

UNLIMITED POTENTIAL

**WESTERN SYDNEY'S
ECONOMIC PLAN**

FEBRUARY 2024



**CENTRE FOR
WESTERN SYDNEY**



Western Sydney is a place where learning has taken place for tens of thousands of years, where the Darug, Eora, Dharawal and Wiradjuri People innovated and thrived for millennia.

The leadership of Indigenous people in shaping the region's economy is critical, and a commitment that both Western Sydney University and the Centre for Western Sydney will not resile from.

Western Sydney has the highest number of Indigenous residents in any region in Australia, with generations of Indigenous people calling the region home. There is not only an opportunity, but an imperative for the region to lead the nation, and to be an exemplar for economic participation for Indigenous people.

The development of *Unlimited Potential* creates an unprecedented opportunity to advocate for decisions that leverage the region's growth according to the aspirations of Indigenous communities. This aligns with the University's broader ambition to support the cultural, economic, political, and social autonomy of Aboriginal and Indigenous people in a changing world.

With respect for Indigenous cultural protocol and out of recognition that its campuses occupy their traditional lands, the Centre for Western Sydney acknowledges the Darug, Eora, Dharawal (also referred to as Tharawal) and Wiradjuri peoples and thanks them for their support of its work in their lands (Western Sydney and beyond).



THE CENTRE FOR WESTERN SYDNEY

The Centre for Western Sydney combines world-class research expertise with frank and fearless advocacy on issues of importance to Western Sydney. The Centre's work is guided by its commitment to a thriving Western Sydney that leverages the region's strengths to work towards an equitable, prosperous and sustainable future.

ONLINE

DOI:10.26183/wh2s-r892

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SUGGESTED CITATION

Marks, A., Itaoui, R., Balogh, S., Perry, N., Gerace, G. & Nance, T. (2024). Unlimited Potential: Western Sydney's Economic Plan. Centre for Western Sydney. <https://doi.org/10.26183/wh2s-r892>

ACKNOWLEDGEMENTS AND DISCLAIMERS

We would like to express our sincere gratitude to the following individuals and organisations who have contributed to developing this plan:

- Professor Barney Glover, AO, Vice Chancellor, Western Sydney University
- Professor Clare Pollock, Senior Deputy Vice-Chancellor and Provost, Western Sydney University
- Professor Michelle Trudgett, Deputy Vice-Chancellor Indigenous Leadership Western Sydney University
- Professor Elizabeth Dibbs, Deputy Chancellor, Western Sydney University
- Simon Hickey, Chief Executive Officer, Western Sydney Airport
- Dr Amanda Larkin, Member, Board of Trustees, Western Sydney University
- Danielle McInness, Centre Manager, Centre for Western Sydney
- SGS Economics and Planning
- Western Parkland City Authority

Photography by Sally Tsoutas, unless otherwise stated.

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TOGETHER WE WILL UNLOCK WESTERN SYDNEY'S UNLIMITED POTENTIAL

Western Sydney University is a driving force behind our region's once-in-a-generation economic transformation.

Working in partnership with the local community, I want Western Sydney to be known around the world as the cutting edge of the Australian economy.

A place where people are succeeding at the forefront of innovation, where we are creating new forms of value and tapping into big global supply chains.

A place that produces advanced goods and services for export to new overseas markets at premium prices.

A place that is home to the world's most highly skilled and agile workforce.

A place where we unlock the economic potential of women, Indigenous Australians, and those from non-English-speaking backgrounds so we can overcome inequity. These communities deserve not only high-quality jobs but also the ability to choose the careers they want and to advance.

When international companies think about Australia, I want them to prioritise Western Sydney. I want them to value our region as the place to invest and headquarter their operations because we offer the best and brightest talent, an ecosystem of advanced industries, and leading education and research facilities.

Above all, I want Western Sydney locals to have high-paying jobs, access the skills they need and no longer be forced to drive 40 kilometres each day to work.

THE MOST IMPORTANT ROLE THAT OUR UNIVERSITY CAN PLAY IS TO CHANGE THE STORY ABOUT WESTERN SYDNEY.

The region is the nation's third-largest economy, sitting on the doorstep of what will be the world's biggest middle class, with 3.5 billion people in the Indo-Pacific by the end of the decade.

With our young, diverse, and entrepreneurial population and a new international airport opening in 2026, Western Sydney is an area of massive advantage, not disadvantage.

Our challenge now is to shift to a positive mindset of unlimited potential – not one of catch-up, but the mindset of leaping over the rest of Australia to become the nation's leading economic, social and cultural powerhouse.

Professor Jennifer Westacott AO

Chancellor, Western Sydney University



THIS IS WESTERN SYDNEY'S ECONOMIC PLAN

Western Sydney's strengths – its above-average rates of population growth, cultural diversity and political influence – are well documented. Equally, stereotypes of the region as a place of disadvantage, although dissipating, remain shorthand for some commentators and media outlets.

This plan, *Unlimited Potential*, shows what is possible, from an economic standpoint, if Western Sydney's assets – its industry, its skills, its communities – are coalesced in service of a set of agreed objectives. It shows what can be achieved if we not only do things differently, but better.

Western Sydney has embraced growth. The region's vibrancy, its strengths and aspirations reflect its inherently global outlook. But growth comes with a compact. Governments must deliver the infrastructure the region deserves. They must keep pace with Western Sydney, not stall the momentum or cap the region's potential.

THE TEMPO OF THIS PLAN, UNLIMITED POTENTIAL, MATCHES THE REGION'S ACCELERATED GROWTH TRAJECTORY.

Instead of traditional timelines and approaches employed elsewhere, *Unlimited Potential* proposes a series of leaps. These leaps recognise that Western Sydney's economic success, like the region's wider aspirations, will be secured via bold targets and collaboration, and not through conventional, slow or top-down direction.

This is Western Sydney's economic plan – not a guidebook lumped on the region by an external entity. Whether the region reaches its unlimited potential will depend on the energies and commitment of its communities. The Centre for Western Sydney is fully committed and, as Professor Westacott has affirmed, so is Western Sydney University. I am convinced we can make the leaps, together.

Professor Andy Marks

Executive Director, Centre for Western Sydney



EXECUTIVE SUMMARY

This plan, *Unlimited Potential*, shows that if the Western Sydney economy experienced the same jobs-to-worker ratio as the rest of Sydney – 400,000 new jobs would be delivered by 2036 compared to business-as-usual growth.

Growing the economy would see Western Sydney add \$100 billion to the state's economy and become a leading economic powerhouse.

This translates to an increase of \$20,000 per person on average in Western Sydney, from \$59,805 per person today to \$81,222 by 2036.

Depending on the industry, most of this \$20,000 average increase in real dollars goes to workers as extra income or local business owners and entrepreneurs, boosting the long-term wealth of Western Sydney residents.

For Western Sydney to realise its unlimited economic potential, it must make the 3 transformational leaps outlined in this plan.

These leaps will be explored in-depth with the community, industry and key stakeholders over the coming months, and their insights will help inform the final report and its recommendations.

LEAP 1: FUTURE INDUSTRIES

The Future Industries leap will position Western Sydney as an internationally competitive industrial powerhouse at the forefront of innovation and technology, capturing key global markets in industries such as advanced manufacturing, space, defence, aerospace, medical technologies, the circular economy, renewable energy, clean technologies, and semiconducting.

LEAP 2: FUTURE SKILLS

The Future Skills leap will ensure the people of Western Sydney have access to the skills, education, reskilling and retraining they need throughout their lives for the high-paying, in-demand jobs of the future. It will affirm the region as an internationally recognised attractor and enabler of highly skilled employers, employees and entrepreneurs.

LEAP 3: FUTURE COMMUNITIES

The Future Communities leap will deliver greater equity across Western Sydney, ensuring economic growth translates into fairer, more liveable, and more prosperous communities. It will bring closer alignment between economic and community aspirations, ensuring that the full benefits of economic success are realised as community assets.



KEY PRIORITIES

1. ATTRACT INTERNATIONAL INVESTMENT

The current approach to attracting international investment in the region is ad hoc and fragmented, resulting in unnecessary confusion and competition.

A coordinated investment attraction strategy must be developed and deployed by the state government in partnership with all 13 local councils to amplify the local economies' strengths and unique attributes in the region to secure investment from other countries. Attracting large-scale investment will help deliver the ecosystems that drive job creation and unique attributes in the region to secure global investment.



2. CREATE LOCAL, HIGH-QUALITY JOBS

High-quality local jobs must be created in Western Sydney to meet the demands of an increasingly qualified and skilled population. Precinct development can enhance employment in Western Sydney, placing workers near high-value jobs and vital services and driving innovation and research. Successful precincts depend on collaboration between government, business and communities, often with universities as anchors.

The pivotal role of precincts in economic and social development highlights the need for an in-depth exploration of their potential in Western Sydney. This should include an examination of the implications for local employment, innovation, and economic diversification, enabling Western Sydney to capitalise on its potential for contemporary industrial and employment hubs.



3. CONNECT OUR CITIES

World-leading economies rely on transport that allows people to get where they need to go. However, Sydney's public transport system, designed to connect the east and the west, inadequately does this. Significant gaps in the system exist and must be addressed urgently by the state government. Plans should prioritise extending Western Sydney Airport Metro to the north to Tallawong, to the south via Leppington, and to the east to Westmead.



4. ADDRESS BARRIERS TO RESKILLING

The current barriers for people to reskill undermine the region's ability to seize economic opportunities. The state and federal governments must collaborate to develop a policy that delivers practical incentives for people wishing to reskill, removing barriers they may face in entering priority industries, including advanced manufacturing and clean energy.

This must be grounded in policy and funding that rethinks qualification recognition and supports collaboration between higher education and vocational education to prepare the workforce for a tech-driven future. The focus should be on lifelong learning, adaptability and modern skills, including universities and TAFE, with new and agile approaches to credentialing.



