Gilead and Figtree Hill Estate

Employment Assessment: Preliminary Opportunities Report

PREPARED FOR **GLN Planning**

June 2022

macroplan

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Executive summary

Overview

- Lendlease Communities have a significant land interest at Mt Gilead in the Greater Macarthur region. Part of this land has been rezoned for urban development (previously known as the MDP Land) and Lendlease is in the process of obtaining various development consents to deliver their masterplanned community known as Figtree Hill.

- Lendlease's focus has turned to the balance of their land interest (Gilead) and are embarking on the process to rezone the land for residential development in line with State Government's Greater Macarthur 2040 Plan. To support the rezoning of land, research and advice is now required to inform the masterplan and planning proposal for the Gilead land and planning proposal for Figtree Hill estate.

Context review

- This report includes a review of the relevant planning strategies, polices, and studies to inform the potential employment opportunities for Gilead. These documents also reinforce the role of the Campbelltown centre to meet higher-order employment opportunities as service needs. Therefore, some of the household demand/expenditure from the population living in Gilead 2 will support jobs that are located in Campbelltown.

- The Campbelltown LSPS provides a preferred floorspace distribution across the area. This allocates 10,000-20,000m^2 for Mount Gilead / Figtree Hill (aka Gilead Stage 1) and 5,000-10,000m^2 for Gilead.

- A series of activity centre studies have been produced for Menangle Park, Gilead and surrounding areas. These studies provide more detail around the landowner intentions regarding sizing and timing, but they are still in the early stages of planning.

Catchment, population, and expenditure growth

- The activity centre and retail catchment for Gilead will start with a relatively large total trade area until the outbound activity centres are developed. This will help support the viability of the Gilead retail centre in the early years while the subdivision and dwelling construction is underway.

Employment strategies

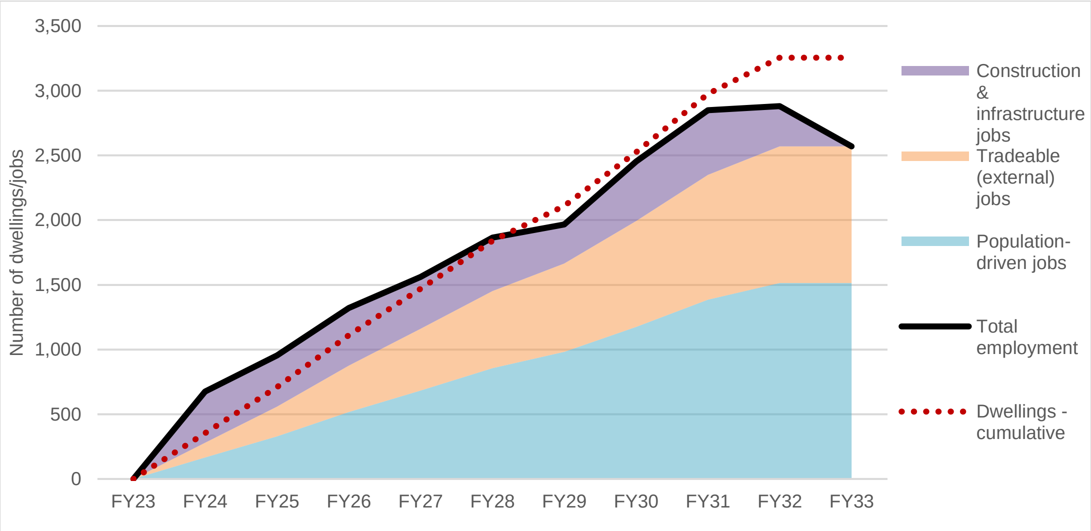
- Population driven employment will drive employment opportunities within the local area. These include retail jobs within the Gilead town centre, as well as education jobs (for the planned K-12 school) and the public/community services. As indicated in the following diagram, population-driven jobs are expected to provide around 47% of all the jobs generated by the Gilead development.

- Construction is a major generator of employment and is expected to deliver around 21% of all jobs generated by Gilead will be from dwelling construction over a decade. Beyond 2036, the Gilead area will become a base for construction workers and trades people that are working further out in the corridor

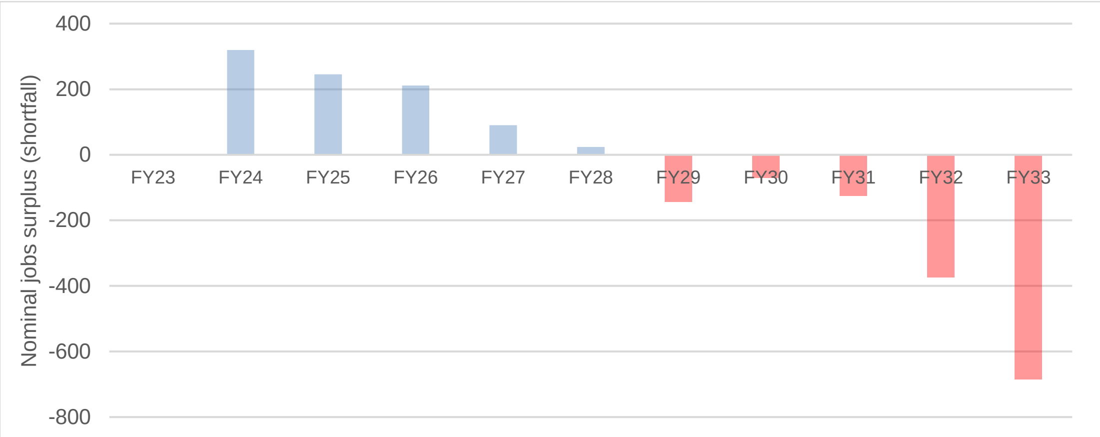
(Appin – Macarthur). Therefore, these jobs represent a long-term opportunity to help achieve the overall employment targets.

- In terms of strategic employment, three major trends that will drive future employment are the shift to services (including both business services and services to households/individuals), increase in knowledge-based employment and the tradeable economic sector. The employment strategy for Gilead can take advantage of all three of these trends which will directly facilitate the local employment opportunities as well as work at home.

- This preliminary opportunities report shows population-driven jobs (including centre-based, out-of-centre, work-from-home and work-at-home) and tradeable jobs external to the development based on the employment opportunities in the immediate area.



- This demonstrates a potential shortfall of around 690 jobs. Additional work is required in phase 2 of this assessment to identify specific employment strategies to address this projected shortfall against each of the opportunities identified in this report.



Introduction

Background

Lendlease Communities have a significant land interest at Mt Gilead in the Greater Macarthur region. Part of this land has been rezoned for urban development (previously known as the MDP Land) and Lendlease is in the process of obtaining various development consents to deliver their masterplanned community known as Figtree Hill. Lendlease's focus has turned to the balance of their land interest (Gilead) and are embarking on the process to rezone the land for residential development in line with State Government's Greater Macarthur 2040 Plan. To support the rezoning of land, research and advice is now required to inform the masterplan and planning proposal for the Gilead land and planning proposal for Figtree Hill estate.

Gilead is on the southern boundary of the Western City District and the Greater Sydney Commission's Western City District Plan 2018 sets an employment target for Campbelltown Macarthur of 28,000-31,000 jobs by 2036. This will include a range of jobs across industry sector and skills requirements to ensure the district can become essentially a 'self-contained' 30-minute city offering both a full range of job opportunities as well as a full range of services and goods for benefit of the community.

The two key strategic documents to guide Gilead's employment growth are the Greater Macarthur 2040 Interim Plan Nov 2018 and Campbelltown LSPS.

Site Description

The Mt Gilead land is located between the Hume Highway and Appin Road, immediately adjoining the existing suburb of Rosemeadow. The land interest consists of three main land parcels: *

- Figtree Hill – 216ha (rezoned and in the process of obtaining development consents);
- Homestead – 150ha (contains historically significant buildings and is being retained by the landowner); and
- Gilead – 495ha of rural land currently used for cattle grazing, anticipated to yield around 3,300 lots with supporting retail, open space, roads, stormwater, and utility infrastructure.

GLN Planning has engaged Macroplan to prepare an Employment Assessment for Gilead. This assessment is divided up into two separate phases of work being:

- **Phase 1 – Gilead Preliminary Opportunities Report** (**this document);** and
- Phase 2 – Gilead Retail Demand Assessment and Economic Development and Employment Strategy.

Report Structure

The tasks for this report – the **Gilead Preliminary Opportunities Report** – are addressed in the following sections:

Section 1: Background and Context Review

- Review of all the key/relevant retail and employment assessment documents undertaken to date (list provided by GLN Planning).
- Review of the site location from both a regional and local context, highlighting the sites key strengths and attributes.
- Review of the planned lot production and dwelling delivery scenarios for Gilead.

Section 2: Population and Demographic Assessment

- Undertake a high-level demographic assessment, based on current region and the expected characteristics of the new resident population and employment, and also having regard for project housing yields and the estimated timing of delivery across the precinct.
- Consider potential broader population and employment drivers and key demand issues pertaining to future needs of the precinct, providing basis for population and employment projection modelling up to 2036.
- Consider the implications of population and employment balance in the context of other towns within the Campbelltown LGA and the Greater Macarthur region.

Section 3: Employment Strategies

- Review employment strategies prepared for other release areas in the region and provide advice on how this translates into actual deliverables and developer commitments.
- Generate a preliminary list of the needs and approaches to delivering employment land internal and external to the Precinct.

Conclusion

- Summary of the major findings and establishing a pathway for the future component of this study – the Retail Demand Assessment and Economic Development and Employment Strategy.

Section 1: Background Review and Context

This section covers the following elements and sets the overall background for this report:

- Review of all the key/relevant retail and employment assessment documents undertaken to date (list provided by GLN Planning); and

- Review of the site location from both a regional and local context, highlighting the sites key strengths and attributes.

1.1 Review of relevant retail and employment assessment documents

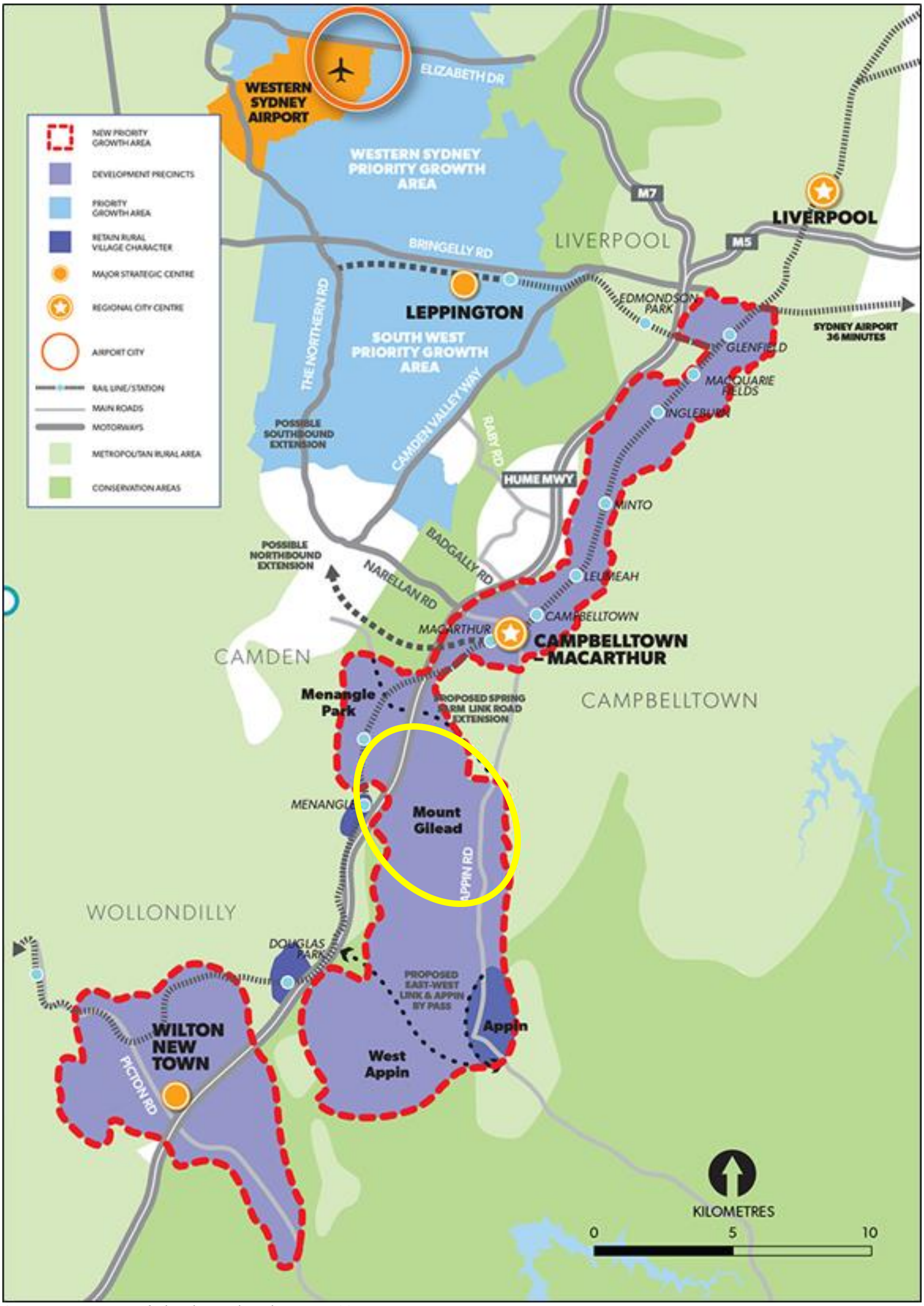
This section considers the most important and relevant documents from the following list of repots.

