

# Technical Report 4

## RYDE URBAN VILLAGES STUDY:

Economic Development Issues

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March 1995



*Australian Centre for Innovation and International Competitiveness Limited*

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## **1.0 PURPOSE**

The purpose of this progress report is to outline the findings to date of the analysis undertaken on the economic development issues of the Ryde Urban Village Concept.

The report contains:

- Discussion of the impact of current economic trends on urban work and location patterns.
- Outline of the concept of economic development platforms.
- Analysis of the Ryde Economic Development Platform.
- Outline of the linkages and critical success factors required for the Urban Village pilot site.
- Opportunities and barriers to economic development of pilot site.

## **2.0 BACKGROUND**

### **2.1 REASONS FOR THE FEASIBILITY STUDY**

- Ryde citizens want safety, access and convenience in their relationship to their local area.
- Ryde Council wants to improve the physical look of the city and foster a Ryde identity which promotes community pride.
- Ryde citizens want to minimise the impact of city-bound commuter traffic through their city.
- Ryde citizens want to re-connect their various neighbourhoods and improve social, cultural and environmental amenity.

### **2.2 RYDE URBAN VILLAGES NETWORK CONCEPT**

- A network of urban villages, structured around nodes on heavy rail lines, and linked with personal public transport systems.
- A mixture of compatible land uses - residential, commercial, retail, leisure and some industrial.
- A medium density zone using urban design to achieve high levels of aesthetic amenity at the street level, emphasising a sense of "community place" and pedestrian accessibility.
- High levels of low transport intensive access to local facilities, services and employment opportunities across the life cycle, together with high access, using rapid transit, to the rest of the metropolitan area, and global access to the international economy.
- The common characteristics of urban village concepts are a mixed-uses core of community facilities, schools, residential and commercial and retail space and adjacent transport facilities.

## **3.0 IMPACT OF ECONOMIC TRENDS IN URBAN WORK AND LOCATION PATTERNS**

### **3.1 ECONOMIC TRENDS**

#### **Growth of Services**

- Between 1989 and 1993 services created 445000 new jobs in Australia while jobs in agriculture, mining and manufacturing declined.
- Services in 1992/93 accounted for \$300 billion of economic activity compared to manufacturing's contribution of \$60.4 billion and the extractive sector's contribution of \$34.6 billion.
- A significant proportion of the jobs created in services are part-time and often relatively low skilled. However, there has also been growth in areas where skills and wages are high, with employment in the finance, property and business service industries almost tripling over the past 20 years.

#### **Growth of Part-Time and Casual Employees**

- In 1991, 23% of Australian jobs were part-time and it has been estimated that 50% of jobs may be part-time by year 2000. 65% of the increase in Australian jobs between 1986 and 1993 were part-time.
- In the metropolitan areas of Sydney, Melbourne and Adelaide only part-time jobs increased (179000) between 1987 and 1993. During the same period full-time jobs actually declined by 7000 in these cities.
- There has been a significant increase in the employees working casually. 70% of casuals work part-time, many outside the normal 9.00 am to 5.00 pm hours.

#### **Outsourcing**

- Services are likely to contribute to around 75% of GDP by year 2000 as the trend to "unbundle" services from traditional economic activity continues. Also, corporates and governments have moved to outsource non-core activities such as accounting services, legal, computing services, laundry services, printing and copying services, cleaning services and maintenance of corporate fleets and equipment.

### **Strategic Alliances**

- As the globalisation of the international economy continues there is an increased intensity of economic, industrial and commercial interaction. This is leading to the agglomeration of strategic alliances between manufacturers, component suppliers, designs and process technology suppliers, business service suppliers, distributors and support service suppliers. Multi purpose planning is required to maximise economic development benefits associated with the agglomeration of these strategic alliances.

## **3.2 IMPLICATIONS**

The implications of the economic trends outlined include:

### **Home and Work Location Nexus**

- Increase in part-time and casual employment places greater emphasis in working closer to home/living closer to work.