5. TRANSFORM WITH COMMUNITY

The economic transformation of Western Sydney should adopt a community-led strategy that leverages its youthful dynamism and cultural diversity. A multifaceted, location-specific approach to engaging the community is essential, empowering the community to address spatial disparities and seize the opportunities of the region's transformation. Strategies should focus on enhancing social infrastructure and reducing socio-economic and educational gaps, particularly for key groups such as women, Indigenous communities and non-English speaking backgrounds, to bolster education, skill development, innovation and employment opportunities. In reflecting and planning for the unique social fabric of Western Sydney's residents, the region's future economic development must prioritise equitable access to infrastructure, childcare centres, schools and hospitals.



6. INDIGENOUS SELF-DETERMINATION

Western Sydney is home to the nation's largest urban Indigenous population of over 54,000 residents, which is 2.1 per cent of the local population compared to the Rest of Sydney, with 0.9 per cent of the population identifying as Indigenous. Western Sydney University promotes Indigenous excellence across key strategic objectives, including enhancing student opportunities, research, community engagement, leadership, cultural knowledge and teaching and learning.¹ The Indigenous Centre of Excellence, to be built on the University's Parramatta South Campus, will consolidate Western Sydney's position at the national forefront of Indigenous education, employment and research, celebrating millennia of Indigenous culture, knowledge and heritage.

Drawing on the University's commitment, it is critical that any plan for the economic growth of Western Sydney leverages Indigenous leadership and perspectives, driving innovation and opportunities in ways that draw on Indigenous knowledge as key determinants of Western Sydney's economic future. Western Sydney University and the Centre are committed to being led by Indigenous communities on the development of the region's future economic transformation.



7. GROW SUSTAINABLY

The advancement of Western Sydney's economy must be strategically aligned with the region's distinct natural environment, ensuring that growth aligns with environmental integrity. Strategies must be informed by current research and tailored to meet economic ambitions within the ecological carrying capacity of the area. This can be fortified by capitalising on the transformative potential of fostering industries focused on renewable energy, green supply chains and the circular economy. Such strategic planning is critical to fostering an economic environment in Western Sydney that is both sustainable and adaptable to its environmental challenges.

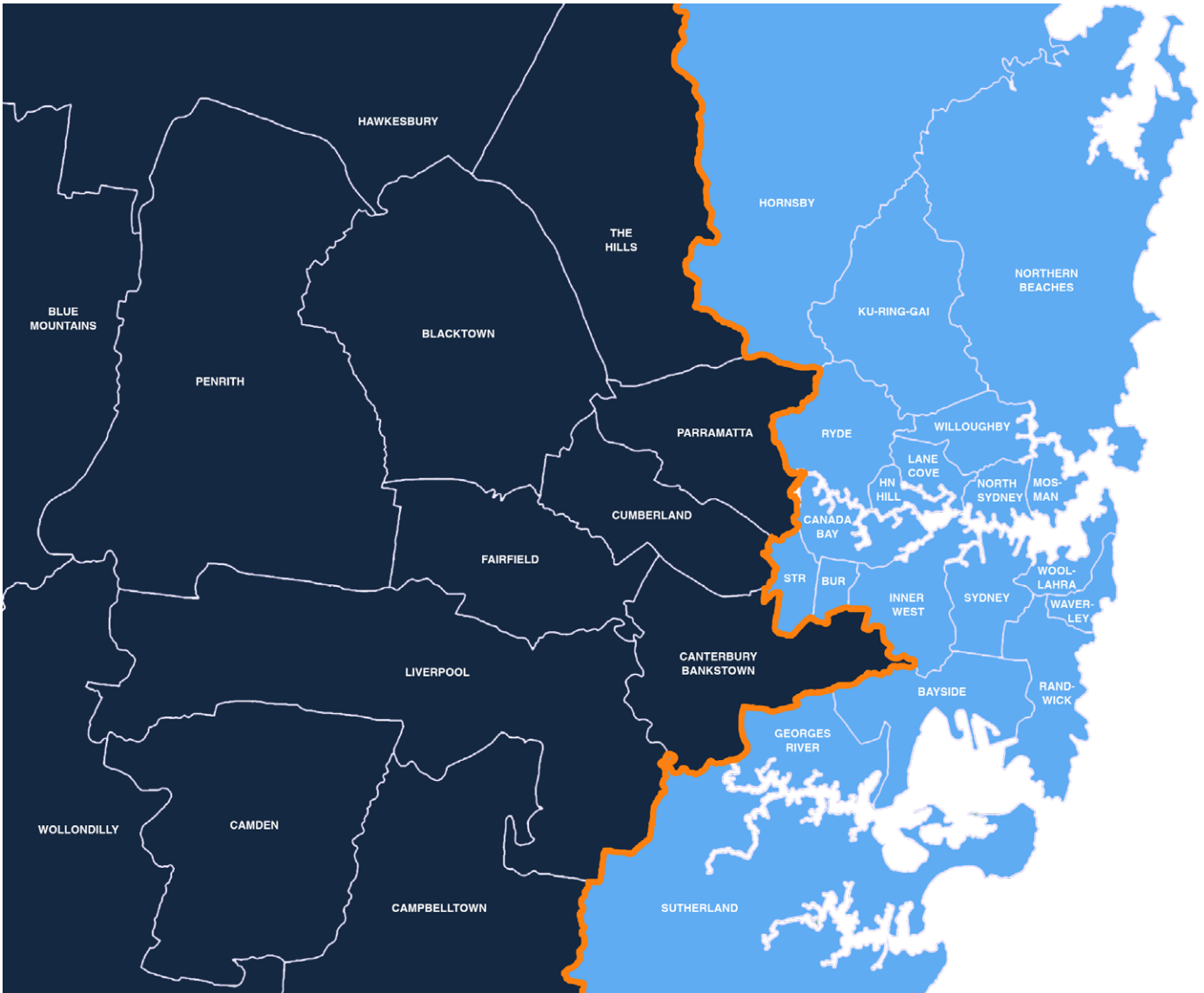




1

**A REGION OF
UNLIMITED
POTENTIAL**

WESTERN SYDNEY



THE REST OF SYDNEY

A REGION OF UNLIMITED POTENTIAL

Western Sydney stands at the precipice of unlimited potential.

With a booming population projected to grow from 2.6 million to 3.2 million by 2036, Western Sydney can truly become a globally recognised, dynamic and diverse economic powerhouse.

Its people are its greatest advantage. The region boasts an exceptionally skilled and increasingly educated population, complemented by its rich cultural tapestry. Home to Australia's largest Indigenous population and people born in more than 170 countries, almost half its residents are proficient in a second language. Western Sydney's ties to the rest of the world are direct, familial, linguistic and cultural. So much more can be done to leverage this diversity as an economic asset.

The region's second great competitive advantage is the new Western Sydney International Airport, due to open in 2026. The first new airport in a century, this fully digitised, 24/7 operation will be a catalyst for industry expansion, including agribusiness, advanced manufacturing, and tourism.

NO OTHER LOCATION IN AUSTRALIA HAS THE COMBINATION OF ASSETS TO POSITION IT AS THE NATION'S INTERNATIONAL ECONOMIC GATEWAY.

A region that can attract the overseas investment and partnerships needed for a truly global city² with a deeper, more resilient economy.

Significant projects include the construction of the world's most modern city, the Bradfield City Centre, the Aerotropolis, the adjacent agribusiness precinct, a massive logistics hub, the Powerhouse Parramatta, Sydney Metro West and the light rail expansion. These initiatives are already driving the region's substantial economic and social transformation, unlocking value and innovation while connecting Western Sydney with global supply chains.

Once viewed as Labor's political heartland, the region has become intensely contested by all levels of government. This has elevated **Western Sydney to the forefront of national conversations on economic and social policy**, with politicians under increasing pressure to prove how they are improving outcomes for the region.

The \$15 billion National Reconstruction Fund presents a pivotal avenue for financing projects that will diversify and transform Australia's industry and economy, aligning with Western Sydney's potential. Critically, the Australian Universities Accord and the New South Wales (NSW) Vocational Education and Training (VET) Review further underscore the imperative of education and skills development in shaping the region's future.

The region is poised for significant growth. Demonstrating immense resilience following the global pandemic, businesses are emerging stronger and more innovative. Residents are ready to harness new opportunities that address the cost of living, fostering greater equity and inclusivity.

Any plan that boosts the region's economy must prioritise delivering meaningful and fulfilling jobs and business opportunities for all residents of Western Sydney.

UNLIMITED POTENTIAL IS THE CENTRE FOR WESTERN SYDNEY'S CONTRIBUTION TO THIS CRITICAL CONVERSATION.

It must also prioritise the leadership of Indigenous Australians in driving Western Sydney's economic future – continuing their longstanding stewardship of the region's culture, economy and environment, a role upheld for more than 65,000 years. The future success of Western Sydney depends on integrating the perspectives and expertise of Indigenous voices, drawing upon their rich knowledge. As such, the Centre for Western Sydney will work with the University's Indigenous Professoriate and leadership on centring Indigenous voices in the economic plan.

Unlimited Potential outlines key economic focus areas to transform the future of Western Sydney. These focus areas include integrating advanced manufacturing within the traditional industrial landscape, establishing innovation precincts to harness local talent and committing to lifelong learning.

Initiating the **first phase of a 3-part project**, this report unleashes a bold, inclusive new vision for Western Sydney as the nation's economic heart.

Success will depend on making three leaps:

1. Future Industries
2. Future Skills, and
3. Future Communities.

These leaps seek to catapult Western Sydney from its current levels of potential growth to a state of unlimited potential. The payoff will include good jobs close to home, shorter commutes, greater access to education and training, more take-home pay, thriving communities and more liveable neighbourhoods.

Unlimited Potential provides a comprehensive regional map of the economic landscape: uncovering the untapped talent, spotlighting investment disparities and charting the course to a brighter economic future. In outlining the leaps, the document proposes a plan – and opens dialogue and opportunity for partnerships – to transition the region away from the stereotype of socio-economic disadvantage to a hub of industries, knowledge and technology where communities and businesses prosper.

