

Mamre Road Data Centre Campus

Economic Impact Assessment

PLAN PROJECT MANAGEMENT PTY LTD

NOVEMBER 2025



Beyond the
horizon thinking.

Document Control

JOB ID

JOB NAME

CLIENT

CLIENT CONTACT

DOCUMENT NAME

LAST SAVED

J516

706-752 Mamre Rd, Kemps Creek EIA

Plan Project Management Pty Ltd

Adam Pavlovic, Jeffry Kusnan

Mamre Road Data Centre Campus EIA final

21/11/2025 2:26 PM

VERSION	DATE	PREPARED BY	REVIEWED BY
Draft v1.0	10 October 2025	Connor Merigan, Jacob Vince	Esther Cheong
Final v1.0	17 November 2025	Connor Merigan, Jacob Vince	Esther Cheong
Final v1.1	21 November 2025	Connor Merigan, Jacob Vince	Esther Cheong

Liability limited by a scheme approved under Professional Standards Legislation

All care and diligence has been exercised in the preparation of this report. Forecasts or projections developed as part of the analysis are based on adopted assumptions and can be affected by unforeseen variables. Consequently, Atlas Urban Economics Pty Ltd does not warrant that a particular outcome will result and accepts no responsibility for any loss or damage that may be suffered as a result of reliance on this information.



Executive Summary

Background

This report has been prepared for Plan Project Management Pty Ltd to accompany a State Significant Development Application (**SSDA**) for a data centre campus development known as Mamre Road Data Centre Campus (**SSD-92743706**) proposed at 706-752 Mamre Road, Kemps Creek (**the Site**).

The SSDA seeks approval for:

- Approximately 26 shells across four-storeys data centre buildings (4x four shells and 2x five shells), including six technical office buildings, plus a campus office.
- Incoming and internal electrical substations and associated infrastructure.
- Site preparation, including earthworks, stormwater, sewer, roads, and associated infrastructure.

The project area for the proposed development (Lot 10 DP 1280592) constitutes the main development site with areas across the shared boundaries to the east and south (described below) utilised to facilitate roadworks and bulk earthworks:

- Gibb Group site to the East known as 1-22 Bakers Lane, Kemps Creek (Lot 40 in DP 709347).
- GPT Group site to the South known as 754 Mamre Road, Kemps Creek (Lot 180 in DP 1290397).

Additionally, power supply lead-in from Sydney-West Substation is proposed as part of the development, which traverses through multiple landholdings.

The development (referred to as '**the Proposal**') will be delivered in stages based on demand, with planning approval sought for the entire campus. Atlas Economics (**Atlas**) is engaged by Plan Project Management Pty Ltd to examine the economic justification for, and economic impacts resulting from the Proposal.

The Site and Context

The Site is located within the Mamre Road Precinct (**MRP**) which itself is situated within the Western Sydney Employment Area (**WSEA**) - Greater Sydney's largest and most recently rezoned industrial area. The Site is 8.5km north of the Western Sydney International Airport, the future city of Bradfield and Western Sydney Aerotropolis.

The MRP is targeted to accommodate around 17,000 jobs upon buildout, which is equivalent to around 20 jobs/ha of industrial land (precinct-wide).

A significant amount of strategic planning, combined with billions of dollars of capital (\$30 billion in public investment alone) to realise the whole-of-government vision of delivering a new global gateway city in the Aerotropolis. This investment is planned to unlock capacity for 120,000 new jobs and thousands of new houses over the next 20 years, with a particular focus on high-tech industries.

PLANNING CONTEXT

The Site is zoned IN1 General Industrial under the State Environmental Planning Policy (Industry and Employment) 2021 (**Industry and Employment SEPP**), which would permit the land uses (i.e. data centre) envisaged in the Proposal.

The Mamre Road DCP stipulates that development in the Mamre Road Precinct is generally limited to 20m in building height, though variations are permitted in circumstances where the variation can be justified.

The Proposal would meet the economic and employment objectives of the WSEA - delivering a data centre that supports economically-significant, high-value employment directly on site. With an estimated 800 jobs upon buildout, the Proposal would also result in a relatively high employment density of around 15 jobs per hectare (total land area).

The Proposal would additionally support employment and economic growth of the MRP and neighbouring Western Sydney Aerotropolis as industry increasingly adopts new technology.



The Data Centre Industry

The integration of cloud computing, artificial intelligence (AI) and machine learning (ML), technological advancements in all industries, the entrenchment of hybrid/remote working trends and economic and population growth all contribute to increased demand for digital infrastructure like data centres.

The response to these drivers has been a significant and sustained wave of public and private sector investment into the global data centre sector. This section provides an overview of the global data centre market.

Current to 2025, the global installed data centre capacity is ~114GW, the majority of data centre capacity is in the United States and China. Collectively, these two nations hold 70% of the global capacity. Australia is estimated to hold ~1.2% of global capacity, with Sydney being the 15th largest market globally.

GLOBAL DATA CENTRE MARKET GROWTH

The historical growth of the global data centre market (and its processing capabilities) has been significant. Since 2018, the installed capacity of data centres has increased by 44% per annum, from 43.5 gigawatts (GW) to 114.3GW.

In 2018, the global data centre market size was estimated at approximately US\$210 billion (AU\$426b). The data centre market has rapidly expanded from 2018-2025, responding to unprecedented demand for data analytics, processing, storage and more recently the integration of AI, ML and automation. In 2025, the data centre market is estimated to be worth US\$384 billion (average value growth of 22% per annum).

The outlook for global data centre demand is undeniably strong. Looking forward to 2030, the data centre market is projected to reach US\$652 billion, equating to growth of 11.2% from 2025-2030. Much of the anticipated growth is anticipated to come out of the Asia-Pacific region (anticipated to grow by 13.3% per annum).

THE AUSTRALIAN DATA CENTRE MARKET

Australia's demand for data centres is growing rapidly, due to exponential dependency on digital tools, automation and technology – including for mobile devices, streaming services, AI and ML and E-commerce.

Key examples of increased data usage and dependency include:

- Data from the National Broadband Network shows that Australian households use eight times more power in 2025 than in 2015.
- In 2019-20, 55% of Australian business used paid computing services (up from 19% in 2013/14).
- In 2025, more than 80% of large companies (200+ workers) have integrated AI into their daily operations, despite it being a relatively novel technology.
- The Australian Government is contributing a significant amount of funding into these technologies, committing \$9.9 billion into enhancing cyber and intelligence capabilities. The Australian Government has also committed \$2 billion to support cloud technology through a partnership with Amazon Web Services.

There is estimated to be 314 data centres currently operating across Australia, accounting for a small (3%) portion of the global market (and a smaller proportion of power capacity). Australia's two largest states of NSW and Victoria represent the majority of the domestic market. NSW is the largest market (by Megawatt (MW) capacity) with an estimated capacity of ~733 MW in 2025.

Short-term industry projections indicate Australia's deployable data centre capacity will have to reach 3.1GW (3,100MW) by 2030 to meet demand. This required capacity is equivalent to 230% of existing estimated capacity.

To support this required capacity growth, the data centre workforce would have to grow from ~9,600 workers in 2024 to ~17,900 workers by 2030, reflecting growth of 11% per annum. This would significantly outpace total Australian employment growth, which is projected at a rate of 1.3% per annum over the same period.



DATA CENTRE REQUIREMENTS

Not all locations are suited for data centres. Data centres require various locational criteria to be met in order to operate efficiently, securely and reliably.

Key criteria for data centre site selection includes:

- Proximity to population and employment hubs
- Power supply and energy reliability
- Network connectivity
- Physical and environmental security
- Site area and topography

Delivering data centres in existing urban locations is challenging due to the limited development sites and/ or high land costs. Sydney's critically low levels of serviced industrial land supply exacerbate these challenges.

Sydney is Australia's primary submarine cable landing hub with the vast majority (63%) of Australia's international cables connections making it a critical gateway for global connectivity. There are over 20 major cables landing in Sydney, linking to Asia, the USA, and domestic sites, with new connections to be delivered in the coming years.

Sydney therefore has a clear locational advantage for data centre investment compared to other Australian States and Territories given it is Australia's primary submarine cable landing hub.

Economic Impact Assessment

ECONOMIC CONTRIBUTION OF DATA CENTRES

New technologies are generating demand for an unprecedented amount of data, which must be readily accessible in real-time and located in secure environments. Data centres are now a fundamental component of advanced economies and cities.

While not a major direct employer, the economic contribution of data centres are immense. They are critical to advanced economies and modern cities. Cities and countries with lower levels of data centre infrastructure and investment will struggle to remain competitive, attract investment and grow.

The data centre sector generates a significant amount both direct and flow-on economic benefits:

- For every 1,000sqm of data centre space, up to 60 jobs are supported in industrial, logistics, last mile activities.
- In Australia, additional investment of over AUD\$26 billion will be needed to meet demand to 2030. This significant for employment supportable in Australia, particularly high-paying, knowledge-intensive jobs.
- Projections estimate the Australian generative AI sector to range from \$45 billion and \$115 billion by 2030. This depends on alignment of economic conditions and whether supportive policy is implemented and followed.

The Proposal will provide necessary data capabilities to enable the vision for the WSA, accommodating 'data hungry' industries like aerospace, defence, advanced manufacturing and logistics.

ECONOMIC ACTIVITY AND IMPACTS

The Proposal Case assumes development of the proposed data centre campus, comprising 26, four-storey data centre buildings, six technical office buildings, a campus office, associated roads and infrastructure

During construction, it is estimated to result in a significant (but short-term) increase in economic activity across Greater Sydney, through a mix of direct and indirect (flow-on) activity, including:

- **\$13.7 billion** in output (including \$6.7 billion in direct activity).
- **\$5 billion** in contributions to GRP (including \$1.6 billion in direct activity).
- **\$2.8 billion** in incomes and salaries paid to households (including 1 billion in direct income).
- **29,959 ongoing FTE jobs** (including 10,569 FTE directly related to activity at the Site).



