

## Planning Implementation (DELWP)

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**From:** contact@engage.vic.gov.au  
**Sent:** Tuesday, 31 December 2019 1:06 PM  
**To:** Planning Implementation (DELWP)  
**Subject:** New Form submission on Planning for Melbourne's Industrial and Commercial Land



### **New Form submission on Planning for Melbourne's Industrial and Commercial Land**

Hi planning.implementation@delwp.vic.gov.au

There has been a submission on [Planning for Melbourne's Industrial and Commercial Land](#) through Engage Victoria

A copy of the submission is provided as below:

#### **Planning principles and strategies for employment land.**

The draft Melbourne industrial and commercial land use plan includes principles and strategies to guide planning for industrial and commercial land. (page 32).

**Do you think the principles and strategies provide enough clarity and guidance to assist planning for industrial and commercial land?**

No

**If no, please let us know why and how they could be improved.**

The four principles guiding the plan are sound. However, the predominant focus on State-

Sponsored Industrial Precincts creates a de facto bias to larger-lot outer suburban industrial lands. As a result, the needs of small manufacturers may fall through the cracks. According to ABS data, about 75% of all Australian manufacturing enterprises possess 5 or fewer employees . Many of these enterprises serve Melbourne’s strong creative economy, ranging from set builders and prop makers supplying performing arts institutions to cut-and-sew contract manufacturers subcontracting their services to designers . As a result, many need close proximity to centrally located creative industries and thus seek out inner- and middle-ring industrial space. Furthermore, small manufacturing is not only reliant on advanced production technologies. Many are what we refer to as “low-tech”, “high-touch” manufacture, meaning they possess low research and development intensity and are more likely to incrementally innovate products and processes . In addition, they typically rely on skilled, labour-intensive processes and add value through design innovations over digital technologies and automation. Such manufacturers produce design-driven consumer products (e.g. furniture, clothing, jewellery and crafts), customised inputs (e.g. specialty printing, architectural fittings, event installations), and small batch food products . This contrasts with “high-tech,” advanced manufacturing, which relies more heavily on R&D expenditures and break-through innovations (e.g. computer equipment, pharmaceuticals, and aerospace manufacturing).

### **Criteria to identify regionally-significant industrial precincts.**

Plan Melbourne identifies state-significant industrial precincts. The draft Melbourne industrial and commercial land use plan identifies regionally-significant industrial precincts and includes criteria used as the basis to identify these locations (page 34).

### **Do you support the criteria developed to identify regionally-significant industrial precincts?**

Yes

**If no, please let us know why and how they could be improved.**

## **Purpose for regionally-significant industrial precincts and local industrial precincts.**

Plan Melbourne outlines a purpose for state-significant industrial precincts. The draft Melbourne industrial and commercial land use plan identifies a purpose for regionally-significant industrial precincts and local industrial precincts (page 35).

**Do you support the purpose developed for regionally-significant industrial precincts and local industrial precincts?**

No

**If no, please let us know why and how they could be improved.**

The few remaining inner and middle suburban industrial zones that such businesses rely on tend to fall under the category of “local industrial precincts,” which are essentially a patchwork of spaces assumed to support local trades and guided by local needs. As our research shows, they do much more than serve local communities and have a market share that goes beyond the local community. For example, the Carrington Road industrial precinct in Sydney’s inner west employs around 1800 people across 223 enterprises. This precinct serves pivotal back-end functions that underpin many of Sydney’s global business and cultural activities (e.g. Vivid Festival, the ABC, Sydney Mardi Gras). Moreover, despite a contraction in Australian manufacturing over recent decades, interviewees in our ongoing research in Brunswick noted a significant increase in demand for their services. Instead, they cited a lack of affordable and suitable production space as the biggest constraint on their business. This aligns with research in other Global North cities.

## **Developing local industrial land use strategies.**

Appendix 2 of the draft Melbourne industrial and commercial land use plan proposes guidance for developing local industrial land use strategies.

### **Do you have any comments or suggestions to improve the guidance for developing local industrial land use strategies?**

The “local industrial precincts” should be preserved and coordinated development planning should proceed based on the types of businesses that they support. US cities such as Chicago, Milwaukee and Portland have long maintained central “industrial sanctuaries” that prohibit residential development . Beyond this, alternative zoning mechanisms need to be developed- similar to the new C3 Zone- that allow more intensive industrial development on these industrial lands. San Francisco has been proactive in this space, developing new zoning variances and incentives aimed at leveraging real estate demand to increase the supply of modern, higher-density industrial space . Public bodies in other Global North cities including the Boston Planning and Development Agency , New York City Council , and City of Portland , have explored and implemented comparable zoning strategies. Melbourne’s “local industrial precincts” present similar opportunities for future planning strategies to deliver greater job and land use mix.

## **Key industrial and commercial areas.**

The draft Melbourne industrial and commercial land use plan identifies and describes key industrial and commercial areas for each of the six metropolitan regions (refer to Part B of the plan).

