



Southern Tasmania Regional Land Use Strategy

Background Report No.12: Industrial Activity

March 2011



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1. Introduction

1.1 What is Industrial Land Use?

Industrial land use typically relates to the manufacturing, assembling, processing, storage and distribution of products and goods. It can include wholesaling and retailing of goods and may also include uses associated with primary production. Industrial uses can be large (i.e. Zinc Works at Lutana) or small scale (i.e. joinery & cabinet maker). Larger scale uses are generally export orientated, whilst smaller uses generally serve local demand.

While the extraction or removal of material from the ground for commercial use, construction or manufacturing (i.e. mining and quarrying) could also be considered industrial land use, it has been excluded for consideration in this analysis as the location of such uses is driven by the location of the mineral resource.

At present, in the absence of any strategic framework for industrial land use, industrial land in Southern Tasmania is for the most part identified by zones within local council planning schemes.

1.2 The importance of planning for industrial land use

Maintaining a strong strategic approach to industrial zoning and an ample industrial land supply is critical to the region's ability to economically grow. Six key reasons for planning for industrial land use have been identified:

- Industrial land provides space for activities that do not work well near residential uses. Noise, odours, light pollution, and heavy vehicle traffic are realities of industrial activity and complaints by residents and homeowners can force out or constrain the operation of otherwise viable businesses. Most industrial uses should be appropriately separated from sensitive uses, such as residential.
- Industrial land should be well located with respect to transport and physical infrastructure, which need to be larger capacity than would normally be the case. Local streets, for example, need to be specifically designed to accommodate trucks, forklifts, and the movement of heavy goods.
- Industrial activity generally benefits from 'clustering'. This requires sufficiently large areas of industrial land to allow for numerous businesses to locate within the same area. Spatial proximity allows industry to network, connect with local suppliers, use each others' services and capture value along the supply chain.
- To function properly, industry needs both space and appropriate building stock. Buildings typically found on industrial land provide a number of features that are important to many businesses, including flexible floor plates, tall first stories, loading docks and roll-up doors, reinforced upper floors, and open yards for storage, inventory, and goods handling and manipulation. The preservation of existing industrial building stock for predominantly industrial use is generally desirable.
- Industrially zoned land and the buildings it contains provide another essential benefit to many businesses – affordability. Industrial zoned land typically has a fraction of the land and rental costs of land zoned for retail and commercial purposes.
- Protecting the amenity of Activity Centres. Without providing ample industrial land for industry to grow and expand, there will be pressure to supplant other land uses within

Activity Centres for industrial purposes, thereby compromising the mixed-use objectives of an Activity Centre.

1.3 The purpose of this Analysis

This analysis is focussed on determining the adequacy of industrial land supply within the region and the roles and functions of industrial areas with regional significance. Matters that have been taken into consideration include:

- An analysis of the differing type of industrial activities (export orientated v local service);
- The importance of distinguishing these types of industrial activities for the purposes of determining demand;
- The potential demand for industrial land within the region;
- An analysis of the strengths, weaknesses, opportunities and threats of and to existing industrial areas; and
- The overarching planning principles to support future planning for industrial land and activity.

1.4 Planning Period

Based on current best practice throughout Australia, a rolling 15 year 'industrial land bank' is considered the most appropriate planning period to ensure that there is a planned supply of industrial land available to meet future demand on an ongoing basis. This time period recognises:

- the lead times required for standard and major infrastructure headworks
- the significant capital costs associated with developing land for industrial uses
- the time needed for preparation, including planning, design and environmental requirements, for some vacant industrial sites to enable staged development and/or 'just in time' provision of land.

It is further considered that long-term strategic planning needs to look to the 30 year time horizon in order to ensure that opportunities are not unnecessarily lost to other land uses.

1.5 The Southern Tasmanian Regional Industrial Land Study

A key recommendation of this paper is the initiation of a regional industrial land study aimed at identifying new and expanded industrial areas necessary to meet the needs of the region over the 15 and 30 year time horizons.

It is anticipated that this will be undertaken in the first half of 2011, thereby providing significant new information for input into the new planning schemes developed through the Regional Planning Project. The results of the Study will not be able to be incorporated into the Southern Tasmania Regional Land Use Strategy, which will have been finalised by then. However, the results will naturally be able to be included in the second iteration of the Strategy.

Further details of the proposed Regional Industrial Land Study are provided in Section 7.

2. Types of Industrial Activity & their Needs

2.1 Local Service v Export Orientated industry

SGS Economics and Planning Pty Ltd undertook an analysis of Industrial land demand in Tasmania for the Department of Economic Development in 2006 and updated it in 2008. As part of this work industrial activity in Tasmania was examined and analysed with a distinction made between local service industries and export-orientated industries. It is anticipated that this work will again be updated in 2011.

A local service industry was defined as one that substantially depends on the local population for its demand. If the local population grows, demand for the products or services it provides will grow. Examples include builders and building supplies, manufactured building products such as kitchens and windows, the cleaning, service, repair and maintenance of equipment, vehicles or goods, and the warehousing and distribution of consumer goods to retail outlets.

The land and floor space requirements of local service industries strongly correlates with the size of the population within their catchment and are usually located in proximity to their customers (i.e. within urban areas), as either the majority of customers come to the site to access or select the product or service or the provider goes to the customer. The only exceptions to this are warehousing and distribution uses that are less locationally dependent upon their consumer, but rather require access to transport systems and suitable flat land.

Export orientated industry on the other hand is industry that serves, either directly or indirectly distant or export markets. It includes most primary product processing and much larger scale or specialised manufacturing. Rather than being driven by local population, export orientated industry are drivers of population growth as they attract employment and wealth to an area. Examples of export orientated industry in the region include: Nyrstar at Lutana, Norske Skog at Boyer, Incat at Derwent Park and Cadbury at Claremont.

It is important to note however that few industrial uses can be purely defined as local or export orientated. For example some local industries may also send products to other parts of the State or Interstate, or some export orientated industries may distribute and sell their product locally. Nevertheless industries are either predominantly local or export orientated and the distinction is important due to their differing needs and characteristics and importantly the ability to determine future industrial land demand (see Section 4.1)

2.2 Spatial Patterns of Industry

Across Australia urban areas typically incorporate most of the physically smaller industrial sites. This is not so surprising as land in urban areas tends to be more expensive and have higher levels of fragmentation. The higher costs of urban land tend to push industrial activities that use large parcels of land out to cheaper areas, unless they are dependent upon specific location characteristics (i.e. access to port facilities, agglomeration economies).

While a general rule can be drawn that urban areas provide the smaller more intensive industrial sites (intensive in terms of employment generation¹), while fringe and rural areas provide for larger industrial land uses, there are some exceptions within Southern Tasmania, primarily due to historical and locational reasons, Nystar at Lutana and Cadbury's in

¹ The land use per employee for industrial activity on urban land in Tasmania is approximately 1 per 295 sqm, compared to 1 per 1,230 sqm for fringe areas and 1 per 3,625 in rural areas (SGS Economics & Planning 2008: 14)

Claremont are both all clear examples of the exception to the rule and as a result provide unique land use and amenity considerations in the local strategic planning context.

In general all industrial uses will seek to locate on flat land near good transportation links, close to their workforce and with the level of specific infrastructure required to meet their needs, however there are some variations across export orientated and local service industries as well as specific type of industrial activities.

2.2.1 Spatial patterns of Export Orientated Industries

The location of export-orientated industries is predominantly determined by access to key resources, infrastructure and labour. Many smaller scale export industries will locate in and around urban based industrial zones which are primarily used for local service industries. Medium scale enterprises will generally occupy a site in an established industrial zone if there is a site made available (i.e. Derwent Park) or one of the newer estates (Cambridge or Brighton).