The final report will synthesise outcomes from targeted roundtable discussions on each of the 3 leaps into actionable recommendations. Developed collaboratively with a broad range of stakeholders responsible for unlocking the region's capacity, these recommendations will transform Western Sydney from an area with pockets of untapped promise to a growing, thriving region of prosperity across the community.

Driving Western Sydney to the global forefront of innovation and tapping into the world's massive global supply chains will require unprecedented ambition. There is a need to build on the comparative advantages of Western Sydney and develop new strengths to attract key industries, create new jobs, and unlock new ways of doing things that remain sustainable for the communities and environments in the region.

Some **key industries required to drive the region's economic transformation include advanced manufacturing, specialising in advanced materials and composites, 3-D printing, robotics and automation.**

Western Sydney is well placed to leverage these advances to become a defence, space, and aerospace hub by using advanced materials such as titanium and carbon fibre to produce more durable and lightweight equipment and lead on integrated electrical componentry, sensing systems and unmanned aerial vehicles.

Climate change presents new opportunities for developing industries that support renewable energy, green supply chains and the circular economy. Using waste material for further processing and incorporation into supply chains is a key feature of circular economies that ties with government objectives to reduce plastic and other waste.

Given the location around Western Sydney International Airport and the Aerotropolis, **growth in the agribusiness sector can leverage the region's agricultural potential** to support the production and processing of sustainable, high-quality fresh produce and pre-prepared foods.³ In addition to fostering job creation and enabling farm-to-market processes, the agribusiness precinct will incorporate the principles of the circular economy, generate electricity and complement the existing and growing strength of the logistics sector in the region. Namely, there are opportunities to develop controlled-climate glasshouse production facilities for vegetables and fruit in the agribusiness precinct and distribute them globally.⁴

The strategic adoption of cutting-edge technologies, including blockchain, can elevate the region **as a hub for reliable and swift logistics**, setting a new benchmark in innovation and supply chain management. These technologies will not only redefine the speed and reliability of logistics in the region but also strengthen Western Sydney's role as a key global distributor.

This plan marks the start of an ambitious and progressive strategy for Western Sydney, setting the stage to transform the region into the economic powerhouse of the nation.

To realise this vision, *Unlimited Potential* outlines a plan to propel Western Sydney from its current growth trajectory into a realm of boundless opportunity by:

1. Cultivating industries of the future.
2. Enhancing skills for tomorrow's needs.
3. Fostering communities that are equipped to seize these opportunities.

The benefits of this transformation will be tangible and widespread, rewarding local employment opportunities, reducing travel times, increasing access to education and professional development, higher incomes, and the flourishing of vibrant, liveable, and inclusive communities.

GLOBAL TO LOCAL - IMPACTS OF CHANGE

Western Sydney is in the box seat to benefit from several unstoppable global forces of change shifting the way people work, make things, and the centres of economic power.

These megatrends include the growth of the Asian powerhouse economies, empowered consumers, digitisation, technology, the dominance of global supply chains and ongoing geopolitical tensions.

While these changes are global, their impact is acutely local. For regions like Western Sydney, which have a wealth of advantages and existing strengths, the opportunities are unlimited.

The rise of the Asian super economies on Australia's doorstep will see 3.5 billion people make up the Asian middle class by the end of the decade. The appetite of Asian markets for Australian services and products, including local quality fresh produce, will explode with technologically savvy consumers driving new trends.

Changes to the way goods and services are made around the world are also opening up new markets for Western Sydney. Unlike decades ago, when an entire car was assembled in one location from boot to bonnet, very few things are produced end-to-end.

For example, the Business Council of Australia's *Seize the Moment* report cites that Apple has supply chains for its products in over 50 countries and Boeing procures 783 million aviation parts in a single year, with work delivered by 500,000 people at 5,400 factories around the world.

Technological advances are driving changes in significant global supply changes, including the use of new materials and production methods, as well as digitisation. The cost of labour is no longer the main determinant of things like manufacturing. It is now the skills and capabilities of people innovating and using technology.

This shift means Australia can be competitive in areas of advanced manufacturing, something that Western Sydney has already capitalised on.

WITH ONE OF THE NATION'S FASTEST GROWING AND INCREASINGLY EDUCATED POPULATIONS, WESTERN SYDNEY IS THE NATION'S THIRD LARGEST CITY ECONOMY - LARGER THAN THE ENTIRE STATE OF SOUTH AUSTRALIA.

Western Sydney has the **highest proportion of small and locally owned businesses and a deep concentration of existing manufacturing businesses**, which provide the foundations for new industries. It has more available space than elsewhere, and is close to NSW's food basket.

The region is open to an incredible pace of growth, backed by the entrepreneurial spirit of its people. But to succeed in a constantly changing world, people will need to have the right skills and training to take advantage of new innovations, jobs, capabilities, and industries.

The international shift to cleaner forms of energy will also bring open significant opportunities for Australia. Not only does the nation have all the critical minerals essential to the clean energy transition for building things such as windmills and batteries, but it has an abundance of renewable energy sources and existing know-how.

McKinsey estimates that \$275 trillion is needed to underpin the global transition to net zero by 2050. This would require \$9.2 trillion to be spent on average each year on new technologies, infrastructure and land-use systems, an annual increase of as much as \$3.5 trillion from today.

Underpinning these shifts, are ongoing geopolitical uncertainty that continues to rewrite the world's power dynamics, opening up and transforming new economic avenues in Australia. The trilateral AUKUS security partnership between Australia, the United Kingdom and the United States means local defence industries, especially those in Western Sydney, can create new higher-paid jobs, new industries and new innovations.



“ THE REGION IS OPEN TO AN INCREDIBLE PACE OF GROWTH, BACKED BY THE ENTREPRENEURIAL SPIRIT OF ITS PEOPLE. BUT TO SUCCEED IN A CONSTANTLY CHANGING WORLD, THEY WILL NEED TO HAVE THE RIGHT SKILLS AND TRAINING TO TAKE ADVANTAGE OF NEW INNOVATIONS, JOBS, CAPABILITIES AND INDUSTRIES. ”

1.1

AN INTERNATIONAL ECONOMY

Western Sydney's large-scale infrastructure pipeline, its rapidly skilling economy and culturally diverse communities position the region as an ideal setting for international industries, investment and exchange.

The emergence of new industries and supply chain opportunities is particularly concentrated in Bradfield, adjacent to the coming airport, with a unique capacity for global collaboration, innovation, and sustainable growth.

FUTURE INDUSTRIES: INTERNATIONAL ROUNDTABLE NO. 1

Unlocking Western Sydney's unlimited potential requires a globalised engagement with key economic collaborators. Among the first international businesses to recognise the scope of the Bradfield opportunity, Japanese industries that are leaders in advanced manufacturing and technological innovation, can significantly shape Western Sydney's economic trajectory.

Intensifying Western Sydney-focused discussion and cooperation between the Indo-Pacific and Australia will now be critical to ensure that promise is realised. Cultural and economic exchange will be pivotal, noting that Osaka, **Japan**, will host the World Expo in 2025—a year out from the opening of the Western Sydney International Airport. Innovative companies and investors from **India**, as well as leading industries from the **Association of Southeast Asian Nations** (ASEAN), are also set to forge a new path for Western Sydney.

ROUNDTABLE AND STUDY TOUR

On 28 March 2024, the Centre for Western Sydney will host a Future Industries Roundtable at Parramatta, led by Chancellor Professor Jennifer Westacott AO, with the support of Professor Andy Marks, Executive Director, Centre for Western Sydney. Indo-Pacific government representatives, trade and industry figures will be invited to join this roundtable.

Follow-up Future Industries: Roundtables will be held in the Indo-Pacific region, with the Centre for Western Sydney to lead a delegation of university, industry, government and cultural representatives from Western Sydney to the Indo-Pacific region sharing ideas, building networks, mapping and accelerating planning for Bradfield, the Western Sydney Airport and wider opportunities for mutual growth will be central to the roundtable and tour.

International roundtables and tours will include **a focus on strengthening the relationship with key nations in the Indo-Pacific, such as India, Japan and Singapore to develop new opportunities**. Already the world's fifth-largest economy, India is increasingly important to the global technology economy. It is also making significant advances in decarbonising its economy as well as innovating in the agritech sector, which are both crucial to Western Sydney's development.

A detailed **Future Industries: International Roundtable, and Future Industries: Indo-Pacific Study Tour** agenda and itinerary will be developed collaboratively and issued.



“ DRIVING WESTERN SYDNEY TO THE GLOBAL FOREFRONT OF INNOVATION AND TAPPING INTO THE WORLD’S MASSIVE GLOBAL SUPPLY CHAINS WILL REQUIRE AN UNPRECEDENTED LEVEL OF AMBITION. ”

1.2

THE SIZE OF THE PRIZE

The business-as-usual (BAU) projections of gross regional product (GRP), GRP per capita, jobs and skill attainment in Table 1 highlight the need to take the three proposed leaps. For example, GRP per capita in Western Sydney is less than half the GRP per capita of the Rest of Sydney (RoS) (\$138,479). Even with BAU growth out to 2036 including the Western Sydney City Deal⁵ and the Aerotropolis, many of Western Sydney’s residents are not working locally and GRP per capita remains low.

These three leaps are critical to increasing the number of jobs for residents and subsequent GRP and GRP per capita in the Western Sydney economy. This is demonstrated in the final column of Table 1 the ratio of jobs to working residents in the Rest of Sydney is applied to the economy of Western Sydney. These figures illustrate that in context of projected growth occurring in Western Sydney, more than 400,000 extra jobs will be required to secure adequate local employment for Western Sydney workers 2036.

