the attention of:

Mr Geoff Roberts AM, Chief Commissioner Greater Sydney Commission
Ms Elizabeth Mildwater, Chief Executive officer, Greater Sydney Commission
Dr Deborah Dearing, Eastern City and North District Commissioner

Dear Mr Roberts, Ms Mildwater and Dr Dearing,

Freight matters to the future health of the Australian economy, to the natural environment and to the quality of life enjoyed by all Australians. Freight plays a vital part in all lives, yet it is often forgotten when urban growth and residential development are being discussed.

Supply chains require available and strategically located industrial lands. As some of Australia's and NSW's leading industry and supply chain partners, we are deeply concerned by the NSW Productivity Commission's recommendation to review current industrial land protections in Sydney. This review holds significant risk for the productivity and efficiency of Sydney's future supply chain, but also has broader implications across our connected national network.

The efficiency of this system impacts heavily on the cost, speed and competitiveness of goods purchased and exported. The erosion of industrial lands and freight corridors ultimately increases costs for businesses and consumers as operators are forced to relocate further away.

Distance creates operational inefficiencies, adding extra trucks to road networks and creating further congestion and bottle necks in areas such as Western Sydney. This adds to environmental impacts and the need to bring forward infrastructure investment.

In a market where technology is quickly advancing e-commerce demands, the urban freight task is expected to increase in NSW by more than 150 per cent by 2056, compared to 54 per cent population growth over the same period¹. The impact of poor land use decisions will compound challenges to meet this task.

Historically, Sydney has already witnessed significant reductions in industrial land areas. Today, only 4 per cent of lands in Eastern Sydney are Industrial Lands² and studies indicate only 8 per cent of land across Greater Sydney is presently zoned for non-residential uses such as industrial and urban services.³

While the issue of eroding industrial lands is not unique to NSW, Sydney is a key gateway precinct for freight that connects to Australia's national supply chain. By failing to protect industrial lands and

¹ Transport for New South Wales, 2018

² NSW Department of Planning, Industry and Environment – Employment Lands Development Monitor

³ Greater Sydney Commission, A Metropolis that Works, 2018

corridors, all Australian consumers are inadvertently impacted. The exacerbating issues of urban encroachment in Sydney creates no winners, especially for businesses trying to control their costs and remain operational, and consumers wanting to keep the cost of goods lower.

Earlier this year, the National Urban Freight Planning Principles⁴ were endorsed at the Infrastructure and Transport Ministers Meeting in response to calls for improved consideration of freight and land use planning. Careful planning for current and future freight needs is a critical action area arising from the National Freight and Supply Chain Strategy.

We urge you to retain and protect Sydney's industrial lands, and to progress a whole-of-system policy to improving the city's freight and logistics productivity.

It is a matter of critical importance to the future of port, freight and logistics operations in NSW and nationally, that industrial lands and freight corridors are protected to ensure the smooth operation of our current and future cities and country.

List of signatories

Industry bodies & other organisations



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⁴ National Urban Freight Planning Principles: 1) Understand the value, needs and characteristics of freight movement and incorporate in strategic and statutory transport and land use planning. 2) Safeguard the resilience of all major freight handling facilities and freight corridors within and between neighbouring jurisdictions, including local government areas. 3) Identify and plan areas for new freight facilities and freight intensive land uses. 4) Plan for efficient freight movements and complementary land uses around freight facilities and precincts, including intermodal terminals.

Companies



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