



1 December 2020

Jaco Ackerman
Manager, Strategic Planning
Mackay Regional Council
PO Box 41
Mackay QLD 4740

BY POST/EMAIL – jaco.ackerman@mackay.qld.gov.au

Dear Mr Ackerman,

RE: Mackay region industrial land supply report

The Urban Development Institute of Australia Queensland Mackay and Whitsunday branch (the Institute) writes to Mackay Regional Council (council) regarding the Mackay Industrial Land Supply: An independent report on industrial land requirements in the Mackay Regional Council Area to 2040 (the report).

The Institute holds very substantial concerns over the report. Over the last 10 years, Council has conducted ongoing investigations into the region's current and future supply of suitable land for industrial development. The Institute was assured that this present report was to undertake an in-depth analysis of the market demand for industrial land in the region, including identifying the ownership and lay of the land for industrial development in Mackay.

Unfortunately, the report has not investigated the 'practical market availability' of industrial land in areas like Paget, including detail around sufficient supply of land for specific industrial developments characterised within Paget (high value industry). The Institute is aware that large portions of industrial land in Paget have been purchased and are vacant, with the intention to be developed in the future by the current owner for their own purposes. As a consequence, much of the land is not immediately available. The Mackay region needs to be assured that there is practical availability and choice of industrial land for new industries wanting to establish in Mackay.

It is also important that high value industrial land, which is already serviced or can be easily serviced, is not taken up by high impact 'dirty' industrial development or hardstand areas. In particular, the region also needs to ensure that there is land available for storage, specifically for mine closure equipment, and this does not take up valuable serviced industry land, for example the Eton hardstand option.

The Institute is also concerned that the fragmented nature of land ownership across the Paget Industrial Estate is for some existing industrial undertakings problematic. In particular there appears

to be a lack of larger allotments available for high impact uses in particular those uses requiring 10-15 hectares or greater. Consequently, it is the Institute's view that there is a need to identify additional industrial land to accommodate further growth in this sector, particularly for regionally significant, large-footprint industrial uses.

It is a characteristic of industrial land development that 100 percent utilisation is not common. For example, the long standing Mackay City South site remains around 25 percent vacant. Planning for industrial development needs to take this into account as well as the very long lead time for the rezoning of land for industry. Assuming a high level of take up before preparing to bring on new areas can create a number of issues.

The Institute is concerned that reluctance to bring forward or deliver additional industrial land will create a lag in the supply and consequentially may increase values to the point where further development is not financially viable. We emphasise that large footprint industrial options need to be available even though take up can be quite random. To not prepare a range of land options can create lost opportunity and an investment risk to the region. The impact on employment growth can be substantial. The Institute is concerned that the Mackay region will lose its marketability, competition and investment edge to neighbouring local governments that are readily able to service future industrial / business operators.

Recommendations:

- Council to liaise with the Institute and industry leaders to better understand the purpose of the report and the current ownership and landscape of industrial land in the Mackay Region.
- Council, undertake a further market analysis (supply and demand) for industrial land in the region to ensure sufficient supply over the next 20 years, and to identify pragmatic solutions addressing many of the challenges, such as diversity in industrial land both in quality and size, and owner fragmentation over areas like Paget.

We request a meeting with Council to add further insight to the report.

Thank you for the opportunity to provide comments on the report, the Institute is appreciative of the opportunity to contribute in a positive way to development of the Mackay region.

If you have any questions relating to the material contained in this submission, please contact Manager of Policy, Martin Zaltron (mzaltron@udiaqld.com.au) on (07) 3229 1589.

Yours sincerely,

Urban Development Institute of Australia Queensland



Mark McGrath

Mackay and Whitsunday Branch President