TABLE 1: WESTERN SYDNEY’S CURRENT ECONOMIC TRAJECTORY

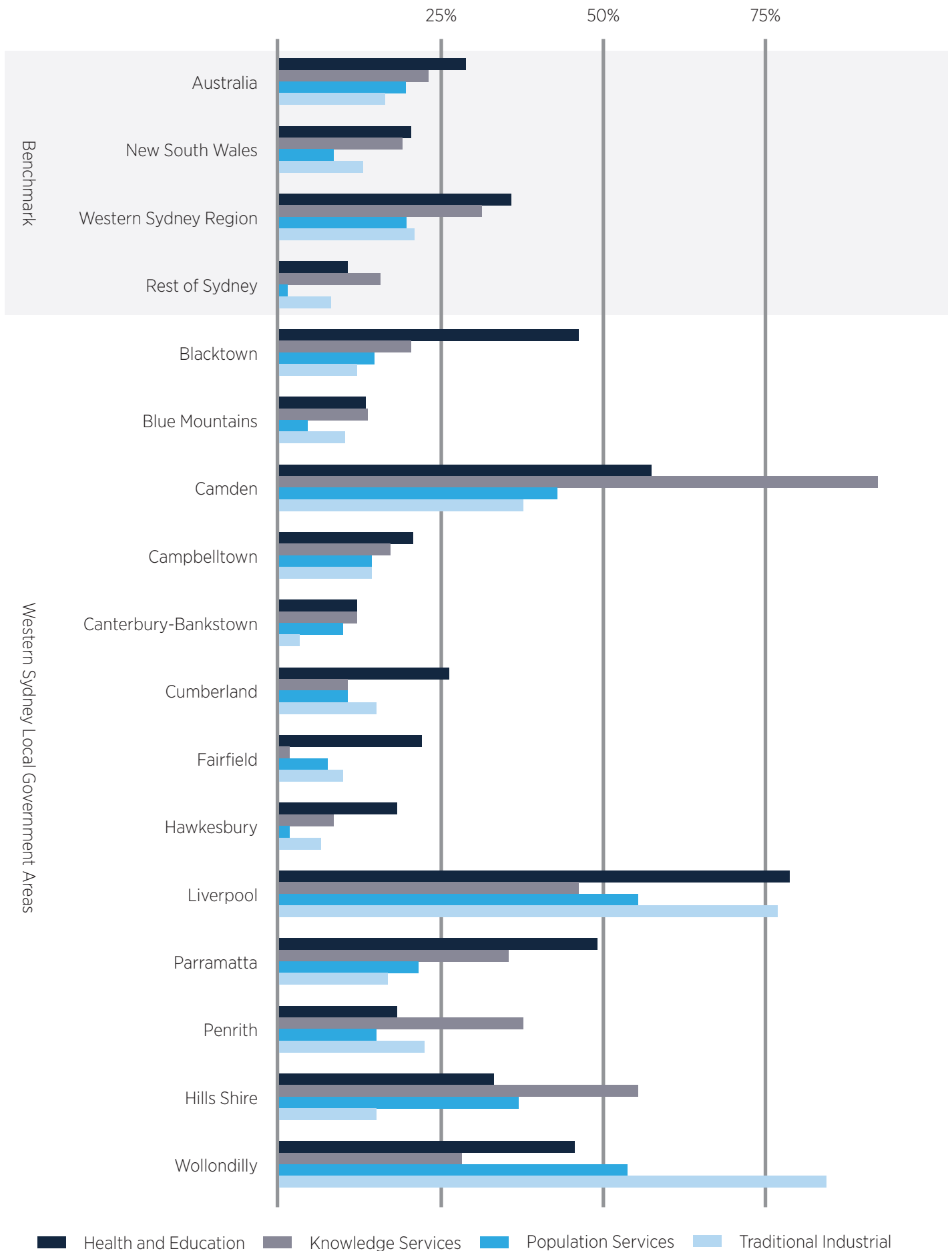
	FROM 2021	TO 2036 BUSINESS AS USUAL	TO 2036 USING REST OF SYDNEY RATIO
POPULATION	2,596,778	3,184,763	3,184,763
GRP THE \$ VALUE OF PRODUCTION IN THE WESTERN SYDNEY REGION	\$155.3 BILLION	\$195.8 BILLION	\$258.7 BILLION
GRP PER CAPITA THE \$ VALUE OF WHAT EACH WESTERN SYDNEY RESIDENT PRODUCES ON AVERAGE	\$59,805	\$61,480	\$81,222
THE NUMBER OF JOBS IN WESTERN SYDNEY	1,014,642	1,279,218	1,690,021
SKILLS – THE PERCENT OF RESIDENTS WITH CERT III OR ABOVE QUALIFICATIONS	55%	55%	68%

Source: SGS Economics and Planning (2023), derived from sourced data

Business-as-usual projections suggest that Western Sydney will grow faster than the Rest of Sydney, NSW and Australia in all broad industry categories, as illustrated in Figure 1. Key growth areas include Camden, Wollondilly and Liverpool, with Camden specialising in knowledge services, health and education, Wollondilly in traditional industries such as manufacturing, and Liverpool growing strongly in all areas.

However, the BAU figures suggest this growth is insufficient. Taking the three leaps for future industries, skills and communities will accelerate these growth projections by changing the industry mix to knowledge services, advanced manufacturing, medtech, the circular economy and renewable energy. This transformation will boost GRP per capita and skill attainment and provide Western Sydney residents with high-quality local jobs.

Figure 1: Growth in broad industry jobs 2021-2036 in Western Sydney Local Government Areas (LGAS) compared to the Rest of Sydney, NSW and Australia



Source: SGS Economics and Planning (2023), derived from sourced data



“ THE THREE LEAPS ARE NEEDED TO ACCELERATE THESE GROWTH PROJECTIONS, BOOST GRP PER CAPITA AND ENSURE THAT WESTERN SYDNEY RESIDENTS HAVE A LOCAL JOB AND THRIVING COMMUNITY. ”

1.3

KEY ACTIONS

1. DRIVE THE GROWTH OF FUTURE INDUSTRIES

Drive the growth of future industries by **attracting international investment and leveraging the Western Sydney Airport** as a hub for commercial activity. This can be achieved through precinct development that fosters innovation, research and collaboration between government, business, universities, and communities to **develop key sectors like advanced manufacturing, logistics, aerospace, defence and agri-tech**. This will be strengthened by **adopting advanced technology, attracting private investment, exploring new market opportunities, and accelerating entrepreneurship** among small and medium enterprises (SMEs). An integrated approach to future industry development will create high-quality local jobs and enhance Western Sydney's existing capabilities in manufacturing and the service care economy through advanced technologies.

2. PRIORITISE LIFELONG LEARNING

Prioritise lifelong learning so people can access the **education, training and skills** they need when they need them to keep up with technological advances and rapid workplace changes. As the Western Sydney economy transforms, people will need to be able to retrain and upskill as more highly skilled jobs are created and innovations come online. Education providers, including universities and TAFEs, will have new opportunities to work together and work with industry to develop consolidated programs, including **micro-credentials or short courses that enable people to quickly develop the skills required** for future jobs. In addition, new programs will need to be developed to meet the changing skills profile of the workforce and give people the capabilities to work in increasingly advanced industries.

3. ENHANCE REGIONAL CONNECTIVITY

Enhance regional connectivity through **strategic transport and infrastructure development**. The expansion of the Western Sydney Airport Metro is pivotal, serving as a cornerstone for increased access to employment opportunities and facilitating connections between key strategic centres of Western Sydney. Transport is critical for binding the region's economic hubs, catalysing local job creation and ensuring that the benefits of economic growth are widely accessible and equally distributed throughout Western Sydney.

4. TRANSFORM THROUGH INDIGENOUS LEADERSHIP AND WITH LOCAL COMMUNITIES

Transform through **Indigenous leadership and with local communities**, ensuring the region's economic transformation benefits all groups. By drawing on the key strength of multicultural diversity, we can attract global investment, cultivate high-tech industries and enhance international engagement. Simultaneously, we must **futureproof communities by focusing on sustainability, equity and liveability, directly tackling current socio-economic divides**. Future strategies for Western Sydney must ensure that future economic development is inclusive, with education, employment and research opportunities aligned with community needs and aspirations.

5. GROW SUSTAINABLY

Grow sustainably by **championing the renewable energy sector, establishing the region as a leader in environmental sustainability**. This requires a focus on cultivating renewable energy, green supply chains, and the circular economy. Encouraging net-zero industries by innovating in waste management and sustainable practices can transform Western Sydney into a powerhouse for clean energy, fostering economically robust and environmentally responsible growth. This strategic direction will not only boost the local economy but also set a benchmark for sustainable development in city regions.