More critical is the permanent economic impacts that Proposal could generate. When operational, the Proposal is estimated to result in an increase in economic activity across Greater Sydney:

- **\$1.4 billion** in output (including \$661.2 million in direct activity).
- **\$633.8 million** in contributions to GRP (including \$274.3 million in direct activity).
- **\$326.9 million** in incomes and salaries paid to households (including \$135.1 million in direct income).
- **2,775 ongoing FTE jobs** (including 800 FTE directly related to activity at the Site).

OTHER ECONOMIC IMPACTS

Beyond the estimated economic impacts, the Proposal would contribute to:

- Improving social connection and inclusion of residents in Western Sydney and Greater Sydney;
- Attracting skilled workers and residents to Western Sydney, as the MRP and the WSEA;
- Building upon Greater Sydney's and Australia's economic resilience;
- Demonstrating Greater Sydney's as a standard for addressing and minimising environmental impacts; and
- Enhancing Greater Sydney's and Australia's data and technological sovereignty.

Delivery of the Proposal would address the necessary, 1.04GW increase to Australia's data centre capacity. Australia's current capacity of 1.35GW is substantially short of the 3.1GW estimated requirement by 2030. This 3.1GW requirement is critical to the international competitiveness and productivity of Australian workers.

The Study clearly demonstrate the economic impacts (quantified and others) of the Proposal on Western Sydney and Greater Sydney's economy and environment. There is a compelling case for the Proposal to 'lock in' the data storage capacity of the Greater Sydney economy for years to come.



Table of Contents

Executive Summary	i
1 Introduction.....	7
1.1 Background.....	8
1.2 Scope and Approach.....	8
1.3 Assumptions and Limitations	9
2 Site Context.....	10
2.1 Locational Context	11
2.2 Site Details.....	15
2.3 Strategic Planning Framework	16
2.4 Planning Controls.....	18
2.5 Recent Development Activity.....	19
2.6 Implications for the Proposal.....	21
3 The Data Centre Industry	22
3.1 Macro-Economic Demand Drivers	23
3.2 Global Data Centre Sector.....	25
3.3 The Australian Data Centre Sector	28
3.4 Locational Requirements of Data Centres	33
3.5 Economic Importance of Data Centre Industry	35
3.6 Implications for the Proposal.....	36
4 Economic Impact Assessment	37
4.1 Overview and Approach	38
4.2 Drivers of Economic Activity	39
4.3 Economic Activity and Impacts.....	40
4.4 Non-quantified Impacts	41
4.5 Summary of Economic Appraisal	42
References.....	44

Schedules

SCHEDULE 1 Input-Output Modelling Methodology	48
---	----



Tables

TABLE 1-1: SEARs Compliance Table.....	8
TABLE 3-1: Key Economic Demand Drivers for Data Centres.....	24
TABLE 4-1: Economic Impact Indicators	38
TABLE 4-2: Construction Impacts (Penrith LGA & Greater Sydney), The Proposal	40
TABLE 4-3: Operational Impacts (Penrith LGA and Greater Sydney), Proposal Case	41
TABLE S1-1: Economic Impact Indicators.....	48
TABLE S1-2: Construction Cost Allocation (including Contingency), Proposal Case.....	50
TABLE S1-3: Operation Cost Allocation (including Contingency), Proposal Case.....	50

Figures

FIGURE 2-1: Site Context Map	11
FIGURE 2-2: Mamre Road Precinct Structure Plan	12
FIGURE 2-3: Western Sydney Employment Area	13
FIGURE 2-4: Western Sydney Aerotropolis Structure Plan.....	14
FIGURE 3-1: The Industrial Revolution Timeline	23
FIGURE 3-2: Largest Data Centre Markets (Gigawatt Capacity), March 2025	26
FIGURE 3-6: RTC Premises and Monthly GB downloads (2020 and 2025), Australia	29
FIGURE 3-7: Australian Business Benefits of Cloud Computing Services (2022).....	29
FIGURE 3-8: Australian Business Adoption of AI (2025)	30
FIGURE 3-9: Estimated Data Centre MW Capacity (2024), Australia.....	31
FIGURE 3-10: Hyperscale Deployment (2018-2023), Sydney and Melbourne	31
FIGURE 3-11: Australia's Projected Data Centre Capacity and Workforce Requirement (2024-2030)	32
FIGURE 3-12: Submarine Cable Map (September 2025)	34
FIGURE 4-1: Types of Economic Impacts (Direct and Flow-on).....	39



1

Introduction



Beyond the
horizon thinking.

Mamre Road Data Centre Campus

1.1 Background

This report has been prepared for Plan Project Management Pty Ltd to accompany a State Significant Development Application (**SSDA**) for a data centre development known as Mamre Road Data Centre Campus (**SSD-92743706**) proposed at 706-752 Mamre Road, Kemps Creek (**the Site**).

The Site is a large undeveloped parcel of industrial land located in the Mamre Road Precinct – Sydney’s largest remaining precinct of undeveloped land strategically located just north-east of the future Western Sydney International Airport.

The SSDA seeks approval for:

- Approximately 26 shells across four-storeys data centre buildings (4x four shells and 2x five shells), including six technical office buildings, plus a campus office.
- Incoming and internal electrical substations and associated infrastructure.
- Site preparation, including earthworks, stormwater, sewer, roads, and associated infrastructure.

The development (referred to as ‘**the Proposal**’) will be delivered in stages based on demand, with planning approval sought for the entire campus.

Atlas Economics (**Atlas**) is engaged by the Proponent to carry out an Economic Impact Assessment (**the Study**) to examine the need for the Proposal and assess the economic impacts which could result from its delivery during both construction and upon becoming operational.

1.2 Scope and Approach

Atlas is engaged by Plan Project Management Pty Ltd (**PPM**) to examine the economic justification for, and economic impacts resulting from the Proposal.

This Study is prepared in response to the requirements contained within the Planning Secretary’s Environmental Assessment Requirements (**SEARs**) for SSD-92743706 and directly responds to requirements outlined in TABLE 1-1.

TABLE 1-1: **SEARs Compliance Table**

Secretary’s Environmental Assessment Requirements	Report Section
Item - General Requirements	
An estimate of the retained and new jobs that would be created during the construction and operational phases of the development, including details of the methodology to determine the figures provided.	Refer to Chapter 4.

To provide the economic justification for the Proposal and meet the SEARs, the Study carries out the following tasks:

- Review of the Site’s strategic context and spatial relationship with the Mamre Road Precinct and Western Sydney more broadly.
- Review of relevant State and local government strategic planning policies applicable to the Site.
- Review of relevant Australian Government policies and studies covering the Australian data centre/ cloud technology sectors.
- Analysis of structural and macro-economic drivers influencing the global and domestic data centre sector.
- Overview of the Australian and Sydney data centre sector, including existing size, distribution, capability and future growth.
- Assessment of the potential role for the Site in supporting the growth of the Australian and Greater Sydney data centre/ cloud technology sector, as well as broader economic growth supportable beyond these industries.
- Estimate of the economic impacts (direct and indirect) resulting from the Proposal during construction and those which are ongoing upon completion of the development.

The overarching objective of the Study is to consider the economic impacts resulting from the Proposal.



1.3 Assumptions and Limitations

Atlas acknowledges several assumptions and limitations associated with the Study:

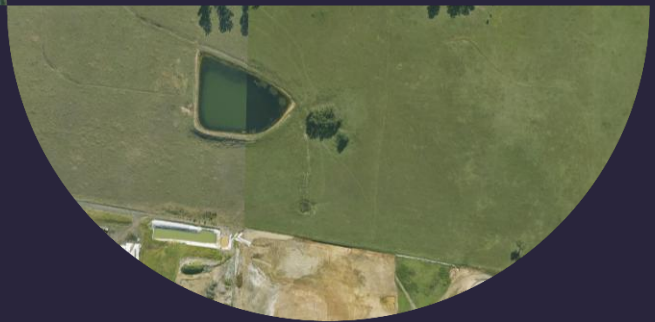
- As at Q3 2025, the global economy is experiencing a heightened period of uncertainty due to geopolitical and global trade instability, multiple military conflicts, slow economic growth and persistently high inflation. The Australian economy is exposed to many of these global factors, particularly impacts with key trade partners.
- The Australian economic outlook is currently subject to a high level of uncertainty due to, *inter alia*, global trade risks, high (albeit falling) inflation, labour shortages and deteriorating housing affordability.
- The 2021 Census was administered during the COVID-19 pandemic and at a time of widespread lockdowns. Employment activity recorded at this time may not accurately represent employment levels.
- Market research is carried out on a 'desktop' basis without the benefit of site surveys and internal inspections.
- Floorspace supply data is sourced from various third-party databases and subscriptions and is not validated.
- Specific assumptions related to economic impact modelling are detailed in Schedule 1.

Notwithstanding the above, due care, skill and diligence has been applied to this Study as is reasonably expected.



2

Site Context



Beyond the
horizon thinking.

