

Jobs for Penrith Regional City

**Submission to the NSW Government
Western Sydney Jobs Summit
January 2010**



Executive Summary

Penrith's elevation as a Regional City reflects its historical role in servicing a regional catchment of more than 500,000 people and its growth as a major employment centre providing a diverse range of jobs to local and non-local residents. The City's strong asset base built to service the educational, health, shopping, business and recreational needs of people of Outer Western Sydney and Central Western NSW has transformed the City, creating new challenges to accommodate further urban growth and employment that is in accord with the City's vision to maintain its urban-rural interface and natural assets. This interface gives the City its unique qualities in the region and reinforces its competitive strength and lifestyle attributes.

Penrith has been a strong advocate of job creation, with Penrith City Council adopting the "*Sustainability Blueprint for Urban Release Areas*" in June 2005. The Blueprint requires developers to create a quantum of jobs in the City to match the incoming resident workforce. Council is also conscious of the role of businesses in creating jobs and has established and funded an independent industry led Penrith Business Alliance (PBA) as the instrument to foster economic activity, innovation, business development and job creation.

The PBA was instrumental in facilitating a forum in partnership with Council, business organisations, and senior business leaders to develop this submission to the Western Sydney Jobs Summit.

The submission highlights the challenges and limitations we face as a City and a community in building a Regional City and the jobs that go with it. As a community we are in agreement and focused on a number of economic development strategies that will drive job creation in the City. However, the support of the State Government and its agencies is critical in providing the momentum that is required to move the City and its businesses forward and to create economic growth and sustainable jobs.

Our submission is focused on seeking State Government support under the following four strategic areas:

- 1. Achieving Penrith's Regional City function**
- 2. Delivering job targets across Western Sydney**
- 3. Supporting Penrith's Economic Corridors, Clusters and SME Sector**
- 4. Living and Community Wellbeing in Penrith**

We look forward to a positive response to this submission.



Paul Brennan
Chairman, Penrith Business Alliance

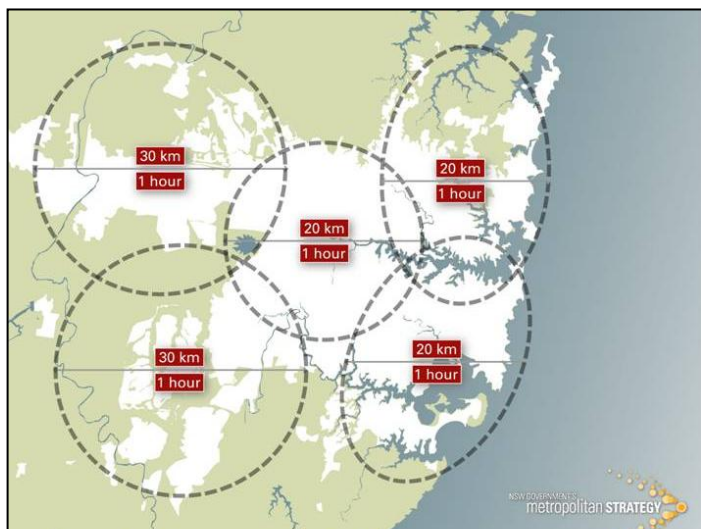


Barry Husking
Acting General Manager, Penrith City Council

Strong basis on which to grow

“Penrith Regional City will eventually serve a population catchment of over 1 million people by 2031”

The Sydney Metropolitan Strategy identifies Penrith as a Regional City in recognition of its strategic position at the western gateway of Sydney and its potential to attract employment and investment to service a regional catchment covering Western and North Western Sydney. Regional Cities are defined as having a full range of business, government, retail, cultural, entertainment and recreational activities, and are the focal point for regional transport and jobs.



Penrith’s Regional Catchment

The metropolitan target for jobs growth in Penrith City is **28,000**, including **11,000** new jobs to be created in the **Penrith CBD**.

