

Urban Development Program



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Regional
Industrial
Report

Shire of
Southern
Grampians



Department of
Transport, Planning and
Local Infrastructure

ACKNOWLEDGEMENTS

This Urban Development Program was undertaken by Spatial Economics Pty Ltd, and commissioned by the Department of Transport, Planning and Local Infrastructure. The Urban Development Program (Southern Grampians) would not have been possible if it were not for the invaluable contribution made by staff from the Shire of Southern Grampians and the Department of Transport, Planning and Local Infrastructure's Barwon South West Regional Office.

Published by the Urban Development Program
Department of Transport, Planning and Local Infrastructure
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September 2013

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Urban Development Program, State of Victoria through the Department of Transport, Planning and Local Infrastructure 2013

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EXECUTIVE SUMMARY

The Urban Development Program for Regional Victoria provides an analysis of supply and demand for residential and industrial land across parts of regional Victoria. Assessments completed to date include the municipalities of Ballarat, Greater Bendigo, Latrobe and Wodonga, Wangaratta, Greater Shepparton, Warrnambool, Horsham and Mildura. Industrial land supply assessments for the G21 consortium of councils are available on the G21 Regional Growth Plan - Implementation Plan website.

Additional land supply assessments undertaken for the municipalities of Bass Coast, Baw Baw, Macedon Ranges, Mitchell, Moorabool, Mount Alexander, Moyne and South Gippsland are also near completion.

This round of land supply assessments include the municipal areas of: Wellington, Southern Grampians, Ararat, Swan Hill, Campaspe, East Gippsland, Glenelg and Benalla.

This component provides information on industrial supply and demand for the Shire of Southern Grampians.

The following industrial land supply assessment was undertaken by Spatial Economics Pty Ltd and commissioned by the Department of Transport, Planning and Local Infrastructure in conjunction with the Shire of Southern Grampians.

The report draws on information and feedback obtained through a number of comprehensive consultations with key council officers and Department of Transport, Planning and Local Infrastructure regional officers undertaken through the course of the project.

SUPPLY OF INDUSTRIAL LAND

As at December 2012, there was a total of 404 hectares zoned industrial land stock, of which 236 hectares were assessed as available (supply) for industrial purpose development - a total land area vacancy rate of 59%.

There are no sites identified as future (unzoned) industrial land in the Shire of Southern Grampians.

In terms of the geographic spread of zoned industrial land stocks across the Shire of Southern Grampians the majority of land is in Hamilton with 354 hectares or 88% of the municipality's industrial land. The remainder of the industrial land is in Coleraine with 50 hectares of industrial land.

RECENT ACTIVITY

From July 2006 to December 2012 there were a total of 36 zoned industrial land subdivisions, all of which were located in the urban area of Hamilton. The majority (64%) of subdivisions resulted in industrial allotments sized less than 0.5 hectares.

From July 2006 to June 2012 there was an estimated total value of industrial building approval activity of approximately \$7.7 million or an average of \$1.3 million per annum. Of this estimated construction value, 51% was for factory construction, the residual for warehouse construction.

CONSUMPTION

From 2003 to 2012 on an average annual basis, 2.4 hectares per annum of industrial land has been consumed. The level of consumption by area includes:

- 0.4 hectares per annum – Coleraine; and
- 2 hectares per annum – Hamilton.

YEARS OF SUPPLY

In total, there is in excess of 15 years industrial zoned land across the Shire of Southern Grampians based on the average annual rate of land consumption in the period 2003 to 2012.

At a township level the estimated years of industrial land supply based on historic consumption rates include:

- Coleraine – 15+ years; and
- Hamilton – 15+ years.

Conclusion and Current Actions

In summary there is an adequate stock of zoned industrial land stocks to meet future demand across the Shire of Southern Grampians, based on recent consumption rates. Although there are currently no future (or unzoned) stocks identified, there are sufficient stocks of zoned land to meet longer term demand. Consumption of industrial land, however, should continue to be monitored to ensure there are sufficient land stocks to meet future demand.