### **Access to Training and Further Education**

- Increase in need to upgrade employment skills on a continuous basis places greater requirement on access to training and further education services and the need for these services to be conveniently located close to employment nodes.

### **Accessibility to Shopping and Service Facilities**

- Shopping facilities need to be available close to place of residence and place of employment and offer extended shopping hours to account for the growth of part-time and casual jobs. This is particularly so in cases where women are still expected to carry out the traditional role in the home as well as be engaged in full-time/part-time employment.

### **Accessibility to Community and Recreation Facilities**

- Continued high unemployment will mean low income families will need low cost access to social, community, educational and recreation facilities.

**Flexible Land Usage Planning**

- Existing land usage is determined by employment opportunities, real estate prices, work force availability, housing prices, mobility of family patterns and dwelling options. As the organisation of production changes to incorporate flexible manufacturing, new production concepts, subcontracting of non-core services and growth in strategic alliances with small and medium sized firms there is/will be a need for flexibility in land usage planning which encourages co-location, land swaps, redevelopment and innovative recreation facilities.
- Examples of this flexibility are often found in technology parks and industrial parks which cater for the co-location of the manufacturer, component suppliers, software developers and process technology designers. A number of these organisations may be in various stages of commercial development and have various requirements for space and facilities. Also, business service and personal service providers often locate in close proximity where the service is integral in the value adding chain.

## 4.0 ECONOMIC DEVELOPMENT PLATFORMS

- There is growing recognition that economic development also needs to be addressed on a local area and Regional basis. Policy makers need to take a higher level strategic role in addressing the key determinants for sustained growth within local areas and Regions.
- The concept of local area development platforms is important to policy makers stimulating economic development within a local area.
- The growth of Ryde's economic development platform will be directly influenced by the growth of firms in the area; their ability to exploit their trading potential to other local area development platforms and their ability to exploit the potential commercial linkages with other firms and organisations within the local area development platform.
- The ability of firms within an area to exploit their economic potential is often directly related to the attributes of their development platform and the potential to aggregate with other firms within the area in order to develop a competitive position of greater influence in other markets than the single firm. Also, this aggregation encourages business service and personal service providers to customise their products and service delivery to meet the unique needs of the aggregated firms. However, this will only occur if the urban design of the area allows the co-location of firms and business service providers and personal service providers.
- Further, in order to turn the comparative advantages of the Ryde development platform into a competitive advantage, it is essential that the following linkages are established:
  - ⇒ the linkage between Commonwealth and State Government strategy and policy initiatives and the local area development platform;
  - ⇒ the linkage between the local area development platform and major economic stakeholders (educational institutions, health sector organisations) who co-exist with firms in the development platform;
  - ⇒ the linkage between the local development platform and other local area development platforms.
- These linkages provide an aggregation advantage for both government (Local, State, Commonwealth) strategy and program delivery as well as provide the potential to influence other markets.

## 5.0 RYDE ECONOMIC DEVELOPMENT PLATFORM

### 5.1 INDUSTRIAL STRUCTURE

In order to develop an understanding of the industrial structure of the Ryde economic development platform, data on industrial land use was analysed for each of the following areas:

- North Ryde
- West Ryde/Meadowbank
- Gladesville

Data of land ownership and occupancy was categorised using the ANZIC codes at the four digit level. The data was then analysed by major groupings to examine the major industries in each of the local areas of the economic development platform.

