



10

INDUSTRY

The industry strategic objectives seek to encourage growth and diversity in industry generally, with special emphasis on:

- creating opportunities to establish small businesses in the inner and middle suburbs
- the concentration of manufacturing in areas adjoining rail and road links.

10.1 Economic Factors

Economic factors continue to be the major influence on business activity. More intensive monitoring and investigation of industrial development and economic influences are needed if the future needs of business and industry, particularly in terms of technological changes, employment and environmental impact, are to be reflected in planning policies.

10.2 Planning Measures

Measures that can be used to achieve the objectives include:

- providing greater flexibility in land subdivision and development regulations
- encouraging nodal concentrations by means of appropriate incentives
- recycling redundant buildings
- establishing mini-factory units
- widening the definition of home occupation
- developing a new definition of home business.

10.3 Small Businesses to be Supported

The strategy will support small businesses, which are significant in the overall industrial and employment context. In Victoria in 1979 firms employing fewer than fifty people

accounted for 25 percent of people who worked in manufacturing but over 80 percent of manufacturing establishments.

Small businesses are vulnerable to economic changes, loss of trade and failure of associated companies. Indications are that almost half the manufacturing establishments in the inner and middle areas in 1968 had gone out of business by 1978. Many of these would have been small firms. This loss of 3 840 firms coincided with the loss of 68 000 jobs in the same area, equal to the total loss of manufacturing jobs in the Melbourne Statistical Division.

Support for small firms will help maintain activity in the inner and middle suburbs. Keeping up activity in these suburbs is important because of the