In 2012, Southern Grampians Shire Council prepared Structure Plans for both Hamilton and Dunkeld. These Plans provide an overall direction to plan future growth and manage change of these settlements, and help ensure there are adequate stocks of residential and industrial land for longer term demand. The Hamilton Structure Plan has been included in the Southern Grampians Planning Scheme, while the Dunkeld Structure Plan is currently subject to a planning scheme amendment (C29). The Urban Development Program for Southern Grampians is reflective of these Structure Plans, in identifying opportunities for residential and industrial development within these key settlements, as well as for the remainder of the municipality.

1.0 INTRODUCTION

1.1 PURPOSE AND CONTEXT

The Urban Development Program was set up in 2003 to assist in managing the growth and development of metropolitan Melbourne and the Geelong region, and help ensure the continued sustainable growth of these areas in order to maintain their high levels of liveability.

The primary purpose of the Urban Development Program is to improve the management of urban growth by ensuring that government, councils, public utilities and the development industry have access to up-to-date and accurate information on residential and industrial land availability, development trends, new growth fronts, and their implications for planning and infrastructure investment.

To achieve the primary purpose the Urban Development Program provides accurate, consistent and updated intelligence on residential and industrial land supply, demand and consumption. This in turn assists decision-makers in:

- maintaining an adequate supply of residential and industrial land for future housing and employment purposes;
- providing information to underpin strategic planning in urban centres;
- linking land use with infrastructure and service planning and provision;
- taking early action to address potential land supply shortfalls and infrastructure constraints; and
- contributing to the containment of public sector costs by the planned, coordinated provision of infrastructure to service the staged release of land for urban development.

The information contained and reported within the Urban Development Program enables early action to be taken in areas where land shortfalls have been identified.

1.2 PROGRAM CONTEXT

During 2009-2010, the Urban Development Program was expanded across key provincial areas across regional Victoria, and is incrementally being rolled out across the State. Assessments completed to date include the municipalities of Ballarat, Greater Bendigo, Latrobe and Wodonga, Wangaratta, Greater Shepparton, Warrnambool, Horsham and Mildura. Industrial land supply assessments for the G21 consortium of councils are available on the G21 Regional Growth Plan - Implementation Plan website.

Additional land supply assessments undertaken for the municipalities of Bass Coast, Baw Baw, Macedon Ranges, Mitchell, Moorabool, Mount Alexander, Moyne and South Gippsland are also near completion.

This round of land supply assessments include the municipal areas of: Wellington, Southern Grampians, Ararat, Swan Hill, Campaspe, East Gippsland, Glenelg and Benalla.

The expanded Urban Development Program into regional Victoria will build local and regional data bases and, importantly, provide a platform for mapping and spatial analysis in each region. This will in turn allow councils and other key stakeholders in the planning and development sectors to make more informed decisions in the growth and investment of these key areas across regional Victoria.

The industrial and residential land supply assessments were undertaken by Spatial Economics Pty Ltd, and commissioned by the Department of Planning and Community Development in conjunction with the associated councils.

1.3 URBAN DEVELOPMENT PROGRAM REPORTS

The 2013 Urban Development Program Reports for Wellington, Southern Grampians, Ararat, Swan Hill, Campaspe, East Gippsland, Glenelg and Benalla, as well as additional Regional Reports and the metropolitan Urban Development Program Annual Report, are available online at

www.dpcd.vic.gov.au/urbandevelopmentprogram

For more information about the Urban Development Program, email the Department of Planning and Community Development at urbandevelopment.program@dpcd.vic.gov.au

2.0 APPROACH & METHODOLOGY

For the purposes of the Regional Urban Development Program, land is either zoned for industrial purposes or identified for future industrial use.

Industrial land identified by the Regional Urban Development Program includes land within the Industrial 1 Zone (IN1Z), Industrial 2 Zone (IN2Z), Industrial 3 Zone (IN3Z) and Business 3 Zone (now Commercial 2 Zone) as well as land that have been identified for future industrial development by the relevant Council.

In addition, where appropriate land zoned Special Use (SUZ) has been included i.e. the specific purpose of the zone is to recognise or provide for the use and development of land to support industrial type uses.