2

**FOUNDATIONS
FOR CHANGE**

2.1

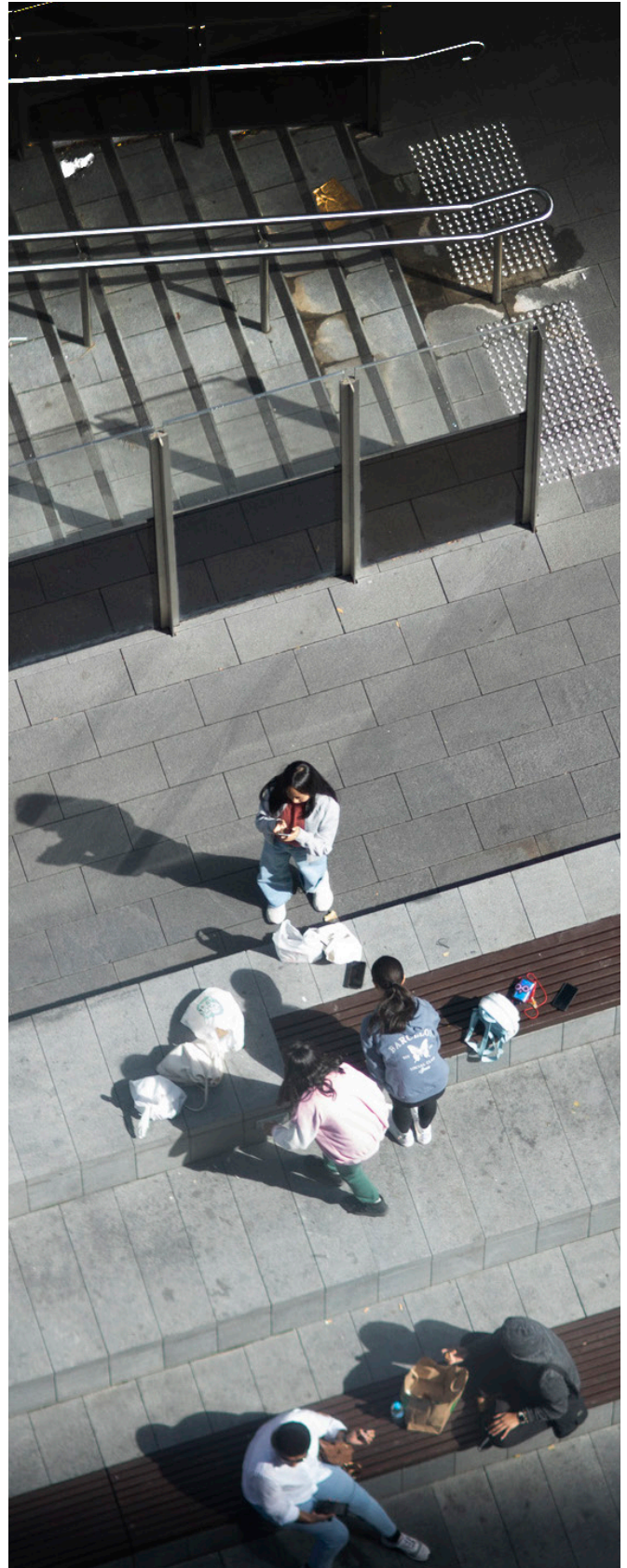
WESTERN SYDNEY'S ECONOMY AT A GLANCE

Western Sydney stands as a dynamic and vital component of the national and state economy, distinguished by its robust growth and entrepreneurial spirit. **With a GRP of \$155.3 billion, it is Australia's third-largest city economy and accounts for nearly a quarter of the state's economic output.**

As captured below, the region produces one-quarter of the economic value in NSW and has demonstrated substantial **growth of \$37.9 billion** over the past decade. Home to **249,192 local businesses** and providing **more than 1 million jobs**, it is a key employment hub that continues to expand its workforce. While the job ratio stands at **81 jobs per 100 workers**, a figure that underscores the potential for more job creation, the region thrives as a **leading employer in health care, retail trade and manufacturing**—sectors that form the backbone of Western Sydney's economic infrastructure.

THIS INDICATES THAT WESTERN SYDNEY HAS UNIQUE ATTRIBUTES COMPARED TO THE REST OF SYDNEY THAT PROVIDE COMPARATIVE ADVANTAGES IN THESE INDUSTRIES.

Big employers include health care and manufacturing, and **Western Sydney currently specialises in agriculture, manufacturing, logistics and wholesale trade** when benchmarked against the size of these industries in Greater Sydney. This indicates that Western Sydney has unique attributes that provide comparative advantages in these industries compared to the Rest of Sydney. Compared to growth in the broader economy, accelerated local growth in Western Sydney is recorded in logistics, education, wholesale and retail trade and accommodation and food services, which may become specialisations in the future.



2.2

KEY INSIGHTS: WESTERN SYDNEY'S ECONOMY

In comparison to the Rest of Sydney, Western Sydney showcases a unique occupational profile with a **high percentage of professionals, clerical and administrative workers, and managers**, reflecting the region's diverse economic activities and opportunities for skilled labour. This section captures the economic pulse of Western Sydney, providing a snapshot of its value, growth, and the promising horizon that lies ahead.



**\$155.3 BILLION IN
ECONOMIC VALUE.**

Compared with \$317.9 billion in the Rest of Sydney.



**ALMOST ONE-QUARTER OF
THE NSW ECONOMY.**

The Rest of Sydney makes up almost half.



**\$127.7 BILLION IN VALUE
ADDED TO
NSW'S ECONOMY.**

Compared to \$271.6 billion for the Rest of Sydney.



**GRP HAS GROWN BY
\$37.9 BILLION OVER
THE DECADE.**

Compared with \$76.6 billion for the Rest of Sydney over the last decade.

Source: National Institute of Economic and Industry Research, 2022, unless otherwise stated.



**249,192 LOCAL
BUSINESSES.⁶**

Compared to 331,083 in the Rest of Sydney



**1,014,641 LOCAL
JOBS.⁷**

Compared with 1.8 million local jobs in
the Rest of Sydney



**81 JOBS PER
100 WORKERS.**

Compared to 124 jobs per 100 workers across
the Rest of Sydney.



**WAGES AND SALARIES
(PER HOUSEHOLD) OF
\$90,576.**

Compared to \$136,417 in the Rest of Sydney.



**LABOUR FORCE
PARTICIPATION OF 56.5%.**

Compared to 64.4% in the Rest of Sydney.



TOP 5 INDUSTRIES OF EMPLOYMENT

WESTERN SYDNEY

- Healthcare and social assistance (13.8%)
- Manufacturing (11.1%)
- Retail trade (10.2%)
- Construction (9.5%)
- Education and training (8.9%)

REST OF SYDNEY

- Professional, scientific, and technical services (19.6%)
- Financial and insurance services (11.7%)
- Health care and social assistance (10.6%)
- Education and training (7.3%)
- Retail trade (7.2%)

TOP 5 LOCALLY SPECIALISED INDUSTRIES COMPARED TO GREATER SYDNEY

- Agriculture, Forestry and Fishing
- Manufacturing
- Electricity, Gas, Water and Waste Services
- Transport, Postal and Warehousing
- Wholesale Trade

TOP 5 LOCALLY GROWING INDUSTRIES COMPARED TO GREATER SYDNEY

- Transport, Postal and Warehousing
- Education and training
- Wholesale Trade
- Retail trade
- Health and Social Assistance



TOP THREE OCCUPATIONS

WESTERN SYDNEY

- Professionals (21.6%)
- Clerical and administrative workers (14.4%)
- Managers (12.7%)

REST OF SYDNEY

- Professionals (35.9%)
- Managers (17.6%)
- Clerical and administrative workers (13.8%)



EVERY STEAM BOILER USED FOR GENERATING STEAM IN A FACTORY OR WORKSHOP MUST, WHETHER SEPARATE OR ONE OF A RANGE,



HAVE ATTACHED TO IT A PROPER **SAFETY VALVE** AND A PROPER STEAM GAUGE AND A WATER GAUGE TO SHOW THE PRESSURE OF STEAM AND HEIGHT OF THE WATER IN A BOILER; AND



BE EXAMINED THOROUGHLY BY A COMPETENT PERSON AT LEAST ONCE EVERY FOURTEEN MONTHS.

EVERY SUCH BOILER, SAFETY VALVE, STEAM GAUGE AND WATER GAUGE MUST BE MAINTAINED IN PROPER CONDITION.

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BOILERHOUSE

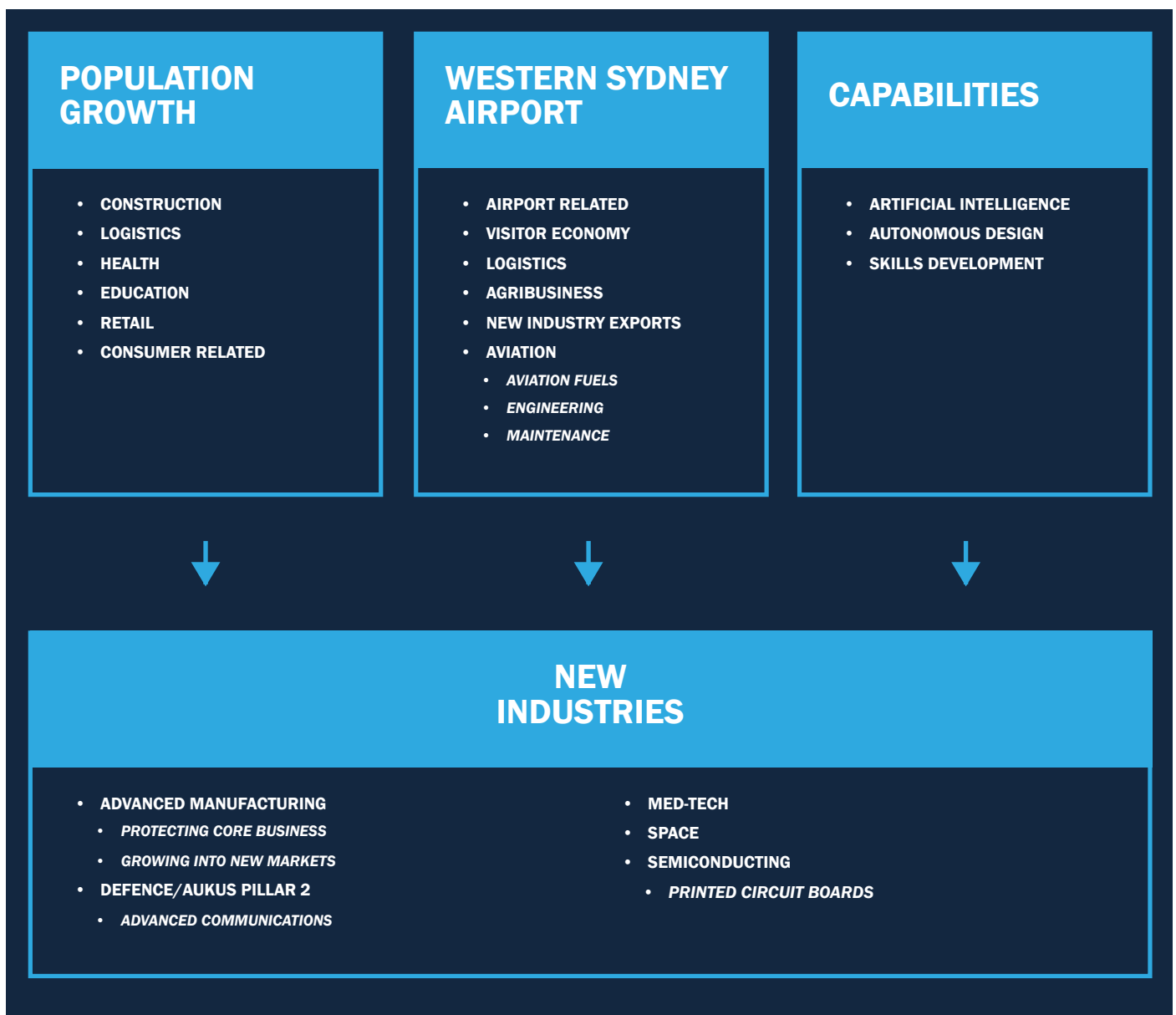
2.3

FUTURE INDUSTRY FORMATION

For Western Sydney to realise its unlimited potential, it must move beyond transformation primarily driven by population growth. The new Western Sydney International Airport will be a major catalyst for the region, driving new industry formation and creating higher-skilled jobs.