- Western City District Plan - GSC
- Campbelltown Local Strategic Planning Statement - CCC
- Reimagining Campbelltown - CCC
- Glenfield to Macarthur Corridor Study – DPE
- Greater Macarthur 2040: An interim plan for the Greater Macarthur Growth Area – NSW Department of Planning and Environment (DPE), November 2018
- Greater Macarthur Economic and Employment Analysis - SGS
- Greater Macarthur and Wilton Retail Market Analysis - Urbis
- Greater Macarthur Preliminary Strategy and Action Plan - DPE
- Gilead Structure Plan
- Gilead Delivery Phasing Scenarios from Lendlease
- Gilead Market Potential Assessment June 2022 from LocationIQ
- Figtree Hill masterplan
- Figtree Hill landscape masterplan (and report)
- Figtree Hill Market Potential Assessment, November 2020 from LocationIQ
- Menangle Park Employment and Retail Demand Study – SGS Economics and Planning for Landcom
- Menangle Park Town Centre Retail Demand Assessment – Location IQ
- Menangle Park Town Centre Retail Demand Update – Location IQ
- FTH original Mt Gilead Social and Economic Needs Assessment - Macroplan

Greater Macarthur Priority Growth Area

Mount Gilead is central to the Greater Macarthur Priority Growth area and its contiguity with Menangle Park makes it an essential development front for the corridor.

Map 1.1 Greater Macarthur Priority Growth Area



Source: Department of Planning and Environment, 2017

Greater Macarthur 2040: An interim plan for the Greater Macarthur Growth Area – NSW Department of Planning and Environment (DPE), November 2018

This document sets out the overarching implementation plan for Greater Macarthur and is intended to be updated over a 30-year horizon to guide the development of the area in line with its planned vision. The principles of the plan set out the infrastructure funding requirements given that the NSW Government has not programmed any 'early development' investment for the area. To help reduce the impact of urban development of Macarthur on the passenger transport network (road and rail), the plan reinforces the requirement for economic development and local jobs. The aim is to achieve a 30-minute city for the residents in the Macarthur Growth Area (meaning that residents will be within 30 minutes of their place of work). The plan also makes multiple reference to 'high quality jobs' in addition to services and education in the area.

Within the plan, Gilead is noted as one of the priority areas for development (particularly north Gilead), due to its proximity to existing infrastructure services and relatively contiguous connection to existing urban development.

The plan sets the following actions/priorities for Gilead:

- Achieve higher density residential development around the future centres and along the transport corridor.
- Rezone and release land for urban development.
- Deliver around 15,000 new homes within a scenic landscape.
- Conservation of biodiversity corridors and waterways.
- Create a central transport corridor to connect public transport to the Campbelltown to Macarthur rail lines.
- Create road upgrades and connections to Appin and Douglas Park.

The plan refers to an economic development strategy for the area and suggests the following opportunities to reach the target of 21,000 jobs over 20 years:

- New employment areas will include the Glenlee Precinct – DPE and councils will develop economic development initiatives that will attract business to the area and support job creation.
- Land south of Menangle Park is located at the proposed junction of the Hume Motorway as shown on the structure plan. This is particularly suitable for logistics and warehousing uses.
- A dedicated enterprise area with good motorway access has the potential to deliver a critical mass of economic activity. The proximity of the land to the Growth Area, when connected by new east west links, could provide a source of employment. The Department will investigate the inclusion of the land in the Growth Area.
- Land use in Macquariedale Road is identified as a mixture of residential and employment land.
- Jobs opportunities include retail, food services, education, trades and industrial jobs. These will primarily service new housing development and the local resident local population.
- Planned improvements to road and transport connections to Campbelltown-Macarthur and to the Western Sydney Employment Area will provide facilitate better access to employment opportunities at Western Sydney Airport and the surrounding employment lands.

These major employment areas will help to generate specialised jobs that service the broader economy of the South West. In addition, the plan talks about jobs that specifically services the local resident population. The plan notes that, "Each precinct will need to contain sufficient urban employment land to service the local population." (page 56). To achieve this aim, the structure plan proposes locations for local urban employment, which are considered suitable for employment-generating development – retail and commercial space, offices, service and repair, trades, light manufacturing, small warehousing, last mile freight and logistics, and community services.

Menangle Park Employment Land & Retail Study, Draft Report, SGS Economics and Planning, 2007

This early assessment considered the long-term employment potential including industrial, town centre and retail jobs in Menangle Park. At the time it was prepared, the primary strategic policy context came from the 2005 Sydney Metropolitan Strategy, which set out a target of 207,000 additional jobs to be created in the Sydney – South West region between 2001 and 2031. Many of these jobs were centred around Liverpool Regional City and in major industrial employment land along the Liverpool to Macarthur corridor.

At a local level the principal planning guidance was from the Macarthur Region of Councils' (MACROC) Economic Development Plan, August 2003. This document set targets of developing 80 hectares per annum of additional employment land and creating 4,000 jobs per annum to keep pace with projected population growth. It also noted, the need to diversify employment across more industry sectors.

It noted that the main preconditions for the development of employment land were land availability, size, land character, infrastructure & access, location & synergy.

This assessment identified the most important industry sectors for future employment generations within town centres as:

- Health & Community
- Services
- Education
- Property & Business Services and
- Wholesale Trade.

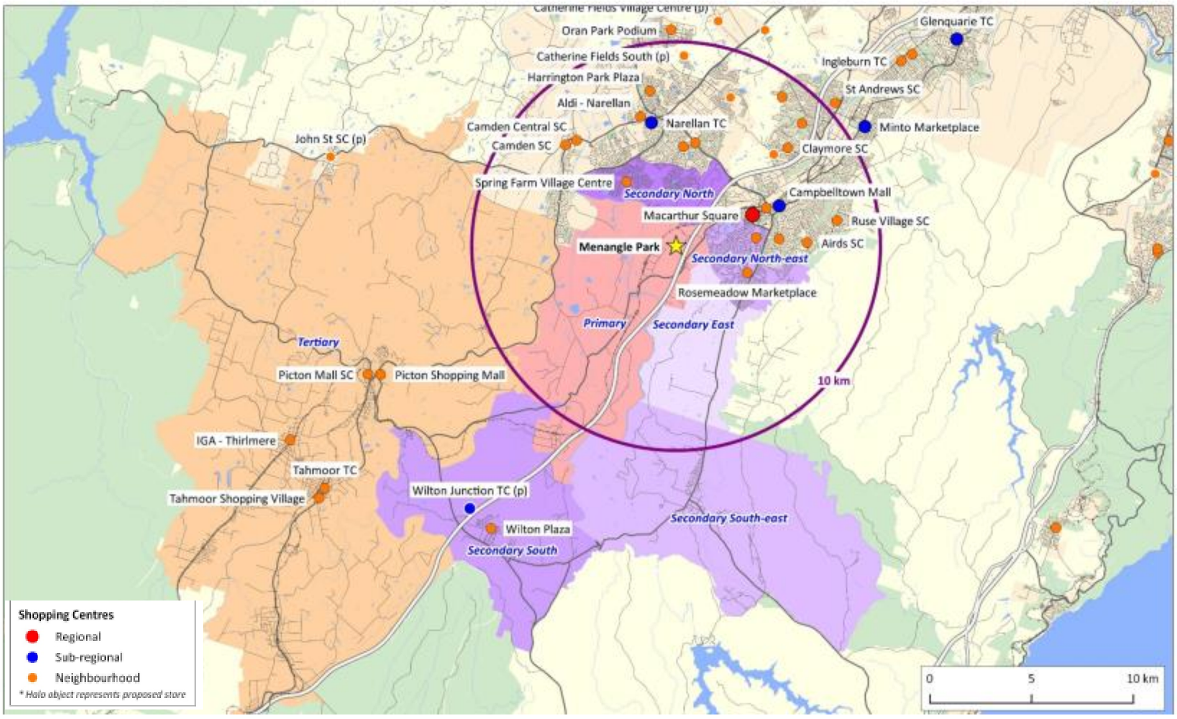
Outside of town centres, the following sectors were considered to be the most important for future jobs:

- Manufacturing
- Construction
- Wholesale Trade
- Transport and Storage

Menangle Park, Sydney Market Potential Assessment, LocationIQ for Dahua Pty Ltd, December 2018

This report covers the Menangle Park Urban Release Area (estimated to yield around 5,250 dwellings) and six lots to the east of Cummins Road. The proposed expanded centre of 30,000m^2 'retail/employment' gross floor area at the northern end of the site means that the trade area for Menangle Park is extensive and reflects the size of the centre and the lack of any outbound activity centres.

Map 1.2 Menangle Park Trade Area and Competition



Source: Menangle Park, Sydney Market Potential Assessment, LocationIQ, December 2018 (page 17)

Greater Sydney Regional Plan – A Metropolis of Three Cities, Department of Planning, Industry and Environment (DPIE), March 2018

The Greater Sydney Regional Plan is the strategic planning framework and vision-setting document for the broader Sydney's anticipated growth of an additional 725,000 home and 1.7 million residents by 2056.

The plan reinforces the concept of the '30-minute city' whereby residents live within 30 minutes of their jobs, education, services and great places, integrating land use and infrastructure to promote liveability, productivity and sustainability. To achieve this, the plan defines the three cities across the Greater Sydney area:

- Western Parkland City (which includes Gilead),
- Central River City and the
- Eastern Harbour City.

The plan is based around ten strategic directives:

- **Infrastructure supporting developments** - The planning proposal will deliver an additional 1,850 dwellings within Menangle Park. The proposal will facilitate housing that is aligned with the required infrastructure;
- **Increased use of public resources such as open space and community facilities** – The planning proposal delivers open space in locations where its use will be maximised and enjoyed by the future community.
- **Giving people housing choices** – additional housing in the right location, including small lot, villa and townhouses along with residential apartments and large lot detached housing.

- **A city for people** – including respecting the site's natural features and scenic qualities, maintaining view corridors to open space on high points and ridges, tree lined streets, active transport links, inviting places, places, and providing for a range of recreational experiences. Other factors include non-motorised transport (walking and cycling), optimising access to public services and community infrastructure, enabling a community which is healthy, resilient, and socially connected, and increasing overall housing supply.
- **Creating a city of great places** - increasing access to open space, creating great places that bring people together and providing land for environmental conservation.
- A well connected city - providing a more connected town by train, bike or car journey to Campbelltown CBD, and supporting Campbelltown CBD as it is re-imagined and transformed into a 30-minute, modern metropolis and leading centre of health services, medical research and med-tech activity in Greater Macarthur;
- **Creating the conditions for a stronger economy** - by increasing the number of jobs within the area.
- **A city in its landscape** - valuing green spaces and landscape by increasing urban tree canopy, passive open space, riparian corridor and tree-lined streets. It also covers the areas for protection inlcuding waterways (through water sensitive design) and environmental conservation.
- **An efficient city which uses resources wisely**; and
- **A resilient city** – which is underpinned by a revised master plan that is dynamic, can respond to the needs and aspirations of people, now and into the future as well as changes in the market.

Western City District Plan – connecting communities, Greater Sydney Commission, March 2018

The Western City District will be required to deliver and additional 146,650 between 2021 and 2036. To deliver this plan, several 'district plans' have been prepared to implement the overall program over 20 years.

Within the Western City District Plan, the Gilead URA, within which the site is situated, is identified as forming part of the Greater Macarthur Growth Area. The proposal is aligned with the planning priorities within the Western City District Plan including:

- Providing services and social infrastructure to meet people's changing needs;
- Fostering healthy, creative and culturally rich and socially connected communities;
- Providing additional housing, choice and affordability, with access to jobs, services and public transport;
- Growing and strengthening Greater Macarthur and Campbelltown CBD as a metropolitan cluster;
- Providing a range of additional employment opportunities on site including retail and commercial, non-retail and industrial employment;
- Increasing the quality, useability and quantum of public open space in the Menangle Park URA and protecting and enhancing the site's scenic and cultural landscapes by setting aside approximately 43 ha of land for future environmental conservation;
- Increasing urban tree canopy through the provision of tree lined streets, provision of landscaped open space and prescribing lot sizes and development controls which require mature tree planting within front and rear yards; and
- Implementing WSUD and asset protection zones to manage the impact of natural hazards and climate change on the site.

Greater Macarthur Land Release Investigation Area, 2015

The Greater Macarthur Investigation Area identified in the former A Plan for Growing Sydney comprises an area of approximately 17,600 ha and is located approximately 70km south-west of the Sydney CBD. The area spreads across the Campbelltown and Wollondilly Local Government Areas and extends from Menangle Park in the north, Appin in the East, Wilton in the south and Maldon to the south west. Since the release of the land release analysis in 2015, the Menangle Park URA was rezoned for urban purposes. The land use analysis recognises the important of Spring Farm Link Road to support development in Menangle Park and Gilead areas, the potential to extend the Southern Rail Line either at Macarthur, Menangle Park or Menangle and the importance of Menangle Park and Mount Gilead and Wilton to contribute to the 34,700 homes in the region to meet housing demand over the next 20 years. The planning proposal remains consistent with the land use analysis and future vision for Menangle Park.