Mamre Road Data Centre Campus

2.1 Locational Context

The Site is located at 706–752 Mamre Road, Kemps Creek at the intersection of Mamre Road and Bakers Lane and falls within the Penrith local government area (LGA). It is surrounded by a mix of existing land uses:

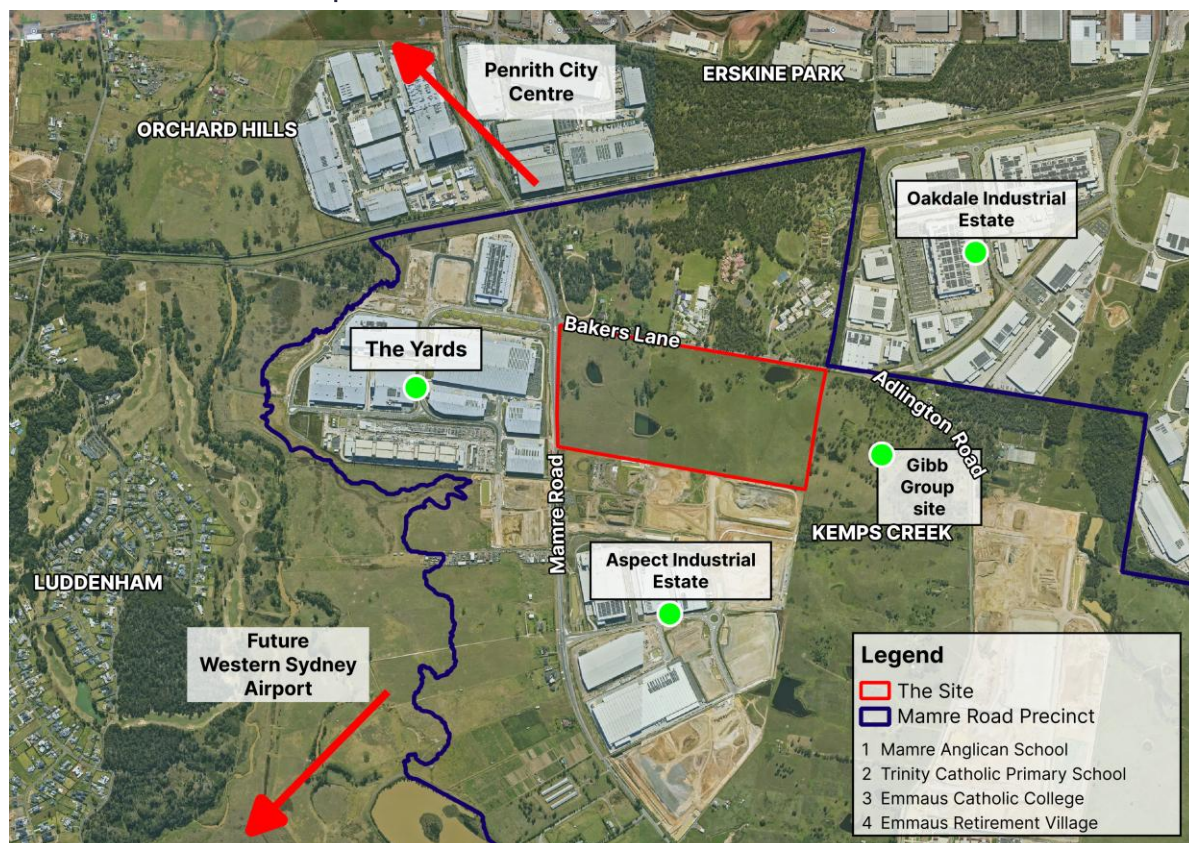
- Immediately north of the Site is the Mamre Anglican School, Trinity Catholic Primary School, Emmaus Catholic College, Emmaus Retirement Village and three small rural residential dwellings.
- South of the Site is the proposed 'Yirribana East Industrial Estate' being progressed by GPT Group, which is set to comprise 157,000sqm of industrial floorspace across six warehouse buildings of up to 15m above ground level.
- West and north-west of the Site is the partially completed 'The Yards' industrial estate developed by Frasers and Barings, which will comprise ~277,000sqm of industrial floorspace with multiple warehouses of up to 15m including the Microsoft DC, a \$1.3 billion campus planned for two, two-storey data centre buildings with approximate capacity of 96MW, with the potential to expand to 190MW and at least one more building.
- Immediately east of the Site is the proposed 'Aldington Road Industrial Estate' being developed by Dexu. The development will comprise 271,000sqm of industrial floorspace across five warehouses up to 15m.
- North-east of the Site is the 'Oakdale West Industrial Estate' which is currently occupied by Amazon, Australia Post, Coles, Woolworths, Telstra and Xylem.
- East of the Site is 1-51 Aldington Road, Kemps Creek which is an industrial development site being progressed by Gibb Group.

The Site is located within the Mamre Road Precinct (MRP) which itself is situated within the Western Sydney Employment Area (WSEA) - Greater Sydney's largest and most recently rezoned industrial area.

Further south of the Site is the Western Sydney Aerotropolis – Australia's newest planned city in over a century. Anchored by the future Western Sydney International Airport (8.5km south of the Site) which is due to open in 2026 and future city of Bradfield, the Western Sydney Aerotropolis is planned to accommodate 120,000 new jobs and thousands of new houses over the next 20 years.

The Site is situated 13km south-east of Penrith City Centre and 20km south-west of the Parramatta CBD.

FIGURE 2-1: Site Context Map



Source: Atlas Economics



MAMRE ROAD PRECINCT

The MRP is one of several major industrial development zones located in the WSEA. Comprising 850ha of industrial land, the MRP was rezoned for industrial use in June 2020 as part of the NSW Government's efforts to accelerate economic growth and support employment around the future Western Sydney Aerotropolis.

The MRP is located just north of the future M12 Motorway, Western Sydney International Airport, and the Aerotropolis. It has excellent accessibility, with direct access to the M4 Motorway via Mamre Road. The M12 Motorway, set for completion in 2026, will also connect to the M7 Motorway.

The MRP has attracted significant institutional development interest since its rezoning, though limited development has occurred to date given a lack of infrastructure servicing (e.g. stormwater infrastructure, road upgrades).

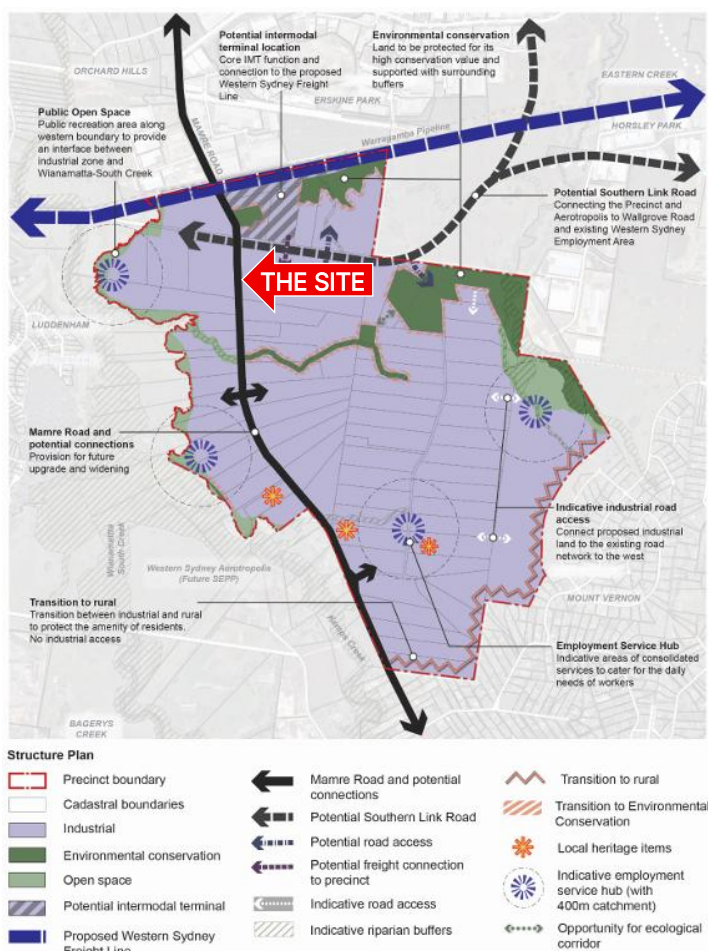
Development has instead been predominantly focused on its periphery, including the various stages of Goodman's 'Oakdale' industrial precinct, with development commencing in 2014. Comprising some of the largest industrial warehouses and distribution centres in Australia, the Oakdale estate has attracted a broad mix of national and international manufacturers, freight and logistics operators and major retailers.

Looking forward, the MRP is bound to play a significant economic role for the Greater Sydney economy. Ongoing development of the MRP is expected to generate 5,200 jobs during construction and accommodate up to 17,000 ongoing operational roles in high-productivity industries and occupations (DPHI, 2019).

New industrial developments in the precinct such as 'The Yards' and 'Westlink Industry Park' will feature state of the art technology such as robotics, Artificial Intelligence, Warehouse Management Systems (WMS) and automated systems. This reflects the rise of 'smart warehouses' and growing need for skilled labour in the industrial sector.

The Mamre Road Structure Plan adopted as part of the MRPs rezoning package outlines the spatial distribution of land uses, movement corridors and transitional areas. Notably, the area immediately north of the Site is proposed as a potential location of the Western Sydney Intermodal Terminal (IMT) which would connect into the proposed Western Sydney Freight Line. No further planning for the Western Sydney IMT at this location has progressed.

FIGURE 2-2: Mamre Road Precinct Structure Plan



Source: DPHI (2020)



WESTERN SYDNEY EMPLOYMENT AREA

The MRP forms part of the broader Western Sydney Employment Area (**WSEA**) – one of the largest industrial areas in Australia which stretches across multiple local government areas and spans over 2,200ha.

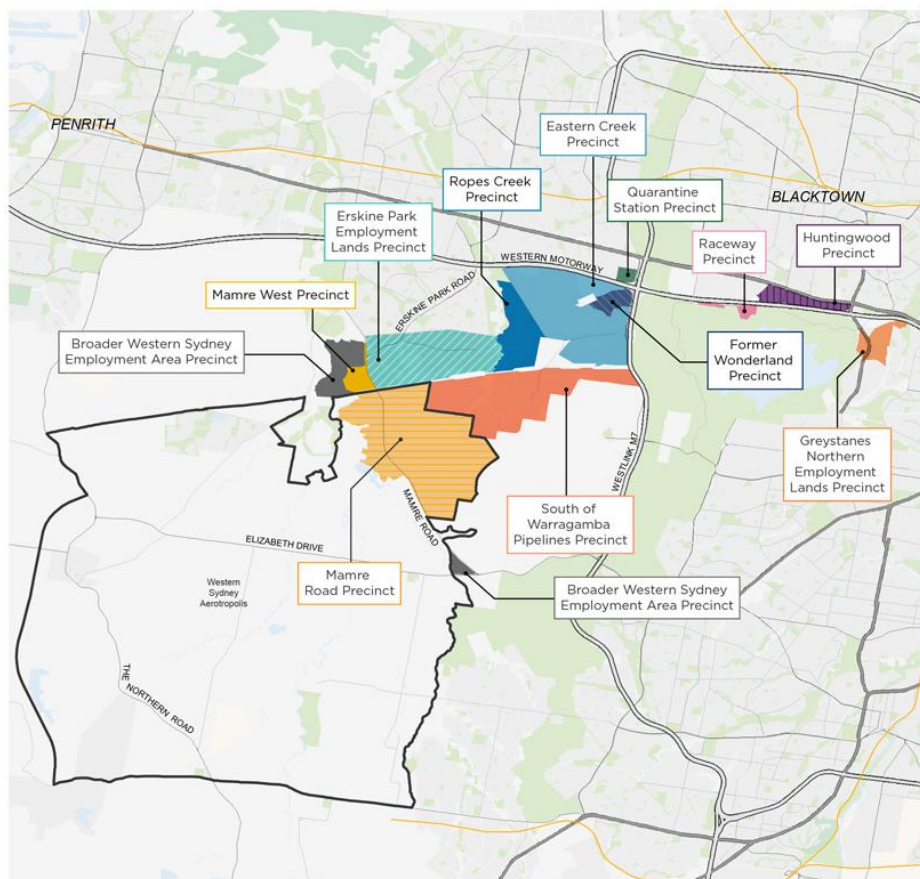
The WSEA comprises multiple individual industrial precincts. In addition to the MRP, WSEA comprises:

- Eastern Creek
- Erskine Park Employment Lands
- Former Wonderland
- Greystanes Northern Employment Lands
- Huntingwood
- Mamre West (rezoned in June 2016)
- Quarantine Station
- Raceway
- Ropes Creek
- South of Warragamba Pipelines

Development of some of these precincts commenced as early as 2010, with land use and development subject to the State Environmental Planning Policy (Industry and Employment) 2021 (**Industry and Employment SEPP**). Today, these precincts accommodate a broad mix of industries including warehousing, advanced manufacturing, freight and logistics, pharmaceuticals and data storage. Three data centres are already located across the WSEA, with six more planned.