But to truly compete globally and set up a future at the forefront of innovation and technology, there is a need to prioritise investment, research and development while attracting and developing new industries and jobs in the region. Figure 2 shows the critical role of new industries as an additional source of growth and an enabler to seize the economic benefits of both population growth and the new airport.

FIGURE 2: THE FUTURE INDUSTRY FORMATION OF WESTERN SYDNEY



2.4

ECONOMIC LANDSCAPE

2.4.1 A GROWTH TRAJECTORY

Western Sydney is home to Australia's third-largest city economy, with a GRP of just over \$155 billion in 2021–22.⁸ This figure has steadily grown over the past decade, and while this trend may continue, it is critical that future expansion is maximised.

The growth of Western Sydney's economy is partly due to its rapid increase in population. Since 2011, the population has increased by over 450,000 and is forecast to reach over 3.4 million by 2041.⁹

Employment opportunities must be created to support the additional 800,000 residents projected to live in the region by 2041, harnessing this population growth into broader economic prosperity.

2.4.2 NEW AIRPORT, NEW HORIZONS

The Western Sydney Airport, combined with the Aerotropolis and Bradfield, is poised to fundamentally transform the region's economy. It has the potential to act as a major catalyst for commercial activity and investment, both in Western Sydney and NSW more broadly. This is particularly the case for the potential remarkable surge in the visitor economy for Western Sydney and the wider Western NSW region, creating new opportunities to expand arts and culture alongside experience-based tourism.

The vision for Bradfield, conveyed through its draft Masterplan, demonstrates the multifaceted potential of the Aerotropolis precinct to contribute to the economy through supporting residents and visitors to work, live and play. Culture and creativity will feature alongside innovation, as industries of the future, such as advanced manufacturing, are housed in state-of-the-art infrastructure, alongside green public and shared spaces.

These opportunities are contingent on delivering critical infrastructure that connects Western Sydney with the Rest of Sydney in a way that facilitates the movement of goods and people.

2.4.3 SCALING TRANSPORT AND LOGISTICS

Already a growth industry in the region, transport and logistics will continue to scale up in line with demand generated by the airport. This will be accompanied by increased demand for new aviation-related roles, encompassing refuelling, engineering and maintenance. Together, this will necessitate improvements in skills and capabilities in alignment with digital transformations and a response to specialised freight needs across the state.

2.4.4 CULTIVATING AGRIBUSINESS, PROPELLING REGIONAL TRADE

The existing and enhanced agribusiness function of the Aerotropolis and surrounding Hawkesbury floodplain can create links to the airport for exports and other food manufacturing and production regions in the Central Coast, Lower Hunter and wider regional NSW. Links to Wollongong and Port Kembla provide opportunities for Western Sydney to support the growth in onshore and offshore wind farm production and maintenance, contributing to the region's role in advanced manufacturing and clean energy sectors.

2.4.5 EXPANDING THE SERVICE CARE ECONOMY

The healthcare and social assistance sector is the largest employer in Western Sydney, employing 13.7 per cent of local workers and supplying 14.6 per cent of local jobs.¹⁰ This sector has seen significant growth since 2011, with an increase of 48,898 jobs. Australia's ageing population will accelerate this growth, along with the region's deep well of skills and capabilities.

Despite significant skills strengths and a higher proportion of residents and local workers employed in this sector, Western Sydney records fewer registered businesses in the healthcare and social assistance sector (6.2%) than the Rest of Sydney (7.4%). There is an opportunity to build on the region's traditional strengths and its people's capabilities, seek private capital to scale up businesses independent of government funding and explore adjacent industries with dependencies on health care.

2.4.6 REINVENTING MANUFACTURING

The manufacturing sector has experienced a significant decrease in the region, with a reduction of 14,322 employees (-3.4 per cent) over the previous decade. This presents significant opportunities for re-invention and innovation.

Focusing on advanced manufacturing within the Bradfield and Aerotropolis areas could significantly transform the region's economic landscape. There is the opportunity to position Western Sydney at the value-added end of international supply chains, providing critical resources, such as semiconductors, to key industries, such as defence, across the nation and the globe.

Western Sydney's scale of manufacturing potential, particularly in and around the Aerotropolis, offers opportunities to support scaling research in Central and Eastern Sydney's major innovation precincts. This supports the development of advanced manufacturing and will attract global investments and supply chain connections.

2.4.7 ADVANCING DEFENCE TECHNOLOGY

Western Sydney can leverage its existing industry strengths in manufacturing, engineering and technology and develop new aerospace and defence precincts to capitalise on the potential of AUKUS Pillar Two. Pillar Two of the historic agreement is designed to enhance joint capabilities and interoperability between the United States (US), the United Kingdom (UK) and Australia, covering cyber capabilities, artificial intelligence, quantum technologies and additional undersea capabilities. Pillar Two will give Australian companies, including start-ups, access to the enormous US and UK markets in areas such as developing undersea robotics and cyber systems to protect critical communications.

2.4.8 ACCELERATING ENTREPRENEURSHIP

Small, locally owned businesses are central to the region's story. Almost 250,000 businesses in Western Sydney employ fewer than 20 people, representing nearly 98 per cent of the region's businesses.¹¹

Small businesses will continue to play a critical role in the region's economy, providing local employment opportunities for future residents. Fostering an environment that supports SMEs and provides access to financial resources, digital technology, business support services and networking opportunities is critical to ensuring businesses can contribute to job creation and innovation in Western Sydney.

2.4.9 CATALYSING GLOBAL INTEGRATION

For Western Sydney to harness global industries, it must be deeply connected to the rest of the world. This remains a challenge for the state, which must increasingly see itself as part of the Indo-Pacific region and partner with other countries, institutions and international businesses. Greater global engagement is needed to ensure Western Sydney is on the map and can attract the type of international investment needed to transform the economy and create future high-tech industries and jobs.

The region's multicultural diversity is a significant advantage in strengthening people-to-people and business-to-business links and rekindling interest from countries like Singapore, China and Japan. In addition, Western Sydney University is actively engaging with Indonesia through its campus at Surabaya and in Vietnam through an expanded Ho Chi Minh City campus. Over the next 2 years, it will establish a campus in India.





2.4.10 SKILLING FOR THE FUTURE

Education is pivotal in Western Sydney's productivity and underpins the economy. In 2022, the Centre for Western Sydney highlighted the significant increase in Western Sydney's educational attainment over the decade. Of Western Sydney residents, 27.2 per cent now hold a university degree, compared to 26.3 per cent nationally and 27.8 per cent across NSW.

In its *Bridging the Divide* issues paper, the Centre examined the proportion of people in the region with a Certificate III or higher qualification. 48.4 per cent of Western Sydney residents had attained the qualification or higher compared to 62.9 per cent of the population in the Rest of Sydney. This is significant in Western Sydney, where highly skilled trades in manufacturing and construction are among the top 5 employment industries. Projects like the Western Sydney International Airport and the Bradfield City Centre also create new, higher-skilled jobs.



3

**THREE LEAPS
FORWARD**

3.1

LEAP 1: FUTURE INDUSTRIES

Western Sydney is a significant economic powerhouse, **contributing one-fifth of NSW's gross state product, with over 250,000 thriving businesses.** Previous work has demonstrated substantial growth potential, with a strategic focus on developing metropolitan and strategic centres to position workers closer to knowledge-intensive jobs, a critical factor for innovation economies.¹²

To unleash Western Sydney's unlimited potential, several coordinated and strategic actions are needed to dramatically alter the region's trajectory. Many of these steps have been previously identified and build on specific strengths and comparative advantages.

Key opportunities include:

3.1.1 INNOVATION PRECINCTS AND ADVANCED MANUFACTURING

The transformation of Western Sydney into an innovation hub is underway, a shift demonstrating the benefits of business agglomerations in specific geographic areas.¹³ Agglomerations increase productivity by making it easier to find suppliers and workers through sharing common infrastructure and the learning that derives from networks.¹⁴

The Western Parkland City Authority proposed a blueprint for the creation of 10 innovative precincts, with a notable focus on advanced manufacturing and defence sector jobs. A significant investment of \$260 million into the Advanced Manufacturing Research Facility further cements this vision, promising a future rich in high-value electronics and semiconductors.

A significant opportunity exists to leverage the unique characteristics of areas within Western Sydney to further develop their economic strengths.

3.1.2 AGRI-TECH AND AGRIBUSINESS

The Western Sydney International Airport, technology advances and new research are changing the shape of Australia's agricultural industry. The industry is a major innovator, with the agribusiness precinct predicted to increase fresh food production, generate significant revenue and promote a circular economy through innovative energy, water, and waste solutions. Adjacent to the agribusiness precinct,¹⁵ work is underway at Western Sydney University's Hawkesbury Institute for the Environment on issues such as food security. The airport will change how Australia's highly sought-after produce is exported, serving as an important logistical hub to fly food from around the state to key markets such as Japan, Singapore and Indonesia.

3.1.3 INDUSTRIAL LAND USE AND ZONING AND FUTURE DEVELOPMENT

Manufacturing and distribution activities are transitioning towards SMEs. The Greater Sydney Commission emphasised the crucial role of local industrial and urban services land in supporting this shift. However, as outlined by Deloitte, challenges such as residential encroachment, delayed approvals, and a shortage of skilled planners are key barriers to realising this potential. The strategic positioning and servicing of industrial land, especially around the new airport, have been identified as pivotal for economic growth and innovation, highlighting the need to identify other opportunities to support the development of future industries.

