

# INDUSTRIAL REVOLUTION

An international standard industrial park at Kwinana would be a game changer, writes Cameron Edwards.



## MESSAGE



FROM A MEMBER

Industrial Parks are highly strategic locations in most countries, pressure cookers of economic activity, innovation, competition, exports, development and employment. The deliberate clustering of small, medium and large companies maximises the advantages of local infrastructure, energy cascading, economies of scale, logistics, common user facilities as well as tapping local educational and research facilities and labour markets. There are more than 12,000 large scale industrial parks worldwide and for some of our key trading partners becoming instruments of foreign policy.

Fortunately, our State Government has already developed a truly world-class industrial park at the Australian Marine Complex (AMC) that since 2003 has generated tens of thousands of jobs and billions of dollars in revenue. AMC has built on the continuing success of the Kwinana Industrial Area and supported by the Kwinana Industries Council. Now the opportunity exists to develop another industrial park focusing on other industries where WA has competitive advantages.

Successful industrial parks are usually clustered in a single defined area with an independent management authority that facilitates and encourages private sector entrepreneurship, customer focus, innovation, communication and market responsiveness.

The size should allow for a variety of companies as well as space to expand and

300 hectares is considered a reasonable target size although leading international industrial parks are substantially larger.

There is little space to expand or to develop an industrial park at our main port of Fremantle and the sweet spot for development is between Kwinana Bulk Terminal and Kwinana Bulk Jetty.

The Kwinana Industrial Area is WA's premier industrial area and has a unique combination of competitive and strategic factors that can't be replicated elsewhere in the foreseeable future.

Since the 1950s heavy industry has been located in the region and has all the ingredients for a world class industrial park, which are:

- ▶ existing world class companies in related industries
- ▶ wide variety of raw materials, agricultural products and other resources
- ▶ a pool of highly-trained workers and specialists, including access to local universities
- ▶ variety of companies in the region, many capturing synergetic benefits from neighbours
- ▶ farsighted planning by previous Governments,
- ▶ direct connections to main rail freight and road networks
- ▶ direct access to the airport and other distribution centres
- ▶ close to a major city
- ▶ all utilities
- ▶ and potentially an outer harbour

For this region to reach its full potential, modern shipping facilities, freight (rail and road) corridors and intermodal facilities are required.

Companies will find it difficult to justify increased development if essential import and export facilities continue to be bottlenecks. The outer harbour is a critical component to develop this region. In addition, the Land Value Capture opportunities in the region would be significant and assist with Government financing.

Building on the existing chemical, refining and heavy industries in the region there is the opportunity to develop new sectors, potentially in industrial ceramics/ specialised glass, battery applications, pharmaceuticals, food technologies, testing and analytics, building and construction products, chemical and genetic engineering industries or nanotechnologies among others.

The outer harbour could be seen as a catalyst for industrial development in this region and if delayed, makes catching up with our trading partners more difficult and expensive and missing the opportunity of the Southern Silk Road

**Cameron Edwards is a Director of Infrastructure at PwC and has advised on and worked in various industrial parks around the world. He has advised on industrial parks, infrastructure, import/export facilities and logistics in the Kwinana Industrial Area. ■**