As at 2024, it is estimated that the WSEA comprises approximately 26,600 jobs with the majority of these employed in the transport, postal and warehousing, retail trade and manufacturing sectors (NIEIR, 2025a, b). This reflects the area's role as a major transport and logistics hub. Initial precinct planning for the WSEA expected the area could accommodate over 200,000 jobs at build out (DPHI, 2019).

FIGURE 2-3: Western Sydney Employment Area



Source: NSW Government



WESTERN SYDNEY AEROTROPOLIS

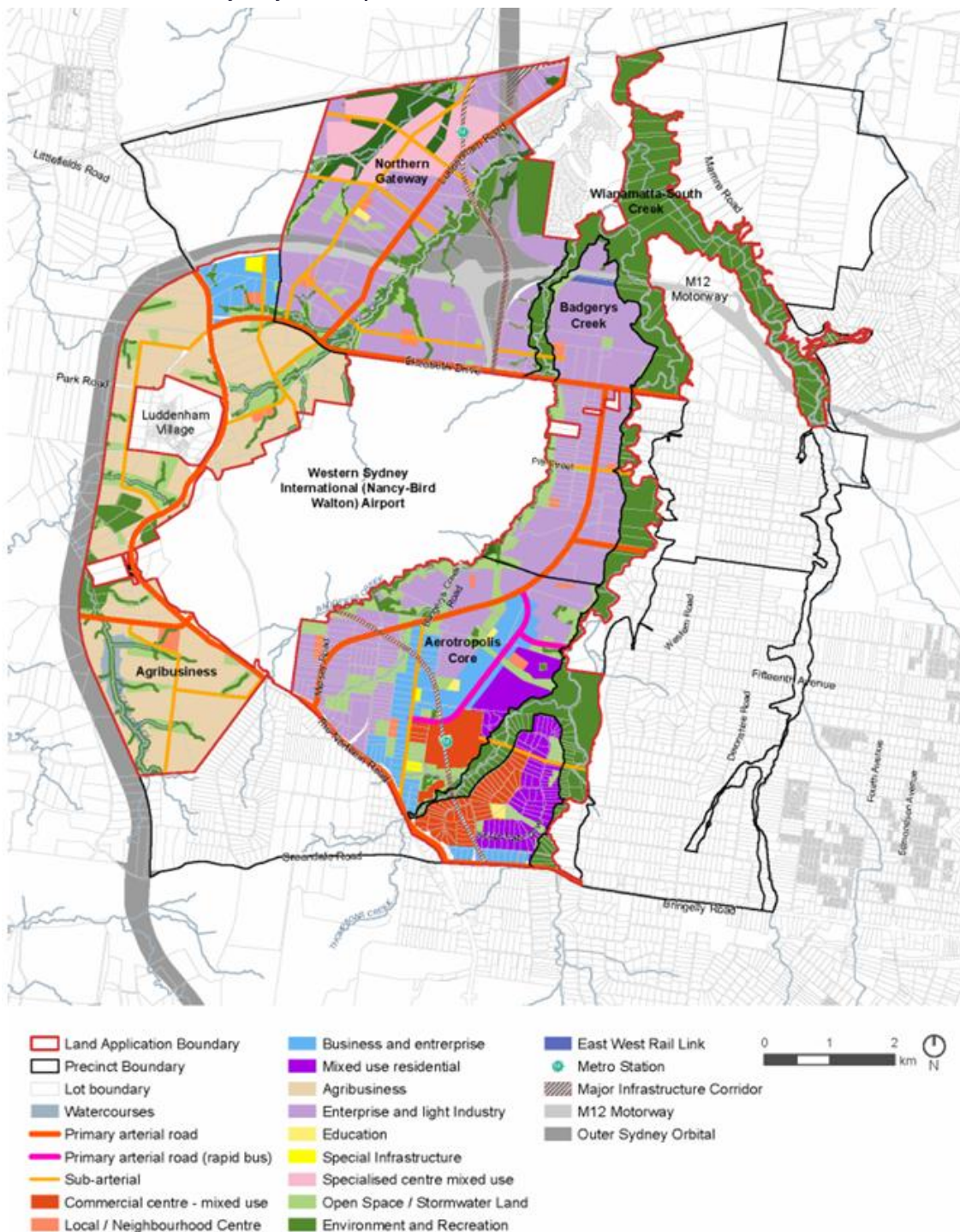
The Western Sydney Aerotropolis (**the Aerotropolis**) is a 11,200ha precinct surrounding the future Western Sydney International (Nancy-Bird Walton) Airport (WSA). To leverage the catalytic impact of the WSA, the Aerotropolis is planned as a highly connected, innovative new city (to be known as Bradfield) and major employment centre to accommodate up to 100,000 new jobs.

The broader Western Sydney Aerotropolis will accommodate 200,000 new jobs in high growth sectors including aerospace and defence, manufacturing, healthcare, freight and logistics, agribusiness, education and research.

Planning for the Aerotropolis commenced in 2019. The draft Western Sydney Aerotropolis Plan was finalised in 2020 and outlines the land use framework for the Aerotropolis.

The Aerotropolis is defined by 10 precincts with six initially rezoned in 2020, namely the Mamre Road, Aerotropolis Core, Badgerys Creek and Wianamatta-South Creek, Northern Gateway and Agribusiness Precinct.

FIGURE 2-4: Western Sydney Aerotropolis Structure Plan



Source: DPHI (2024)



2.2 Site Details

The Site encompasses ~52ha of vacant land which has historically been used for rural purposes. Whilst mainly cleared, it comprises six dams and several small patches of vegetation. The majority of the Site is classified as urban-capable certified land, with a small portion at the northeast of Site identified as having biodiversity values

The Site comprises a single regular shaped lot and bears a significant 1,100m frontage to Bakers Lane and a 490m frontage to Mamre Road. With regards to the Australian Height Datum (AHD) - along the Southern boundary, the Site slopes east to west 85m to 42m and along the northern boundary 61m to 45m. Along the eastern boundary, the Site slopes south to north 85m to 61m and slopes along the western boundary 45m to 42m from south to north.

The majority of the Site is zoned IN1 General Industrial, with a small portion (circa 1ha) of the western boundary zoned SP2 Infrastructure and earmarked for future acquisition to enable the widening of Mamre Road.

Overall, the Site makes up approximately 6% of the land zoned for industrial purposes in the MRP.

FIGURE 2-5: Aerial Map (Top) and Cadastre Map (Bottom), The Site



Source: Atlas Economics



2.3 Strategic Planning Framework

This section considers the Site in the context of the NSW and local strategic planning framework.

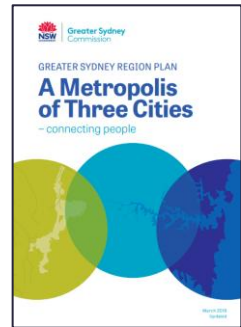
2.3.1 State Planning Context

GREATER SYDNEY REGION PLAN (2018)

The Greater Sydney Region Plan (**the Region Plan**) provides a vision for managing Greater Sydney's growth to 2056. The plan seeks to integrate land use, transport, and infrastructure planning to enable residents access employment, education and health services. It is centred around the principles of liveability, productivity, and sustainability.

The Region Plan splits Greater Sydney into three cities: the Eastern Harbour City, the Central River City and Western Parklands City. The Site is located within the Western Parkland City, which is set to be anchored by the Western Sydney International Airport and Western Sydney Aerotropolis.

The Region Plan highlights the significant imbalance of job opportunities across the three cities, with employment heavily concentrated in the Harbour CBD (500,000 jobs) which contributes to an east-west economic and social imbalance. Leveraging new infrastructure like the Western Sydney Airport and Western Sydney Aerotropolis is identified as a key opportunity to produce knowledge-intensive jobs and drive development in the Western City.

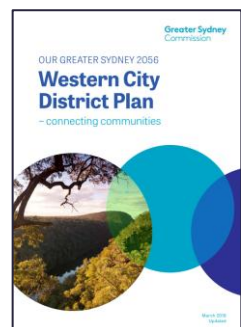


WESTERN CITY DISTRICT PLAN (2018)

The Western City District Plan (**the District Plan**) builds upon the Region Plan and provides a 20-year strategy for managing growth in the Western Parklands City. It complements and adds to the various objectives and planning priorities outlined in the Region Plan.

The District Plan strongly supports high-value land uses in the WSEA. Priority 10 in the District Plan identifies the 5,436ha of industrial/urban services land (39% of Greater Sydney's supply) for logistics, advanced manufacturing, and tech opportunities. These opportunities will be support through delivery of key infrastructure (power, telecom, M12 Motorway) which will promote data centres as part of "knowledge economy" clusters, with skills programs for IT/ engineering roles.