The IN1Z is the most commonly used industrial zone. The Industrial 2 Zone is designed for heavy industrial uses.

The IN3Z is a specialised zone that focuses on the needs of light industry, while the Business 3 Zone (now Commercial 2 Zone) is aimed at facilitating the needs of industries with a high office based component.

Assessments of land supply are dependent on the availability of aerial imagery. The most current imagery available for this assessment was taken during the summer of 2009/2010.

Information is presented at both a Local Government Area (LGA) and major industrial regions (typically at a township level).

Note that for the purposes of this report the regional component of the expanded Urban Development Program is referred to as the 'Regional Urban Development Program'.

METHODOLOGY FOR ASSESSING INDUSTRIAL LAND STOCKS

Industrial land data is collected and assessed using lot boundary, planning scheme information and aerial imagery. Additional information on the status of specific sites is gathered through stakeholder consultation, primarily discussions with relevant Council officers.

Industrial land supply and consumption data presented as part of the Regional Urban Development Program is based on aerial photography completed in 2009 and updated to December 2012 via the consultation process. Information relating to zoning, overlays and other planning matters relates to the same period.

IDENTIFYING LAND STOCK

Industrial land stock includes all zoned industrial land within the municipality as well as land that have been identified by Council for future industrial development (unzoned stock).

In determining zoned land stock, each zoned industrial land parcel is assessed as either:

- *Supply* – zoned industrial land classified as available for industrial development. This includes land that is vacant, disused or assigned to marginal non-industrial uses with little capital value, such as farm sheds.
- *Unavailable* – zoned industrial land classified as unavailable for industrial development. This includes land already occupied by industrial uses, construction sites, major infrastructure, capital intensive farming operations, established

residential premises or where it is known that the owner has strong intentions not to develop the land in the medium to long term.

In instances where industrial land was in the process of being approved for rezoning to another use (for example a Business, Residential or Mixed Use Zone) and, based on Council feedback, the land is identified as unavailable.

In several instances discrete parcels of land (within one title) have been created to demonstrate a high degree of availability for development on a particular site. For example, where there is a significant area of land with a specific use operating from a small portion of the land and it is understood the balance of the land is regarded as a potential development site, the title area has been split to show the occupied and vacant components of the land. This has been undertaken where these instances have been identified by the relevant Council officer.

ASSESSING THE STOCK OF INDUSTRIAL LAND

For all industrial land, each individual parcel is recorded with its size and the applicable zone. This enables an assessment of the overall or gross stock of land either as unavailable or available as supply. Subsequently, a further assessment is conducted to determine a net measure of supply ('net developable area').

Using a net measure of industrial land supply provides a more accurate basis for determining adequacy, as it measures the likely area available for development after accounting for local roads, open space, infrastructure requirements and environmental considerations. This varies from locality to locality, depending on site and regional-specific issues.

During 2008, the Department of Sustainability and Environment released maps indicating the location and extent of significant native vegetation across Victoria utilising satellite imagery. These maps were used as part of the assessment in determining the estimated net developable area.

Where native vegetation mapping indicated a classification of 'high' or 'very high' against vacant zoned land or land identified for future industrial purposes, the area impacted was removed from the gross area of land supply.

Further higher level (or regional) take outs were removed from larger key parcels of vacant zoned land or from land identified for future industrial development. This was carried out in consultation with the relevant Council.

Finally, the total area of remaining vacant land was separated into parcels of differing gradients of size to allow for local discounts (specifically for local roads and open space). This was done through both consultation and by calculating typical take out rates for such factors from recently completed development.

Discount factors (at each level) differ between municipalities depending on a variety of factors, specifically local geography.

CALCULATING CONSUMPTION

To determine consumption based trends, the Regional Urban Development Program has examined available aerial photography between specific periods. Given the limited availability of photography, for each municipality at least two prior periods (years) have been assessed using the methodology outlined above (i.e. assessing each lot as either 'unavailable or 'supply').