Sydney’s City Centre targets for 2031

Centre	Target jobs growth
Central Sydney CBD	50,000
North Sydney CBD	11,000
Parramatta CBD	28,000
Penrith CBD	11,000
Liverpool CBD	15,000

Penrith Regional City will also generate new opportunities in a number of industry sectors which will help diversify the City’s economic base and expand the local choice of jobs in the following sectors:

- Education and Health
- Value Added Manufacturing
- Business and Professional Services

- Agribusiness
- Government (State and Commonwealth) Services
- Tourism, Events and Recreation
- Transport and Logistics
- Environmental & Creative Industries

“Penrith is part of a region that contributed 20% of all jobs growth across Sydney between 2001 & 2006, compared to Sydney CBD that contributed 18% during the same period”

Outside of strategic centres, employment lands are identified in the Penrith LGA to support the economic role of the strategic centres in areas such as high technology, research, industrial businesses, major warehousing, goods production and assembly, management, administration and the provision of urban services.

Penrith is one of the largest LGAs in NSW with a population approaching 180,000. The city recorded moderate growth in employment over the past five years. Investment increased significantly in Penrith in 2007, driven by higher non-residential investment.

Council’s strategic planning has identified large tracts of competitively priced premier industrial land with good access to the M7. Key industrial sites include the established 350 hectare Erskine Business Park which is part of the developing 2,200 ha Western Sydney Employment Area.

Strengths

- Regional City status with significant land for future development
- Sizeable population and regional catchment
- Natural amenity and distinct setting with Nepean River and Blue Mountains
- Quality of lifestyle and recreation facilities recognised
- Affordable property
- Good health and education infrastructure
- Skilled workforce supported by local training institutions

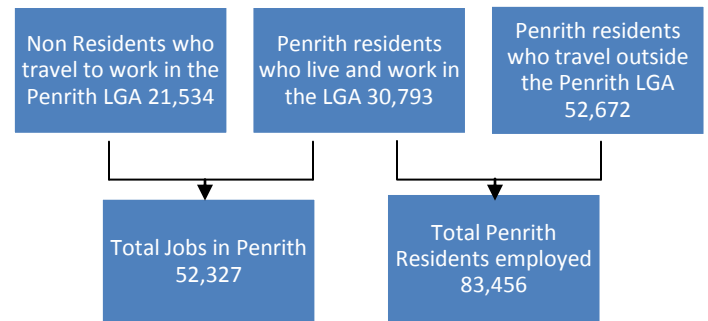
Constraints

- Gaps in road and rail transport connectivity to regional centres, employment lands and new urban areas.
- Fragmented centre with low after-hours activity and poor access to parking
- Lower level of executive housing than competing areas
- Lower level of business services locally than competing areas.

Key Employment Challenges

- More than 63% of Penrith's resident workers leave the City each day for work. Additionally, less than 60% of local businesses source their workforce from Penrith residents. Combined, this **represents low local employment self sufficiency**. Penrith City also provides some 21,500 jobs to non-residents.
- While the number of residents with **post-school qualification** has increased significantly in Penrith over the last decade, the level is still **well below the Sydney average** with less than the rate of residents holding Bachelor degrees or higher. Blue-collar workers dominate the occupational mix in Penrith, with a lower share of 'knowledge' workers.
- Transport bottlenecks remain in Penrith that need to be addressed if development is to occur to meet growth targets and to keep the city competitive. **Infrastructure planning and delivery**, particularly in new Employment areas has **stalled local industrial employment growth** (eg. the Link Road connecting Erskine Business Park with the Westlink M7)
- While Penrith is a Regional City, it has had only **moderate jobs growth** over the last decade. Penrith is yet reach a critical mass of commercial office development in its CBD's for employment growth to match local needs.
- Penrith's economic landscape is dominated by small businesses with **57% listed as non-employed**, and 45% turning over less than \$100,000 per year.
- While Penrith's labour market performs in line with Western Sydney trends, areas within Penrith City are characterised by significant social disadvantage, including high rates of unemployment. Suburbs such as North St Marys, St Marys and Oxley Park recorded **unemployment rates between 9.9% and 11.1% in 2006**. Similarly, these suburbs had some of the **highest SEIFA indexes of social disadvantage** in Western Sydney.