Large scale export orientated industries are generally located in relatively isolated industrial sites in more rural based settings. In the Tasmanian context the siting is either highly influenced by proximity to product supply (i.e. Norske Skog at Boyer or Tassal Factory at Huonville) or access to critical transport infrastructure (i.e. Gunns Woodchip Mill at Triabunna).

2.2.2 Spatial patterns of Local Service Industries

The location of Local service industries is primarily driven by proximity to customers as well as suitable flat land with appropriate infrastructure. Local service industries generally require smaller sites than export orientated industries and are concentrated together in larger industrial zones/areas. In Southern Tasmania such concentrations can generally be seen in most LGAs. The most notable concentration of local service industries in the region is the Derwent Park/Moonah area, which has good access to the Brooker Highway, the major freight route for Greater Hobart.

2.3 Industrial Land Use Requirements

The land, location and access requirements vary for differing industrial uses (whether they are export or local service orientated industries). Planning SA, in the production of the Metropolitan Adelaide Industrial Land Strategy, identified a number of different requirements for various industrial land uses. These differing requirements are important in defining the roles and functions of the major industrial areas within the region.

Table 1: Land, location and access requirements of industrial land uses (**Source: Planning SA**)

Activity Type	Land Requirement	Location/Access
Heavy Manufacturing	<ul style="list-style-type: none"> ❖ Medium to Large sites ❖ Flat land ❖ Large separation buffers ❖ Provision of utilities and information, Communications and Technology (ICT) 	<ul style="list-style-type: none"> ❖ B-double access ❖ Proximity to freight route ❖ Proximity to container port, rail terminal

	<ul style="list-style-type: none"> ❖ Industry Zoning ❖ Competitively priced land 	
Light Manufacturing	<ul style="list-style-type: none"> ❖ Small to large sites ❖ Flat land ❖ Small to medium separation buffers ❖ Provision of utilities & ICT ❖ Industry/commercial zoning ❖ Competitively priced land 	<ul style="list-style-type: none"> ❖ Truck access, possibly including B-double ❖ Proximity to freight route ❖ Access to supply chain/labour/customers
Food	<ul style="list-style-type: none"> ❖ Small to medium sites ❖ Flat land ❖ Compatible adjoining industries ❖ Small to medium buffers ❖ Contaminant free land ❖ Provision of utilities, particularly water/sewer ❖ Industry zoning ❖ Competitively priced land 	<ul style="list-style-type: none"> ❖ Proximity to freight route ❖ Ready access to interstate/overseas based markets ❖ B-double access ❖ Access to supply chain
Transport/Warehousing	<ul style="list-style-type: none"> ❖ Large sites ❖ Flat land ❖ Industry zoning ❖ Competitively priced land ❖ Ready site access/egress 	<ul style="list-style-type: none"> ❖ B-double access ❖ Ready access to intermodal facility
Local Trade Services	<ul style="list-style-type: none"> ❖ Small sites ❖ Competitively priced land ❖ Minor buffers ❖ Light industry/commercial/mixed use zoning 	<ul style="list-style-type: none"> ❖ Central to customers
Technology/Science Park	<ul style="list-style-type: none"> ❖ Small to medium sites ❖ Commercial/industrial zoning ❖ High amenity ❖ Public/private transport facilities ❖ Advanced ICT 	<ul style="list-style-type: none"> ❖ Proximity to research and innovation clusters.

3. Future Directions

3.1 Emerging Trends

A review of recent industrial reports points to a number of emerging trends in industry across Australia. Many of these are already becoming evident within Southern Tasmania (as sourced from Glenorchy City Council's Industrial Land Use topic paper).

Focus on higher value added products

- Manufacturing has increasingly focussed on high value-added goods. This is particularly the case with downstream processing of agricultural products.
- With dismantling of tariff barriers, there has been a diffusion of new technologies to better enable industry to compete in a growing economy.
- A greater emphasis on “higher order activities” (e.g. research and product development).
- China has become the factory to the world; “raising the bar” in terms of retention of domestic manufacturing – Australia will need to invest more in product development, design and marketing, implying a further shift of the value added margin to knowledge workers.

Industry Clustering

- The facilitation of industry clusters will become an increasingly important economic strategy for regions and nations.
- Industry clusters are geographic concentrations of interconnected companies and suppliers in a particular field. The philosophy is that large and small companies in a similar industry achieve more by working together than they would individually and it allows them to compete in an increasingly more competitive global market. e.g. Silicon Valley in California.
- The development of information technology has enabled a greater sharing of information and alignment of firms, thus reinventing the traditional “supply chain” to create time efficiencies and flexibility. This is now evidenced by the development of industry clusters.
- From an innovation perspective, there has been increased co-operation and collaboration between larger and smaller businesses as well as with universities and research institutions whereas the traditional approach was to “keep it in-house” in larger firms.
- Patterns of industry clustering are changing towards technical support activities and away from physical inputs.

Changes in patterns of demand for industrial land

- Reduced demand for larger industrial sites.
- Industry now has a smaller land footprint, with more efficient technologies, product specialisation, and smaller production runs, outsourcing of production to a range of “just-in-time” producers, smaller plants being less expensive and more flexible.

- Larger industry has outsourced many of its non-core functions to smaller businesses with greater focus and lower cost structures; hence the growth of small and medium enterprises in the services and manufacturing sectors and the varied sizes and activities of industries that wish to locate in an area.
- The incorporation of other ancillary functions on industrial sites, including sales and marketing.
- With firms more likely to outsource all but key functions and greater specialisation in aspects of the production chain e.g. management, research and development, production, logistics etc, there has been a decline in traditional, labour-intensive heavy industry and a greater use of land for hi-tech production, assembly, business services, transport and logistics and other uses. The distinction between production and service work is increasingly blurred.
- Industries with low inventory products seek out the lower cost land whereas industries with high value inventories and high value added products seek higher cost land closer to end customers.
- Horizontal access is being seen as increasingly more important than vertical clearance in the selection of industrial sites.

Improved environmental performance

- A trend towards environmentally sustainable design of industrial parks.
- Many industrial processes becoming lighter, cleaner and less polluting.

Growth in logistics

- There has been a growth in the wholesale trade and logistics sectors.
- Industries now focus on core competencies and partner with other firms which provide intermediate goods. The logistics task has become more complex and important and is increasingly being carried out by third party specialists.
- More economical operations using B Double trucks, higher forklifts and computer control of stocks.
- A focus on minimising total distribution costs and maximising value added is forcing firms to redefine their spatial needs and focus on fast and efficient distribution to the customer.
- Just-in-time" supply has led to more frequent deliveries.

Change in Hours of Operation

- An increasing shift to 24 hour/ 7 days a week operations.

4. Industrial Land Demand

4.1 Current Demand

In terms of demand, SGS Economics & Planning for the Department of Economic Development and Tourism identified the following regional and sub-regional projection of industrial land demand for local service industries and export orientated industries for the next 5 year period.

Table 2: Projected short to medium term potential demand for industrial land (Source: SGS Economics & Planning)

	Land demand for local service industries		Land demand for export orientated industries	
	Base case scenario	Trend continues scenario	Low estimate (-10%)	High estimate (+10%)
Greater Hobart	9.1 ha	24.8 ha	147.9 ha	180.8 ha
Remainder of Southern Tasmania	6.9 ha	12.8 ha	15.4 ha	18.8 ha
Region Total	16.0 ha	37.6 ha	163.3 ha	199.6 ha

The two scenarios of land demand for local service industries are based upon different future population scenarios (as noted above land demand for local service industries is primarily determined by population). The 'base case scenario' is prepared on the assumption of the demographic model forecasted by Natalie Jackson from the University of Tasmania where there was limited growth in the urban areas. The 'trend continues scenario' is based on the assumption that the existing population growth trends across the region experienced in the last 8 years continue.