The Western City is set as an economic powerhouse, with WSEA/Aerotropolis enabling high-tech growth (e.g., data centres via industrial protections and freight/power upgrades).



WESTERN SYDNEY AEROTROPOLIS PLAN (2020)

The Western Sydney Aerotropolis Plan (**the WSAP**) provides the strategic planning framework for the Aerotropolis. It was a critical informing document to the Aerotropolis SEPP and Western Sydney Aerotropolis Precinct Plan and outlines the vision, objectives and priorities for land use and development in the Aerotropolis.

Part of the vision for the Aerotropolis set in WSAP is for it to emerge as a global gateway city which "contributes to greater productivity and a significant increase in jobs for Western Sydney in areas such as defence and aerospace, advanced manufacturing, technology, agribusiness, health, education, research and tourism".

The WSAP identifies the potential for the Aerotropolis to accommodate over 120,000 new jobs over the coming decades.

A central component of the WSAP's vision for the Aerotropolis is digital connectivity. The Aerotropolis is planned to become Australia's first true 'smart city', with digital infrastructure embedded into buildings, roads and all forms of key services infrastructure. Implicit in this objective is the need a significant amount of accompanying data storage infrastructure (i.e. data centres).

Whilst rezoned under a separate process, the WSAP also covers the MRP and outlines a set of strategic outcomes intended for the precinct. The WSAP identifies the potential for 17,000 jobs across the precinct upon buildout, which equates to around 20 jobs/ha in the 850ha precinct.



AEROTROPOLIS SECTOR PLAN (2025)

The Aerotropolis Sector Plan (**the Sector Plan**), released by Infrastructure NSW in Q1 2025, sets out the NSW Government's investment timeline for key enabling infrastructure works needed to support development in the Aerotropolis.

The purpose of the Sector Plan is to provide the private sector transparency on the NSW Government's timelines on the delivery of critical transport and water infrastructure. It reiterates the critical importance of the Aerotropolis in providing the capacity for high-value jobs in the Western Sydney.

The Sector Plan notes that there is a significant wave of private sector investment underway in the Aerotropolis, triggering Approximately \$26 billion in potential development which could accommodate 65,000 jobs permanent jobs.

The focus of the Sector Plan is transport and water infrastructure. An equally important consideration for the Aerotropolis is the digital infrastructure needed to support employment growth.



2.3.2 Local Planning Context

PENRITH LOCAL STRATEGIC PLANNING STATEMENT (2020)

The Penrith Local Strategic Planning Statement (**the LSPS**) sets out a 20-year planning framework for the Penrith LGA. It outlines the City of Penrith's (**Council**) vision and planning priorities for the LGA, along with the various actions needed to deliver upon its vision. It provides a critical link between other strategic planning documents, such as the Western City District Plan, to the local statutory planning framework.

A key focus of the LSPS is job creation and economic growth. Supporting the growth of both the Aerotropolis and Penrith's major centres of Penrith and St Marys are critical to this objective. These three areas form of Penrith's 'Economic Triangle', which is where the majority of new economic activity is expected to be generated over the coming decades.

The LSPS also recognises the need for new development and economic growth to be supported by new and upgraded digital infrastructure. Exploring opportunities for harnessing new technologies and enabling Penrith to evolve into a 'smart city' is a key consideration of the LSPS.



PENRITH ECONOMIC DEVELOPMENT STRATEGY (2023)

Released in 2023, the Penrith Economic Development Strategy (**the EDS**) outlines Council's plans to drive sustainable economic growth and development across Penrith.

The EDS focuses on building a favourable business environment and identifies a mix of strategic priorities such as attracting investment, leveraging employment lands, nurturing jobs of the future and inspiring innovation.

The EDS identifies six industry clusters that have the potential for new investment and strong employment growth. These are both established and emerging, and build on Penrith's competitive advantages. These clusters include:

- Transport, Freight and Logistics
- Manufacturing including Agribusiness, Waste Management and Renewable Energy
- Airport and Aerotropolis-related industries
- Health and Social Care, Education and Research
- Tourism, Hospitality and Events including Sports and Recreation
- Creative and Cultural

The EDS notes it is vital to enable development activity that unlocks high-skilled employment opportunities and attracts talent to the area. Supporting novel technology advancement and entrepreneurship that can drive the digital transformation across is also a key area of focus.

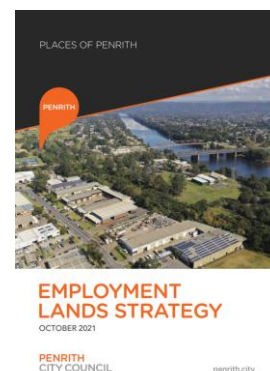


PENRITH EMPLOYMENT LANDS STRATEGY (2021)

The Penrith Employment Lands Strategy (**the ELS**) is a key informing document to the Penrith LSPS and has informed Council's strategic planning for Penrith's various commercial centres and employment lands, including Mamre Road.

The MRP is specifically identified in the ELS as an emerging employment precinct. The ELS notes that whilst the MRP will invariably sought by large format industry (which typically accommodate lower job densities), there is a need to balance low job density industries with higher job density industries to provide a diversity of employment.

The ELS also notes that the adoption of new technologies by the freight and logistics sector in precincts like MRP are creating opportunities for "new start up and tech firms". A key direction of the ELS is to generate higher levels of productivity through technological upgrading and innovation.



2.4 Planning Controls

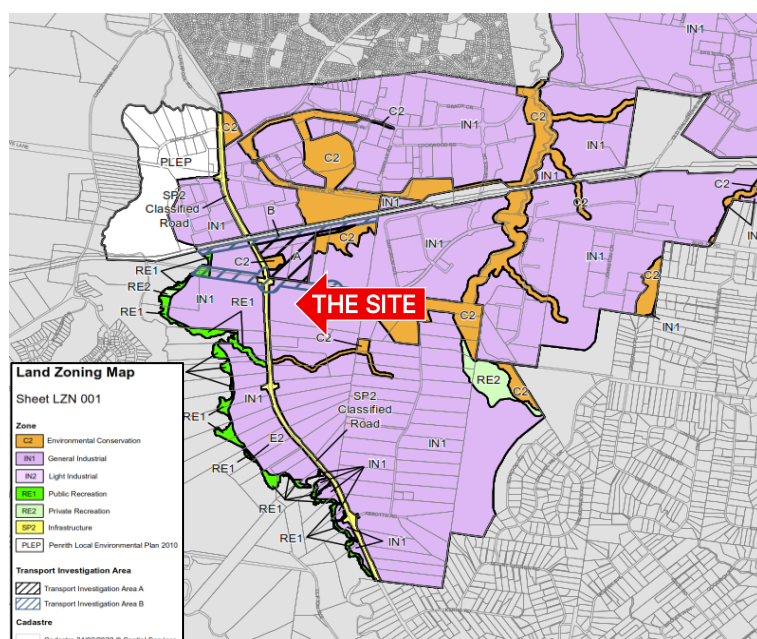
2.4.1 State Environmental Planning Policy (Industry and Employment) 2021

The State Environmental Planning Policy (Industry and Employment) 2021 (**Industry and Employment SEPP**) is the environmental planning instrument governing land use and development on the Site. Under the Industry and Employment SEPP, the Site is primarily zoned IN1 General Industrial. The land use objectives of the IN1 zone include:

- To facilitate a wide range of employment-generating development including industrial, manufacturing, warehousing, storage and research uses and ancillary office space.
- To encourage employment opportunities along motorway corridors, including the M7 and M4.
- To minimise any adverse effect of industry on other land uses.
- To facilitate road network links to the M7 and M4 Motorways.
- To encourage a high standard of development that does not prejudice the sustainability of other enterprises or the environment.
- To provide for small-scale local services such as commercial, retail and community facilities (including child care facilities) that service or support the needs of employment-generating uses in the zone.

There are no building height or Floor Space Ratio (FSR) controls applicable to the Site under the Industry and Employment SEPP.

FIGURE 2-6: Land Zoning Map



Source: WSEA SEPP



2.4.2 Mamre Road Development Control Plan 2021

Released in 2021, the Mamre Road Precinct Development Control Plan (**the DCP**) provides detailed planning controls for industrial development in the MRP.

The DCP reiterates the vision for the MRP, being a “a world-class industrial area, primarily catering for warehousing and logistics” with “flexible zoning and land use controls will also promote other smaller industrial, manufacturing, commercial and clean industrial uses that provide for a range of employment opportunities”.

The DCP outlines a series of planning outcomes, subdivision design, built form and other general controls for industrial development.

2.5 Recent Development Activity

The Site is located within an area of significant change, with billions of dollars in public and private sector investment and development underway in the MRP, WSEA and Western Sydney Aerotropolis. This wave of investment is almost unprecedented in Australia and reflects the ‘whole of Government’ approach to establishing the Western Sydney Aerotropolis as the country’s first new planned city in over a century.

For instance, public sector investment (from the NSW and Federal Governments) into the Aerotropolis (including the WSEA and MRP) has been substantial. As of September 2025, total public sector investment into new public transport, roads and utility infrastructure has reached almost \$30 billion, with over \$5.5 billion allocated specifically for roads over the next four years to enable private sector development (Infrastructure NSW, 2025). This has included more than \$1 billion in enabling works to catalyse development at Bradfield City Centre.

The private sector is responding in kind, with some \$26 billion in potential development at various stages of planning and delivery. The overwhelming majority of this private sector pipeline is focused in the MRP and Aerotropolis.

MAMRE ROAD PRECINCT

There is a significant amount of industrial development currently planned in the MRP. All of these developments are being progressed by major developers and institutional investors, many of which have already secured pre-commitments from a mix of major freight and logistics operators, national retailers and manufacturers.

‘The Yards’ development by Frasers (located directly west of the Site) is amongst the first of these developments which has been completed (partially). This development already accommodates a mix of major tenants, including businesses such as Symbion (healthcare product manufacturer and wholesaler), Techtronic Industries (power tools manufacturer and wholesaler) and Ardex Australia (building materials manufacturer).

The ‘Aspect Industrial Estate’ by Mirvac (located immediately south of the Site) is another recently completed development. It has also attracted a mix of major tenants, notably Ceva Logistics (global logistics and supply chain business) and Winning Appliances (kitchen and laundry appliances wholesaler and retailer).