In comparing the extent to which consumption has occurred land has been 'back cast' against previous periods to ensure like for like areas have been compared. This has been done to ensure that the effect of the rezoning of new industrial land or the rezoning of

industrial land to non-industrial uses does not distort the actual consumption that has occurred between periods.

Industrial land consumption for Campaspe was calculated from aerial imagery capture dates at 2006 and 2009. Consumption of industrial land was updated to December 2012 via the consultation process.

YEARS OF SUPPLY

The number of 'years of supply' is measured by dividing estimates of the net developable of both zoned and unzoned areas by the average annual rate of industrial land consumption.

3.0 OVERVIEW

Over 6,600 square kilometres taking in the majestic Grampians National Park, extinct volcanos, reliable rainfall and 466,000 hectares of some of the most fertile land under production in Australia, the Southern Grampians is endowed with enviable natural assets, boasting:

- An agricultural sector worth around \$220 million per year at almost twice the profit per hectare as the State average;
- A state-of-the-art mineral sands processing plant producing 375,000 tonnes of rutile and zircon for export each year;
- A daily, scheduled air service to Melbourne and Adelaide;
- One of Victoria's most beautiful places in the Grampians National Park;
- Over 34,000 hectares of timber ready for harvest;
- Major wind farm developments, including the biggest in the Southern Hemisphere on our southern boundary;
- One of the most successful livestock exchanges in the country;
- The nationally regarded Hamilton Art Gallery;
- An abundance of education, recreation and health facilities and services; and
- A Council and community looking for new investors and residents to share in the growth.¹

Regional Councils require an adequate supply of industrial land for jobs and services, such as manufacturing, service uses, logistics and warehousing to support continued economic development. The Urban Development Program for Regional Victoria provides the State Government and other stakeholders with a strategic overview of the supply and demand of industrial land across key regional Victorian cities.

The following industrial land supply assessment for the Shire of Southern Grampians is presented in a number of sections. These include:

- An assessment of industrial building approval activity by location (Statistical Local Area) in terms of both volume and value. This includes the breakdown of factory and warehouse building approvals from July 2006 to July 2012;
- Presentation of all net industrial land subdivision activity by resultant lot size distribution from July 2006 to December 2012;
- A detailed presentation of existing industrial land stocks in terms of:
 - Stock by zone type
 - Future (unzoned) stock
 - Lot size configuration and area
 - Supply/unavailable stock
 - Net developable area
- Summary of industrial land consumption i.e. built form construction on vacant industrial allotments from December 2003 to December 2012. This is expressed as average annual land consumption (hectares). This forms the basis of projecting future demand for industrial land and therefore the assessment of supply adequacy;

¹Southern Grampians Economic Development Strategy, 2011

- An assessment of adequacy of industrial land supply, expressed in years of supply by zone type/future and location. This is also expressed in terms of accelerated growth assumptions of industrial land consumption. Concluding commentary regarding the adequacy of industrial stock by zone type and lot size is included;
- Concluding commentary regarding any major impediments to the supply of industrial land to the market i.e. anti-competitive behaviour, provision of land development dependent infrastructure; and
- Detailed maps of all industrial land stocks by status and zone type.

4.0 BUILDING APPROVAL ACTIVITY

A variety of factors influence the level of industrial building activity. In regional locations the key factors include:

- the investment and business activity behaviour of the private sector;
- trends in the global and local economy;
- the availability of credit and borrowings for business decisions such as a decision to make a capital investment in property for a business;
- levels of land supply in the area;
- economic activity within the region; and
- the degree to which other regional centres compete for investment.

The following provides an overview of Industrial Building Approval activity within the Shire of Southern Grampians from July 2006 to June 2011 for the number of industrial building approvals. The estimated value of Building Approval activity for Southern Grampians is from July 2006 to June 2012.

From 2006 to 2011 there was on an average annual basis five industrial building approvals, the majority (87%) of which were located within the Hamilton Statistical Local Area (SLA). Of these industrial building approvals, 56% (13) were for factory construction and the remaining 10 approvals were for warehouse construction. Table 1, summarises the volume of total industrial building approval activity by year and SLA.