### **Have the key industrial and commercial areas been adequately identified and described**

**across the regions?**

Yes

**If no, please let us know which other area we should identify or how the areas can be better described.**

**Would you like to comment on any other aspects of the plan?**

Please refer to submission document.

**If you would like to upload a submission, please do so here.**



**I am making this submission:**

on behalf of an organisation

**Email address (Optional)**



**I agree to receive emails about my submission if required or project updates.**

Yes

**Privacy Statement - Draft Melbourne Industrial and Commercial Land Use Plan**

## **What we will do with your submission**

The Department of Environment, Land, Water and Planning (DELWP) is committed to protecting personal information provided by you in accordance with the principles of the Victorian privacy laws. The submission you provide to DELWP will be used to inform the finalisation of the Melbourne Industrial and Commercial Land Use Plan.

The information you provide will be made available to DELWP to develop a consultation report. This report will be uploaded to the Melbourne Industrial and Commercial Land Use Plan page on the DELWP website.

The contact information you provide may be used to contact you should we need to clarify your submission or to provide you with project updates.

The submission you provide will be published on the DELWP website. To protect individual privacy, DELWP will remove your name and address from your submission when we receive it.

If you do not wish to be identified, please ensure there is no other information in your submission that could identify you or other individuals.

If you are making comment as an organisation, then your comments may be published, including the name of your organisation.

De-identified submissions may be used by DELWP, or its contracted service providers under confidentiality agreements, in preparing its recommendations to government.

Please note, if you do not provide your name/email address we will not be able to identify your submission if you wish to access it, make a correction, or require technical support.

Should you need to correct the information you provided or gain access to your submission, please contact us via email at [planning.implementation@delwp.vic.gov.au](mailto:planning.implementation@delwp.vic.gov.au)

**I agree to the privacy statement**

yes

To view all of the form's submissions, visit:

<https://engage.vic.gov.au/index.php/dashboard/reports/forms/viewDetail/2373>

Regards,

The Engage Victoria Team

This is not SPAM. You are receiving this message because you have submitted feedback or signed up to Engage Victoria. If you think you have been sent this by mistake please contact us at [contact@engage.vic.gov.au](mailto:contact@engage.vic.gov.au).

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30 December 2019

Planning for Melbourne's Industrial and Commercial Land  
Department of Environment, Land, Water and Planning

Re: Submission on the future of planning for Melbourne's industrial and commercial land

To whom it may concern,

Thank you for the opportunity to provide feedback on Melbourne's industrial and commercial land strategy. We understand that the Victorian Government aims to support the state's economic performance and productivity through strategically located and viable industrial lands. Such a plan is in turn vital to support future employment and industry needs.

As researchers interested in manufacturing economies and industrial lands, we feel that the draft Melbourne Industrial and Commercial Land Use Plan has much to offer. However, we also see the plan can be strengthened particularly in its conceptualisation of and approach towards "local industrial precincts." Addressing this shortcoming would further strengthen the plan's guiding principles and strategies.

- *Do you think the principles and strategies provide enough clarity and guidance to assist planning for industrial and commercial land?*
- *Do you have any comments or suggestions to improve the guidance for developing local industrial land use strategies?*

The four principles guiding the plan are sound. However, the predominant focus on State-Sponsored Industrial Precincts creates a de facto bias to larger-lot outer suburban industrial lands. As a result, the needs of small manufacturers may fall through the cracks. According to ABS data, about 75% of all Australian manufacturing enterprises possess 5 or fewer employees<sup>1</sup>. Many of these enterprises serve Melbourne's strong creative economy, ranging from set builders and prop makers supplying performing arts institutions<sup>2</sup> to cut-and-sew contract manufacturers subcontracting their services to designers<sup>3</sup>. As a result, many need close proximity to

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<sup>1</sup> Australian Bureau of Statistics (2019). Counts of Australian Businesses, including Entries and Exits, June 2014 to June 2018 [Data set]. Canberra, Australia: Australian Bureau of Statistics. Available from <https://www.abs.gov.au/ausstats/abs@.nsf/mf/8165.0>

<sup>2</sup> For instance, Onset Arts, <http://www.onsetarts.com.au/>; see also Gibson, C., Grodach, C., Lyons, C., Crosby, A., & Brennan-Horley, C. (2017). *Made in Marrickville Enterprise and cluster dynamics at the creative industries-manufacturing interface, Carrington Road precinct* (Research Report No. DP170104255-2017/02). Available from <http://www.urbanculturalpolicy.com/publications/>

<sup>3</sup> <https://ethicalclothingaustralia.org.au/manufacturers/>

centrally located creative industries and thus seek out inner- and middle-ring industrial space<sup>4</sup>.

Furthermore, small manufacturing is not only reliant on advanced production technologies. Many are what we refer to as “low-tech”, “high-touch” manufacture, meaning they possess low research and development intensity and are more likely to incrementally innovate products and processes<sup>5</sup>. In addition, they typically rely on skilled, labour-intensive processes and add value through design innovations over digital technologies and automation. Such manufacturers produce design-driven consumer products (e.g. furniture, clothing, jewellery and crafts), customised inputs (e.g. specialty printing, architectural fittings, event installations), and small batch food products<sup>6</sup>. This contrasts with “high-tech,” advanced manufacturing, which relies more heavily on R&D expenditures and break-through innovations (e.g. computer equipment, pharmaceuticals, and aerospace manufacturing)<sup>7</sup>.