Part of the Yards development, Microsoft recently completed development of their own data centre. The \$1.3 billion campus will eventually comprise two data centre buildings and provide capacity of around 96MW, with the potential to expand to 190MW and at least one more building.

As at Q3 2025, 12 projects are identified in the development pipeline which have a combined capital investment value of \$4.1 billion. Assuming all of these projects eventuate to delivery, approximately 2.3 million square metres of industrial floorspace could be delivered. For context, the Erskine Park Industrial Precinct to the north (also within the WSEA) is largely built out and comprises circa 1.2 million square metres of industrial floorspace.

FIGURE 2-7 illustrates the substantial change to the MRP and surrounds over the 2011 to 2025 period.



FIGURE 2-7: Mamre Road Precinct (2011 and 2025)



Source: Atlas Economics

WESTERN SYDNEY AEROTROPOLIS

There is also a significant volume of development activity underway in the Aerotropolis to the south of the MRP.

Across the broader Western Sydney Aerotropolis, as at Q3 2025, several projects have been identified in the development pipeline with a combined capital investment value over \$3.2b. Should all of these projects eventuate to delivery, circa 1.6 million square metres of industrial floorspace could be delivered over the coming years.

Similar to the MRP, major developments and institutional investors are leading development activity in the Aerotropolis. Some of the largest of these developments include the Elizabeth Enterprise Precinct, the Western Sydney Airport Business Park and the Ingham & Co development in Badgerys Creek.

- **Elizabeth Enterprise Precinct**

Located 800m from the Western Sydney Airport, the Elizabeth Enterprise Precinct (EEP) development is a \$282 million industrial development currently being progressed by Mirvac. Comprising seven high-tech warehouse and logistics buildings, Stage 1a of the development is planned to comprise ~58,000sqm of industrial floorspace.

- **Western Sydney Airport Business Park**

The Western Sydney Airport Business Park (**the WSABP**) is a planned business park located within the Western Sydney International Airport. The development has a capital investment value of \$392 million and could accommodate over 2,100 jobs within 280,000qm of industrial and commercial floorspace.

The WSABP is positioned to support the vision for the Aerotropolis by offering significant high-value job opportunities in the industrial, aviation and commercial sectors.

- **Ingham & Co**

Ingham Property Group is progressing development of a 184ha site after securing the approval for its Badgerys Creek Road Masterplan in July 2025.

The Badgerys Creek Road Masterplan will guide the delivery of a 184-hectare development of an industry and innovation hub accommodating ~12,500 jobs and 625,000sqm of mixed-use floorspace. The development is due for completion post-2027.

In addition to these projects, development planning for the Bradfield City Centre (being led by the Bradfield Development Authority) is well underway. The first superlot of the future city centre was released to market in early 2025, with the future Bradfield Metro Station due for completion in late-2026.



2.6 Implications for the Proposal

This Chapter has explored the locational context of Site. Its position within the Mamre Road Precinct (and broader Western Sydney Employment Area) was firstly considered, along with its position just north of the Western Sydney Aerotropolis – Australia’s newest planned city in over a century. Its strategic planning context was then considered, along with the nature of recent and planned development activity occurring nearby.

Based on this contextual overview, the following implications for the Proposal can be drawn:

- The Site is positioned within the Mamre Road Precinct – a recently rezoned 850ha industrial precinct poised to accommodate a broad mix of industries within modern, technologically advanced warehouses.
- The Mamre Road Precinct is targeted to accommodate around 17,000 jobs upon buildout, which is equivalent to around 20 jobs/ha of industrial land (precinct-wide).
- The Site is also located just 8.5km north of the Western Sydney International Airport, the future city of Bradfield and broader Western Sydney Aerotropolis.
- A significant amount of strategic planning, combined with billions of dollars of capital (\$30 billion in public investment alone) to realise the whole-of-government vision of delivering a new global gateway city in the Aerotropolis. This investment is planned to unlock capacity for 120,000 new jobs and thousands of new houses over the next 20 years, with a particular focus on high-tech industries.
- The Site is zoned IN1 General Industrial under the Industry and Employment SEPP, which would permit the land uses (i.e. data centre) envisaged in the Proposal.

The Proposal would meet the economic and employment objectives of the WSEA – delivering a data centre campus that supports economically-significant, high-value employment directly on site. With an estimated 800 jobs upon buildout, the Proposal would also result in a relatively high employment density of around 15 jobs per hectare.

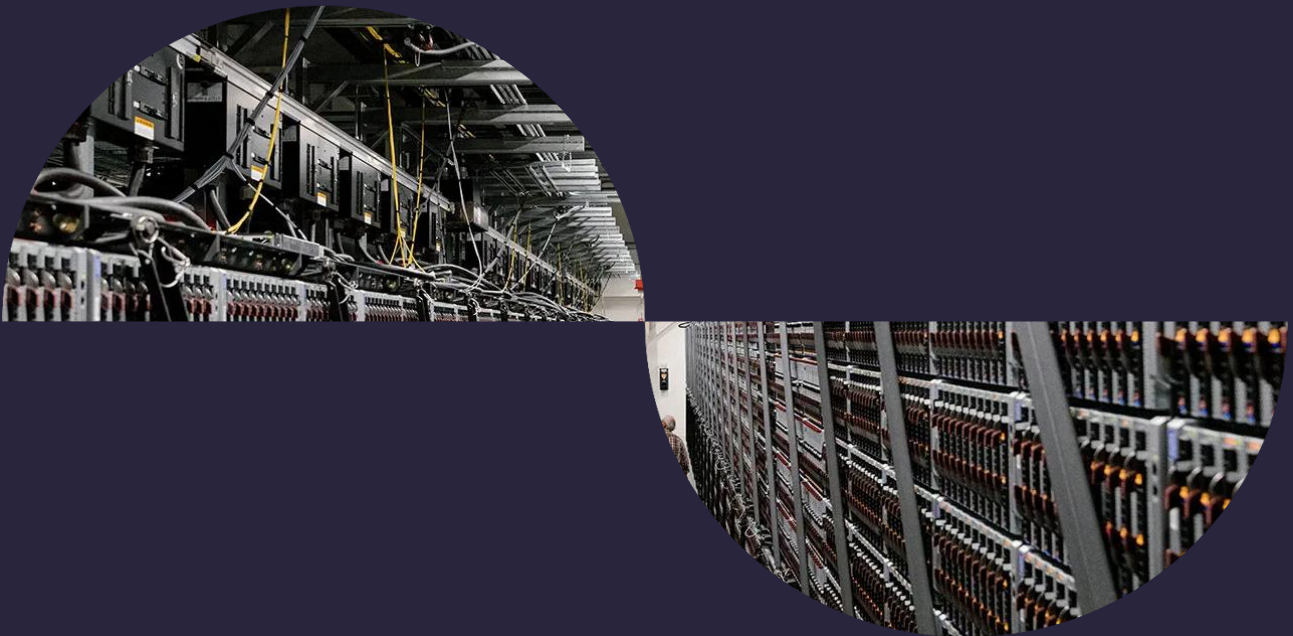
In addition, the Proposal has a *significant* role to play in supporting employment and economic growth of the MRP and neighbouring Western Sydney Aerotropolis as industry increasingly adopts new technology.

The role of data centres in supporting the economies of tomorrow is explored in detail next.



3

The Data Centre Industry



Beyond the
horizon thinking.

Mamre Road Data Centre Campus

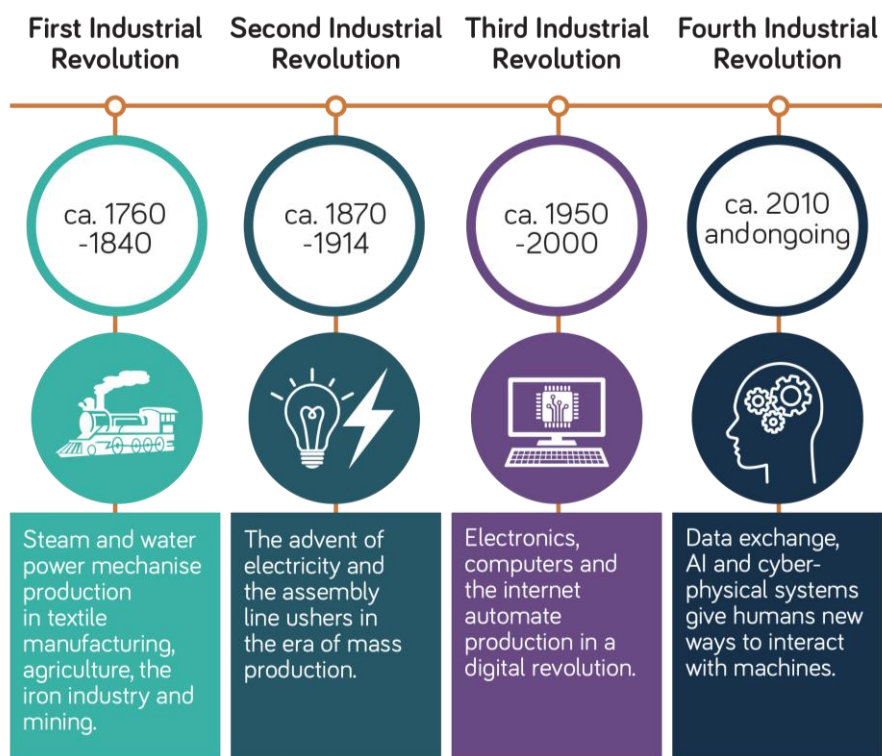
3.1 Macro-Economic Demand Drivers

Global industry has been evolving since the 1800s with the commencement of the Industrial Revolution. It is now recognised that there have been three industrial revolutions, each prompted by rapid advancements in technology which have facilitated improvements in business practices and industry structures.

The third industrial revolution is referred to as the ‘digital revolution’ and saw the introduction of the electronics and notably the internet. The internet has had an almost unparalleled impact on the economy and societies, interconnecting global communication, knowledge sharing and working patterns like never before.