#### West Ryde/Meadowbank

- Table One outlines the industrial structure data for the West Ryde/Meadowbank area.
- The data suggests that the West Ryde/Meadowbank area is dominated by the following industry groupings\*:
  - ⇒ Building Supplies (15%)
  - ⇒ Motor Body Repairs (12%)
  - ⇒ Auto Repair and Service (12%)
  - ⇒ Pre-Fabricated Furniture (7%)
  - ⇒ Electronic Equipment Wholesale (7%)
- Other major industry groupings include:
  - ⇒ Printing (3%)
  - ⇒ Electrical Equipment Manufacturing (3%)
  - ⇒ Roofing Services (3%)
- The remaining industry groupings which account individually for less than 2% of the total organisations analysed have been grouped as follows:
  - ⇒ Other Manufacturing (18%)
  - ⇒ Other Retail (6%)
  - ⇒ Other Wholesale (9%)
  - ⇒ Other Services (5%)

\* Measured by number of organisations.

- The dominant economic linkage which exists within the West Ryde/Meadowbank area is the relationship which exists between the motor body repair organisations and the auto repair and service organisations.
- At this stage it appears that there are very few business services and personal services firms in the West Ryde/Meadowbank area.

### Gladesville

- Table Two outlines the industrial structure data for the Gladesville area.
- The data suggests that the Gladesville area is dominated by the following industry groupings\*:
 

⇒ Auto Repair and Service	(13%)
⇒ Film and Video Production	(11%)
⇒ Motor Body Repairs	(9%)
⇒ Printing	(5%)
⇒ Brush Manufacturing	(4%)
- Other major industry groups include:
 

⇒ Building Supplies	(3%)
⇒ Wood Products Manufacturing	(3%)
⇒ Pre-Fabricated Furniture	(2%)
⇒ Electronic Equipment Wholesale	(2%)
- The remaining industry groupings which account individually for less than 2% of the total organisations analysed have been grouped as follows:
 

⇒ Other Manufacturing	(10%)
⇒ Other Retail	(3%)
⇒ Other Wholesale	(11%)
⇒ Other Services	(23%)
- The dominant economic linkage which exists within the Gladesville area is the relationship which exists between the motor body repair organisations and the auto repair and service organisations. Also, there is obviously a strong linkage between the presence of film and video production organisations in Gladesville area and the proximity of the Australian Film, Television and Radio School and a number of major film and television firms.
- At this stage it appears that there are very few business services and personal services firms in the Gladesville area.

\* Measured by number of organisations.

## North Ryde

- Table Three outlines the industrial structure data for the North Ryde area.
- The data suggests that the North Ryde area is dominated by the following industry groupings\*:

⇒ Electrical, Electronic Equipment Wholesale	(15%)
⇒ Pharmaceutical and Toiletries	(14%)
⇒ Electronic Equipment	(12%)
⇒ Communications	(8%)
⇒ Business Machine Wholesale	(5%)
⇒ Electric Appliance Repair	(5%)
⇒ Publishing	(5%)
⇒ Measuring, Professional and Scientific Equipment	(5%)

- The remaining industry grouping which account individually for less than 3% of the total organisation have been grouped as follows:

⇒ Other Manufacturing	(8%)
⇒ Other Retail	(2%)
⇒ Other Wholesale	(10%)
⇒ Other Service	(12%)

- Research recently completed the School Town Planning, University of New South Wales that:

*“The NRIA has the largest concentration of “off-centre” business accommodation in Australia comprising some 145 hectares of “high technology” industrial land with an employment base of around 12000 people (Jones Lang Wootton 1993). A large proportion of businesses located at North Ryde are science-based activities relating to electronics, electrical equipment, pharmaceutical, communications and computer industries. Due to the prestigious office park setting many companies have located their executive and sales personnel here. During the 1980’s an increasing amount of floor space became dedicated to office related functions.”*

- The emerging growth industries in Australia in the period 1990 - 2020 have been identified as:

⇒ Information Technology
⇒ Telecommunications
⇒ Education and Training
⇒ Environmental Management
⇒ Health Services
⇒ Bio-technology and Bio-pharmaceuticals

\* Measured by number of organisations.