On the other hand, future demand for industrial land for export orientated industries is driven by the growth in these industries. Land use ratios show the amount of industrial land that is required, on average for every employee. The number of potential future employees is then determined on the economic projections which is usually expressed in terms of production and export. To accommodate the degree of uncertainty associated with economic projection of export orientated industries (due to the significant influences of national and global economies) a band width for forecast variation of plus or minus 10% of the project growth rate is considered.²

4.2 Adequacy of demand analysis

As indicated in Section 1.4, a planning period of 15 years is recommended in terms of the demand and supply analysis for industrial land that we need to be actively securing now. However we also need to look to the 30-year time horizon to ensure future opportunities are not unnecessarily lost. The existing work on projected demand completed for the Department of Economic Development and Tourism is not sufficient to plan even over a 15 year period, however. This work also does not provide sufficient clarity on the supply-side of the equation.

² These estimates were prepared prior to the global financial crisis. Given current economic conditions it would be likely that land demand for export orientated industries would tend to the lower estimate.

This is a data gap that will need to be addressed in the near future. It is anticipated the pending Southern Regional Industrial Land Study will substantially bridge this gap by addressing both demand and supply at the 15 and 30 year time horizons. Notwithstanding the above, this paper provides a preliminary analysis of available demand projections and a preliminary supply analysis. It therefore provides a useful indication of the likely adequacy of industrial land supply.

4.3 Factors affecting demand

- As the number of residents in Greater Hobart increases more rapidly than the remainder of the region, it is expected that the demand pattern for local service industries will intensify more into the future.
- While the regional areas of Southern Tasmania are expected to generate land demand, a significant proportion of this demand will still be met by industrial areas within Greater Hobart, which has the market scale and infrastructure to service the surrounding areas.
- Export orientated industry that benefits from co-location with raw product, will have specific land demands that will need to be accommodated within certain geographic criteria (i.e. processing industries associated with the aquaculture industry will demand industrial land within the Channel and Huon areas).
- Some of the land demand for local service industries (i.e. trade services such as plumbing supplies, car servicing facilities) will be met by land outside of the identified industrial areas and zoned for mixed use or commercial purposes.
- Some of the land demand for 'rural processing' type uses (i.e. the downstream processing of primary products) – which are primarily export orientated industries – will be met by land outside of the identified industrial areas and zoned for rural purposes. The Tassal factory at Huonville is a good example.
- There are many smaller scale industrial uses scattered through older inner urban areas as non-conforming uses (as the land is zoned for other purposes). Once these businesses seek to expand most will need to relocate to suitably zoned industrial areas.

5. Industrial Land in Southern Tasmania

Tasmania has relatively few major industrial facilities in the Australian context, however it retains a few critically important operations and has an increasing niche manufacturing base in agriculture, marine and natural resources areas. Industry in this ever broadening context is a key component of the developing Tasmanian economy and of major importance to the specific regions and areas of settlement that are linked physically, socially and economically.

Tasmania's economy has traditionally been based on resource extraction and development with a strong agricultural sector. Industry in Tasmania underwent substantial changes during the last few decades of the 20th century. Major manufacturing industries continued to include food and beverage, wood & paper and metal products, however more traditional sectors, such as agriculture and fisheries have moved towards higher value, niche markets.

Within Southern Tasmania industrial land can be considered across two categories: Sites of Major Industrial Activity and Industrial Areas.

Sites of major industrial activity typically contain one major use and development with the occasional ancillary or supporting use and development. These are export orientated industries and are significant contributors to the regional and local economies. Examples include:

- Norske Skog, Paper and Pulp Process at Boyer
- Nyrstar Zinc Smelter at Lutana
- Cadbury Chocolate Factory at Claremont
- Gunns Woodchip Mill at Triabunna
- Southwood Integrated Timber Processing in the Southern Forests.
- Cascade Brewery at South Hobart

These sites, although sometimes including significant tracts of land zoned for industrial purposes, have not been considered in the context of the supply analysis (in Section 6).

Industrial areas, on the other hand, are where a range of industrial land uses are consolidated into one spatial area. Within the region industrial areas vary in size and intensity. Most Local Government Areas contain some industrial land, many of which meet the direct industrial land use needs of the local community.

An analysis of these is provided in the following table (Table 3).

Table 3: Analysis of Existing Industrial Land in Southern Tasmania

Locality	Industrial Precinct	Total Area (ha)	Role	Key Industrial Activities	Other Activities	Accessibility to Transport Systems & Infrastructure	Strengths	Opportunities	Weaknesses	Threats ³
Austins Ferry	Whitestone Drive	30.24	Mixed industry	Woodchip Mill	Warehousing & manufacturing associated with building & construction industry. Storage	Direct access onto Main Road. Short distance to Brooker Highway. Partially serviced	Large area Removed from land use conflicts	While nearly fully developed, woodchip mill shortly to be closed and some land parcels not well utilised.	In proximity to wetlands and Derwent River and therefore exposed to environmental sensitivities. Transport route is through a growing residential area. Not fully serviced.	Owner not releasing Woodchip Mill site for other industrial development.
Bicheno	The Gulch	1.60	Maritime Industry	Marina	None	Poor	Water access	Limited. Suitable for meeting needs of immediate community	Not suited to other industrial activity due to distance from freight route, visual and marine sensitivities	None
Bothwell	Bothwell	16.65	No defined industrial role currently all used for pasture	None	None	Poor	Proximity to agricultural production	Downstream processing	Proximity to heritage town with aesthetic sensitivities Distance from freight routes and major markets	Pressure to convert to other zoning due to lack of demand for industrial land, although rezoning may appropriate dependent upon local strategic objectives
Boyer	Boyer Road	130.67	High impact manufacturing	Paper Mill & Woodchip Mill	None	Good road and rail access Poor ICT Limited reticulated infrastructure	Distance from sensitive uses Already high impact industry	Some land parcels surrounding main activities are not well utilised. Could be collocation benefits.	Land utilised for paper mill & woodchip mill should not be taken into account for land supply. Long term established uses absolutely dependent upon location Distance from	Expansion of rural residential development
Brighton	Boral Quarry ⁴	227.45	Mixed Industry focussed on warehousing, distribution and manufacturing	Boral Quarry, Intermodal Facility (future), Toll (future), Tasmanian Grain Elevators Board	Transport, warehousing, agribusinesses, light industry/manufacturing	Good road with direct access to Midlands Highway. Reticulated infrastructure good, electricity supply recently upgraded	Collocation with intermodal facility	Future industrial distribution & storage hub for the region Reduced conflict with non industrial traffic once Brighton Bypass constructed	Distance to customers for retail and service functions Likelihood of archaeological artefacts (Aboriginal Heritage) Visual prominence as Northern Gateway to Hobart	Encroaching rural residential development Establishment of industrial land uses not reliant upon strategic locational advantages of the intermodal facility (particular in period before intermodal facility constructed)
	Brighton Industrial Hub	235.73					Future agglomeration economies			
	Cove Hill	44.19					Affordable land Purpose designed subdivisions and road layout Ready access to labour market Good consumption rate for newly subdivided land			

³ Threats are in the context of the land for industrial use. Some land currently zoned industrial is under pressure for conversion to higher value land uses and provided that there is adequate supply of industrial land across the region, conversion of existing industrial land to other land uses may be considered an 'opportunity' from a holistic land use planning perspective.