It is now widely agreed that global industry has entered a fourth industrial revolution brought about the significant growth, application and complexity of **cyber-physical systems**. Building upon the third industrial revolution, the fourth revolution (known as ‘Industry 4.0’) is fusing advanced technologies into every aspect of life and work.

FIGURE 3-1: The Industrial Revolution Timeline



Source: Neos Networks (2024)

The technologies driving the fourth industrial revolution are diverse but interconnected: artificial intelligence (AI), the Internet of Things (IOT), Cloud Computing, Big Data and Analytics, Robotics, Blockchain, biotechnology and genetic engineering and quantum computing. These technologies have taken decades in research and development (R&D) to become viable, with incremental improvements in each now spurring collective exponential growth.

The fourth industrial revolution and the adoption of these advanced technologies is set to only continue gathering momentum. Tech-savvy consumers, substantial private sector investment and government policy are driving a surge in demand from consumers, industry and governments.

Consumer demand in particular will further rise as global internet adoption is still growing. As at 2025, 5.6 billion people used the internet in 2025, reflecting 68% of the global population (Statistica, 2025b). Whilst this is significantly higher than the 28% recorded just 15 years earlier in 2010 (ITU, 2010), it shows there is still a significant amount of growth to unfold in internet usage (and thus consumer access to Industry 4.0 technologies).

The implications of the fourth industrial revolution for data storage are enormous. New technologies are generating an unprecedented amount of data, which must be readily accessible in real-time and located in secure environments. This makes data centres a fundamental component of the global fourth industrial revolution.

TABLE 3-1 provides a snapshot of the economic drivers of data centre demand, noting this not an exhaustive list.



TABLE 3-1: Key Economic Demand Drivers for Data Centres

DEMAND DRIVER	COMMENTARY
ARTIFICIAL INTELLIGENCE (AI) AND MACHINE LEARNING  	AI and Machine Learning (ML) are powerful catalysts driving demand growth for data centres, prompting companies to invest trillions of dollars in infrastructure. Globally, millions of servers run 24/7 to process the foundation models and ML applications that support the function of AI. Data centres requires substantial amounts of energy to power and function through networks of hardware, processors, memory and storage (referred to as compute power). McKinsey research finds that by 2030, data centres worldwide will require US\$6.7 trillion (AU\$10.2t) of capital investment outlay to meet demand requirements. Of this capital investment, US\$5.2 trillion (AU\$7.9t) will be absorbed by data centres that process AI and ML loads. This capital investment required is underscored by a projected 156 gigawatts (GW) of AI-related data centre capacity demand by 2030. This is a 125GW jump between 2025 and 2030. Research has already found generative AI tools reduce task times by 55% (Kalliamvakou, E, 2022), and writing tools decrease writing time by 37%, with improved quality (Noy and Zhang, 2023). As organisations become more comfortable and experienced using transformative, AI-powered tools to carry out tasks and create value - demand for data processing will increase exponentially.
CLOUD COMPUTING  	The digital transformation integrates digital technology into all areas of a commercial and household operations. The rapid adoption and entrenchment of digital and cloud technology is driven by a race to innovation and efficiency. All sectors in the economy are reliant on digital technology and cloud computing, which have fundamentally changed how workers operate. Industries including healthcare, banking and finance, advanced manufacturing, and retail are fundamentally revolutionised through intelligent automation, predictive analysis and even decision-making. Cloud computing enables processing and analysis of large datasets to gain insights and enhance operations. These systems are increasingly adopted and utilised to reduce operational costs whilst improving efficiency and enhancing capacity and developing innovative operating approaches. These systems require significant processing power and storage capacity. The global digital transformation market value was estimated at US\$1.1 trillion (AU\$1.7t) in 2024 and is projected to reach US\$4.6 trillion (AU\$7t) by 2030. This equates to annual growth of 29%. Similarly, global cloud computing was estimated at to have a market size of US\$0.8 trillion (AU\$1.1t) in 2024 and is projected to reach US\$2.4 trillion (AU\$3.6t) by 2030 - equating to annual growth of 20% (Grandview Research, 2025a).
ECONOMIC GROWTH	All sectors of the economy utilise the digital and online capacity enabled by data centres. Economic expansion (measured through gross domestic product (GDP)) increases revenue, spend and investment - all of this has a direct flow on effect and encourages use of digital technology. This is especially true when considering the landscape of enterprise operations. With market growth, enterprises look for new ways to capture efficiencies, enter new markets and take on larger, complex work and challenges. Tangibly, this looks like processing and analysing larger, more complex datasets - which directly increases demand for data centre capacity and increases IT spend (which expected to total US\$5.4 trillion in 2025, an 8% on 2024 (Gartner, 2025). High-GDP sector growth (finance, healthcare, and manufacturing) drives data centre demand. Specific sectors like fintech, digital health, ecommerce have a need for secure, low-latency data processing.
TECHNOLOGICAL AND STRUCTURAL SHIFTS     	Proliferation of 'big data' services, ecommerce, quantum computing, cryptocurrencies, digital assets and mobile communication stands (e.g., 4G, 5G and 6G) represent a profound structural shift. Sectors are forsaking legacy systems for fast and efficient, next-generation, data-powered systems. - Healthcare: Telemedicine, electronic health records and AI diagnostics require secure, compliant data analysis and processing. Rapid adoption of remote-monitoring and wearables (fitness trackers, smart watches, electrocardiogram monitors) for real-time analysis and personalised treatment further contributes to demand. - Finance: Blockchain technology for transactions, AI for fraud detection and open banking require low-latency data processing. This is further driven by mining of crypto mining and decentralised finance, with Bitcoin consumption alone increasing from 4.6TWh to 180TWh from 2015-2025 (Cambridge University, 2025). - Retail/ Ecommerce: For customer satisfaction and to drive repeat purchase, online shopping platforms invest in personalising customer experience, intuitive interfaces, recommendations and streamlined checkout processes. These are powered through leveraging data and ML algorithms to analyse user preferences and purchase history. In-person retail also relies on digitalised logistic/ fulfilment systems (e.g., Shopify) and digital payment technologies for a more secure, fast-tracked process. - Emerging Markets: New markets and services including Media platforms/ streaming services, online gaming, autonomous mobility (like full-self driving) require significant bandwidth, high-speed processing. The result of these examples is unprecedented demand for volume of data analytics, processing and power which requires more enabling infrastructure.

Source: Atlas Economics



3.2 Global Data Centre Sector

The integration of cloud computing, artificial intelligence and machine learning, technological advancements in all industries, the entrenchment of hybrid/remote working trends, as well as general economic and population growth, are all contributing to increased demand for digital infrastructure like data centres.

The response to these drivers has been a significant and sustained wave of public and private sector investment into the global data centre sector. This section provides an overview of the global data centre market.

3.2.1 Size and Distribution

3.2.1.1. SIZE OF THE MARKET

The size of the core global data centre market can be measured in terms of both **hardware** and **software**:

- **Hardware** reflects the physical components of a data centre – servers, storage systems, networking equipment, power and cooling systems and racks and enclosures.

The rapid adoption and utilisation of social media, digital transactions, data processing and integration of AI and ML into all sectors creates ‘upward’ pressure for greater data storage and processing. This requires a large and powerful mix of hardware.

- Conversely, **software** is the management, virtualisation, and automation layer that controls how data centre hardware is use (e.g. cloud management, cybersecurity systems, etc). Software is driven by demand for virtualisation, cloud computing, encryption, fraud detection and monitoring.

Current to 2025, the global data centre market is estimated at **US\$384 billion** (AU\$582.4 billion). Hardware accounted for the largest component of the sector at approximately 67% (Grandview Research, 2025b).

3.2.1.2. GLOBAL DISTRIBUTION

The distribution of the global data centre market can be measured in terms of number of data centres, capacity (GW) and market share. Unsurprisingly, the global distribution of data centres is not balanced and is focused in countries with large populations and advanced, technology-orientated economies.

DATA CENTRES

Current to 2025, the global installed data centre capacity is ~114GW. The majority of data centres and data centre capacity are in the United States (**USA**) and China. Collectively, these two nations hold 70% of the global capacity (approx. 80GW), followed by Europe (approx. 24GW capacity).

Current to March 2025, there are over 11,000 data centres globally. North America alone holds more than 40% of supply (Statistica, 2025a). Australia accounts for approximately 3% of the global market.

TABLE 3-2: No. of Data Centres by Country (March 2025)

COUNTRY	NO. OF DATA CENTRES	% SHARE OF TOTAL
United States	5,426	49%
China	449	4%
Germany	521	5%
United Kingdom	514	5%
Canada	327	3%
Australia	314	3%
Netherlands	265	2%
France	247	2%
Japan	239	2%
India	196	2%
Rest of World	2,579	23%

Source: Statistica (2025)

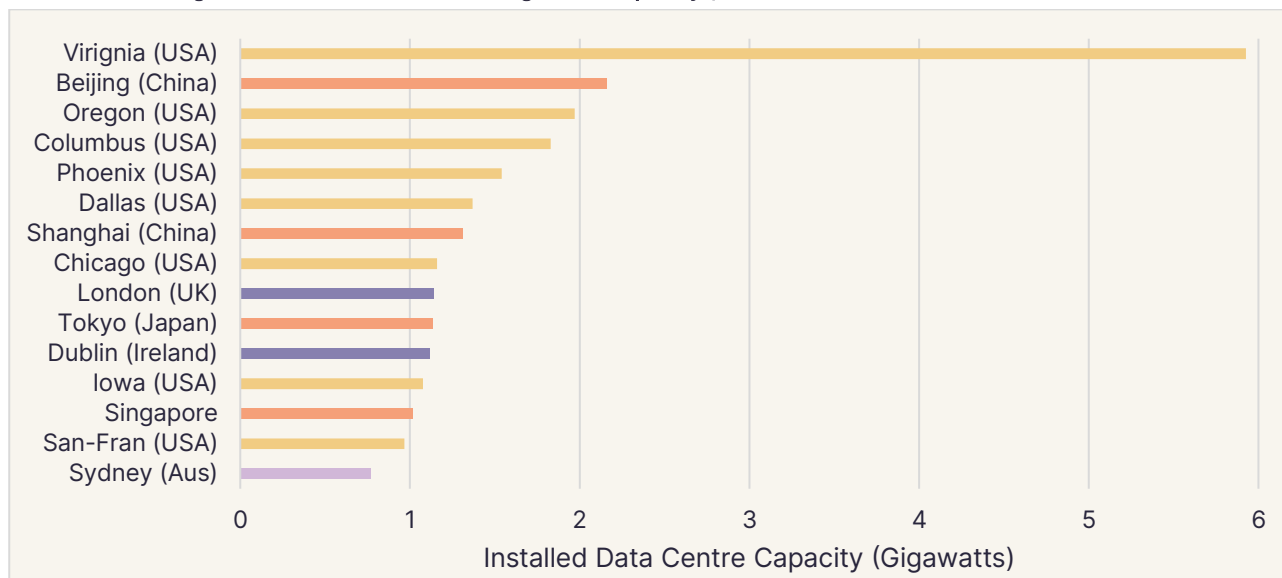


INSTALLED CAPACITY

When measuring operational IT load, of the 15 largest data centre markets globally, seven are located in the USA, three are in Asia, two are in Europe, with Sydney being the 15th largest market. Globally, 13 markets boast operational capacities exceeding 1GW.