- ⇒ New Materials
  - ⇒ Transport
  - ⇒ Leisure and Recreation
  - ⇒ Tourism
- Ryde has experienced significant growth in economic activity during the last decade due to the relocation of firms in some of these emerging industries.
  - Major organisations have located in North Ryde in order to satisfy their need for head office/international branch office location requirements and to cater for the need for more flexible office, administration and technical accommodation.
  - Currently there is a low level of industry linkages within North Ryde and this is reflected in the built form of the North Ryde area. If this area is to be developed within the framework of a potential urban village, attention will need to be given to the future urban design of North Ryde so that it enhances the location and growth of small and medium sized firms which could develop the potential commercial linkages with major organisations in the major emerging industries of the 21st century identified above.

## 6.0 LINKAGES FOR ECONOMIC DEVELOPMENT - CRITICAL SUCCESS FACTORS

- Due to its locational advantages Ryde is uniquely positioned to benefit from the overall growth of the Sydney urban economy and the growth of the services sector in particular. The Ryde economic development platform can benefit in terms of the growth of its existing industrial structure, continuing major firm relocation to Ryde, additional industrial and commercial development and related residential development which offers a range of housing and dwelling choices.
- What is not clear however, is how Ryde will adequately exploit its growth potential by encouraging the growth of small and medium firms, particularly business services and personal services firms, to develop and so deepen its economic development platform to increase the level of connectedness within Ryde.
- The proposed urban village concept has been developed as a viable option for Ryde to adopt to encourage the growth of its existing industrial structure and to exploit the opportunities for additional industrial and commercial development and related residential development.
- In order to assess the viability of the urban village concept and to determine the critical linkages which must be enhanced and/or developed for the pilot West Ryde urban village site, an economic development workshop was conducted with major employers from the West Ryde/Meadowbank area. The workshop agenda is outlined as Appendix One.
- The following critical success factors for economic development in the West Ryde pilot site were developed during the workshop:

### IMPROVED TRANSPORT

- Current levels of traffic congestion in the Ryde area is a major area of concern.
- There is a need for more flexible transport systems will facilitate greater accessibility to the existing rail and ferry systems.
- The concept of a Personalised Public Transport System was considered an excellent concept particularly if it facilitated ease of access from work locations to commercial centres, restaurants, recreational facilities and educational facilities within the local area during hours of operation.
- Creative solutions to the current parking issue are necessary particularly if internal area customer/supplier linkages are to be enhanced.

- Concern was raised about the safety issue associated with TAFE students leaving late at night to walk to their vehicles.

### **ENHANCEMENT OF ENVIRONMENTAL AMENITY AND PROMOTION OF WEST RYDE AS QUALITY LOCATION TO CONDUCT BUSINESS**

- There is a need to significantly improve the overall environmental amenity of West Ryde/Meadowbank and the perception that the community, businesses and the workforce have of West Ryde.
- Promoting the local area and the high quality of services provided by firms operating in the local area would enhance the area as a place to work and as an excellent location to establish new businesses.
- It was also considered that promoting a lifestyle and service centre image was essential to the success of the urban village concept.

### **PERSONAL SERVICES AND RECREATION**

- The availability of good restaurants and cafes is an area of major concern. A wider range is required.
- Entertaining clients and customers is considered important and an environment must be created which enhances interaction of local businesses and employees without the externalities of noise, transport congestion and chaos.
- Better utilisation of public parks and open spaces needs to be considered, particularly access to the area's waterways.
- A number of areas need to be "cleaned up" by Council if the local area's waterways are to be utilised.
- The University's facilities are considered to be a potential source of recreation.

### **HOUSING CHOICE**

- Housing and dwelling choice in the local area is considered to be limited.
- Greater choice in terms of quality combined with improved flexibility in personalised public transport would enhance the local area as a prime location for business services and personal services employees.
- Also, flexibility in planning would encourage self employed people to work from home.

### **LINK TO OLYMPIC GAMES**

- The local area's proximity to the Olympic Games site was considered an advantage to promoting the area's potential for industry location.
- However, the potential would only be realised if action was taken to enhance access to the waterways through development and beautification.