The few remaining inner and middle suburban industrial zones that such businesses rely on tend to fall under the category of “local industrial precincts,” which are essentially a patchwork of spaces assumed to support local trades and guided by local needs. As our research shows, they do much more than serve local communities and have a market share that goes beyond the local community. For example, the Carrington Road industrial precinct in Sydney’s inner west employs around 1800 people across 223 enterprises<sup>8</sup>. This precinct serves pivotal back-end functions that underpin many of Sydney’s global business and cultural activities (e.g. Vivid Festival, the ABC, Sydney Mardi Gras). Moreover, despite a contraction in Australian manufacturing over recent decades, interviewees in our ongoing research in Brunswick noted a significant increase in demand for their services. Instead, they cited a lack of affordable and suitable production space as the biggest constraint on their business. This aligns with research in other Global North cities<sup>9</sup>.

The “local industrial precincts” should be preserved and coordinated development planning should proceed based on the types of businesses that they support. US cities

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<sup>4</sup> Martin & Grodach (forthcoming). Remapping arts and cultural industries: Placing manufacturing in urban cultural policy. *Manuscript under review*. Available on request.

<sup>5</sup> Grodach and Martin (2019). Zoning in on urban manufacturing: Industry location and change among low-tech, high-touch industries in Melbourne, Australia. Available from [https://www.monash.edu/\\_data/assets/pdf\\_file/0019/1872100/Grodach\\_Martin\\_Zoning\\_Mfg\\_DRAFT.pdf](https://www.monash.edu/_data/assets/pdf_file/0019/1872100/Grodach_Martin_Zoning_Mfg_DRAFT.pdf)

<sup>6</sup> Grodach, C., O'Connor, J., & Gibson, C. (2017). Manufacturing and cultural production: Towards a progressive policy agenda for the cultural economy. *City, Culture and Society*, 10(1), 17-25. Available from <https://doi.org/10.1016/j.ccs.2017.04.003>

<sup>7</sup> Australian Bureau of Statistics. (2015a). *Summary of IT use and innovation in selected growth sectors, Australia, 2013-14*. Canberra, Australia: Australian Bureau of Statistics. Available from

<http://www.abs.gov.au/ausstats/abs@.nsf/Latestproducts/8166.0.80.001Main%20Features22013-14?opendocument&tabname=Summary&prodno=8166.0.80.001&issue=2013-14&num=&view>

<sup>8</sup> Gibson et al. (2017), op. cit.

<sup>9</sup> Curran, W. (2010). In defense of old industrial spaces: Manufacturing, creativity and innovation in Williamsburg, Brooklyn. *International Journal of Urban and Regional Research*, 34(4), 871-885; SF Made, Mayor’s Office of Civic Innovation, & Office of Economic and Workforce Development. (2016). *Make to manufacture: Advanced manufacturing playbook*. Available from <http://www.sfmade.org/blog/make-to-manufacture-advanced-manufacturing-playbook/>

such as Chicago, Milwaukee and Portland have long maintained central “industrial sanctuaries” that prohibit residential development<sup>10</sup>. Beyond this, alternative zoning mechanisms need to be developed- similar to the new C3 Zone- that allow more intensive *industrial* development on these industrial lands. San Francisco has been proactive in this space, developing new zoning variances and incentives aimed at leveraging real estate demand to increase the supply of modern, higher-density industrial space<sup>11</sup>. Public bodies in other Global North cities including the Boston Planning and Development Agency<sup>12</sup>, New York City Council<sup>13</sup>, and City of Portland<sup>14</sup>, have explored and implemented comparable zoning strategies. Melbourne’s “local industrial precincts” present similar opportunities for future planning strategies to deliver greater job and land use mix.

Regards,

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<sup>10</sup> <https://www.portlandoregon.gov/bps/article/491196>

<sup>11</sup> Grodach, C., & Martin, D. (2019). San Francisco: A new model of sustainable industrial land use. In S. Darchen & G. Searle (Eds.), *Global planning innovations for urban sustainability*. New York: Routledge.

<sup>12</sup> Boston Planning and Development Agency (2017). “Raymond Flynn Marine Park master plan update”. Available from [www.bostonplans.org/planning/planning-initiatives/raymond-flynn-marine-park-master-plan-update](http://www.bostonplans.org/planning/planning-initiatives/raymond-flynn-marine-park-master-plan-update)

<sup>13</sup> New York City Council (2014). “Engines of opportunity: Reinvigorating New York City’s manufacturing zones for the 21st century”. Available from <http://167.153.240.175/downloads/pdf/NYEO.pdf>

<sup>14</sup> City of Portland (2015). “Central City 2035 Southeast Quadrant Plan”. Available from <https://www.portlandoregon.gov/bps/68508>