Campbelltown 2027 – Community Strategic Plan

The community strategic plan is Campbelltown's highest level strategic planning document. The community strategic plan acknowledges that Campbelltown has a new emerging role to play in the growth and development of metropolitan Sydney. It is a priority urban growth area as well as one of four strategic city centres identified for Greater Western Sydney.

The community strategic plan seeks four main outcomes including:

- Outcome 1: A vibrant, liveable city – providing lifestyle opportunity, creativity and vibrant communities. A city that is designed for people with access to quality housing, services and amenity.
- Outcome 2: A respected and protected natural environment – built on embracing natural surrounds, promoting sustainability and treatment of natural assets, bushlands and waterways with respect. As well as the protection of biodiversity conservation and visual landscape.
- Outcome 3: A thriving, attractive city – encouraging and supporting the development of the local economy through business innovation and growth.
- Outcome 4: A successful city – built on being connected, providing a balance between built form and open space, and planning for strategic transport networks.

Re-Imagining Campbelltown CBD – Sydney's Southern Gateway, July 2018

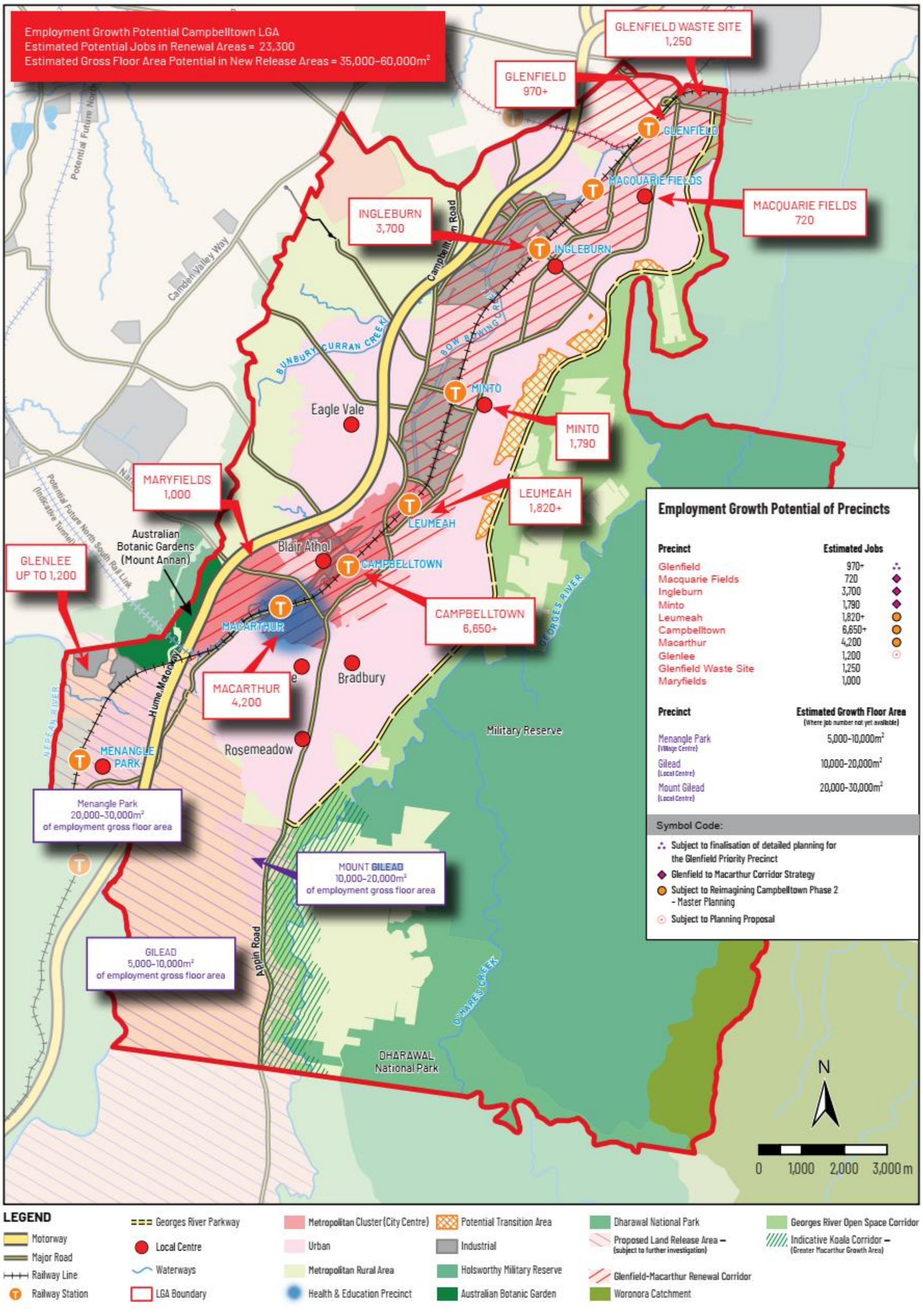
This vision sets out the foundations for the re-imagining of Campbelltown CBD, in acknowledgement of the key strategic centre's position as a metropolitan cluster city, servicing the broader Macarthur region and boasting existing connections to major rail, road and community infrastructure. A key goal of the vision is to bring to life the 30-minute city – reducing the need for long commutes to work through the creation of a CBD precinct that delivers health, education, retail, food and entertainment services and employment to the people of Campbelltown City and the wider Macarthur region.

Campbelltown Local Strategic Planning Statement: A 20 Year Land Use Vision for the City of Campbelltown to 2040, March 2020

This document sets out the planned distribution of employment floorspace across the City of Campbelltown. Of relevance to this assessment are the two centres:

- Mount Gilead: 10,000 – 20,000m^2 of gross employment floorspace area
- Gilead: 50,000 – 10,000m^2 of gross employment floorspace area

Map 1.3 Planned floorspace distribution



Source: Campbelltown Local Strat4egic Planning Statement: A 20 Year Land Use Vision for the City of Campbelltown to 2040, March 2020 (page 76)

1.2 Mount Gilead Context

Lendlease's Mount Gilead land holdings are located between the Hume Highway to the west and Appin Road to the east. Immediately to the north is the Noorumba Reserve and beyond that, the existing suburb of Rosemeadow. The overall development will deliver a broad range of community infrastructure, to support the new Mount Gilead community and the broader Macarthur region.

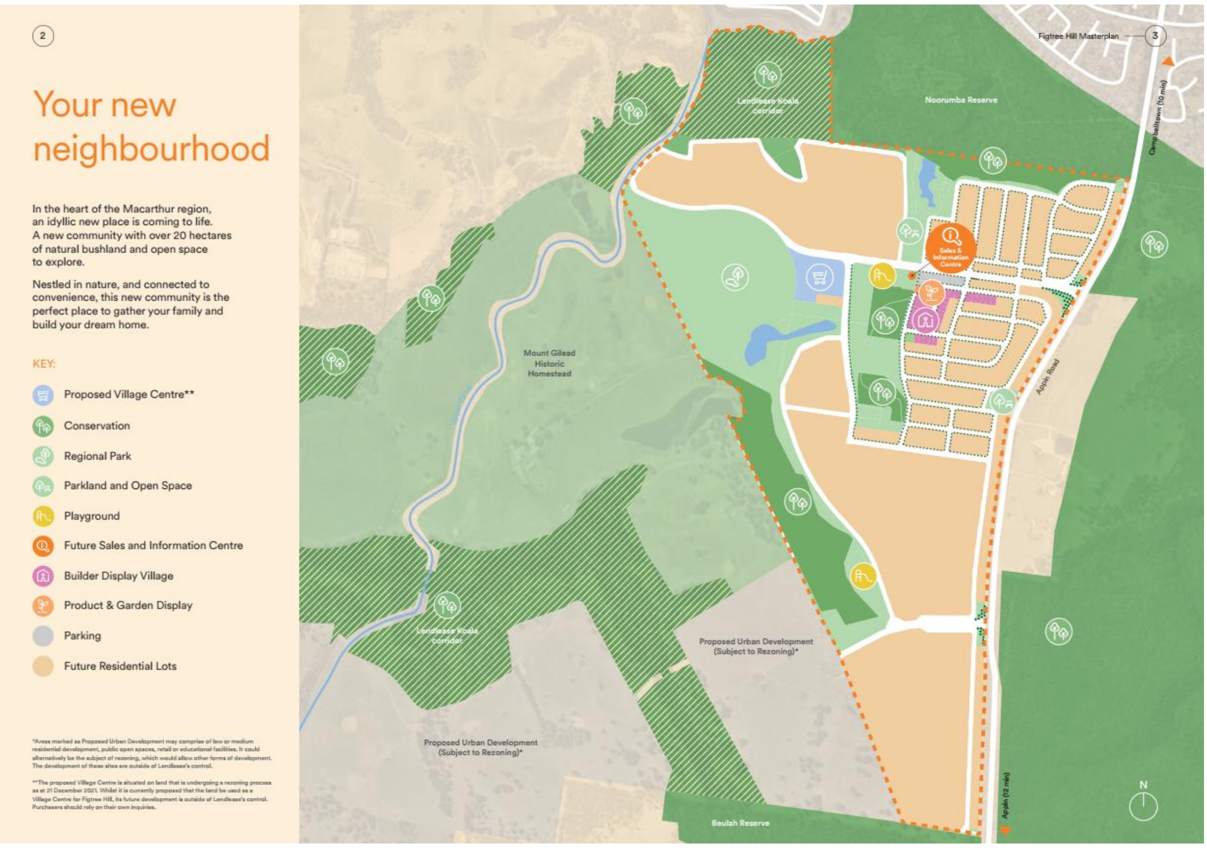
The development is divided across two stages, each with their own zoning and planning processes:

- Stage 1 (Figtree Hill) – rezoned for urban development in September 2017 and is planned to yield a total of 1,700 dwellings across 216 hectares.
- Stage 2 (Gilead) – is in the initial phases of master planning and planned to comprise up to 3,300 dwellings across 495 hectares.
- Mount Gilead Homestead and surrounding landscape – located between Stages 1 and 2 – is excluded from the urban development of the site. The 150-hectare heritage precinct is listed on the NSW State Heritage Register.

1.2.1 Figtree Hill

Construction and servicing has commenced on site, which includes creating many of the reserves and environmental obligations for the overall development.

Figure 1.1 Figtree Hill Masterplan



Source: Lendlease

1.2.2 Gilead: Draft Structure Plan

The following table, figure, and map (overleaf) indicate the potential staging of the 3,255 lots (as per the following table, however, this is likely to be around 3,300) in Gilead. From this the key points are:

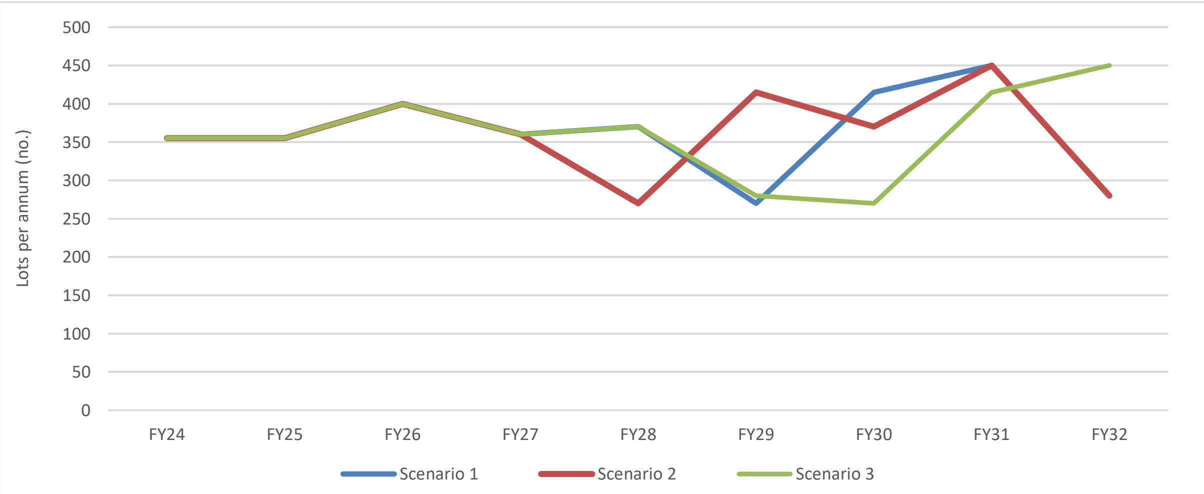
- The first four years of development (2023/24 to 2026/27) are identical across the three scenarios and only start to vary from 2027/28 onwards.
- Scenario 1 and 2 both reach peak development in 2030/31, whereas scenario 3 puts more of the development at the back end and peaks in the final year of development (2031/32)
- The activity centre is within precinct 3 and adjacent to precinct 5 and therefore the timing of these precincts may affect the timing of the retail centre. Therefore scenarios 1 and 3 may be preferable to bring urban development surrounding the retail centre earlier to help create jobs.