Table 1: Total Number of Industrial Building Approvals by Year

SLA/LGA	2006-07	2007-08	2008-09	2009-10	2010-11
S. Grampians (S) - Hamilton	5	5	7	2	1
S. Grampians (S) - Wannon	0	0	0	0	0
S. Grampians (S) Bal	1	0	1	1	0
S. Grampians LGA	6	5	8	3	1

Note: From June 2010 the ABS only report industrial building approvals at an LGA level.

Source: Australian Bureau of Statistics

Table 2 summarises the estimated construction value of industrial building approvals activity. In total there was an estimated total value of approximately \$7.7 million or an average of \$1.3 million per annum. Of this estimated construction value, 51% was for factory construction, the residual for warehouse construction.

Table 2: Value (\$) of all Industrial Building Approvals by Year

SLA/LGA	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12
S. Grampians (S) - Hamilton	686,000	1,052,000	1,896,000	268,000	200,000	n.a.
S. Grampians (S) - Wannon	0	0	0	0	0	n.a.
S. Grampians (S) Bal	1,200,000	0	90,000	223,000	0	n.a.
S. Grampians LGA	1,886,000	1,052,000	1,986,000	491,000	200,000	2,060,125

Note: From June 2010 the ABS only report industrial building approvals at an LGA level.

Source: Australian Bureau of Statistics

5.0 INDUSTRIAL SUBDIVISION ACTIVITY

Detailed analysis of the cadastral database across industrial zoned areas across Southern Grampians was undertaken to establish the location, volume and resultant lot size of industrial subdivision activity. Table 3 summarises the results of this analysis.

From July 2006 to December 2012 there were a total of 36 zoned industrial land subdivisions, all of which were located in the urban area of Hamilton.

The majority (64%) of subdivisions resulted in industrial allotments sized less than 0.5 hectares. Of the 36 recently constructed industrial lots, 8 remain vacant as at December 2012.

Table 3: Number of Industrial Subdivisions by Lot Size, 2006 to 2012¹

Region/LGA	Less than 0.1 ha	0.1 to 0.5 ha	0.5 to 1 ha	1 to 5 ha	5 to 10 ha	10+ ha	Total Lots
Hamilton	2	21	7	6	0	0	36
Southern Grampians Total	2	21	7	6	0	0	36

Source: Spatial Economics Pty Ltd and (former) Department of Planning and Community Development 2013
1: Subdivision from July 2006 to December 2012

6.0 INDUSTRIAL LAND STOCKS

The following section of the report provides an overview of:

- existing zoned industrial land stocks;
- identified future (unzoned) industrial land stocks;
- stock of available (supply) and unavailable industrial land stocks;
- lot size distribution; and
- estimated net developable area.

The industrial land market across the Shire of Southern Grampians is located in Hamilton and Coleraine. Hamilton has three industrial precincts, the major one to the south of the town and two smaller precincts to the east and northwest of town. Coleraine has two industrial precincts both abutting the Glenelg Highway to the east and west of town.

6.1 INDUSTRIAL LAND STOCKS - AREA

As at December 2012, there was a total of 404 hectares zoned industrial land stock, of which 236 hectares were assessed as available (supply) for industrial purpose development. This quantum of zoned industrial supply relative to unavailable industrial land stocks equates to a total land vacancy rate of 59%. Table 4 summarises the gross area of industrial land stocks by status across the Shire of Southern Grampians.

In terms of the geographic spread of zoned industrial land stocks across the Shire of Southern Grampians the majority of land is in Hamilton with 354 hectares or 88% of the municipality's industrial land. The remainder of the industrial land is in Coleraine with 50 hectares of industrial land.

The land area vacancy rate is 57% in Hamilton and 70% in Coleraine. Just over three quarters of the industrial land in the Shire of Southern Grampians is zoned industrial 1 with the remainder (96 hectares zoned industrial 2).

There are no sites identified as future (unzoned) industrial land in the Shire of Southern Grampians.