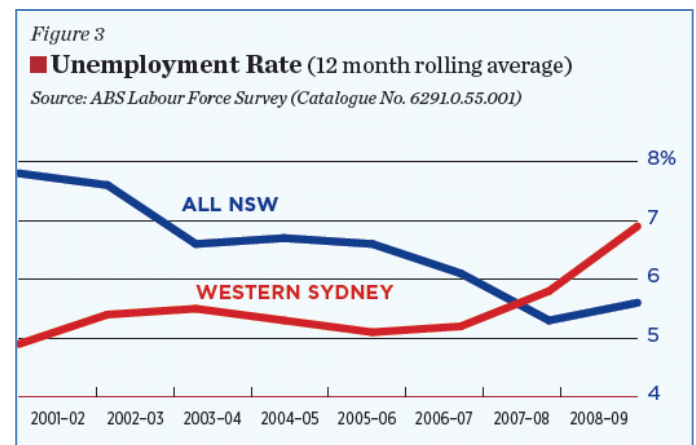
Employment Location of Penrith Workers



ABS Census for 2006

- The table below shows the significant increase in the region's unemployment rates.

Unemployment rise in Western Sydney



- Furthermore, the Metropolitan Strategy and the North West and South West Sub-Regional Strategies' targets will continue to undersupply sufficient jobs relative to the population growth (640 000 dwellings vs. 500 000 jobs). Clearly, more employment land is needed now, and in the future, combined with fully functional CBDs that cater for a wide range of business and Government services.

Penrith Employment and Consultative Forum:

13 January 2010, Penrith City Council

In preparing this submission, Penrith Business Alliance in partnership with Penrith City Council and the Strategic Economics Group held the *Penrith Employment and Consultative Forum* on the 13th of January 2010.

Representatives from the following sectors took part in this consultation.

Penrith City Council	Penrith Business Alliance	Local Industry
Alan Stoneham, <i>General Manager</i>	Paul Brennan, <i>Chairman</i>	Jill Woods, <i>Penrith Valley Chamber of Commerce</i>
Paul Battersby, <i>Senior Environmental Planner</i>	Greg Chapman, <i>Director</i>	Gladys Reed, <i>Penrith City Centre Association</i>
Mark Broderick, <i>Coordinator Advocacy & Sustainability</i>	Judith Field, <i>Director</i>	Greg Moran, <i>J. Wyndham Prince</i>
Ruth Goldsmith, <i>Group Manager, Leadership</i>	Dennis Rice, <i>Director</i>	John Mullane, <i>Mullane Consulting</i>
Paul Grimson, <i>Sustainability & Planning Manager</i>	Bijai Kumar, <i>CEO</i>	Stacey Fishwick, <i>ING Real Estate</i>
Cr Jim Aitken OAM, <i>Penrith City Councillor</i>	Ben Artup, <i>Manager Industry & Investment</i>	Jamie Stewart, <i>Fitzpatrick Property Group</i>
	Graham Larcombe, Facilitator , <i>Strategic Economics Group</i>	Narelle Wheatland, <i>Local Employment Coordinator – DEEWR</i>

The forum successfully engaged the above participants in formulating the following requests to the NSW Government in efforts to improve investment and jobs in Penrith City.

NEWS

Submission for solutions



Business leaders gathered in Penrith on Wednesday to discuss the future of the area as a Regional City.

Story Emma Grodzicki • Photo Mel Jenkins

It looks like a high-level political meeting discussing a major threat to the world, but don't worry – it's nothing that dramatic.

However, the future was certainly on the agenda when business leaders of Penrith converged together on Wednesday to discuss the pathway to becoming an effective Regional City catering for increased employment needs.

Late last year, in her first formal engagement as NSW Premier, Kristina Kennelly attended the Western Sydney Jobs Forum, and called on Penrith to make a submission regarding its future as a Regional City.