⁴ Although the quarry itself extends only over 2 title areas all 4 titles owned by Boral have been identified as developed due to attenuation distances and future expansion requirements

Locality	Industrial Precinct	Total Area (ha)	Role	Key Industrial Activities	Other Activities	Accessibility to Transport Systems & Infrastructure	Strengths	Opportunities	Weaknesses	Threats ³						
Cambridge	Cambridge Township	34.80	Mixed Industry	Skretting Australia (aquaculture feed), Chickenfeed warehousing, Tas Fire Service training facility	Small scale manufacturers, building contractors, warehousing, showrooms (furniture, caravan & boats), Offices	Access to regional freight route Ok reticulated infrastructure, some previous sewerage and electricity constraints ICT	Proximity to Hobart Airport for time dependent freight	'clean' industry hub	Proximity to Ramsar wetland	Encroaching rural residential development						
	Kennedy Drive	122.45					Purpose designed subdivision and road layout				Linkages with bulk goods/large floor area retailing	Long road distance along freight route to intermodal facility for export freight (noting that freight traffic are not allowed to use Tea Tree Road to connect to Brighton)	Establishment of further non-industrial uses			
Carlton	Josephs Road	2.00	Unknown	Unknown	None. Only 1 site	Poor	Limited	Limited	Inability to provide for nearly all industrial land use requirements. Spot Zoning	Dependent upon existing use may be suitable for rezoning to rural.						
Cygnets	Cygnets	20.56	Mixed Local Industry	None	Light Manufacturing, Auto repairs	Ok for local purposes	Limited	Providing for light industrial needs of local community. Rural Processing	Distance	None						
Derwent Park	Derwent Park Road	5.62	Agglomeration of local service industries heavily focussed on trade outlets, bulky goods manufacturing and warehousing with strong retail focus	No single industrial use predominates due to size and variety of industrial activities	Significant breadth of differing activities across broader area	Proximity to regional freight route Full Reticulated Infrastructure	Strong interface with market (i.e. customers)	There are limited opportunities beyond building upon its existing role, particularly in terms of industrial uses requirement retail components, due to very lower vacancies	Potential for land use conflicts	Relocation of intermodal facility to Brighton may in the long term draw some industrial uses away.						
	Lampton Avenue	44.00					Fully serviced land				High proportion of non-conforming uses in some sub-precincts (up to 40%)					
	Knoll Street	2.44					Agglomeration Economies									
Moonah	Albert Road	12.84					Proximity to labour market				The most significant centre for industrial land in the region	Location between two Activity Centres	High consumption rate when vacancies appear	Some traffic management issues	Lot layout	Pressure to convert to higher value residential and commercial land uses. This is particularly dependent upon future of rail corridor and overarching settlement strategy. Such pressure will however only be felt in some sub-precincts not the whole area.
	Charles Street	6.23														
	Creek Road	2.77														
	Sunderland Street/Railway	29.68														
Glenorchy	Chapel Street ⁵	17.06					Poor visual appearance in some sub-precincts				High land prices	Not well suited for industrial uses requiring large attenuation distances	Limited, although proximity to fishing and aquaculture area	Limited. Suited for meeting needs of local community.	Distance	None
	Grove Road/Railway	15.51														
	Jackson Street	13.29														
Montrose	Duncan Street	4.63	Mixed Industry	No single industrial use predominates	Unknown	Poor	Limited, although proximity to fishing and aquaculture area	Limited. Suited for meeting needs of local community.	Distance	None						
	Grove Road/Railway	0.79														
Dover	Dover	18.40	Mixed Industry	No single industrial use predominates	Unknown	Poor	Limited, although proximity to fishing and aquaculture area	Limited. Suited for meeting needs of local community.	Distance	None						

⁵ Chapel Street vacant lots are identified as 'future road' on the respective Certificate of Titles

Locality	Industrial Precinct	Total Area (ha)	Role	Key Industrial Activities	Other Activities	Accessibility to Transport Systems & Infrastructure	Strengths	Opportunities	Weaknesses	Threats ³
Dowsing Point	Technopark	12.16	Technology and Innovation Park	Call Centres, News Limited Press, Business Incubator, Printing Authority of Tasmania, Moonraker	None	Good with high standard of ICT	Clustering of technology related industry Clean image and high amenity Co-ordinated management by DEDTA Separation from residential uses No non-conforming uses	Major technology and innovation hub	Capacity for further expansion limited by Dept. Of Defence commitment to retain Derwent Barracks Original specific intent has been slightly watered down	Encroachment of other industrial uses
Dunalley	Dunalley	0.21	Unknown	Unknown	Unknown	Poor	Limited	Limited	Distance and size	None
Geeveston	Geeveston	20.29	Mixed Local Industry	Timber Mill	Unknown	Poor	Proximity to State Forests	Meeting industrial needs of local community	Distance Some areas heavily vegetated Sloped land	None
Prince of Wales Bay	Bender Drive	28.95	Maritime based Industries	Ship building, manufacture of safety equipment and specialist maritime components	Waterhousing & manufacturing particularly in Bender Drive area	Proximity to regional freight route Full reticulated infrastructure Mediocre ICT	Water frontage Part of broader Glenorchy industrial area and therefore agglomeration economies Proximity to populated centres Ready access to labour market	Uses which require both landside and waterside facilities With relocation of intermodal facility to Brighton some warehousing may seek to relocate over the long term making way for other industrial uses	Spatially fragmented Derwent Park road needs to be upgraded (safety concerns) Perception of 'dirty' industrial area due to nearby Nystar Problems with trade waste Inadequate carparking in Bender Drive area High land prices	Land use conflicts from adjacent residential uses Proportion of non-conforming uses Presence of too many non-maritime industries
	Gepp Parade	4.10								
	Negara Crescent	7.06								
Hobart	Macquarie Point Wharf	12.21	Port related activities & current intermodal facilities	Wharf Freight Storage Intermodal Facility	Caustic Soda Plant, Fish Processing, Ship Maintenance and repair at Regatta Point Cold Storage, Emergency Research, Antarctic research, sewerage treatment plant, cement batching plant	Due to current intermodal facility very good rail access although road connections constrained because of commuter traffic Good reticulated infrastructure Good ICT	Southern most port in Australia Flat land With relocation of intermodal facility large site available for redevelopment Ready access to labour market	Expansion of Antarctic and marine research and emergency response facilities Bio-tech precinct	Adjacency to major tourism precinct At the visual gateway to the City of Hobart Reclaimed land Extensive contamination Historic Heritage (archaeological)	Poorly planned and considered redevelopment of railyards site, particularly sensitive uses without consideration of appropriate buffers
	Regatta Point	4.68								
	Railyards	10.40								
Hobart International Airport	Precinct 3	5.09	Landside facilities for Airport	None	Mix of airport related uses	Good road access Good ICT Potential limitations on reticulated infrastructure	Flat land Proximity to Airport Proximity to Cambridge Industrial Area	Has long term potential because of expanses of underutilised land to assist in meeting industrial land supply needs	Commonwealth owned land – not required to consider land use planning strategy and requirements	Commercial objectives of Hobart International Airport Pty Ltd
	Precinct 5	17.28								
	Precinct 6	8.72								
	Precinct 8a	35.78								