Table 4: Gross Area (hectares) of Industrial Land Stocks, 2012

Region/LGA	IN1Z			IN2Z			Total Zoned Stocks		
	Unavailable	Supply	Land Area Vacancy Rate %	Unavailable	Supply	Land Area Vacancy Rate %	Unavailable	Supply	Land Area Vacancy Rate %
Coleraine	14.9	35.1	70%	0	0	0%	14.9	35.1	70%
Hamilton	152.6	104.9	41%	0	96.1	100%	152.6	201.0	57%
Southern Grampians Total	167.5	140.0	46%	0	96.1	100%	167.5	236.1	59%

Source: Spatial Economics Pty Ltd and Department of Planning and Community Development 2013

Note: Total zoned industrial stocks exclude SUZ land.

6.2 INDUSTRIAL LAND STOCKS – LOT SIZE DISTRIBUTION

Table 5 below details the number of zoned industrial lots by selected lot size cohorts. As at December 2012, there was a total of 238 zoned industrial allotments, of which 40 lots were identified as available supply.

Hamilton has 221 industrial lots with 30 identified as supply. Of these 30 lots 16 are between 1 and 5 hectares with 6 lots greater than 5 hectares. Coleraine 17 lots with 10 identified as supply. Four of these lots are larger than 5 hectares with no lots available below 0.5 hectare.

Table 5: Number of Industrial Allotments by Lot Size Cohort, 2012

Region/LGA	Less than 0.1 hectares		0.1 to 0.5 hectares		0.5 to 1 hectares		1 to 5 hectares		5 to 10 hectares		10+ hectares		Total Lots	
	Unavailable	Supply	Unavailable	Supply	Unavailable	Supply	Unavailable	Supply	Unavailable	Supply	Unavailable	Supply	Unavailable	Supply
Coleraine	0	0	2	0	2	3	2	3	1	4	0	0	7	10
Hamilton	24	0	107	4	35	4	16	16	7	3	2	3	191	30
Southern Grampians	24	0	109	4	37	7	18	19	8	7	2	3	198	40

Source: Spatial Economics Pty Ltd and (former) Department of Planning and Community Development 2013

6.3 SUPPLY OF INDUSTRIAL LAND

As previously outlined there was, at December 2012, 236 gross hectares of zoned industrial land supply and no land identified for future industrial development (unzoned).

Of this identified supply, there will be a proportion of land not available for development. Such land development take-outs include, but not limited to include: local and regional roads, supporting infrastructure, open space requirements, native vegetation, excessive slope and other environmental constraints (water-ways). Land development take-outs vary by site and particularly the size of the allotment

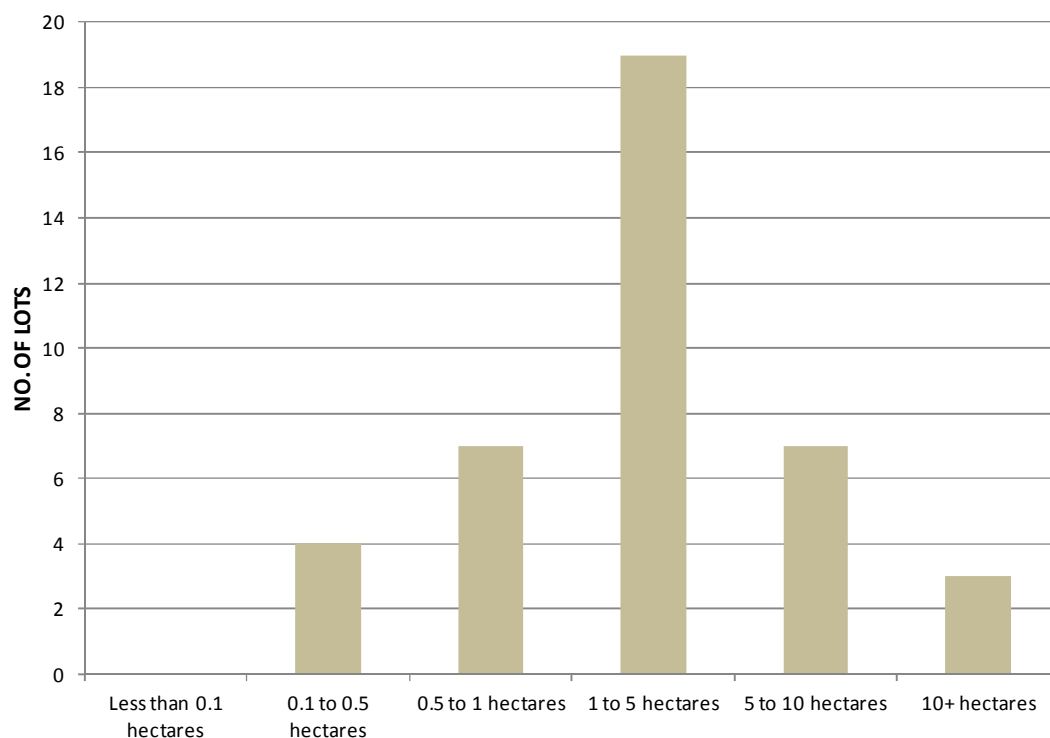
Specific land development take-outs have been assessed on a parcel by parcel basis and results in an estimate of the net developable area i.e. the area available for actual industrial site development.