This week, members of Penrith City Council, the Penrith Business Alliance (PBA) and other local business leaders met to discuss details of the submission.

"The Council and the PBA got together a forum of very senior people to discuss what our submission should be about," said CEO of the PBA, Bijai Kumar.

"We discussed the key sectors that will drive employment in the future and what made Penrith as a regional city different to other areas."

Mr Kumar said the forum decided health and wellbeing was Penrith's point of difference.

"We have such a strong interface of urban and rural areas, and we also have the hospital and the university, so we decided health and wellbeing would be the factor we would focus on," he said.

"Health and wellbeing is linked with recreation, lifestyle, aged care and an array of industries.

"We also believe we should focus on our ability to provide for transport and logistics industries and to support retail and education."

Mr Kumar said based upon all received submissions, the State Government would develop a plan for employment creation in western Sydney.

"We're not sitting here in idle," he said. "But we still have to travel outside for jobs, so it's important we create jobs here."

The PBA and Council are currently working together on the submission, which needs to be put forward by January 18.

PENRITH WEEKENDER, January 15, 2010 **3**

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The Western Weekender, 15/1/2010

1. Achieving Penrith's Regional City function: 11,000 new jobs in the Penrith CBD by 2031

Background

As a Regional City Penrith has an economic catchment that will progressively build up to one million people covering the Blue Mountains, Hawkesbury, Central West NSW and the proposed growth centres and provide exciting new opportunities for existing and new businesses. We have both affordable and executive housing that will meet the needs of the most discerning. While our industry is diverse and our labour force highly skilled we need a range of business services, high quality retail outlets, recreation and cultural activities, high quality events and government services to elevate Penrith as a Regional City and provide greater local job choices for our residents.

Key issue

Without NSW Government support Penrith will not achieve the functions required of a Regional City in providing regional employment opportunities in Western Sydney.

Key actions:

NSW Government commit to a proactive approach in developing Penrith's role as a Regional City, specifically:

- Development and implementation of a NSW Government policy that centralises NSW Government Departments/ offices in the Penrith CBD with a focus on the Health and Wellbeing sector including the environment.
- NSW Government to fund the establishment and operation of a free shuttle bus service around the Penrith CBD to improve accessibility to and within the CBD.
- Development of civic space and amenities vital to attracting further retail and commercial investment in Penrith CBD and St Marys Town Centre.



Regional City



Job Targets

2. Delivering job targets across Western Sydney: 250,000 new jobs across Western Sydney by 2031

Background

Population in Western Sydney will grow to 3 million in the next 25 years making it the third largest metropolitan area in Australia. Employment in the region will need to grow to match this population growth, with 250,000 new jobs needed by 2031. Over the last 5 years 20% of all jobs created in Sydney were created in the North West of Sydney with Penrith as its Regional City- this trend is expected to increase over the next 10 years. The Regional Cities of Parramatta, Penrith and Liverpool - will be the focus of this growth supported by a hierarchy of major and specialised centres and employment lands that are well connected by transport. Much of the proposed employment that will support Regional Cities will occur through delivery of employment lands for manufacturing, industrial and warehousing enterprises in Western Sydney.

Key issue:

Without the timely delivery of serviced and accessible employment land the required jobs growth is unlikely to be achieved across Western Sydney.

Key action:

Timely delivery of serviced and accessible employment lands through development of planning & infrastructure strategies to provide market certainty.

- NSW Government prepare a Structure Plan for Western Sydney to detail the physical and social infrastructure required to meet the Governments urban growth objectives.
- NSW Government prepare an Infrastructure Delivery and Funding Strategy for the Western Sydney Employment Area to ensure the timely and co-ordinated delivery of development within the estate and maintain the efficient and effective operation of both the internal and surrounding external road networks.
- That NSW Government drives the planning and delivery of the Lakes project as an integral contributor to jobs growth within the region.
- Reactivation of the Western Sydney Employment Lands Investigation Area (WSELIA) task force in order to bring forward the orderly planning and release of WSELIA to market.
- Establish an express bus service linking Western Sydney Employment Area with the Main Western Rail line in line with industry requirements.
- Reactivation by the NSW Department of Planning of the Employment Lands Development Program (ELDP) to monitor the supply and delivery of employment lands in Western Sydney.