Locality	Industrial Precinct	Total Area (ha)	Role	Key Industrial Activities	Other Activities	Accessibility to Transport Systems & Infrastructure	Strengths	Opportunities	Weaknesses	Threats ³
Huntingfield	Huntingfield	21.05	Mixed local industry	No single industrial use predominates	Manufacturing, storage, crematorium, landscaping and garden supplies, bulky goods	Road access hampered by poor intersection Ok Reticulated Infrastructure	Purpose designed subdivision Proximity to local market and population	Meeting industrial needs of local community	Road access Proximity to expanding residential area Proximity to environmentally sensitive area	Land use conflicts
Huonville	Glen Huon	17.53	Mixed local industry	No single industrial use predominates	Small scale manufacturing, car repairs and servicing	Ok for local purpose. Trade Waste may be an issue	Proximity to local market Relatively flat land	Meeting industrial needs of local community	Not suitable for non-local needs or high impact industrial activity	None
	Huonville	8.71							Proximity to flood prone area	
	Ranelagh	0.99							Proximity to residential uses	
Kingston	Firthside	10.22	Mixed local industry	No single industrial use predominates	Small scale manufacturing, building contractors, storage	Ok for local purposes	Proximity to local market	Meeting industrial needs of local community	Proximity to residential At visual gateway to Kingborough	None
Margate	Margate	24.68	Marine based Industry	Margate Marina & Tassal Fish Processing Plant	Marine based manufacturing	Direct access onto Channel Highway Direct access to North-West Bay Infrastructure constrained,	Access to North-West Bay Proximity to major aquaculture area	Ship building and marine product manufacturing hub Centre for shore-based aquaculture facilities	Distance from major freight route Land use conflicts Fragmentation of sub-precincts Constrained infrastructure, particularly sewerage and electricity (if needed for major manufacturing at electrona) Presence of aboriginal heritage artefacts along foreshore	Pressure to reduce impacts from residential uses Comparative strength of Prince of Wales Bay
	Barretta	8.43								
	Electrona	22.35								
Maydena	Maydena	29.97	Single Use	Manufacturing	None	Poor	Well buffered	Limited Proximity to forestry operations	Distance	None
Mornington	Mornington Road	69.86	Mixed Industry	No single industrial use predominates	Wide mix of activities including processing plants, seafood outlets, trade outlets, garden and landscaping supplies, car repairs and servicing. Includes depots and store facilities for Council, Australia Post and Mineral Resources Tas	Road access recently improved Good reticulated infrastructure in most areas ICT	Proximity to local customer base Proximity to regional transport links Established open space buffers to residential areas	Meeting industrial needs of broader Clarence sub-region	Undeveloped land has constraints in terms of topography, lot layout, road access and land hazards Attractiveness of the area has not been maintained Inadequate car parking supply	Increasing road congestion
New Norfolk	New Norfolk	12.70	Mixed Local Industry	No single industrial use predominates	Light Manufacturing, Auto repairs, service station	Ok for local purposes	Limited	Providing for light industrial needs of local community.	Distance Land use conflicts	None

Locality	Industrial Precinct	Total Area (ha)	Role	Key Industrial Activities	Other Activities	Accessibility to Transport Systems & Infrastructure	Strengths	Opportunities	Weaknesses	Threats ³
Selfs Point	Selfs Point	26.39	Fuel Storage	Fuel Storage facilities Sewerage Treatment Plant	Bitumen plant, oil recycling facility, Council depot, CatsHome	Immediate access to Brooker Highway Relatively flat Reticulated infrastructure	Good infrastructure access Flat Land Water access	Some land parcels not well utilised. Lot layout is conducive to subdivision	Fuel Storage and treatment plant (only tertiary treatment plant in the region) are critical infrastructure that need protection against conflicting activities Potential for pollutants to enter Derwent River through runoff Proximity to residential uses (other side of New Town Bay) and major regional cemetery. Noise and odour emission problematic	None
North Hobart	Federal Street/Argyle Street	4.58	Mixed Industry	No single industrial use predominates	Trade outlets, repair and manufacturing, joiners, warehousing	Ok	Proximity to market (i.e. customers)	Limited. Protection of existing industrial uses.	Very limited area amongst a now well-established residential area Land use conflicts Fragmented Small lots Traffic Congestion	Further fragmentation and conversion to non-industrial areas
Nubeena	Nubeena	8.16	Unknown	Unknown	Unknown	Poor	Limited	Limited. Suited to meeting local needs only	Distance	None
Oatlands	Oatlands	21.46	Mixed	No single industrial use predominates	Council storage, rural services, and rural residential	Proximity to Midlands Highway	Flat and affordable land	Limited. Suited to meeting local needs	Fragmented. Two areas. One at the southern end of Oatlands is predominantly vacant or rural residential uses Proximity to heritage town with aesthetic sensitivities	Some land may be suitable for rezoning
Port Huon	Port Huon	7.47	Shore based facilities for aquaculture industry	Netwash facility at Whale Point	Some storage at Port Huon	Poor. Road access difficult, Huon Hwy not well suited to heavy vehicles, sewerage treatment plant near capacity	Proximity to marine farms Water access	Small scale hub for land based facilities associated with aquaculture industry	Majority of underutilised land is steep Poor infrastructure	Greater desirability of Margate area to Aquaculture industry
	Whale Point	21.78							Whale Pt itself is contaminated. Potential of netwash facilities to contaminate surrounding water with copper leachate from runoff	

Locality	Industrial Precinct	Total Area (ha)	Role	Key Industrial Activities	Other Activities	Accessibility to Transport Systems & Infrastructure	Strengths	Opportunities	Weaknesses	Threats ³
Risdon Vale	Scotts Road	50.52	Mixed Industry	No single industrial use predominates	Dogs Home, small quarry, tradeyard	Poor	Limited	Limited.	Remote from other urban industrial areas Low exposure to market (customers) Topography Proximity to residential development and Risdon Prison	None. Clarence City Council's consultant recommended investigating rezoning of this land
Rokeby	Droughty Point Road	71.09	Mixed Industry	No single industrial use predominates	Sewerage Treatment Plant, manufacturing with retail component, metal fabrication, glass factory, warehousing	Road access constrained. Reticulated infrastructure ok but sewerage treatment plant needs upgrading	Large undeveloped areas Good buffer distances	Suited to meeting needs of local community and some sub-regional functions	Poor road access Single ownership Runoff control required due to slope into Ralphs Bay	None
Sorell	Giblin Drive	5.42	Mixed Industry	No single industrial use predominates	Small scale manufacturing, garden and landscaping supplies, repairs	Ok for local purposes	Flat land Affordable land Growing market (customers) Good buffer distances Purpose designed subdivision	Suited to meeting needs of local community	Distance to larger markets, regional freight routes Limited expansion options	Unknown
Southport	Southport	1.19	Unknown	Unknown	Unknown	Poor	Limited	Limited	Distance and size	None
Swansea	Swansea	10.30	Used for unimproved pasture	None	Unimproved pasture	Poor	Limited	Limited	Distance Location at the back of town Proximity to tourism focussed town	This land may be suitable for rezoning with local community needs met by industrial land elsewhere in the municipality.
Tinderbox	Tinderbox	0.36	Small shore-based facility for aquaculture industry	Small shore-based facility for aquaculture industry	Single use	Poor	Limited	Continuation of existing use	N/A	None
Triabunna	Triabunna	13.51	Mixed local industry	No single industrial use predominates	Small scale manufacturing, car repairs, service station, timber yard	Poor	Limited Some land adjacent to water	Suitable for meeting needs of local community as well as marine based industry for lots adjacent to the bay	Fragmented Poor standard of appearance Non-conforming uses	Potential land use conflicts Visual appearance pressures due to tourism issues
White Beach	Nubeena	0.44	Unknown	Unknown	Unknown	Poor	Limited	Limited	Distance and size	None

6. Supply of Industrial Land

6.1 Current Supply

There is no clear or widely accepted definition of what constitutes an adequate supply of industrial land. The Victorian and South Australian State Governments have indicated that 15 years supply is sufficient to satisfy short and long term market demands, while in NSW a rolling 10 year supply is considered appropriate. This timeframe recognises the lead time to identify suitable land and maintain current stock while allowing for a variety of lot sizes and industry precincts. It is further considered that long-term strategic planning needs to look to the 30 year time horizon in order to ensure that future industrial land opportunities are not lost to other land uses where such uses do not represent the highest and best use for the region as a whole into the long term.

The supply of land is determined by measuring the total, vacant stock of land against current consumption and demand patterns. However projections of demand against current patterns incorporate a degree of uncertainty, given the significant influence that global market forces has on the national economy and subsequently the significant influence that the national economy has on the State economy.

Table 4 over page provides a summary of the current supply of industrial land within the region.

6.2 Supply Analysis⁶

Table 4 shows that the area of existing industrial land within the region is 1679.50 hectares, of which 75% (1258.95) is located within the Greater Hobart area with 59% located within the three major industrial hubs of Glenorchy/Derwent Park/Moonah, Cambridge and Brighton.

