

## Introduction

- Fast-tracking project assessments is one of the key pillars of the NSW Government's Planning System Acceleration Program that will enable more investment into the NSW economy and keep people in jobs during the COVID-19 pandemic.
- A development application (DA) or rezoning must demonstrate an ability to create jobs to be considered for a fast-tracked assessment.
- This paper explains how the Department of Planning, Industry and Environment measured the number of jobs that may be created during construction and once completed for fast-tracked projects that did not have detailed information from quantity surveyors. The Landcom jobs calculator is used to calculate construction and job impacts in these instances.

## Background

- Fast-tracked projects without detailed data from quantity surveyors include strategic planning-based applications, precinct plans, planning proposals and site compatibility certificates.
- Details on land use, floor space allocation, open space and materials required for strategic planning-based projects are generally guesstimates because they are made at very early stages of a project proposal.
- Accordingly, a simple system that allows consistent measures of construction and ongoing job impacts was required for fast-tracking project assessments.

## Construction impacts

- The Landcom jobs calculator classifies projects into their primary land use such as residential, commercial, retail, industrial, education, community, health, accommodation, cultural and tourism. The classification is used to better understand how capital investment value and jobs might be measured.
- Landcom's jobs calculator estimates construction jobs based on a project's intended size. Intended size is generally indicated by gross floor area.
- A project's construction cost is used to indicate a project's capital investment value and is derived by multiplying the project's gross floor area by a measure of construction cost per square metre. The per square metre construction cost estimates are derived using survey data on projects from Landcom's historical database.
- The number of construction jobs is closely related to the size of construction projects. [Evidence](#) collected by Landcom indicates that 2 construction jobs per \$1 million construction costs is usually generated in Australia. This estimate compares with the [US experience](#) of 5 construction jobs per \$1 million construction costs.

## Ongoing jobs impacts

- The Landcom jobs calculator uses the workspace ratio approach to estimate ongoing jobs from projects. A workspace ratio refers to the average floorspace (in square metres) per job for most types of projects. Student numbers are used to indicate scale for education projects.

- Projects generally enable a mix of full-time and part-time jobs, so project jobs are defined in terms of full-time equivalents.
- For example, a development project may encompass a warehouse with 1500 square metres of gross floor space. The Landcom job calculator estimates that this warehouse will enable 10 ongoing jobs. The workspace ratio for developments of this type is estimated at 1 full-time equivalent job per 150 square metres of gross floor space.
- Landcom’s workspace ratios were developed using evidence from both local and international sources.
  1. Published sources include UK Employment Density Guide (2010, 2015), City of Sydney (2017, 2019) and NSW Government Office Design Requirements (2017).
  2. Guidance was sought from property advisors, property agents, investment advisors and property managers.
  3. Further expert review was made using economists and analysts in the NSW Common Planning Assumptions Group in the NSW government.
- More information about Landcom’s workspace ratios may be found on Landcom’s [website](#).