3.1.4 DEFENCE INDUSTRIES

Western Sydney hosts significant Australian Defence Force capabilities, with the potential to leverage these assets as part of the AUKUS alliance. AUKUS is poised to diversify suppliers, enhance domestic manufacturing, and expand Australia's defence exports, which are set to grow from an annual A\$2 billion.¹⁶

3.1.5 RENEWABLES AND THE CIRCULAR ECONOMY

Western Sydney can play a leading role in demonstrating the potential of a future circular economy and reducing greenhouse gas emissions from the region. The renewable energy sector is entering a peak growth phase in Australia.¹⁷ The airport and the available serviced industrial land in Western Sydney could drive the logistical centre of that growth. Encouraging net-zero industries by using construction, industrial and household waste in a circular economy and leading the net-zero charge in small-to medium-sized enterprises will help the region enter global green supply chains and boost its growth.

3.1.6 CONNECTIVITY

Transport connectivity is vital for Western Sydney's economic expansion, with longstanding advocacy for a robust transport framework as key to regional prosperity. Emphasising the precedent set by successful global cities, these studies have recommended a rapid transit network capable of linking Western Sydney with surrounding cities like Newcastle, Wollongong and the Central Coast in under an hour, pivoting economic activity towards Parramatta, Sydney's central nexus.¹⁸ This strategic reorientation is expected to foster economic clustering specific to Western Sydney's economic landscape, playing a critical role in the success of future industries like freight and logistics and the success of the visitor economy in the region. Further, the advocacy and efforts towards increasing opportunities for the '30-minute city' have ensured residents can conveniently access vital services and employment, propelling Western Sydney's efficiency and economic momentum forward.

3.1.7 KEY POINTS

As visualised below, Western Sydney's economy is characterised by a robust healthcare and social assistance sector, leading in employment, while also recording growth in professional, scientific, technical services and transport industries. The 2021 Census highlights significant challenges for businesses in the region, revealing a downturn in business income over the previous 10 years, which comparatively grew in the Rest of Sydney. Additionally, the creative sectors record a lower rate of job creation relative to the Rest of Sydney, indicating potential for growth, especially in light of the expected boost in visitors following the opening of the new Western Sydney Airport.



HEALTHCARE AND SOCIAL ASSISTANCE REMAIN WESTERN SYDNEY'S BIGGEST EMPLOYERS.



EDUCATION AND TRAINING AND TRANSPORT, POSTAL AND WAREHOUSING JOBS ARE GROWING.



MANUFACTURING REMAINS A TOP INDUSTRY.



0.2% OF WESTERN SYDNEY JOBS ARE IN CREATIVE INDUSTRIES COMPARED TO 0.6% IN THE REST OF SYDNEY.



BUSINESS INCOME ACROSS HOUSEHOLDS IS DOWN \$4297 OVER THE PAST DECADE COMPARED TO AN \$11,772 INCREASE IN THE REST OF SYDNEY.

FUTURE INDUSTRIES: MAKING THE LEAP

The full economic impact of integrating advanced manufacturing into the traditional industrial landscape of Western Sydney is still not widely understood. Additionally, the tangible outcomes of new connectivity initiatives on local and regional economies require further exploration.

Unlimited Potential will explore how to position Western Sydney as an internationally competitive industrial powerhouse and capture global markets for strategic investments in key sectors. It will achieve this by:

- 1. Proposing a multifaceted growth strategy**, focused on leveraging trends in key sectors, utilising the region's land and transport infrastructure and capitalising on the Western Sydney Aerotropolis to enhance local and international business connections and a burgeoning visitor economy.
- 2. Identifying opportunities in adjacent industries and diverse investment models**, starting with the largest employment sector, Healthcare and Social Assistance, to catalyse innovation and expansion.
- 3. Providing policy frameworks that support shifts from declining industries to emergent sectors** such as Advanced Manufacturing, defence, and digital technologies in alignment with key initiatives, while advocating for policies that incentivise and bolster both small and large-scale business opportunities for a diversified, robust economy.

Throughout the year-long dialogue focused on identifying and implementing necessary actions to power up the economy of Western Sydney, the Centre for Western Sydney will hold 3 dedicated roundtables to consult and engage with a broad section of stakeholders and the community.

The roundtables will dive into the leaps needed to deliver the future industries, future skills and future communities. They will bring together a mix of local stakeholders, businesses of all sizes, community groups and members, residents, and education providers. Together, the contributions, expertise and ideas explored will inform the final *Unlimited Potential* report.

The first roundtable on future industries will be held in Parramatta on 28 March, followed by future skills in Liverpool on 29 April and future communities in Bankstown on 30 May.



3.2

LEAP 2: FUTURE SKILLS



As Western Sydney experiences unprecedented growth, the pivotal role of education and skill development in driving economic prosperity comes to the fore. The Centre for Western Sydney has examined the burgeoning qualifications within the region, the anticipated job market evolution, and the strategic educational initiatives poised to underpin this growth.

Key themes relevant to the interplay between a skilled workforce and the region's transition to an innovation-led economy, in alignment with current gaps and future opportunities have included:

3.2.1 EDUCATIONAL ADVANCEMENTS AND WORKFORCE QUALIFICATIONS

In the past decade, Western Sydney has seen a significant 34.6 per cent increase in the number of residents with university qualifications, surpassing the national growth rate of 28.5 per cent.¹⁹ This rise in higher education attainment is pivotal for the region's progression towards an innovative and internationally competitive economy, particularly in burgeoning sectors like advanced manufacturing.²⁰

3.2.2 INFRASTRUCTURE AND EDUCATION

The Airport/Bradfield/Aerotropolis development is set to catalyse the creation of high-value, tradable jobs, enhancing Western Sydney's global standing in skills and technological capabilities. Educational institutions, research-intensive hospitals, and defence facilities are increasingly featured at the epicentre of economic precincts, with Western Sydney University playing a key role as an economic driver and ongoing facilitator of regional development.²¹

3.2.3 JOB CREATION, SKILLS UTILISATION AND LIFELONG LEARNING

The world of work is rapidly changing because of technological advances, changes to how goods and services are produced and new consumer demands. The Western Parkland City Authority anticipates more than 200,000 jobs will be generated in the next 2 decades.²² With one-third of Sydney's skilled manufacturing workforce residing in the area, a prime opportunity exists to not only use existing skills, but also prepare for future skills needed as industries in Western Sydney expand relative to growth and transformation.

The individual tasks that make up jobs are forecast to change by 18 per cent every decade.²³ This means people of all ages will need to access micro-credentials and other short courses to upskill, reskill and retrain while they continue to work. These courses must be credentialled, stackable, portable, recognised and available on a digital or skills passport. People should be able to seamlessly undertake courses at a mix of tertiary institutions, including higher education and VET and assemble their own qualifications.

The Business Council of Australia has prioritised the need to focus on future skills and education through a cohesive lifelong learning framework, demonstrating the need to explore how this focus can be applied to the Western Sydney context.

3.2.4 INVESTMENT IN SPECIALISED TRAINING FACILITIES

The 2023-24 NSW State Budget has allocated \$11.9 million to establish the new Institute of Applied Technology for Construction at the TAFE NSW Nepean-Kingswood campus. This investment will provide specialised training in critical fields such as construction, carpentry, electrical and plumbing, supporting the surge of infrastructure projects

and residential development to meet the needs of Western Sydney’s expanding population. This initiative, in partnership with Western Sydney University, is emblematic of innovative education models that can be showcased in *Unlimited Potential*.

3.2.5 KEY POINTS

As shown below, there has been a notable rise in educational qualifications attained in Western Sydney, with a record 27.2 per cent of residents holding a university degree and a decrease in those with no qualifications. Yet, the region grapples with persistent educational and income disparities compared to the Rest of Sydney, underscored by the concentration of the most disadvantaged local government areas (LGAs) within its bounds and limited local employment opportunities.



MORE RESIDENTS IN WESTERN SYDNEY HOLD A UNIVERSITY DEGREE THAN EVER (27.2%).



THERE HAS BEEN A 5.8% DECLINE IN RESIDENTS WHO HOLD NO QUALIFICATIONS.

INCOME DISPARITIES ALSO PERSIST, PARTICULARLY IN KEY WESTERN SYDNEY LGAS.



LOW INCOME

- WESTERN SYDNEY - 19.2%
- REST OF SYDNEY - 17.2%

HIGH INCOME

- WESTERN SYDNEY - 24.8%
- REST OF SYDNEY - 30.1%



ACCORDING TO THE 2021 SEIFA INDEX²⁴, THE TOP 5 MOST DISADVANTAGED LGAS IN SYDNEY WERE IN THE WESTERN SYDNEY REGION, IN THE FOLLOWING ORDER:

- FAIRFIELD
- CUMBERLAND
- CANTERBURY-BANKSTOWN
- LIVERPOOL
- CAMPBELLTOWN



INCOME DISPARITIES ARE COMPOUNDED BY THE SHORTFALL OF LOCAL JOBS IN WESTERN SYDNEY WHEN COMPARED TO RESIDENT WORKERS: 0.81 JOBS PER RESIDENT

FUTURE SKILLS: MAKING THE LEAP

Existing plans and research underscore the burgeoning educational qualifications and potential job growth in Western Sydney. However, a discernible gap exists in understanding how the shift towards a coherent system of lifelong learning will be operationalised and its direct impact on the region's employment landscape.

Unlimited Potential will provide strategies for aligning Western Sydney's educational and skill development initiatives with the evolving demands of the future job market by focusing on the following areas:

- 1. Addressing persistent wage disparities and the need for high-quality local jobs**, especially for marginalised groups and LGAs where income inequalities are more pronounced.
- 2. Bolstering the digital capabilities of the workforce** to proactively prepare for future job markets that will increasingly value technological acumen and adaptability,
- 3. Providing lifelong learning strategies for Western Sydney's skill development**, positioning Western Sydney's workforce not merely to withstand the swift changes but to prosper with the evolution of key industries.