Of the regional total only 175.29 hectares has been identified as vacant, with 157.92 hectares of land in the 'unknown'⁷ category. For the purposes of determining the adequacy of supply the unknown land has not been taken into account.

As indicated in Section 4, there is currently no analysis of demand beyond the short term period. Notwithstanding this the indications of total demand for industrial land over the coming 5 year period is somewhere between 179.3 and 237.2 hectares. Even taking into account the potential for some industrial activities to be accommodated within non-industrial areas, the inadequacy of a supply of 175.29 hectares for a 'rolling 15 year industrial land bank' become apparent.

In addition the suitability and desirability of the current supply needs to be taken into account. The industrial areas where land is available is as follows:

- Bothwell – 16.65 hectares
- Brighton Industrial Hub – 19.96 hectares
- Covehill – 13.10 hectares
- Cambridge Township – 1.90 hectares

⁶ This Supply Analysis is indicative only. The land use and vacancy data used in the analysis has limitation in terms of its accuracy.

⁷ The LIST database does not have a land use status for those titles and their land use status will need to be confirmed by checking on site.

- Cambridge Kennedy Drive – 11.11 hectares
- Cygnet – 16.51 hectares
- Bender Drive – 1.28 hectares
- Electrona – 3.65 hectares
- Geeveston – 3.51 hectares
- Chapel Street – 0.35 hectares
- Whitestone Point – 1.02 hectares
- Huntingfield – 3.12 hectares
- Huonville – 0.49 hectares
- Firthside – 0.43 hectares
- Margate – 18.69 hectares
- Mornington – 11.55 hectares
- Oatlands – 9.778 hectares
- Whale Point – 9.31 hectares
- Rokeby – 28.36 hectares
- Triabunna – 1.38 hectares

Once those areas that are highly constrained in terms of their suitability for industrial activity, either through site characteristics, location, surrounding uses or infrastructure (see Table 3), are removed from the supply calculation, there is very little suitable industrial land (approximately 51 hectares).

This figure is likely to be further eroded once the planning principles outlined in Section 7.2 are taken into account.

Table 4: Summary of Industrial Land Supply across Southern Tasmania

Locality	Industrial Precinct	Total No. of Lots	Area (ha)	No. of lots Developed	Area of Developed lots (ha)	% of lots Developed	% of Area Developed	No. of lots Unknown	Area of Unknown lots (ha)	% of lots Unknown	% of Area Unknown	No. of lots Vacant	Area of Vacant lots (ha)	% of lots Vacant	% of Area Vacant
Austins Ferry	Whitestone Drive	11	33.87	6	30.94	54.54	91.35	2	1.91	18.18	5.64	3	1.02	42.86	16.84
Bicheno	The Gulch	1	1.60	1	1.60	100.00	100.00	0	0.00	0.00	0.00	0	0.00	0.00	0.00
Bothwell	Bothwell	5	16.65	0	0.00	0.00	0.00	0	0.00	0.00	0.00	5	16.65	100.00	100.00
Boyer	Boyer Road	19	130.67	15	124.69	78.95	95.43	4	5.97	21.05	4.57	0	0.00	0.00	0.00
Brighton	Boral Quarry ⁸	4	227.45	4	227.45	100.00	100.00	0	0.00	0.00	0.00	0	0.00	0.00	0.00
	Brighton Industrial Hub	62	235.73	40	158.37	64.52	67.18	6	57.40	9.68	24.35	16	19.96	25.81	8.47
	Cove Hill	10	44.19	4	31.10	40.00	70.36	0	0.00	0.00	0.00	6	13.10	60.00	29.64
Cambridge	Cambridge Township	40	34.80	36	32.86	90.00	94.50	0	0.00	0.00	0.00	4	1.90	10.00	5.46
	Kennedy Drive	40	122.45	19	76.39	47.50	62.39	4	34.95	10.00	28.54	17	11.11	42.50	9.07
Carlton	Josephs Road	1	2.00	1	2.00	100.00	100.00	0	0.00	0.00	0.00	0	0.00	0.00	0.00
Claremont	Cadbury Road	2	12.82	2	12.82	100.00	100.00	0	0.00	0.00	0.00	0	0.00	0.00	0.00
Cygnet	Cygnet	15	20.56	11	4.04	73.33	19.67	0	0.00	0.00	0.00	4	16.51	26.67	80.33
Derwent Park	Lampton Avenue	19	5.62	17	5.18	89.47	92.14	2	0.44	10.53	7.86	0	0.00	0.00	0.00
	Knoll Street	11	2.44	11	2.44	100.00	100.00	0	0.00	0.00	0.00	0	0.00	0.00	0.00
	Derwent Park	171	44.00	168	43.82	98.23	99.59	0	0.00	0.00	0.00	3	0.19	1.75	0.43
Dover	Dover	4	18.40	2	17.74	50.00	96.42	2	0.66	50.00	3.58	0	0.00	0.00	0.00
Dowsing Point	Technopark	13	12.16	7	8.74	53.85	71.94	3	1.71	23.08	14.04	3	1.70	23.08	14.02
Dunalley	Dunalley	1	0.21	0	0.00	0.00	0.00	1	0.21	100.00	100.00	0	0.00	0.00	0.00
Geeveston	Geeveston	6	20.29	4	16.77	66.67	82.68	0	0.00	0.00	0.00	2	3.51	33.33	17.32
Glenorchy	Chapel Street ⁹	84	17.06	78	16.70	92.85	97.88	0	0.00	0.00	0.00	6	0.35	6.38	2.06
	Grove Road/Railway	39	15.51	36	15.08	92.31	97.25	3	0.43	7.69	2.75	0	0.00	0.00	0.00
	Jackson Street	22	13.29	21	12.82	95.45	96.43	1	0.47	4.55	3.57	0	0.00	0.00	0.00
Prince of Wales Bay	Bender Drive	49	28.95	46	27.66	93.88	95.54	0	0.00	0.00	0.00	3	1.28	6.12	4.43
	Gepp Parade	29	4.10	27	3.96	93.10	96.46	2	0.15	6.90	3.54	0	0.00	0.00	0.00
	Negara Crescent	53	7.06	53	7.06	100.00	100.00	0	0.00	0.00	0.00	0	0.00	0.00	0.00
Hobart	Macquarie Point Wharf	5	12.21	4	12.12	80.00	99.21	1	0.10	20.00	0.79	0	0.00	0.00	0.00
	Regatta Point	14	4.68	14	4.68	100.00	100.00	0	0.00	0.00	0.00	0	0.00	0.00	0.00
	Sullivans Cove - Gateway and Transport	16	10.40	13	9.90	81.25	95.11	3	0.51	18.75	4.89	0	0.00	0.00	0.00
Hobart International Airport ¹⁰	Precinct 3	1	5.09	1	5.09	100.00	100.00	0	0.00	0.00	0.00	0	0.00	0.00	0.00
	Precinct 5	1	17.28	1	17.28	100.00	100.00	0	0.00	0.00	0.00	0	0.00	0.00	0.00
	Precinct 6	1	8.72	1	8.72	100.00	100.00	0	0.00	0.00	0.00	0	0.00	0.00	0.00
	Precinct 8a	1	35.78	1	35.78	100.00	100.00	0	0.00	0.00	0.00	0	0.00	0.00	0.00
Huntingfield	Huntingfield	50	21.05	28	11.33	56.00	53.84	8	6.60	16.00	31.36	14	3.12	28.00	14.80

⁸ Although the quarry itself extends only over 2 title areas all 4 titles owned by Boral have been identified as developed due to attenuation distances and future expansion requirements

⁹ Chapel Street vacant lots are identified as 'future road' on the respective Certificate of Titles

¹⁰ The land at Hobart International Airport is all within one title area and consequently the Precincts are identified as developed. The land is however underutilised and this land could be potentially factored into supply of vacant land