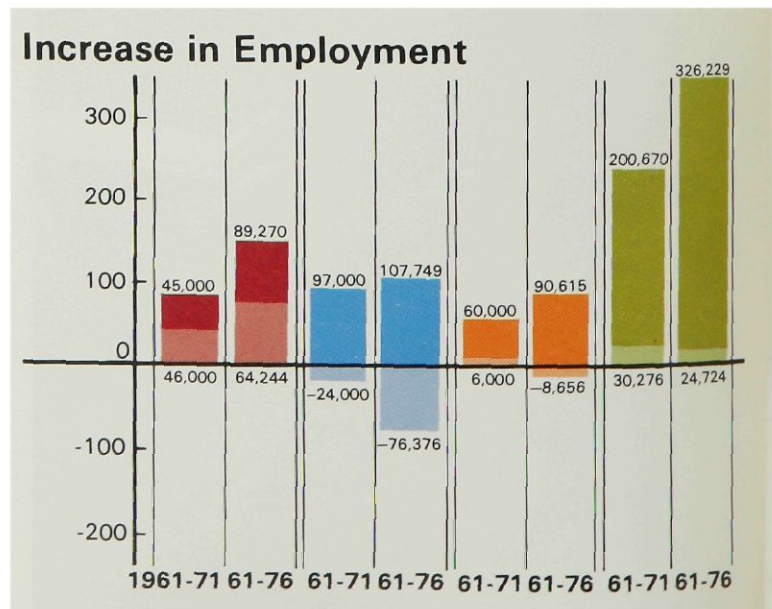
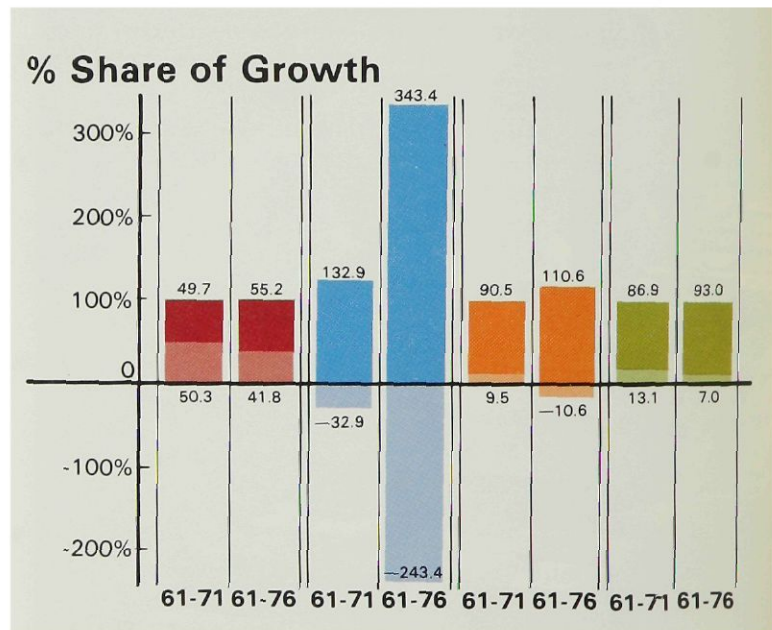
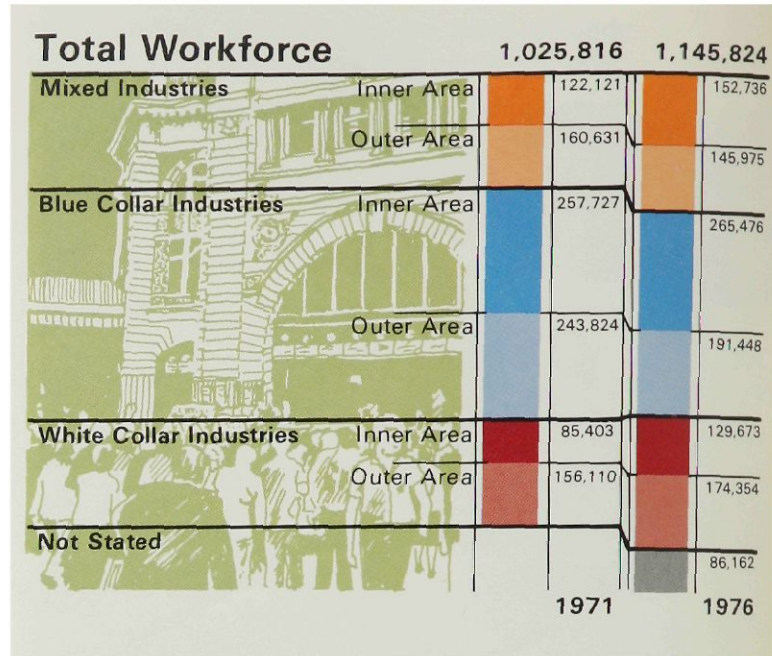
- provision of blue collar and service industry jobs
- substantial support to Melbourne's economy
- long-established complex network of relationships between businesses, employees, customers and the community at large
- large public investment in public utilities and public transport

The emphasis on small businesses in the inner and older established suburbs is consistent with there being few large sites available and little prospect of creating them. Small firms can occupy small sites or existing premises or, because of their low external impact and high performance levels, blend into non-industrial areas. Recycling of existing industrial buildings can often provide opportunities for creating small units and this will be encouraged.

10.4 Inner Areas

The inner areas traditionally provided the largest concentration of job opportunities. This is now reducing as development spreads outwards and the nature of job opportunities changes significantly. Much of this outward movement is due to the increasing need for space by individual industries.

Manufacturing employment has fallen significantly over the last 15 years and this is likely to continue. The workforce in the inner suburbs has depended heavily on manufacturing and the strategy seeks to maintain opportunities in this field by a more flexible approach to industrial development.



10.5 Outer and Fringe Areas

Most of Melbourne's growth in industry and industrial employment in the past two decades has been in outer and fringe locations. They will continue to attract large scale enterprises that need large areas of space, good access, ease of movement for goods and reduced conflict with neighbours.

Between 1961 and 1976 the share represented by outer and fringe area jobs grew from 37 percent to 58 percent of total blue collar jobs in the metropolitan area. The number of blue collar jobs in outer and fringe areas grew from 157 000 to 265 000 in the same period, while those in the inner area fell from 267 000 to 191 000.