Table 1.1 Gilead: Development Scenarios

	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32
					Scenario 1				
Precinct	8	8	1	2	3	4	5	7	6
Lots	355	355	400	360	370	270	415	450	280
Cumulative lots	355	710	1,110	1,470	1,840	2,110	2,525	2,975	**3,255**
					Scenario 2				
Precinct	8	8	1	2	4	5	3	7	6
Lots	355	355	400	360	270	415	370	450	280
Cumulative lots	355	710	1,110	1,470	1,740	2,155	2,525	2,975	**3,255**
					Scenario 3				
Precinct	8	8	1	2	3	6	4	5	7
Lots	355	355	400	360	370	280	270	415	450
Cumulative lots	355	710	1,110	1,470	1,840	2,120	2,390	2,805	**3,255**

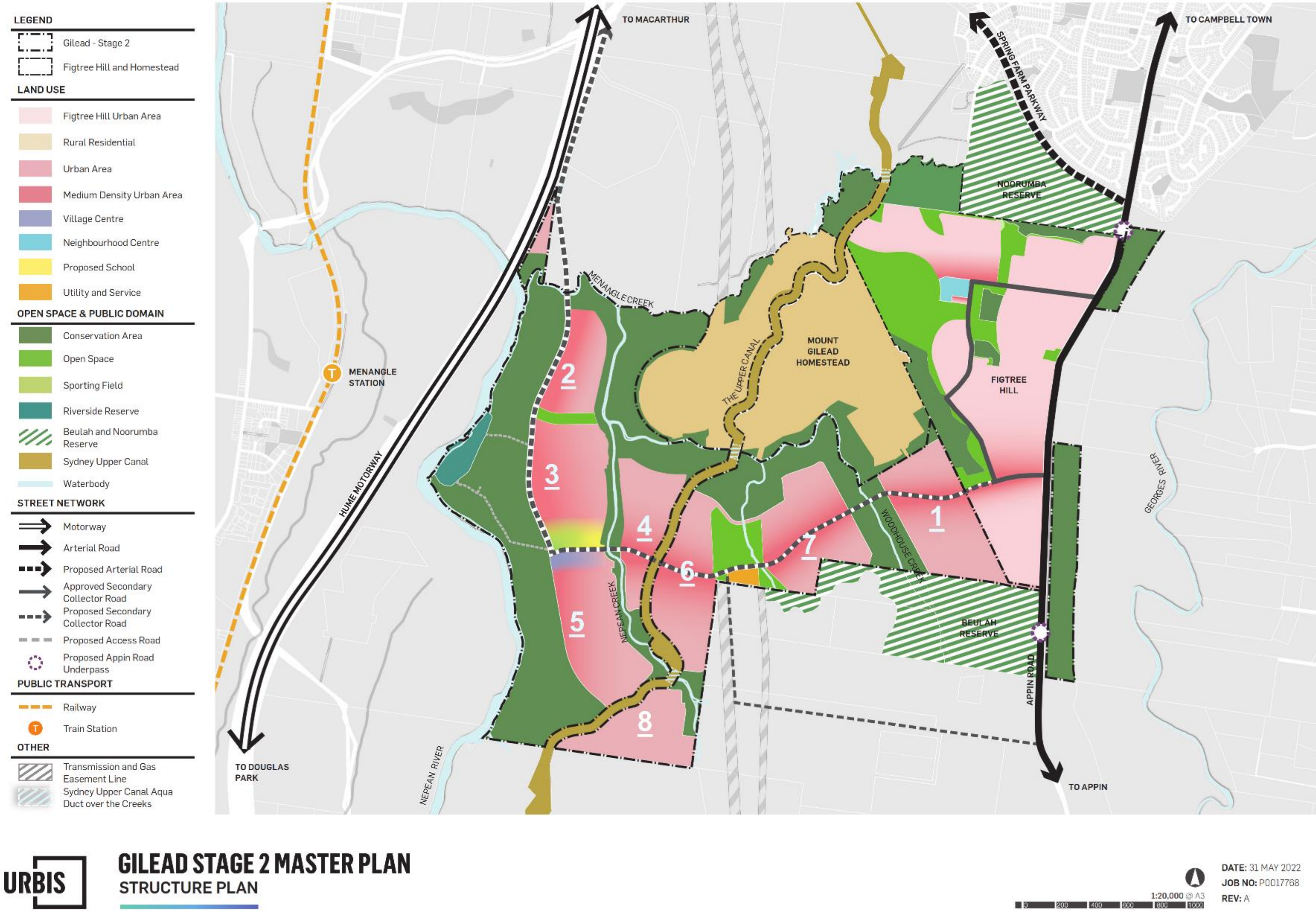
Source: Lendlease

Figure 1.2 Gilead: Development Scenarios



Source: Lendlease

Map 1.1: Gilead: Draft Structure plan and precincts



Source: Urbis (16 PLN_Gilead-Structure Pla-20K-DRAFT 220531_001

Section 2: Population and Demographic Assessment

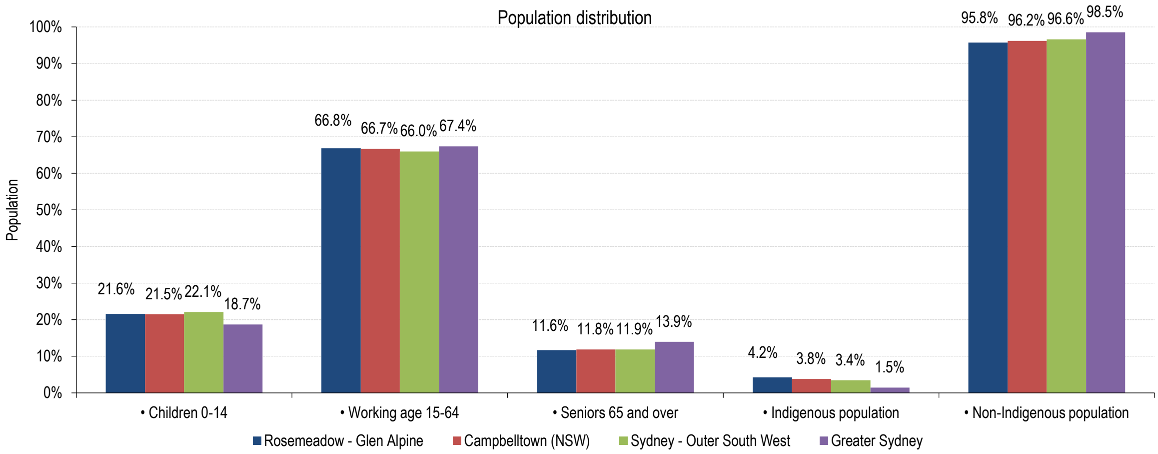
2.1 High level demographic assessment

This part of the report covers a high-level demographic assessment, based on current region and the expected characteristics of the new resident population and employment, and having regard for project housing yields and the estimated timing of delivery across the precinct.

Most of the future demographic is likely to be similar to the population that already lives in the surrounding area. The reasons for this include the fact that 'like tends to attract like' in a demographic sense and that most of the population growth in Gilead growth is likely to come from people already living in the surrounding area.

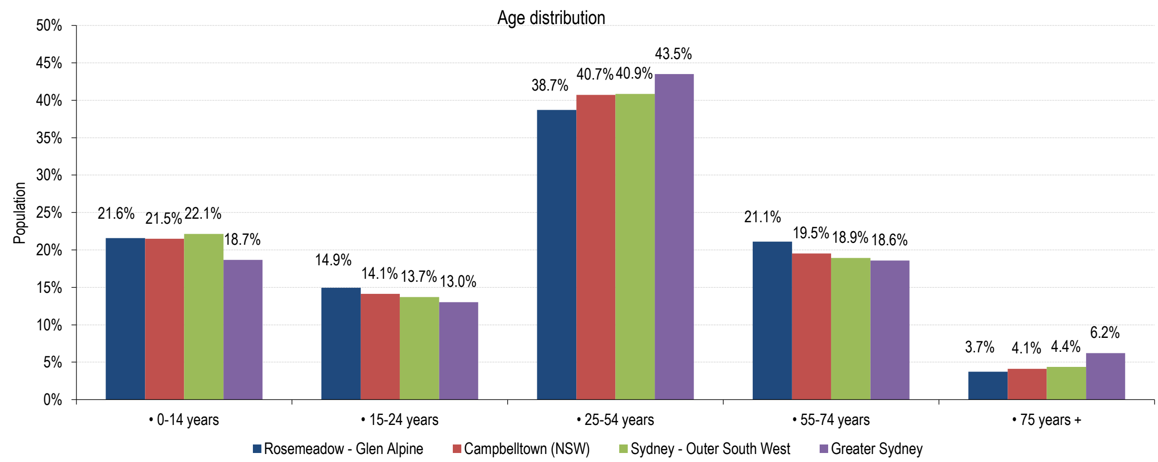
Given the following charts necessarily rely on the 2016 Census data, they are now quite dated and new data from the 2021 Census will start to become available from July 2022.

Table 2.1 Population distribution by broad age group and indigenous status



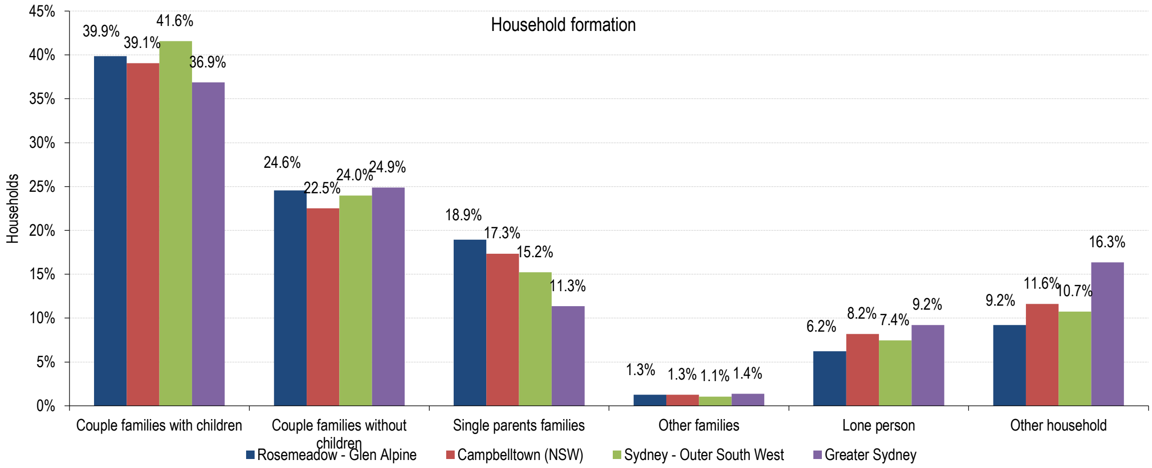
Source: ABS 2016 Census of Population and Housing

Table 2.2 Population distribution by age group



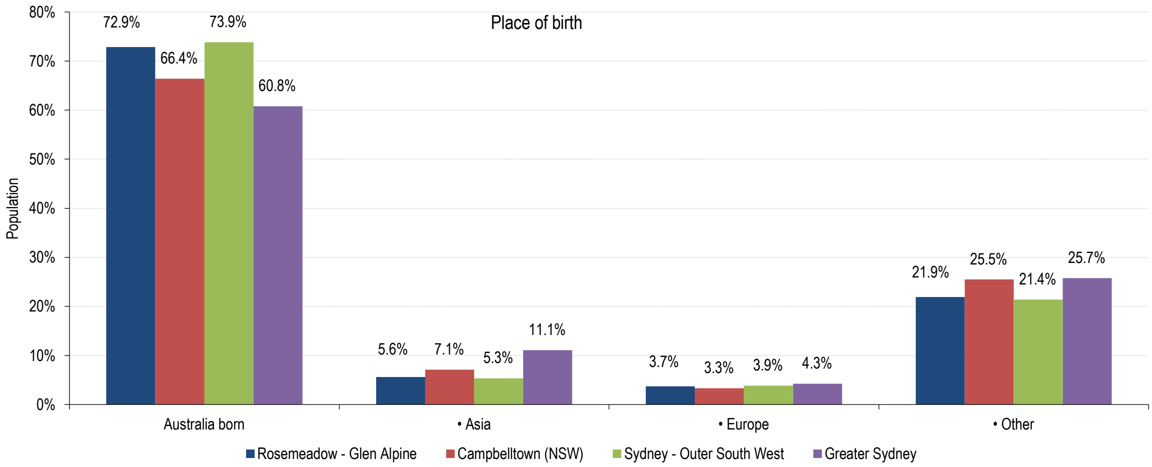
Source: ABS 2016 Census of Population and Housing