3.3

LEAP 3: FUTURE COMMUNITIES



Planning for the future communities in Western Sydney requires the integrated consideration of liveability, equity, and sustainability with the needs of residents. Current plans have touched on the need to foster diverse and affordable housing, engaging local communities in planning and creating innovation precincts to offer equitable growth opportunities for the increasingly diverse communities of the region.

Critically, these works have highlighted key challenges faced in Western Sydney:

3.3.1 LIVEABILITY AND AFFORDABILITY

Liveability remains a central tenet of future community planning, with emphasis on celebrating diversity and centring people in urban development. Across various levels of government and community organisations, there has been clear advocacy for diverse and affordable housing, setting clear housing targets to meet the demands of our growing populations.

Environmental sustainability has also been highlighted as a key to liveability, with the integration of urban green spaces and a commitment to low-carbon cities aiming for net-zero emissions by 2050. In addition, the importance of equitable investment in the arts and culture sector has been highlighted as a key priority for the Western Sydney region, as a critical driver of the region's social, cultural and economic prosperity.²⁵ Economic and social benefits are bolstered by connectivity, supported by the '30-minute city' concept to ensure proximity to essential services. However, Centre for Western Sydney research found that digital exclusion in Western Sydney could hinder educational equity, posing a challenge to this liveability goal.²⁶

To explore the costs of failing to address liveability targets in the future economic development of Western Sydney, the Unlimited Potential project will draw on key global case studies such as San Francisco and Detroit, underscoring the need for equitable and sustainable development.

3.3.2 DIVERSITY AS AN ASSET

Western Sydney's multicultural tapestry is a formidable economic asset, fostering an attractive environment for global industries and markets. The region's diverse population is woven from over 170 countries who speak more than 100 languages and practise diverse religions like Islam, Hinduism and Buddhism in addition to Christianity. This rich mosaic not only fuels a dynamic arts and culture sector but can propel the visitor economy, creating a welcoming atmosphere of inclusivity and innovation. The

diverse environment of Western Sydney sets the region as an exemplar of where multiculturalism is not just a concept but a lived experience integral to the region's identity and success.

Underlying the region's diversity are high rates of migration to the Western Sydney region, including substantial international migration. In addition, of all the internal movements in Australia, a significant number chose Western Sydney as their new home, underscoring Western Sydney's role as a primary destination for both local and international migrants. Yet the infrastructure investment has not matched this growth. To leverage the full economic benefits of the region's diversity, it is crucial that infrastructure enhancements keep pace with escalating migration to Western Sydney.

3.3.3 PLANNING WITH COMMUNITIES

Involving communities in planning for the future development of local infrastructure and services is essential for developing cohesive and supportive environments.²⁷ Embracing the strengths and acknowledging the challenges of future development through the lens of the diverse groups that inhabit, work, and shape the region is crucial for a shared and equitable future. The Centre for Western Sydney's framework for working with communities champions place-based partnerships underpinned by values of reciprocity, inclusivity and transparency. By ensuring that community engagement spans from information sharing to active collaboration, we can craft a vision for the economic future of Western Sydney that is both sustainable and connected, embodying the rich tapestry of cultures, experiences, and voices that define the region.

3.3.4 EQUITY THROUGH GROWTH

The development of innovation precincts is recognised to drive equity, especially for disadvantaged communities in Western Sydney. By connecting residents with local employment opportunities, these precincts can provide both employment and educational opportunities, contributing to social inclusion.²⁸ The Business Council of Australia suggests a shift in social inclusion models from merely 'placing' individuals to actively 'advancing' them within society. This is particularly important in Western Sydney, where inequities are entrenched in key geographical areas and pronounced among key vulnerable groups such as women, culturally and linguistically diverse communities, as well as Indigenous residents. Economic challenges such as interest rate hikes and cost-of-living pressures highlight the need for growth opportunities to nurture an inclusive economy harnessing the strength and potential of Western Sydney's diverse communities

3.3.5 KEY POINTS

As illustrated below, Western Sydney is home to a young population and a mosaic of cultural diversity, with a significant portion of its residents connected to over 170 countries, speaking a multitude of languages. This demographic vitality is powered by a notably young population. *Unlimited Potential* positions these strengths as critical to the economic vibrancy of Western Sydney, while also recognising the opportunities for enhancing equity among the community's vibrant groups, including First Nations people, women and residents from diverse cultural backgrounds.



FUTURE COMMUNITIES: MAKING THE LEAP

Existing literature highlights the aspirations for future communities in Western Sydney. The focus has been on liveability, equity, and community engagement. Yet, there is a noticeable gap in practical strategies to overcome digital exclusion, the financial stress caused by economic shifts, and the implementation of progressive social inclusion models.

These challenges must be addressed to fully realise the vision of vibrant, equitable, and connected future communities within Western Sydney.

To address this gap, *Unlimited Potential* will seek to leverage Western Sydney's rich community assets, while actively addressing the region's socio-economic challenges, by proposing key strategies:

- 1. Leveraging the region's linguistic diversity and identity as a successful, multicultural hub** to spur innovation and attract investment. *Unlimited Potential* will prioritise Indigenous leadership and community expertise in decision-making and planning for the economic future of Western Sydney.
- 2. Prioritising social infrastructure**, such as arts and culture, is crucial to addressing persistent socio-economic and educational disparities. *Unlimited Potential* will provide a plan for implementing programs, initiatives and wrap-around services to support and empower vulnerable communities through the region's economic transformation.
- 3. Proposing tailored place-based solutions for empowering key vulnerable groups** such as young people, women, Indigenous communities, and those from non-English-speaking backgrounds.





4

UNLIMITED POTENTIAL ROUNDTABLES

To explore the 3 economic leaps that will optimise Western Sydney's economic future, the Centre for Western Sydney will convene 3 key roundtables and a series of focused sessions, capturing insights to shape the final strategy proposed at the end of the project.

Chaired by the Chancellor, Professor Jennifer Westacott AO, these roundtables will bring together a range of dynamic stakeholders across industry, government, tertiary institutions and community groups.

LEAP 1: FUTURE INDUSTRIES - 28 MARCH 2024

What are the most effective strategies for attracting international and local investments that capitalise on Western Sydney's new airport and strategic precincts to drive globally competitive industries and innovation across the region?

LEAP 2: FUTURE SKILLS - 29 APRIL 2024

How can Western Sydney identify and prioritise developing future skills and job roles, deliver and service these roles, and responsibly integrate agile skills credentialing to enhance educational and skills integration?

LEAP 3: FUTURE COMMUNITIES - 30 MAY 2024

What is required to leverage the rich community assets of Western Sydney and unlock the potential of its people to establish the region as a model of socio-economic wellbeing?

5

MAKING THE LEAPS

The Centre for Western Sydney envisions a future where the region's vibrant potential is fully realised, harnessing its diverse strengths to drive an era of unprecedented growth. By taking 3 leaps of driving industry formation, upskilling for the future and transforming with our communities and Indigenous leaders, *Unlimited Potential* provides the critical plan required to transform the Western Sydney region into the nation's leading economic powerhouse.

This plan outlines the steps needed to develop a robust economic strategy for Western Sydney's vision. Emphasising the importance of effective policymaking, targeting education and infrastructure investment and attracting foreign investment, *Unlimited Potential* underscores the collective effort required to achieve this transformation.

Unlimited Potential provides not only a plan for economic growth but also a blueprint for prosperity that promises greater opportunities and a higher quality of life for all residents. Through collaborative efforts and continuous dialogue, the Centre for Western Sydney stands ready to lead the region into a bright and prosperous future.

Through *Unlimited Potential*, the Centre for Western Sydney reinforces its unwavering dedication to Western Sydney's vibrant, prosperous and sustainable transformation.

PROJECT TIMELINE



LAUNCH OF 'UNLOCKING WOMEN'S POTENTIAL: LABOUR FORCE PARTICIPATION IN WESTERN SYDNEY' REPORT

8 MARCH 2024

FUTURE INDUSTRIES ROUNDTABLE

28 MARCH 2024

FUTURE SKILLS ROUNDTABLE

29 APRIL 2024

FUTURE COMMUNITIES ROUNDTABLE

30 MAY 2024



INTERNATIONAL STUDY TOUR

2024-2025



UNLIMITED POTENTIAL REPORT LAUNCH

NOVEMBER 2024

PROJECT TEAM



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ENDNOTES

¹ Western Sydney University Indigenous Strategy 2020-2025, 2020.

² Glover, Dufty-Jones, Itaoui, Marks, Bergan, & Perrone, 2022.

³ Western Parkland City Authority, 2019.

⁴ Agrology, 2018.

⁵ Australian Government, 2018

⁶ id, 2022.

⁷ SGS Economics and Planning, 2023

⁸ NIEIR, 2022

⁹ Department of Planning and Environment, 2023

¹⁰ NIEIR, 2022

¹¹ NIEIR, 2022, this includes non-employed businesses such as sole traders.

¹² Greater Sydney Commission, 2018.

¹³ NSW Innovation and Productivity Council, 2018.

¹⁴ Duranton and Puga, 2004

¹⁵ WPCA, 2019.

¹⁶ PwC, AmCham and the Australian British Chamber of Commerce, 2022.

¹⁷ NSW Government, 2019.

¹⁸ Glover, Dufty-Jones, Itaoui, Marks, Bergan, & Perrone, 2022.

¹⁹ Marks, Itaoui, and Bergan, 2022.

²⁰ Greater Sydney Commission, 2018.

²¹ The Committee for Sydney, 2018.

²² Western Parkland City Authority, 2022.

²³ Business Council of Australia, 2023.

²⁴ Index of socio-economic disadvantage (SEIFA) ranks areas in Australia according to relative socio-economic advantage and disadvantage. The indexes are based on information from the five-yearly Census of Population & Housing.

²⁵ Itaoui, Merillees & Gerace, 2023.

²⁶ Marks, Itaoui, & Bergan, 2022; Dufty-Jones, Itaoui & Perrone, 2022.

²⁷ Greater Sydney Commission, 2018.

²⁸ NSW Innovation and Productivity Council, 2018.

²⁹ Itaoui, Merillees & Gerace, 2023.

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