Huonville	Glen Huon	6	17.53	6	17.53	100.00	100.00	0	0.00	0.00	0.00	0	0.00	0.00	0.00
	Huonville	13	8.71	10	5.56	76.92	63.81	2	2.67	15.38	30.59	1	0.49	7.69	5.60
	Ranelagh	1	0.99	1	0.99	100.00	100.00	0	0.00	0.00	0.00	0	0.00	0.00	0.00
Kingston	Firthside	34	10.22	31	9.09	91.18	88.89	2	0.71	5.88	6.93	1	0.43	2.94	4.18
Margate	Margate	39	24.68	27	5.98	69.23	24.24	0	0.00	0.00	0.00	11	18.69	28.2	75.73
	Barretta	6	8.43	4	7.72	66.67	91.62	2	0.71	33.33	8.38	0	0.00	0.00	0.00
	Electrona	15	22.35	13	18.61	86.67	83.27	1	0.09	6.67	0.39	1	3.65	6.67	16.35
Maydena	Maydena	4	29.97	4	29.97	100.00	100.00	0	0.00	0.00	0.00	0	0.00	0.00	0.00
Montrose	Duncan Street	11	4.63	9	4.61	81.82	99.43	2	0.03	18.18	0.57	0	0.00	0.00	0.00
	Grove Road/Railway	2	0.79	2	0.79	100.00	100.00	0	0.00	0.00	0.00	0	0.00	0.00	0.00
Moonah	Albert Road	113	12.84	113	12.84	100.00	100.00	0	0.00	0.00	0.00	0	0.00	0.00	0.00
	Charles Street	93	6.23	91	5.97	97.85	95.87	2	0.26	2.15	4.13	0	0.00	0.00	0.00
	Creek Road	14	2.07	12	1.96	85.71	94.31	2	0.12	14.29	5.69	0	0.00	0.00	0.00
	Sunderland Street/Railway	174	29.68	173	29.63	99.42	99.83	0	0.00	0.00	0.00	1	0.06	0.57	0.20
	Creek Road	2	0.70	2	0.70	100.00	100.00	0	0.00	0.00	0.00	0	0.00	0.00	0.00
Mornington	Mornington Road	120	69.86	100	58.31	83.33	83.46	0	0.00	0.00	0.00	10	11.55	8.33	16.53
New Norfolk	New Norfolk	26	12.70	24	11.01	92.31	86.74	1	1.05	3.85	8.25	1	0.64	3.85	5.01
Selfs Point	Selfs Point	20	26.39	20	26.39	100.00	100.00	0	0.00	0.00	0.00	0	0.00	0.00	0.00
North Hobart	Federal Street/Argyle Street	75	4.58	72	4.48	96.00	97.83	3	0.10	4.00	2.17	0	0.00	0.00	0.00
Nubeena	Nubeena	7	8.16	0	0.00	0.00	0.00	7	8.16	100.00	100.00	0	0.00	0.00	0.00
Oatlands	Oatlands	25	21.46	15	11.68	60.00	54.42	0	0.00	0.00	0.00	10	9.78	40.00	45.57
Port Huon	Port Huon	9	7.47	7	2.77	77.78	37.10	2	4.70	22.22	62.90	0	0.00	0.00	0.00
	Whale Point	4	21.78	2	10.73	50.00	49.26	1	1.74	25.00	7.99	1	9.31	25.00	42.75
Risdon Vale	Scotts Road	10	50.52	9	50.24	90.00	99.44	0	0.00	0.00	0.00	1	0.28	10.00	0.56
Rokeby	Droughty Point Road	53	71.09	43	30.55	81.13	42.97	3	12.18	5.66	17.14	7	28.36	13.21	39.90
Sorell	Giblin Drive	24	5.42	19	4.45	79.17	82.17	1	0.70	4.17	12.86	4	0.27	16.67	4.97
Southport	Southport	3	1.19	1	0.32	33.33	26.91	2	0.87	66.67	73.09	0	0.00	0.00	0.00
Swansea	Swansea	4	10.30	0	0.00	0.00	0.00	4	10.30	100.00	100.00	0	0.00	0.00	0.00
Tinderbox	Tinderbox	1	0.36	1	0.36	100.00	100.00	0	0.00	0.00	0.00	0	0.00	0.00	0.00
Triabunna	Triabunna	15	13.51	14	12.13	93.33	89.78	0	0.00	0.00	0.00	1	1.38	6.66	1.02
White Beach	Nubeena	1	0.44	0	0.00	0.00	0.00	1	0.44	100.00	100.00	0	0.00	0.00	0.00
Greater Hobart		1491	1258.95	1326	1043.87	88.91	82.92	56	120.36	3.75	9.44	99	94.67	6.62	7.43
Remainder of Region		232	420.55	164	302.37	70.68	71.89	30	37.55	12.93	8.92	37	80.62	15.95	19.17
Total		1723	1679.50	1490	1346.24	77.16	78.69	86	157.92	13.52	12.29	136	175.29	8.47	8.25

6.3 Other Factors affecting Land Supply

Beyond the strategic advantages and disadvantages (strengths, opportunities, weaknesses and threats) of each area of existing zoned industrial land, there are other general factors which should be taken into account in determining whether the existing supply of industrial land is adequate. Those factors relevant to the region include:

- Future pressure to convert existing industrial land into higher value residential and commercial land uses. This is a particular issue for some of the inner industrial areas in Hobart and Glenorchy LGAs and may intensify dependent upon the overarching settlement strategy and the establishment of a public transport corridor along the rail line.
- The ability to cater for some industrial uses in non-industrial areas/zones. The processing of agricultural based products often occurs in rural areas. Smaller scale industrial uses, particularly those with a retail component often occurs in commercial or mixed use zones. Provided that the strategic objectives of those non-industrial areas is not compromised flexibility in the location of industry is desirable.
- The respective strategic planning roles for each industrial area identified under the Regional Land Use Strategy will affect the supply of land for certain types of industrial uses.
- The planning and implementation of infrastructure provision.
- Industrial land provided in towns in rural settings is unlikely to be desirable for the majority of local service industries who generally want to locate in proximity to a greater population base.

6.4 Limitations of Supply Analysis

The supply analysis has been based on an assessment of individual titles, their area and vacancy status. There are some single title sites that are not vacant but have area of land within that title underutilised. These areas of underutilised land have not been factored into supply. They may in the future assist in addressing industrial land supply, although it is unlikely to be a significant contribution. Notwithstanding this it may be desirable from a policy perspective to encourage land owners and industrial operators to look at subdivision or strata title options where possible to facilitate a more effective utilisation of industrial land.

It is noted that subdivision and strata titling is more likely to occur in industrial areas with higher demand. For example, the Glenorchy City Council has reported that there is still a keen level of interest by businesses for industrial land, particularly in the Derwent Park area and as a result there has been some recent redevelopment of sites involving subdivision and multiple tenancies.

Another limitation affecting the supply analysis is the presence of non-conforming uses. The analysis undertaken has not gone into detail on the extent of what sites are utilised for industrial or non-industrial purposes. This has a twofold effect.

Firstly in the future sites that are currently non-conforming could convert to industrial land uses assisting in the adequacy of land supply. This is more likely to occur in the urban based industrial area. For example in the work that Glenorchy City Council recently completed in their Industrial Land Use Topic Paper it was found that in the Glenorchy industrial areas non-conforming uses accounted for between 5% (Derwent Park) up to 42% (Charles Street) of industrial precincts.

Secondly some industrial areas that have a proportionally high amount of non-conforming uses compared to industrial uses may come under pressure in the future to be rezoned. Particularly where those areas are in non-urban areas and have high vacancy levels. For example the majority of industrial land at Oatlands is either vacant, used for rural residential purposes or pasture.