Table 2.3 Household and family types



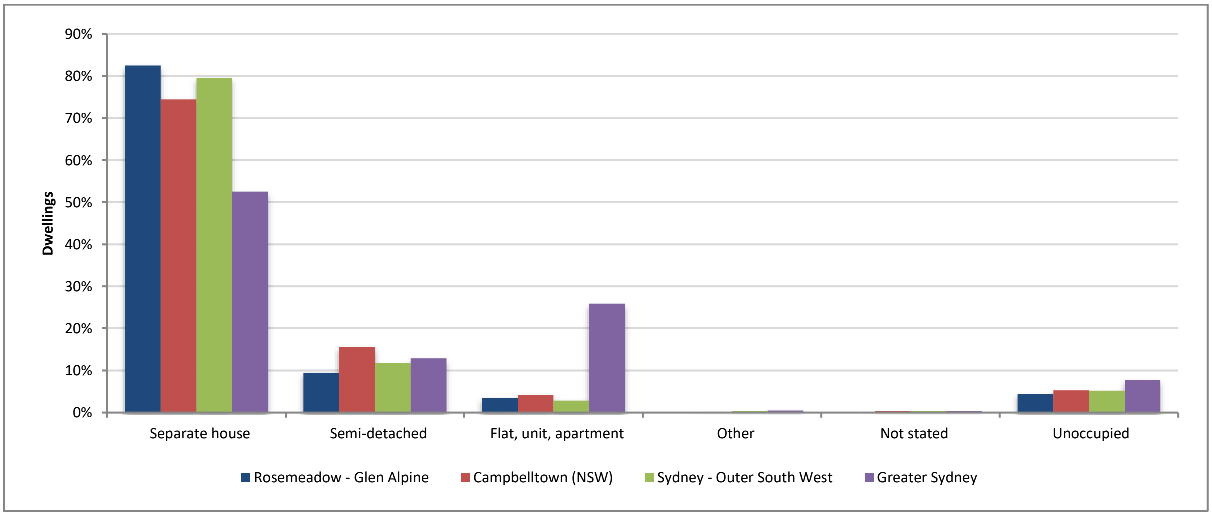
Source: ABS 2016 Census of Population and Housing

Table 2.4 Region of birth



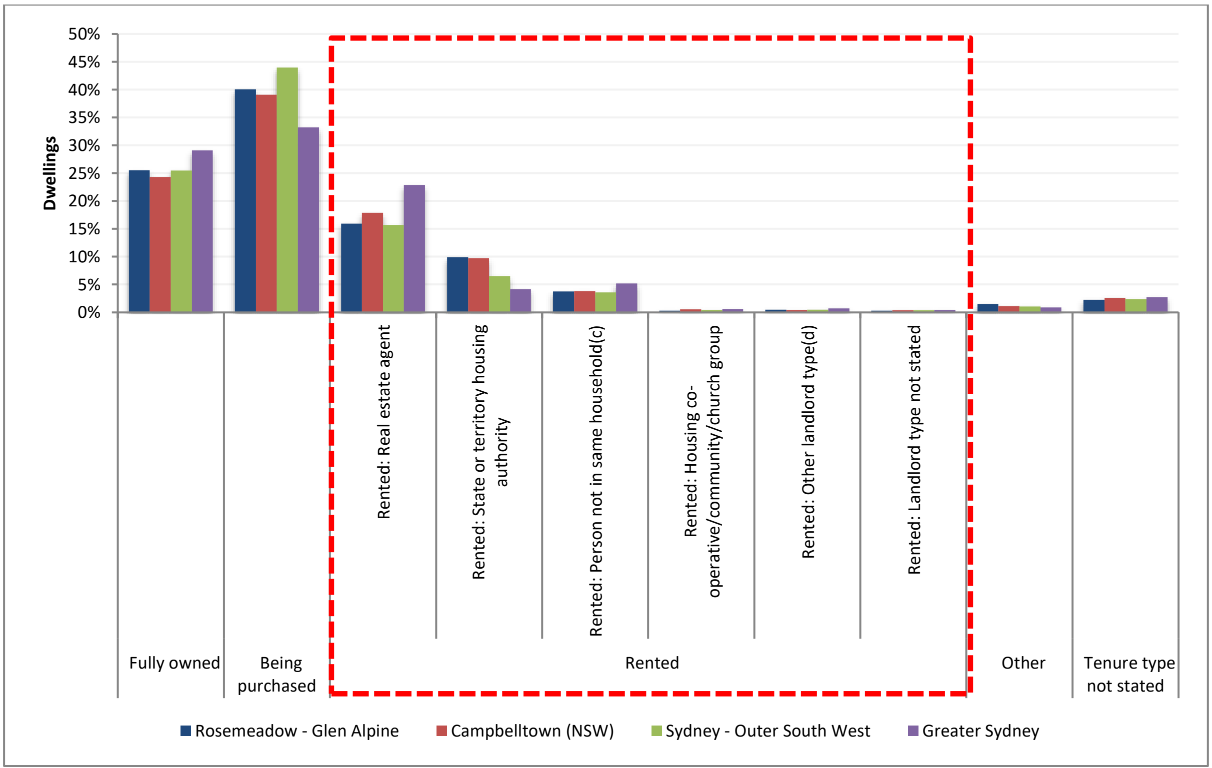
Source: ABS 2016 Census of Population and Housing

Table 2.5 Dwelling typology



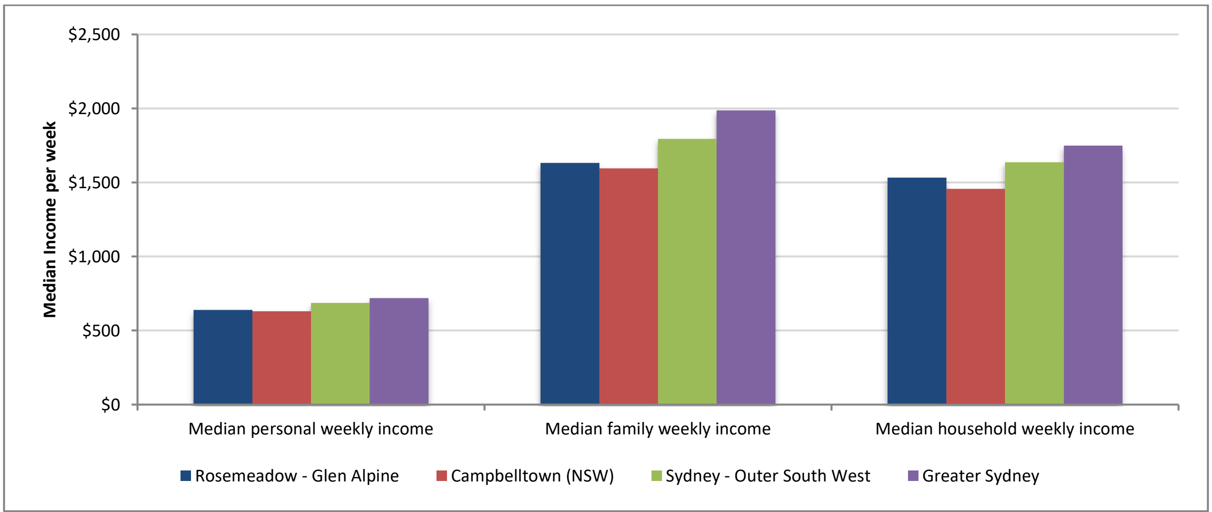
Source: ABS 2016 Census of Population and Housing

Table 2.6 Dwelling tenure



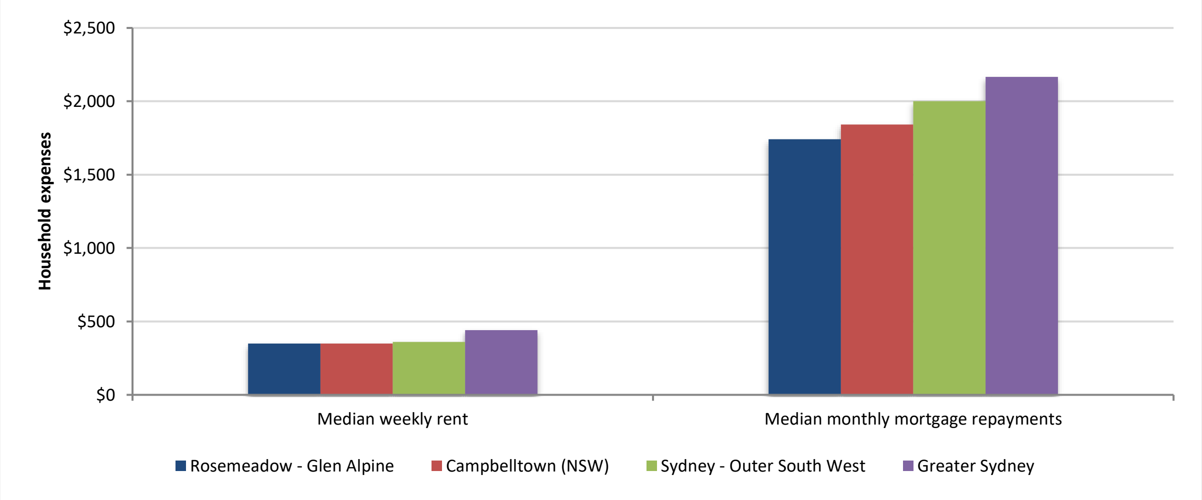
Source: ABS 2016 Census of Population and Housing

Table 2.7 Median incomes



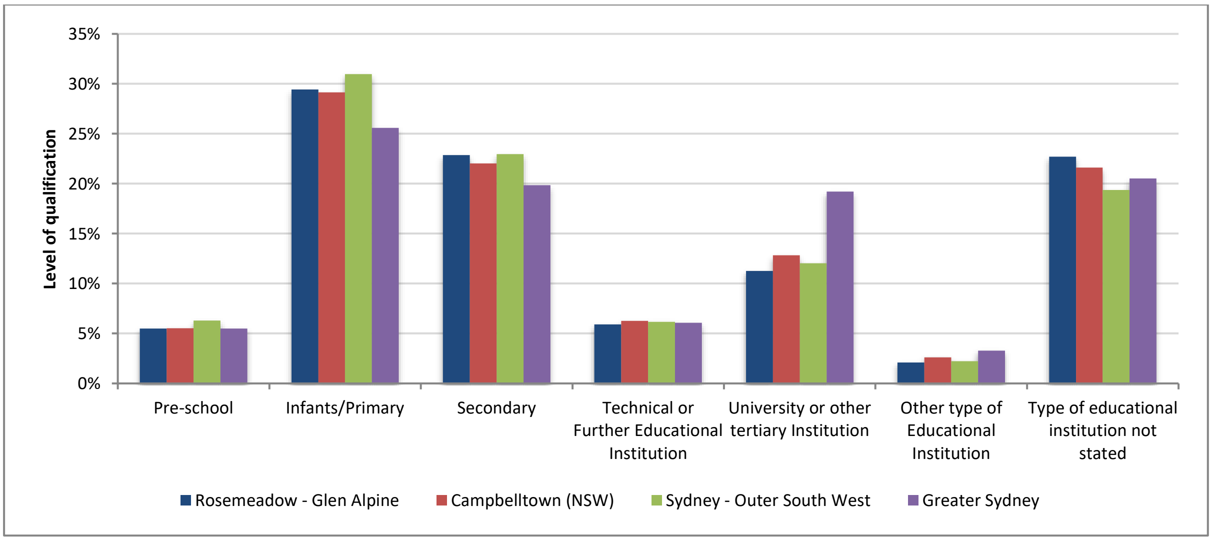
Source: ABS 2016 Census of Population and Housing

Table 2.8 Cost of housing



Source: ABS 2016 Census of Population and Housing

Table 2.9 Level of education



Source: ABS 2016 Census of Population and Housing

2.2 Broader population and employment drivers

This part of the report considers potential broader population and employment drivers and key demand issues pertaining to future needs of the precinct, providing basis for population and employment projection modelling.

The following table shows the projected population growth for the Campbelltown local government area (LGA) and Wollondilly compared to the overall state growth projection. This shows a relatively high level of population growth for the study area and that the growth projections, however, that growth is relatively manageable at around 3,500 additional residents per annum in Campbelltown and 1,300 for Wollondilly over the period from 2016 to 2041.