In total for zoned industrial land supply across the municipality there is approximately 171 net developable hectares.

The graph below illustrates the supply of industrial allotments by selected lot size cohort. Nearly half (19) of the allotments identified as supply are between 1 and 5 hectares. This does not reflect the distribution of recent consumption, subdivision and occupied industrial lot status across the municipality. Over half of the occupied lots (109) are sized between 0.1 and 0.5 hectares.

Given recent consumption rates this is sufficient for both the potential for large industrial land users and/or for further subdivision into smaller allotments.

Graph 1: Number of Industrial Lots (Supply) by Lot Size Range, 2012



Source: Spatial Economics Pty Ltd and Department of Planning and Community Development 2013

Note: Excludes SUZ land.

From 2006 to 2011 there was on an average annual basis five industrial building approvals, the majority (87%) of which were located within the Hamilton Statistical Local Area (SLA). Of these industrial building approvals, 56% (13) were for factory construction and the remaining 10 approvals were for warehouse construction.

From July 2006 to December 2012 there were a total of 36 zoned industrial land subdivisions, all of which were located in the urban area of Hamilton. Of the 36 recently constructed industrial lots, 8 remain vacant as at December 2012.

As at December 2012, there was a total of 404 hectares zoned industrial land stock, of which 236 hectares were assessed as available (supply) for industrial purpose development - a total land vacancy rate of 59%.

In terms of the geographic spread of zoned industrial land stocks across the Shire of Southern Grampians the majority of land is in Hamilton with 354 hectares or 88% of the municipality's industrial land. The remainder of the industrial land is in Coleraine with 50 hectares of industrial land.

Given the land area vacancy rates and the volume in terms of total area of zoned industrial land supply that across the Shire of Southern Grampians there is no identified shortfall of industrial land.

However, there may be a requirement for additional industrial land for 'strategic purposes' in other smaller townships/settlements where there is currently no identified supply.

Relatively there is minimal supply of smaller zoned industrial lots across the municipality. However, there are significant larger lots that are suitable for further subdivision within the existing major industrial land precincts.

7.0 CONSUMPTION OF INDUSTRIAL LAND

Detailed analysis of existing and historic aerial imagery combined with zoning and cadastral information from 2003 to 2009 has been used to establish the consumption of industrial land. From 2009 to 2012, consumption of industrial land has been supplemented with 'intelligence' gathered from consultation with council and DTPLI regional officers.

Consumption of industrial land refers to the construction on or use of previously unoccupied industrial land over-time.

From this assessment the consumption of industrial land can be established by location, lot size and zoning. Consumption of industrial land is used as the primary indicator of future demand for industrial land and therefore the number of years of supply can be established.

From 2003 to 2012 on an average annual basis, 2.4 hectares per annum of industrial land has been consumed. The level of consumption by area includes:

- 0.4 hectares per annum – Coleraine; and
- 2 hectares per annum – Hamilton.

8.0 YEARS OF SUPPLY - INDUSTRIAL LAND

The number of 'years of supply' is measured by dividing estimates of the net developable area by the average annual rate of industrial land consumption.