The above limitations with the analysis of industrial land supply in Southern Tasmania carried out to date, coupled with the preliminary finding that there appears to be insufficient land beyond the short term underlines the need for a well resourced industrial land demand and supply analysis for the region.

7. Building a future strategy

7.1 The need for a regional approach

A supply of well-located, affordable and serviced industrial land available when needed by the market can provide a region with a competitive advantage as an investment destination. It allows governments to encourage and facilitate industrial development in certain locations that are serviced by appropriate transport, energy and physical infrastructure.

As identified by Hill PDA in their study for Glenorchy City Council the issue most apparent with regional industrial land supply is that it reflects a longstanding history of local responses to local demand – of a disjointed incremental approach without any strategic understanding of demand and supply.

In reality however, customers for local service industries will come to particular industrial areas from across the region, particular where there are niche products or goods being produced. Trade and land demand for export orientated industries is strongly dependent upon the regional transport and infrastructure systems.

7.2 Planning Principles

As part of the Clarence City Industrial Development strategy, AEC Group identified a range of planning principles to guide future industrial land development. These principles are based upon sound economic, social and environmental considerations and are considered appropriate to adopt across the region. These planning principles will guide the development of the specific planning policies related to industrial activity in the Regional Land Use Strategy as well as more detailed local planning work undertaken by individual Councils:

1. The role of the industrial land sector in the future prosperity of the region is recognised.
2. The total amount of future industrial land should not unnecessarily create an oversupply of industrial land which overtly threatens existing industrial land investment or which jeopardises investor confidence and certainty moving forward.
3. Consideration needs to be given to the appropriateness of previous industrial land decisions in the market.
4. There needs to be distinction between different industry types and their locational needs:
 - Identify specific industry development opportunities into the future and their locational criteria.
 - Identify the lot size and spatial requirements of specific industry tenants likely to be attracted to the region, plus those seeking expansion and/or relocation.
5. The network and spatial distribution of industrial lands should consider:
 - A preference for co-location and consolidation of industries sites (both new and existing).
 - The need for strong industrial areas versus a larger number of weaker and fragmented industrial areas.
 - A reduction in the synergies and benefits of clustering resulting from fragmentation.

- The cost-effective provision of infrastructure services achieved through a coordinated, less fragmented, network of industrial areas.
 - The reduction in unnecessary economic, social and environmental impacts created from unnecessary fragmentation and duplication of lands.
 - The opportunity for master planning new sites with flexibility to accommodate a range of uses as per project demand and clustering requirements.
6. The timing of future industrial land supply should carefully consider the need to stage future release of land and what the appropriate trigger points should be.
7. Selection of industrial land should be based on a comprehensive assessment of:
- Commercial attractiveness
 - Accessibility and transport infrastructure
 - Physical suitability
 - Cost-effective infrastructure service provision
 - Town planning and land tenure
 - Community acceptance and impacts on adjacent land uses
 - Employment impacts both direct and indirect
 - Environmental factors and constraints.

7.3 Strategy Considerations

While there is considerable potential for a greater level of sophistication in the supply and demand analysis, it is clear from the analysis completed that the current supply of industrial land is clearly inadequate.

In developing a regional strategy for industrial land use however a number of finer grained issues need to be taken into account as well as ensuring that the industrial land strategy, the regional roles of industrial areas and associated land supply is consistent with the planning principle. These issues include:

- Industrial land demand is likely to be greatest within the Greater Hobart area and in proximity to the existing industrial development.
- Pressure on the older inner urban industrial areas from residential encroachment and expansion of retail and services, will particularly impact on transport and distribution firms who often need to operate on a 24 hour basis.
- The relocation of the intermodal facility to Brighton and the expansion of the surrounding industrial area adjacent to the intermodal facility will have an impact on the functions of respective industrial areas across the region in the medium to longer term. Further analysis of the impact may need to be undertaken once the intermodal facility has relocated and therefore is a real consideration in business attitudes.
- The Glenorchy agglomeration may no longer be the most economical and cost effective location for warehousing and distribution. Land prices have been increasing (partially as a result of land demand) and will continue to do so. With the increasing attractiveness of the Brighton area for

industrial uses related transport and storage (particularly those dependent upon the rail/road interface for freight movement), such uses may slowly transition out. This may open up potential for industrial redevelopment.

- Dependent upon the overarching settlement strategy and the public transport options along the rail corridor, some of the industrial sub-precincts in the Glenorchy agglomeration may come under pressure for conversion to higher value residential and industrial land uses.
- Notwithstanding the above considerations, the physical location of the Glenorchy agglomeration and its proximity to two major Activity Areas, makes it ideal for industrial uses requiring a retail or wholesale function
- Warehousing, storage and time dependent food distribution that is reliant upon air freight will seek to relocate to the Cambridge area in the medium to longer term.
- The physical location of Cambridge makes it ideal for rural processing opportunities that cannot be accommodated on rural land.
- Industrial land in the Kingborough and Huon areas is suited to meeting the needs of the local community as well as providing for strategically placed industrial land for aquaculture and marine based industries, however because of infrastructure constraints (particularly in terms of distance from regional freight routes) land within this area is unlikely to be suitable in meeting industrial land demand at the regional level.
- Some industrially zoned land, particularly in outlying areas where there is a high degree of physical separation from the market, may be more appropriately zoned for another purposes. This work will need to be undertaken at the local scale.

7.4 Proposed Southern Tasmania Industrial Land Study

A key recommendation of this paper is the initiation of a regional industrial land study aimed at identifying new and expanded industrial areas necessary to meet the needs of the region over the 15 and 30 year time horizons.

It is anticipated that this will be undertaken in the first half of 2011, thereby providing significant new information for input into the new planning schemes developed through the Regional Planning Project. The results of the Study will not be able to be incorporated into the Southern Tasmania Regional Land Use Strategy, which will likely have been finalised by then. However, the results will naturally be able to be included in the second iteration of the Strategy.

The Southern Tasmanian Councils Authority (STCA), in partnership with the Department of Economic Development, Tourism and Arts is considering funding this study which will include an analysis of both demand for, and supply of, industrial land in the Southern Region, including the identification of existing and potential industrial land.

The need for the Study, as identified in this paper, includes:

- There is a looming significant shortage of industrial land within the region, which is likely to manifest within 5 years.
- Many existing industrial land areas are significantly constrained by surrounding land uses.

- The inadequate supply of vacant, useable industrial land is a critical issue for the region, requiring further consideration and investigation as a matter of priority.

The analysis needs to be extended to the 15 and 30 year time horizons. The aim is to provide for a 15-year supply of zoned land within the pending new planning schemes, to be developed in 2011, and also identifying longer term industrial land that can be recognised within future iterations of the Southern Tasmania Land Use Strategy.

Demand ought to be determined at both the local (municipal level) and at the regional level. This recognises that most industrial areas primarily service local needs, whilst several regionally significant industrial agglomerations also exist which have a regional role, and that there is a level of interplay between them. Additionally, consideration will need to be given to the demand for large export-oriented (generally heavy industry) industrial sites.

The Study should expand on the information provided in Tables 3 and 4 in this report, eliminating the various unknowns in the process.

Following identification of demand, the Study will need to identify potential new and/or expanded industrial areas, and then undertake a constraints and opportunities analysis of each site, thereby ranking potential sites. Again this will need to be done at the local (municipal) level as well as at the regional level. In regard to the latter, the Study ideally should include a 'proving up' stage at which sufficient certainty is provided to enable expanded or new regionally significant industrial areas required to service the 15-year demand to be zoned accordingly in the new planning schemes.

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Southern Tasmania
REGIONAL PLANNING PROJECT

The Southern Tasmania Regional Planning Project
is a joint initiative of the State of Tasmania, the Southern Tasmanian Councils Authority,
the 12 Southern Councils and the Sullivans Cove Waterfront Authority