Table 2.1 Regional population growth in context

Region	2016	2041	Change 2016-2041	Annual growth rate %
Campbelltown LGA	161,550	249,250	87,700	1.75%
Wollondilly	49,850	82,500	32,650	2.04%
NSW	7,732,850	10,572,700	2,839,850	1.26%

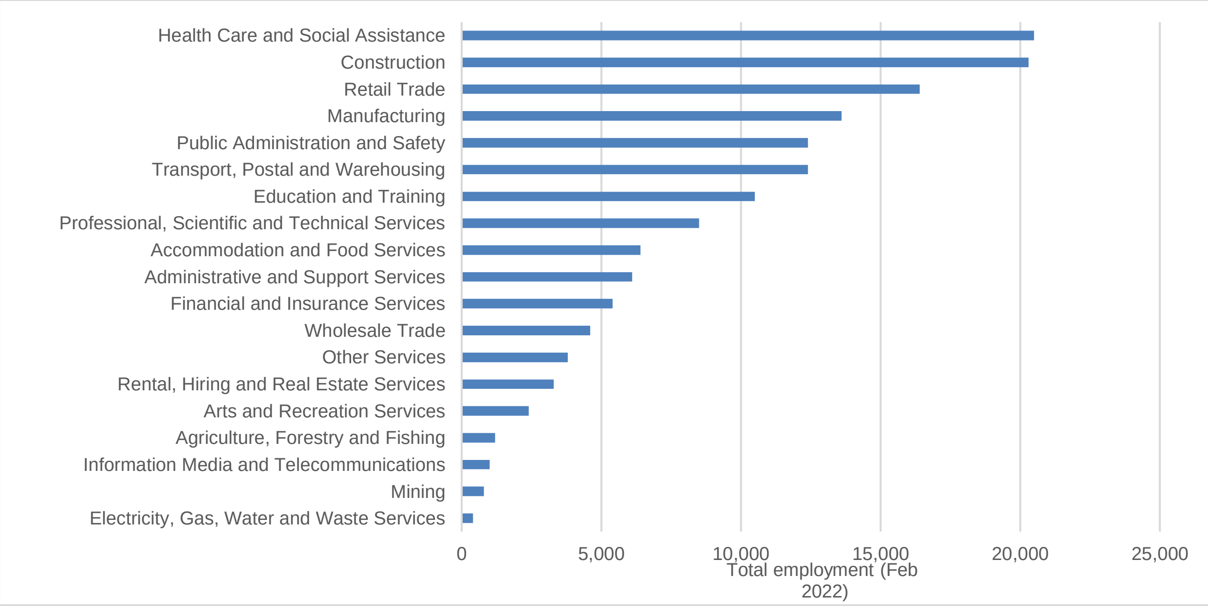
Source; DPE 2022

Employment trends

The employment assessment in this analysis draws on the National Skills Commission trend forecasts for Australia's labour market regions. The Sydney - South West labour market region (Statistical Area 4) includes the local government areas of Campbelltown, Wollondilly and the southern part of Camden.

The largest employment sector in 2022, with 20,500 workers was the health care and social assistance sector followed by the construction sector with 20,300 workers; retail trade with 16,400 workers; manufacturing sector with 13,600 workers, and transport, postal and warehousing with 12,400 workers. Of these five industry sectors, only manufacturing is expected to decline in the five years to 2025.

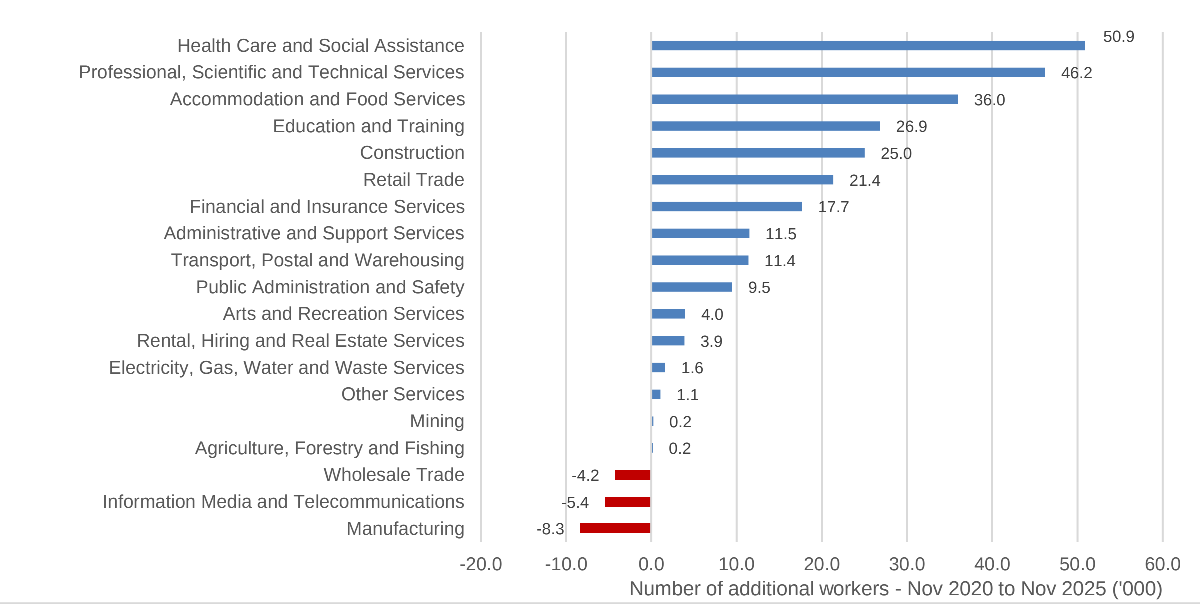
Figure 2.1 Employment by industry in Sydney – Outer South West employment region



Source: Department of Education, Skills and Employment / National Skills Commission 2022

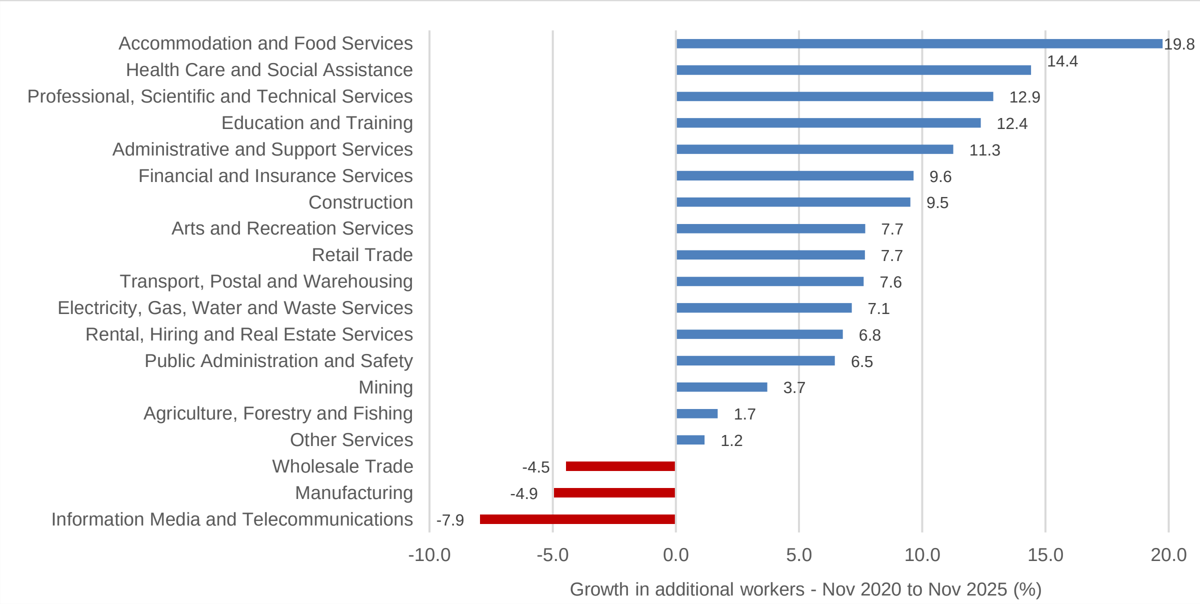
These projections indicate that the region's total employment will increase by 8.9 per cent to the five-year period from November 2020 to November 2025.

Figure 2.2 Trend employment growth in Sydney – OuterSouth West employment region



Source: Department of Education, Skills and Employment / National Skills Commission 2022

Figure 2.3 Trend employment growth rate in Sydney – OuterSouth West employment region

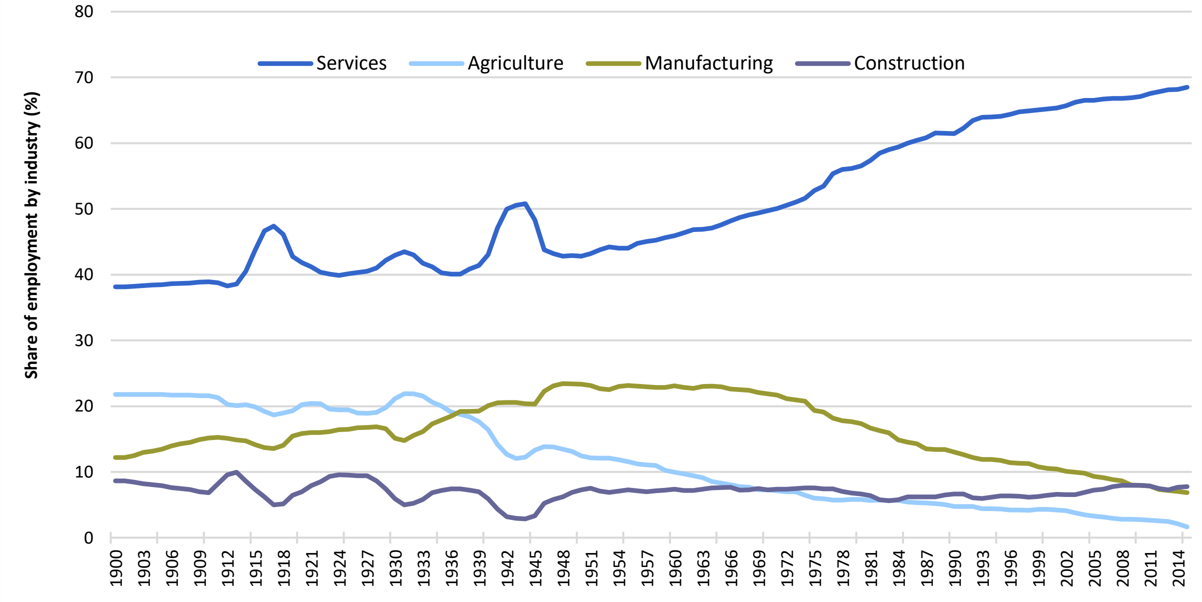


Source: Department of Education, Skills and Employment / National Skills Commission 2022

Service economy

The structural shift to a service-based economy has transformed Australia's and New South Wales' economies over the past 70 years. The services sector includes both services to business as well as services to households and individuals.

Figure 2.5 Share of employment by industry



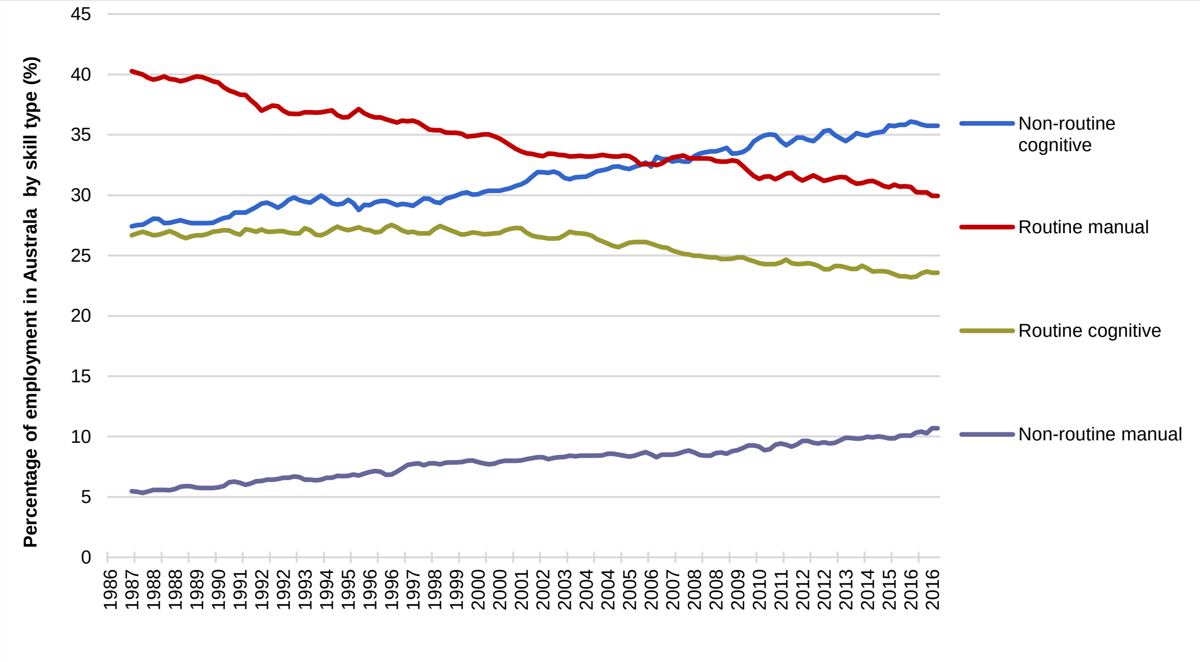
Source: Reserve Bank of Australia, ; Australian Bureau of Statistics, 2016

Knowledge-based jobs

Knowledge-based jobs are defined as jobs that predominantly rely on cognitive tasks (as opposed to manual) and non-routine – have demonstrated the strongest growth over the past 20 years. The Reserve Bank of Australia noted that:

- The cognitive component of work has increased from 54.1 per cent of jobs in Australia in 1986 to 59.6 per cent by June 2016 (Reserve Bank of Australia, 2016). Underneath this overall gradual change is a transformational shift in some sectors of the economy as a result of structural change and techno-global drivers.
- Routine tasks reduced from an estimated 67.0 per cent of all labour in Australia in 1986 down to 53.5 per cent by mid-2016.