Business Growth

3. Supporting Penrith's Economic Corridors, Clusters & Small Business Sector: *20,000 new specialised jobs clustered around Penrith's Economic Corridor and existing health assets*

Background

A significant proportion of Penrith's employment targets will be achieved through the growth and development of small and medium enterprises. Penrith has chosen to focus the development of its small business sector around clusters and corridors of specialised economic activity. Over the last 10 years the largest number of jobs created in Penrith occurred in the health industry, followed by transport and Government administration. To leverage this growth, Penrith is developing a range of economic strategies to position Penrith as a centre of excellence for Health and Wellbeing.

Key issue:

To develop a nationally recognised Health and Wellbeing sector in Penrith requires support from a range of NSW Government agencies.

Key action:

Formal support and recognition of Penrith's role and position as an Emerging Centre of Excellence for the Health and Wellness industry

- Development of a NSW Government industry investment program for the Health & Wellbeing industry in Penrith. This to include an initial \$200,000 for a study that identifies the feasibility of a 'Western Sydney Health & Wellbeing Fund' to attract and grow high value small to medium enterprises (SMEs) in this sector to get started & grow.
- NSW Government support through the NSW Department of Industry & Investment and collaboration with organisations such as the Centre for Health Innovation & Partnership (CHIP) (based at Westmead Hospital) to work with Penrith's emerging Health and Wellness industry by helping to establish networks and program delivery and identify investment prospects in this high growth sector.
- Financial assistance of \$500,000 to establish a Business Improvement District (BID) program for the Dunheved Business Park as a pilot for the rejuvenation of other industrial estates in Penrith and the region.
- Financial assistance of \$200,000 to produce a "Family Food Feud" show – a Penrith reality TV show in partnership with TAFE, UWS and TVS community TV.
- Financial assistance of \$100,000 to explore the feasibility of a Sydney Institute for Information Technology & Health Solutions in partnership with Sydney University & Nepean Hospital.



Wellbeing

4. Living and community wellbeing in Penrith: Improving the attractiveness of Penrith Regional City as a place for high skilled workers to live

Background

More than 60% of Penrith residents employed in managerial and professional occupations leave the City each day for work, many travelling as far as Parramatta and Sydney. In preparation of this submission, community and business leaders overwhelmingly identified population diversity, improved housing choice, along with greater cultural and recreational assets as an important way to attract and retain more skilled residents to Penrith. If Penrith is to effectively play its Regional City role, the attractiveness of Penrith as a place to live needs to become increasingly appealing for highly skilled workers.

Key issue:

To function as a Regional City Status Penrith needs to attract and retain highly skilled professionals to the region. This requires a range of housing, recreational and cultural facilities that meet the needs of highly skilled workers and their families.

Key actions:

Support in attracting new cultural and sporting activity events to Penrith, and facilitation of the progression of the Penrith Lakes as a key driver for employment, housing, recreation and tourism.

- That NSW Government nominates a senior facilitator, with the appropriate authority, to drive the planning and delivery of the Lakes project to underpin Penrith's transformation to a Regional City and create Sydney's new "international address" for employment, housing and recreation.
- Active support through the NSW Major Events Board and Tourism NSW to identify and attract 2 new major sporting & cultural events to Penrith over the next 2-3 years, including financial assistance of \$250,000 to attract new events.
- Funding of a feasibility study into the development of a new conference & events facility in Penrith in order to attract new events and exhibitions to Western Sydney (\$150,000).
- Support through Industry and Investment NSW to develop and promote a Transport and Logistics Services Centre in Penrith CBD to service the fast growing transport and logistics industry in the region (Erskine Business Park and along the M7).