Outer and fringe locations will continue to be available to small firms and to the larger capital, space and skill intensive firms that are better able to withstand economic ups and downs. Suitable areas lie to the north, west and south-east of Melbourne. Some are still subject to servicing constraints, but the land supply is sufficient to ensure a wide choice in location to most industries.

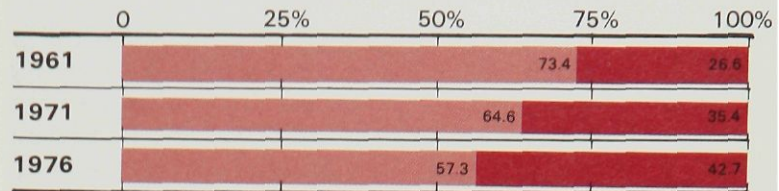
10.6 Industrial Concentrations

Concentrations of industrial activities exist in various parts of Melbourne. Intensifying these, notably near railway links or freeway entry points, would mean that more firms could benefit from improved transport and site access, industrial linkages, shared facilities, more economical servicing and automated goods movement systems. Benefits to the community would include higher employment opportunities and job diversification. The Board will give consideration to extending its preferred development area concept to industrial locations.

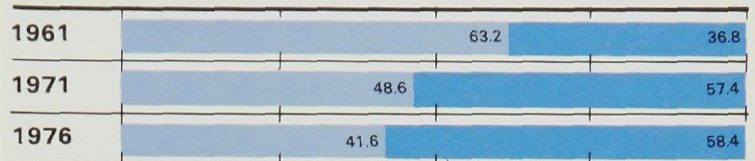
10.7 Opportunity for Industrial Development

The Metropolitan Planning Scheme specifically zones land for classes of industrial development and also allows for particular industrial uses in a range of business zones. In most industrial zones, industry appropriate to the zone can establish subject to building setbacks and provision for access and car parking. In reserved industrial zones, which apply to developing areas, the subdivision and use of land is controlled. The restricted industrial zones, as well as limiting the class of industry, control subdivision, the setback of buildings, landscaping, and provision for access and car parking, and are

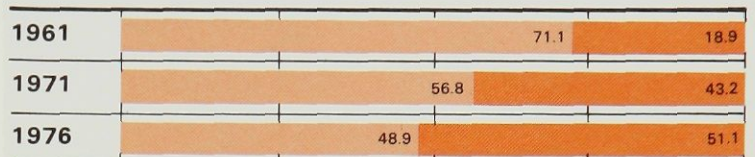
% Share of Employment



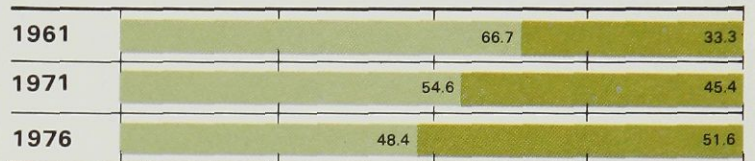
Employment in White Collar Industries



Employment in Blue Collar Industries




Employment in Mixed Industries



Total Employment

Legend:

	Inner Areas	Outer Areas
White Collar Industries		
Blue Collar Industries		
Mixed Industries		
Total		



applied to areas where local conditions warrant this type of control.

The Scheme provides a high degree of choice for industrial location. Criticism of the operation of the Scheme centres on the time taken in negotiations on detailed requirements for building bulk, car parking and landscaped areas and the lack of certainty caused by arbitrary administration of the Scheme by different councils.

Local development schemes provide a means for councils to specify their requirements for development so as to increase certainty for developers. The Board will ensure that any local development scheme clearly specifies the detailed requirements under which development can occur and, if necessary, the Board will provide a lead by amendment to the Metropolitan Planning Scheme.