Figure 2.5 Australian labour force shifting to non-routine cognitive and non-routine manual jobs



Source: Reserve Bank of Australia, ; Australian Bureau of Statistics, 2016

Over recent decades, there has been a noticeable decline in the share of people employed in routine manual jobs. This decline has affected job numbers in manufacturing, mining, agriculture, and administration/services – all sectors that have high shares of routine manual occupations. One of the reasons behind this trend is that some of these jobs have been automated.

Routine cognitive jobs were relatively flat as a proportion of the total workforce until the early 2000s, however since then they have begun to decline as computer systems begin to have a more significant role in the accounting, legal and professional services jobs.

Parallel and related changes to the optimal size/scale of manufacturing plants, in tandem with declining international (sea and air) shipping costs, have seen industries concentrate in fewer locations globally. Large-scale plants require large land areas, and with continuing declines in the cost of trucking, their location next to sea ports has become less relevant.

Smart jobs cut across both 'blue' and 'white' collar classifications of the labour force. This means that some typical white-collar jobs are just as 'threatened' as blue-collar workers (Frey & Osborne, 2013). The challenge of automation and its effect on employment is acknowledged in the NSW Government policy document: Jobs for NSW, where it is grouped with other 'unavoidable challenges':

- Increasing global trade in the knowledge economy – not just in commodities.
- New entrants in fast changing industries – reflecting the competitive nature of digital disruption.
- Task automation and unbundling – different tasks are being performed by the most competitive businesses or by smarter and more dexterous machines.
- An ageing population – and a concomitant reduction in the number of workers, placing increased emphasis on the productivity of those that remain in the workforce.

The policy points towards a renewed focus on developing tradeable sectors to create large numbers of globally resilient jobs, assistance for entrepreneurs, and the continued re-skilling of our workforce.
Technological change has allowed the movement of jobs that were typically considered as non-tradeable, making some of the routine cognitive jobs to be executed in other parts of the world where labour costs are lower such as offshore back-office functions and call centres.

Sydney's South West can benefit from these global and economic changes. It is well served by current and planned road, rail and intermodal facilities. Whilst manufacturing has declined in Australia, advanced manufacturing remains an important jobs contributor in Sydney's South West. The area enjoys a natural advantage over other parts of Sydney in attracting skilled jobs (eg. from Wollongong) and in the freight and logistics sector (i.e. cheaper, more available land and superior transportation access).

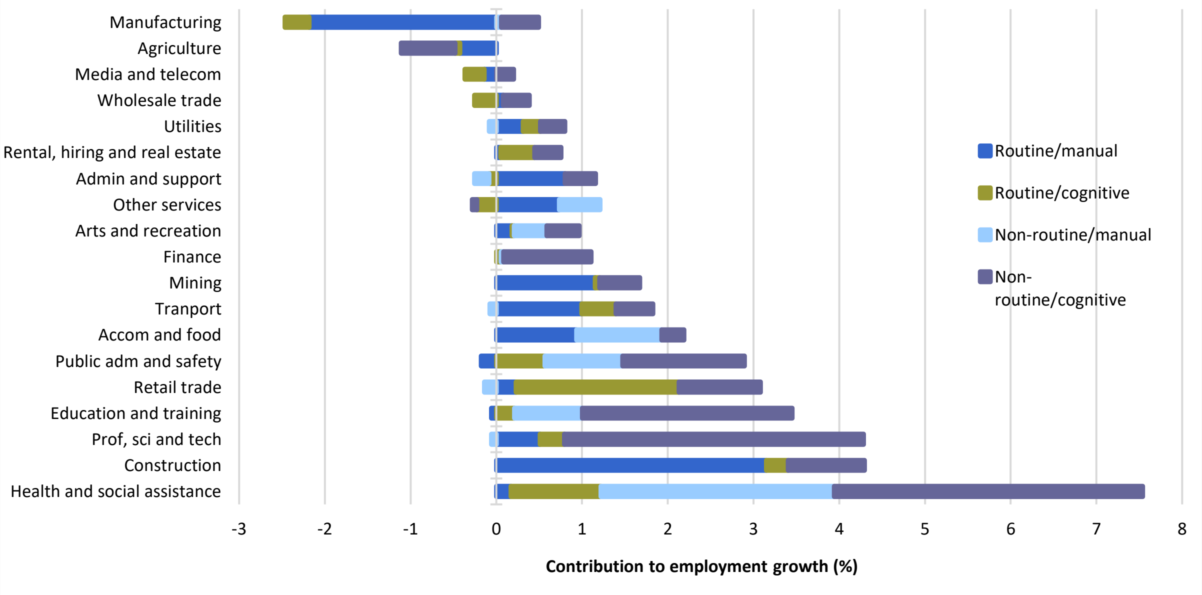
Many jobs that are routine and manual have been replaced by robots, particularly in the agriculture, manufacturing and logistics sectors. Jobs that are routine and cognitive have been replaced with standardised systems and computers, which can process routine tasks very efficiently.

Agriculture and manufacturing are industries that had a long history of decline in the share of routine manual jobs as a result of technological change while the services sector has increased the number of jobs considerably.

The importance of this structural trend in the economy is that knowledge-based jobs can readily also be home-based jobs. This allows workers to work from home and eliminate commuting at least a few days of the week if not completely.

The following figure shows that the health care and social assistance industry has made the largest contribution to employment growth over the past 15 years, and most of this has been in non-routine work. The other two industries that made the largest contributions to growth in non-routine jobs over this period are professional, scientific and technical services, and education and training.

Figure 2.6 Contribution to employment growth by industry employment and skill type



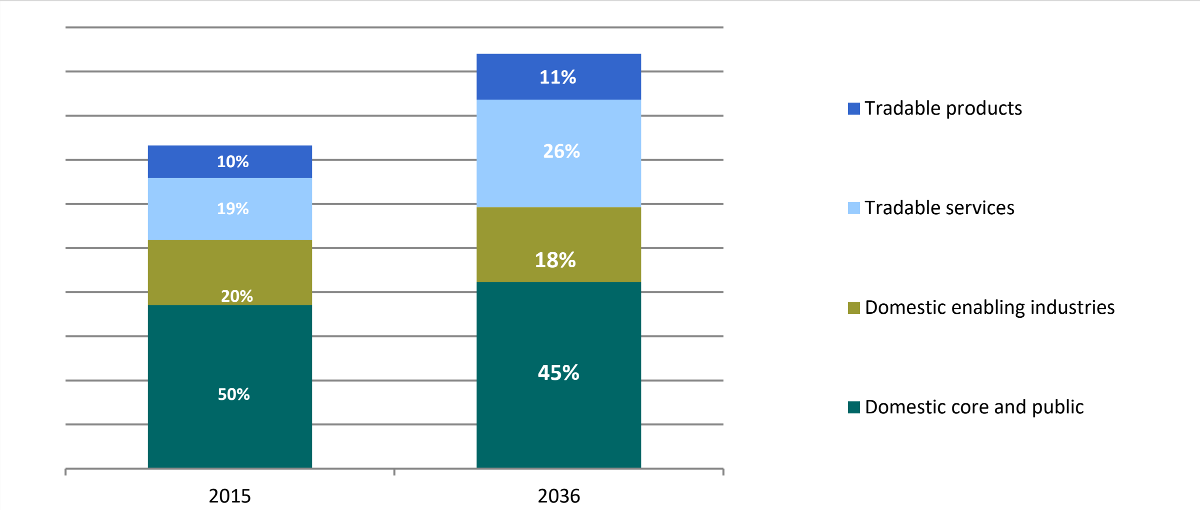
Source: Reserve Bank of Australia, ; Australian Bureau of Statistics, 2016

Employment in tradable sectors

Tradeable sector are industries and firms that produce goods or services that are, or may be, traded internationally. A large proportion of the NSW jobs market currently serves our own population, with 70 per cent of jobs and 80 per cent of jobs growth in its domestic or non-trading segments. Yet evidence shows that globally competitive sectors offer the most rewarding and resilient jobs, along with economic growth opportunities beyond domestic consumption. We need to focus government action on nurturing and accelerating our potential growth segments, in particular by unleashing the power of geographic business clusters.

Gilead could capture target industries and sectors that take advantage of its current or latent comparative advantages. These industries may leverage relatively high productivity and low costs, and natural endowments such arable land, natural beauty and broad pool of skilled labour. The industry in which Australia is currently most competitive on this basis is agriculture. Tourism and education also present a global competitive advantage, demonstrated by their high shares of international market.

Figure 2.6 Contribution to employment growth by industry employment and skill type



Source: Jobs for NSW (2016)

2.3 Place of employment and journey to work

Another factor relevant to employment strategies is the evidence on the place of work for residents that live in the study area. Gilead is within the Rosemeadow – Glen Alpine Statistical Area 2 (SA2).

Data from the 2016 Census of Population and Housing shows that most of the working population that lived in Rosemeadow–Glen Alpine worked within the region. For the 8,744 workers living in the SA2, the average (mean) commuting distance to work was 14.31 kilometres and the median commuting distance was just 7.92 kilometres.

The following table shows the place of work by SA2 of the working residents that lived in the Rosemeadow – Glen Alpine SA2 in 2016. This indicates the importance of the Campbeltown centre as demonstrated by the 1,648 workers (18.9% of the workers living in Rosemeadow – Glen Alpine SA2) that were based in the Campbeltown – Woodbine SA2.

Table 2.2 Top 20 places of work for residents living in Rosemeadow – Glen Alpine SA2 – 2016-

Place of work (Statistical Area 2) – top 20	Workers	Residents	Cumulative proportion of workers
Campbelltown – Woodbine	1,648	18.9%	18.9%
Rosemeadow - Glen Alpine	788	9.0%	28.0%
Sydney - Haymarket - The Rocks	530	6.1%	34.1%
Ingleburn - Denham Court	450	5.2%	39.2%
Mount Annan - Currans Hill	382	4.4%	43.6%
Minto - St Andrews	348	4.0%	47.6%
Liverpool	280	3.2%	50.8%
Chipping Norton – Moorebank	170	2.0%	52.8%
Parramatta – Rosehill	168	1.9%	54.7%
Elderslie - Harrington Park	153	1.8%	56.5%
Wetherill Park Industrial	125	1.4%	57.9%
Prestons - Edmondson Park	122	1.4%	59.3%
Bradbury – Wedderburn	113	1.3%	60.6%
Condell Park	110	1.3%	61.9%
Camden - Ellis Lane	102	1.2%	63.0%
Claymore - Eagle Vale – Raby	96	1.1%	64.1%
Cobbitty – Leppington	88	1.0%	65.1%
Leumeah - Minto Heights	86	1.0%	66.1%
Macquarie Fields – Glenfield	80	0.9%	67.1%
Prospect Reservoir	76	0.9%	67.9%

Source: ABS 2016 Census of Population and Housing

Employment was also relatively self-contained with a total of 788 workers (9.0%) that both lived and worked in the Rosemeadow – Glen Alpine SA2. This category can be further divided into those people that worked at home (2.7%) and those that worked at another location in Rosemeadow – Glen Alpine (6.3%).

Table 2.2 indicates that while the more distant major employment centres of the Sydney CBD, Paramatta and Liverpool attract a number of working residents from the Rosemeadow – Glen Alpine SA2, most people work in commercial and industrial areas within the'30-minute city' zone.

Note that the equivalent data from the 2021 Census will be released by the ABS in 'early to mid 2023' so it will be some time before the above numbers can be revisited to consider any trends. Even so, the data may not be as reliable as it was in 2016 due to the impacts of COVID-19.

Section 3: Preliminary Employment Opportunities

This section is intended to introduce discussion topics around potential employment strategies for Gilead. It aims only to provide a preliminary list of the needs and approaches to delivering employment land internal and external to the precinct

3.1 Employment within Gilead

3.1.1 Centre-based employment

The LocationIQ analysis in its report, *Gilead Market Potential Assessment, June 2022*, provides the following floorspace estimates based on the demand for retail and non-retail uses from the population in the assessed Gilead catchment area.

Table 3.1 Centre-based floorspace and employment estimates

Measure	2026/27	2030/31
Retail floorspace (m^2)	5,200	11,500 – 13,500
Non-retail floorspace (m^2)	2,300 – 3,300	3,500 – 6,500
Total centre floorspace (m^2)	**7,500 – 8,500**	**15,000 – 20,000**
Retail employment (no. jobs)	175	385 – 450
Non-retail employment (no. jobs)	115 – 165	175 – 325
Total centre-based employment (no. jobs)	**290 – 340**	**560 – 775**

Sources: LocationIQ 2022 (floor space estimates); Macroplan 2022 (employment estimates)

This centre-based employment is sometimes referred to as population-driven because it exists primarily to provide goods and services to the local resident population.

3.1.2 Public purpose, community services and other population driven employment

Other employment in Gilead that is outside of the activity centre includes schools, childcare centres, emergency services, retirement/aged care developments, and other 'out-of-centre' employment generators. Given an estimated Gilead population nearing 10,000 residents, this out of centre employment can generate another 325-425 jobs. This will be explored in more detail

The following list indicates some of the potential out of centre uses that could be relevant in Gilead and the typical employment per facility. This does not suggest that all of these uses will be developed within the study area, but they are typical population-driven uses relevant to master planned communities.