Table 6 below summarises the estimated years of supply by location and supply type.

Firstly, identifying the future location and amount of consumption of industrial land is an uncertain task. Current levels of consumption are used as an indication of the adequacy of industrial land supply. However, the level and location of future consumption may change due to:

- the investment and business activity behaviour of the private sector;
- trends in the global economy;
- propensity for certain activities to agglomerate;
- directions in technology;
- population/employment trends;
- environmental impacts and adaptation; and
- social attitudes.

In total, there is in excess of 15 years industrial zoned land across the Shire of Southern Grampians based on the average annual rate of land consumption in the period 2003 to 2012.

Table 6: Years of Supply of Industrial Land Stocks

Region/LGA	Estimated Net Developable Area (hectares)			Years of Supply		
	IN1Z	IN2Z	Zoned Total	IN1Z	IN2Z	Zoned Total
Coleraine	27	0	27	15+	n.a.	15+
Hamilton	77	67	144	15+	n.a.	15+
Southern Grampians LGA	103	67	171	15+	n.a.	15+

Source: Spatial Economics Pty Ltd and Department of Planning and Community Development 2013

At a township level the estimated years of industrial land supply based on historic consumption rates include:

- Coleraine – 15+ years; and
- Hamilton – 15+ years.

Historical industrial land consumption is a sound base to assess future consumption of industrial land consumption. However, economic/employment activity can and will invariably change. Specifically, as local resident population increases so will the requirement for additional employment land to 'service' the resident population needs. In addition, there is always the likelihood of 'export' related industry development that would require additional industrial land. Due to this uncertainty relating to forecasting industrial land requirements two demand scenarios and related adequacies are presented, namely a 25% and 50% increase in the demand for industrial land.

Using sensitivity analysis to allow for increased demand for industrial land; two scenarios are given for a 25% increase and a 50% increase in historical demand. Even with these increases

in demand, there is still 15+ years of supply of both zoned industrial land. For all the other towns there are 15+ years of supply under both scenarios.

GLOSSARY OF TERMS

FUTURE INDUSTRIAL LAND

Land identified by the relevant municipal authority for future industrial development and current zoning not supportive of industrial development. Land which is has an 'Urban Growth Zone' applied, and where a precinct structure plan has not yet been approved, may also fall into this category.

GROSS INDUSTRIAL LAND AREA

Measures the area of industrial land at a cadastral lot/parcel level.

LOCAL GOVERNMENT AREA (LGA)

A geographical area that is administered by a local council.

LOT (INDUSTRIAL)

Discrete area of land defined by a parcel boundary identified in the Vicmap Property Database. Each lot has an associated land title, and is either zoned for industrial purposes or identified for future industrial use.

NET INDUSTRIAL LAND SUPPLY

Measures the estimated area available for industrial development after accounting for local roads, open space, infrastructure and environmental considerations.

PRECINCT STRUCTURE PLANS

In the Urban Growth Zone (UGZ), the precinct structure plan (PSP) is the key document that triggers the conversion of non-urban land into urban land. A precinct structure plan is a long-term strategic plan that describes how a precinct or a series of sites will be developed.

STATISTICAL LOCAL AREA (SLA)

A geographical area created by the Australian Bureau of Statistics for statistical purposes. Victoria is divided into 200 SLAs. SLAs may be the same as an LGA or in most cases several SLAs aggregate to form LGAs.

SUBURB (AUSTRALIAN BUREAU OF STATISTICS)

This is a census-specific area where Collection Districts are aggregated to approximate suburbs.

SUPPLY (INDUSTRIAL LAND)

Zoned industrial land classified as suitable for industrial development. This includes land that is vacant, disused or assigned to marginal non-industrial uses with little capital value, such as farm sheds or vehicle storage.

UNAVAILABLE (INDUSTRIAL LAND)

Zoned industrial land classified as unavailable for industrial development. This includes land already occupied by industrial uses, construction sites, major infrastructure, intensive farming operations, established residential premises or where ownership development intentions indicate the land will not be developed in the foreseeable future.