### **COMMON USER COMMERCIAL AND BUSINESS FACILITIES**

- Access to high quality board rooms, training facilities and conference facilities is considered a desirable feature of encouraging economic development in the local area.
- Small to medium sized firms do not require and cannot afford to support these features in their operational premises on a full time basis. However, they are an essential element of conducting their businesses.
- Also, the ability to lease temporary premises for special projects without expanding current premises on a permanent basis is also considered important.

### **ACCESS TO BUSINESS SERVICES**

- The quality of advice offered by business service firms is considered the major factor in determining which firms local organisations will utilise.
- However, it is recognised by local organisations that quality business service firms will only locate in the local area if the area is attractive in terms of environmental amenity and if appropriate office locations and associated personal services are available.
- Parramatta is currently promoting itself as a prime location for business service firms which could access the Ryde local area as a potential market.

### **INTERACTION OF LOCAL FIRMS**

- Currently a number of local firms endeavour to purchase essential inputs and services locally. This is thought to be particularly the case in the strong relationship which exists between motor body repair organisations and auto repair and service organisations.
- However, action by Ryde Council is required to promote an environment which is conducive to encouraging local firms to interact and work together as an integral part of the Ryde economic development platform.

- Also, it is considered essential that the Ryde Council inform the community of its overall strategy; promote the vision of economic development and encourage greater level of connectedness within Ryde.
- Ryde Council must take the initiative if it is to be successful in mobilising the industrial and commercial land users towards embracing greater economic development in the Ryde local area economy.

## 7.0 OPPORTUNITIES AND BARRIERS TO ECONOMIC DEVELOPMENT OF PILOT SITE

### 7.1 OPPORTUNITIES

- Model results on West Ryde Development Opportunities suggest that between 4500 - 6000 jobs could be generated in the immediate site of the West Ryde Urban Village.
- These results suggest that the urban village area including Top Ryde and Meadowbank could eventually represent a significant node of activity in Sydney as befits its regional location, transport accessibility and local environmental capacity.
- The analysis completed to date suggests that major opportunities for economic development exist in the following areas:
  - ⇒ Growth of business services firms including accounting, legal, consulting, marketing, public relations, communications, insurance, financial planning and secretarial services.
  - ⇒ Development of innovative recreation and leisure facilities.
  - ⇒ Growth of restaurants and cafes to service existing organisations in the platform.
  - ⇒ Growth of convenience shopping.
  - ⇒ Growth of services firms including printing, photocopying, office and apartment cleaning, laundry, security services, outdoor plant hiring, catering services.
  - ⇒ Arts and cultural development.
  - ⇒ Growth of training and educational opportunities.

## 7.2 BARRIERS

- The main barriers to economic development of the pilot site were considered to be:
  - ⇒ Council's attitude to promoting West Ryde as a growth area.
  - ⇒ Council's willingness to be flexible in land use planning and by laws controlling hours of operation.
  - ⇒ Willingness of Commonwealth and State Government departments to co-ordinate with Ryde Council in use and development of open space, particularly land and facilities close to the waterway.
  - ⇒ Willingness of State Government and Ryde Council to initiate Personalised Public Transport System through the pilot site.