Table 3.2 Typical employment per facility for out-of-centre facilities

Out of centre land use	Typical employment per facility (FTE)
Education	
Childcare (full day care and before/after school care)	10
Primary school	42
Secondary school	80
Health	
Retirement (120 units)	36
Aged care (80 beds)	45
GP medical centre (small neighbourhood centre)	8
Allied health services	4
Service and convenience shops (not in activity centre)	
Convenience (service stations, other convenience)	6
Food	8
Non-food	4
Urban employment	
Emergency	12
Transport	1 per 100 dwellings
Human services (gyms, trainers, hairdressers, beauticians)	4

Source: Macroplan

3.1.3 Home based

Home-based employment opportunities are closely related to trades people, construction workers and self-employed transport workers in the labour force. This component is likely to increase substantially due to the long-term construction opportunities increase as the corridor is urbanised.

3.1.4 Work at home

The 2016 Census of Population and Housing indicated that 2.7% of the working population living in the Rosemeadow – Glen Alpine SA2 were working at home. This is likely to increase based on the long-term trends for employment

3.2 Strategic employment

The 2016 Census of Population and Housing demonstrated the importance of Campbelltown as an employment node for 1,648 of the working residents (18.9%) in the Rosemeadow – Glen Alpine SA2. The development of Gilead will provide a stimulus to further grow the Campbelltown centre (by capturing household expenditure from the surrounding urban developments in the catchment areas) and by providing a workforce.

Role of Campbelltown

The long-term vision for Campbelltown to function as an important strategic centre will require:

- A large and growing regional population (critical mass) to provide a base for economic demand for goods and services as well as a local workforce.

- Regional attractors for higher level services that attract people (students, workers, visitors) from outside the region to work in higher-level jobs (e.g. education and research) and to receive higher-level services (e.g. advanced health care).

Regional advantages and opportunities

Campbelltown–Macarthur is located at a critical geographical nexus that provides:

- Primary road and rail transport links between Sydney, Melbourne and Canberra.
- Direct current (Hume Hwy/M5/M7) and proposed (M9 Outer Sydney Orbital) connections to the future Western Sydney Airport and Moorebank (Sydney's largest intermodal facility).
- Direct connection to Wollongong and Port Kembla (Australia's largest vehicle import hub).

Future challenges and opportunities that stem from government planning decisions include:

- The M9 Orbital (road and rail corridor) will provide increased accessibility where it crosses the Hume Highway (similar to the M7/M4 interchange). This will encourage freight and logistics companies to locate at this strategic nexus.
- Expanding or contracting mineral resource extraction (coking coal extraction by South32; natural gas with AGL and the Boral aggregate operation at Maldon).
- Land release staging for the strategic industrial areas (primarily Macarthur Park).

The arguably most strategic land parcel to support economic development (Macarthur Park) is currently not scheduled to be released for at least another 15 years (beyond 2036). This land provides the ideal combination of large sites, adjacent to major existing transport infrastructure.

The following figure identifies the sites that could provide strategic employment zones based on level topography and access to major road infrastructure. Some of these sites have theoretical potential and will require further investigation, which could be part of the forward planning for the M9 Orbital. The figure also shows two alternatives for the M9 Orbital route through the GMIA.

This constrains the economic development of the whole Macarthur region as it would attract tradeable investment and jobs to the area which have high multipliers for local non-tradeable services and jobs.

Many of the opportunities build on the existing strengths of the area. For example, the area is already an ideal location for freight and logistics services and support. Future infrastructure development (M9 in particular) will enhance this opportunity, but this is not a prerequisite to the initial stage.

Growing the catchment is an essential challenge for the area as this is a critical step towards developing a viable city centre with the catchment required – 250,000 residents for a viable centre, increasing to 500,000 in the longer term.

3.4 Other 'self-contained' employment

The fundamental aim of the strategic planning framework for employment targets is to try and 'contain' employment within the local area if possible and if not, within the 30-minute city. This fundamentally aims to reduce the commuter transport demand to areas beyond the Western Parkland City, of which Campbelltown (and therefore Gilead) is a part. However, there are other jobs that are essentially contained employment and these are becoming more prevalent due to structural changes in the economy. Two key examples are:

1. Work *from* home – workers that use their home as a base and office but work off site. Tradespeople, subcontract construction workers, self-employed drivers (taxi, rideshare) all fall into this category.

2. Work *at* home – which can include people with 'desk jobs' working from a home office as well as professional crafts people, counsellors, online shopping traders, etc.

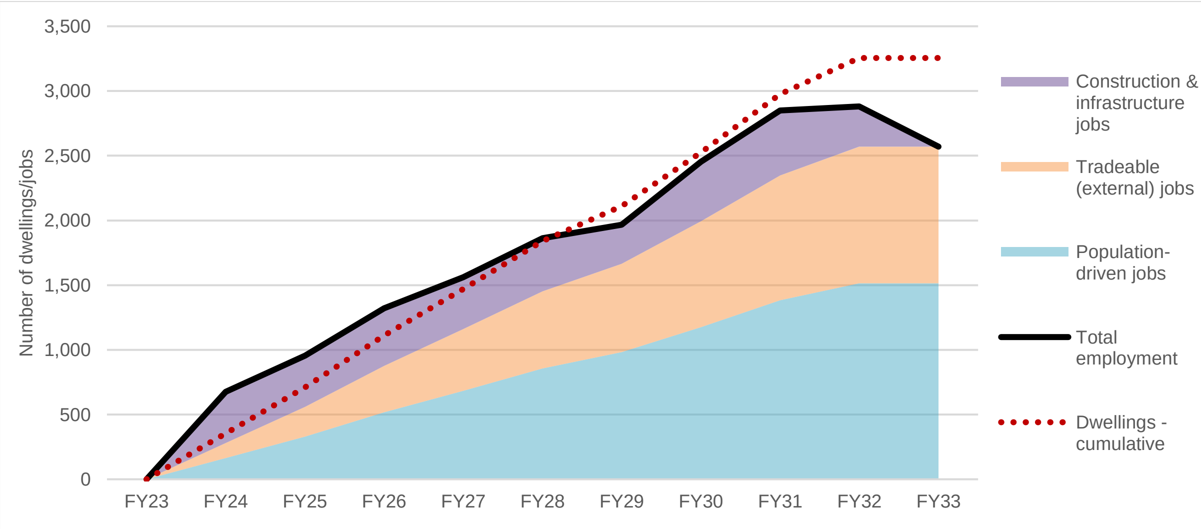
3.5 Employment – population balance

This section considers the implications of population and employment balance in the context of other towns within the Campbelltown LGA and the Greater Macarthur region. It includes all of the jobs that can be expected to be generated by the Gilead development – both those contained within the development itself (retail, education, community services) as well as jobs generated by Gilead households, but that are located outside of Gilead itself (such as Campbelltown CBA).

The new residents living in Gilead will drive demand for local and regional services; would create demand for local jobs and flow-on/multiplier jobs; and local and regional retail expenditure demand.

The following figure and table incorporate the potential sequencing and timing of employment generation for the duration of the Gilead development. Sequencing allocations have been constructed based on the demand-base and anticipated timing of employing industries.

Figure 3.1 Jobs 'balance sheet' – Gilead



Source: Macroplan 2022

Table 3.2 Employment opportunities generated by the Gilead development

Employment driver	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33
Lots	0	355	355	400	360	370	270	415	450	280	0
Dwellings per annum	0	355	355	400	360	370	270	415	450	280	0
Dwellings - cumulative	0	355	710	1,110	1,470	1,840	2,110	2,525	2,975	3,255	3,255
Population	0	1,065	2,130	3,330	4,410	5,520	6,330	7,575	8,925	9,765	9,765
Employment	**0**	**675**	**955**	**1,321**	**1,561**	**1,864**	**1,966**	**2,455**	**2,849**	**2,881**	**2,569**
Non-Gilead residents working in Gilead	0	70	141	220	292	365	419	501	590	646	646
Self-contained jobs	0	271	542	848	1,123	1,406	1,612	1,929	2,272	2,486	2,486
Work from home & not fixed location	0	74	148	231	306	383	440	526	620	678	678
Employed residents in strategic employment lands	0	197	394	617	817	1,022	1,172	1,403	1,652	1,808	1,808
Construction & infrastructure jobs	**0**	**395**	**395**	**445**	**400**	**411**	**300**	**461**	**500**	**311**	**0**
Construction	0	296	296	333	300	308	225	346	375	233	0
Electricity, Gas, Water and Waste Services	0	99	99	111	100	103	75	116	125	78	0
Predominantly population driven jobs	**0**	**165**	**330**	**516**	**684**	**856**	**982**	**1,175**	**1,384**	**1,514**	**1,514**
Retail Trade	0	53	106	166	220	275	315	377	445	486	486
Health Care and Social Assistance	0	37	75	117	155	194	223	267	314	344	344
Other Services	0	23	46	72	95	119	137	164	193	211	211
Public Administration and Safety	0	19	37	59	78	97	111	133	157	172	172
Education and Training	0	18	37	58	76	95	109	131	154	169	169
Financial and Insurance Services	0	7	13	21	27	34	39	47	55	60	60
Arts and Recreation Services	0	5	9	14	19	24	27	33	39	42	42
Rental, Hiring and Real Estate Services	0	3	7	10	14	17	19	23	27	30	30
Tradeable (external) jobs	**0**	**115**	**230**	**360**	**477**	**596**	**684**	**819**	**964**	**1,055**	**1,055**
Transport, Postal and Warehousing	0	22	44	69	92	115	132	158	186	203	203
Manufacturing	0	18	37	58	76	96	110	131	155	169	169
Wholesale Trade	0	18	37	58	76	96	110	131	155	169	169
Professional, Scientific and Technical Services	0	20	39	62	82	102	117	140	165	181	181
Accommodation and Food Services	0	14	28	44	58	73	84	100	118	129	129
Administrative and Support Services	0	14	28	44	58	73	84	100	118	129	129
Information Media and Telecommunications	0	3	6	9	12	15	17	20	24	26	26
Mining	0	3	5	8	11	14	16	19	22	24	24
Agriculture, Forestry and Fishing	0	3	5	8	11	14	16	19	22	24	24

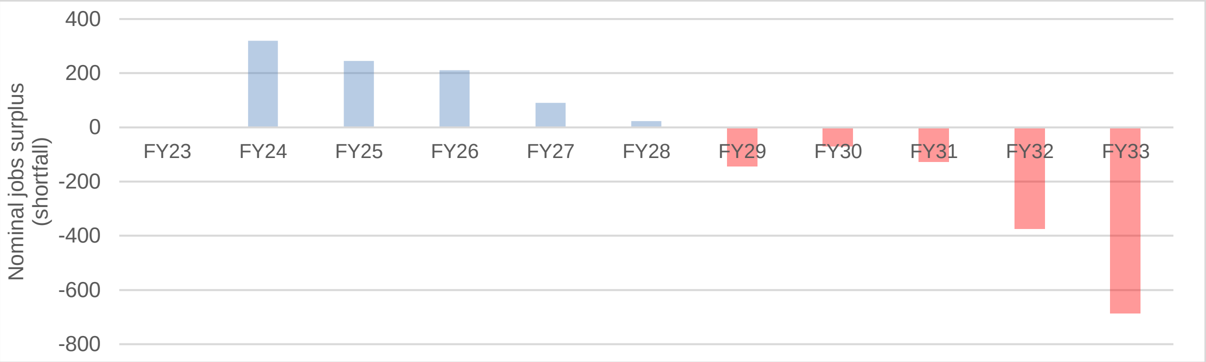
Source: Macroplan 2022

Conclusion

This report provides a preliminary review of the employment opportunities for Gilead. It does not attempt to define full employment strategy, but it lays the groundwork for such a strategy to be developed based on the evidence in this report.

The Gilead development has a target to reach an employment base of at least 1 job per dwelling, which translates to an estimated 3,255 jobs by the end of the project.

The initial assessment shows that while the Gilead development can generate more employment than dwellings (ie. in excess of 1 job per dwelling) for the first five years of the project, it will potentially fall short in the beyond the fifth year of the development. This is due to the construction workforce completing the residential and non-residential building projects. By the completion of the build-out Gilead will likely have around 1,515 population-driven jobs (including centre-based, out-of-centre, work-from-home and work-at-home). Another 1,050 jobs will come from tradeable jobs external to the development based on the employment opportunities in the immediate area.



Potential employment opportunities include the following broad categories:

- increasing the centre-based employment by stimulating retail and non-retail employment opportunities. While the former (retail) is typically constrained by the retail expenditure within the catchment area, the second (non-retail) is potentially a more fruitful opportunity (as indicated by the wide range of non-retail floorspace estimates in the retail *Market Potential Assessment* by LocationIQ).
- out-of-centre employment opportunities within Gilead which includes retirement/aged care services, and encouraging work from home and work at home jobs.
- 30-minute city job opportunities, particularly supporting the growing needs of the Campbelltown centre of a range of employment opportunities, including education, healthcare and strategic commercial and services jobs. This opportunity also includes the industrial and logistics job opportunities in the Macarthur – Campbelltown corridor. The delivery of the public transport route through Gilead to Macarthur Square and rail station will be critical to the expansion of the 30 minute city and access to jobs.

macroplan