**Table One**

**WEST RYDE/MEADOWBANK**

**INDUSTRIAL STRUCTURE**

## WEST RYDE/MEADOWBANK

### INDUSTRIAL STRUCTURE (Number of Organisations)

Description	% Share of Sample*
<b>Major Groupings</b>	
• Building Supplies	15%
• Motor Body Repairs	12%
• Auto Repair and Service	12%
• Pre-Fab Furniture	7%
• Electronic Equipment Wholesale	7%
• Printing	3%
• Electrical Equipment Manufacturing	3%
• Roofing Services	3%
 <b>Other Manufacturing</b>	 18%
(Includes Furniture, Air Conditioning Equipment, Plaster Moulding, Vacuum Cleaning, Spring Manufacturing, Pump, Die Casting, Computer, Trailer, Socks, Rubber Products, Cable, Tool)	
 <b>Other Retail</b>	 6%
(Includes Tyre, Artist Supplies, Lawn Mower, Household Goods, Flowers)	
 <b>Other Wholesale</b>	 9%
(Includes Pharmaceutical, Chemicals, Food, Vacuum Cleaners, Books, Agriculture Implements, Stationery)	
 <b>Other Services</b>	 5%
(Includes Technical, Plant Lease, Couriers, Water Supply, Education and Training, Household Equipment and Repair)	

\* Sample included 127 organisations from a population of 173.

**Table Two**

**GLADESVILLE**

**INDUSTRIAL STRUCTURE**

## GLADESVILLE

### INDUSTRIAL STRUCTURE (Number of Organisations)

Description	% Share of Sample*
<b>Major Groupings</b>	
• Auto Repair and Service	13%
• Film and Video Production	11%
• Motor Body Repairs	9%
• Printing	5%
• Brush Manufacturing	4%
• Building Supplies	3%
• Wood Production Manufacturing	3%
• Pre-Fab Furniture	2%
• Electronic Equipment Wholesale	2%
<b>Other Manufacturing</b> (Includes Pre-Fab Building, Rubber Products, Sails, Sports Goods, Coffee, Timber, Toys, Aluminium Products, Leisure, Fabrics, Concrete)	10%
<b>Other Retail</b> (Includes Tyre, Auto Parts, Alcohol, Cars)	3%
<b>Other Wholesale</b> (Includes Chemicals, Pharmaceutical, Books, Alcohol, Stationery, Auto Electrical, Photocopying Equipment, Tobacco Products, Machine Tools)	11%
<b>Other Services</b> (Includes Technical Services, Electrical Power Installation, Plant Leasing, Couriers, Blind Installation and Repairs, Security, Research, Computer Software, Veterinary Surgery, Restaurants, Sports Facilities, Laundry, Sign Writing, Service Stations)	23%

\* Sample included 121 organisations from a population of 171.

**Table Three**

**NORTH RYDE**

**INDUSTRIAL STRUCTURE**

## NORTH RYDE

### INDUSTRIAL STRUCTURE (Number of Organisations)

Description	% Share of Sample*
<b>Major Groupings</b>	
• Electrical and Electrical Equipment Wholesale	15%
• Pharmaceutical and Toiletries Wholesale	14%
• Electronic Equipment	12%
• Communication	8%
• Business Machine Wholesale	5%
• Electric Appliance Repair	5%
• Publishing	5%
• Measuring, Professional and Scientific Equipment	5%
<b>Other Manufacturing</b> (Includes Pharmaceutical and Veterinary Products, Heating and Air Conditioning, Electrical Machinery and Equipment, Architect, Metal Products)	8%
<b>Other Retail</b> (Includes Motor Vehicle Parts)	2%
<b>Other Wholesale</b> (Includes Professional Equipment, Books and Paper Products, Photographic Equipment, Chemical, Jewellery and Watches)	10%
<b>Other Services</b> (Includes Data Processing, Financiers, Market and Business Cons. Services, Business Services, Research and Scientific Institutions, Mining Exploration)	12%

\* Sample included 59 organisations from a population of 129.

**Appendix One**

**CITY OF RYDE**

**ECONOMIC DEVELOPMENT  
WORKSHOPS**

**AGENDA**

# **CITY OF RYDE**

## **ECONOMIC DEVELOPMENT WORKSHOPS**

### **AGENDA**

1. Welcome.
2. Overview of Urban Village Concept.
3. Ryde Economic Development - Current Situation.
4. Economic Linkages between businesses, suppliers and government within Ryde.
5. Opportunities and Barriers to Economic Development.
6. Key Issues for Evaluation.