The largest markets (by GW capacity) are illustrated in FIGURE 3-2.

FIGURE 3-2: Largest Data Centre Markets (Gigawatt Capacity), March 2025



Source: Cushman & Wakefield (2025)

3.2.2 Growth and Trajectory

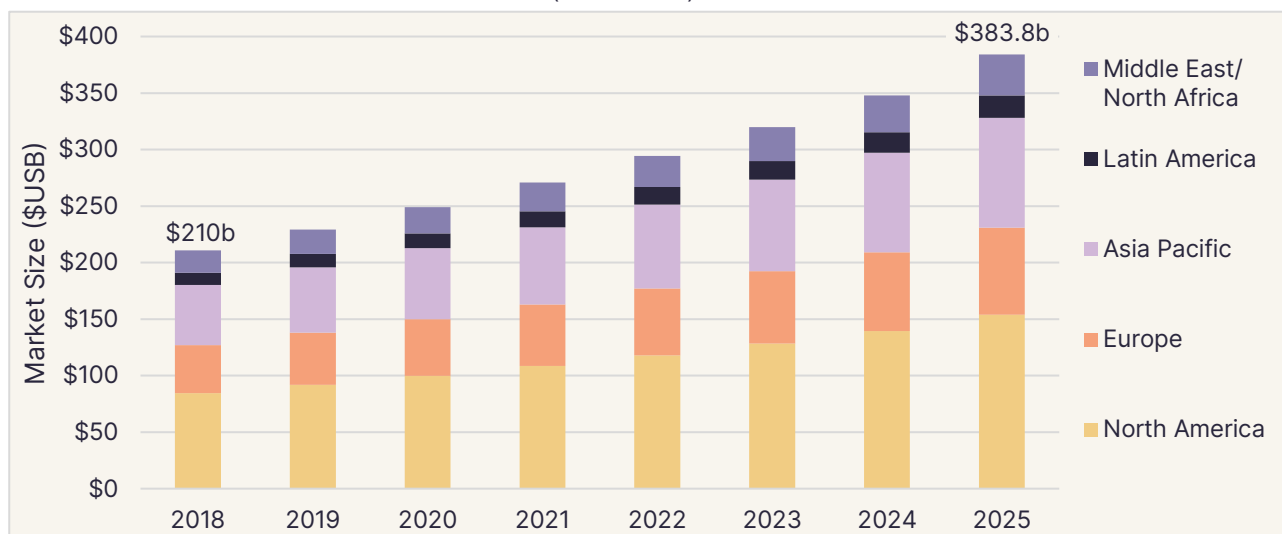
HISTORICAL GROWTH

The historical growth of the global data centre market (and its processing capabilities) has been significant. Since 2018, the installed capacity of data centres has increased by 44% per annum, from 43.5GW to 114.3GW.

In 2018, the global data centre market size was estimated at approximately US\$210 billion (AU\$426b). In the years since 2018, the data centre market has rapidly expanded, responding to unprecedented demand for data analytics, processing, storage and more recently the integration of AI, ML and automation.

In 2025, the data centre market is estimated to be worth US\$384 billion, averaging value growth of 22% per annum.

FIGURE 3-3: Data Centre Market Size Estimate (2018-2025)



Note: 2025 is an annualised estimate

Source: Atlas Economics, Grandview Research (2025b)



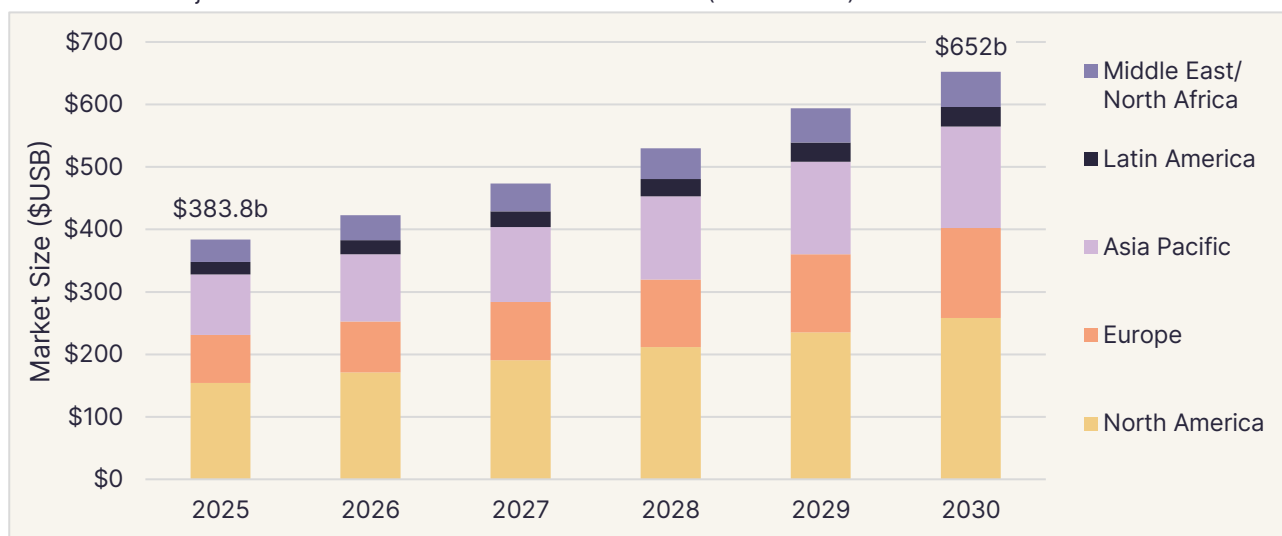
OUTLOOK

The outlook for global data centre demand is undeniably strong. The rapid adoption and use of 'Industry 4.0' technologies are becoming entrenched in workspaces and households, and will only continue to grow.

Looking forward to 2030, the data centre market is projected to reach US\$652 billion, equating to growth of 11.2% from 2025-2030 (Grandview Research, 2025b) Much of the anticipated growth is anticipated to originate from the Asia-Pacific region, which is anticipated to grow by 13.3% per annum.

The expected growth in the Asia-Pacific is anticipated from a substantial level of investment into hyperscale and colocation data centres in China, Japan, India and Singapore. Data centres have become the second-most popular investment sector for Asia-Pacific investors, behind only healthcare.

FIGURE 3-4: Projected Growth of Global Data Centre Market (2025-2030)



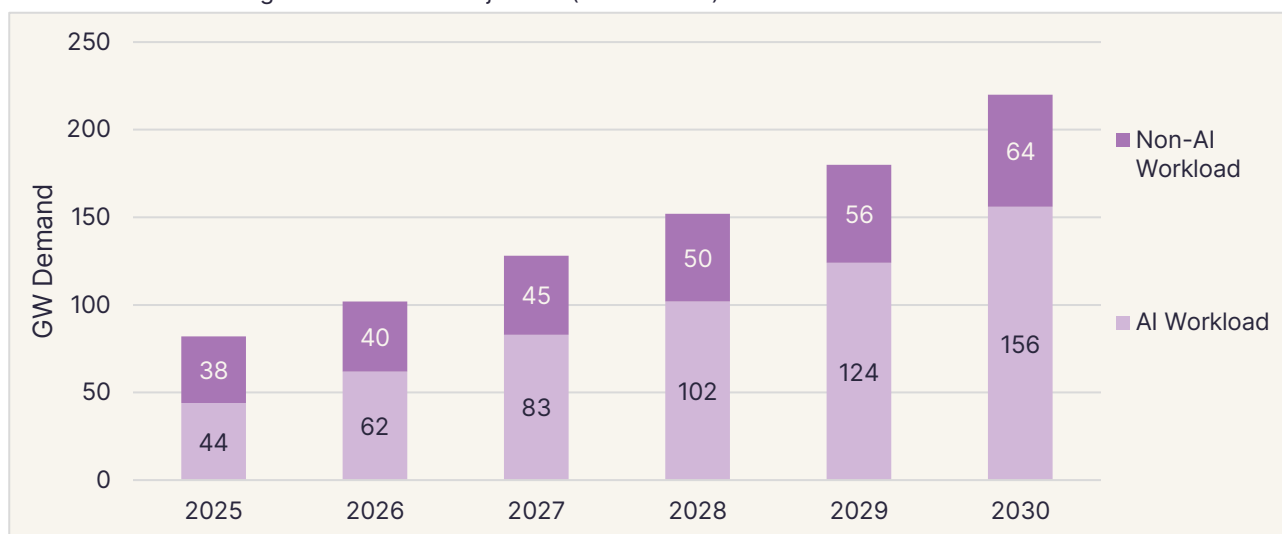
Note: 2025 is an annualised estimate

Source: Atlas Economics, Grandview Research (2025b)

The projected growth of the data centre market is driven by growing demand for data processing, analytics, automation, AI and ML. This is driving unprecedented growth in demand for computing power and data storage.

McKinsey (2025) estimates that from 2025-2030, global GW demand will increase 22% year-on-year, from 82GW to 220GW. Notably, the AI workload that will require GW capacity (as opposed to non-AI workload), accounts for over 80% of demand growth. It is expected that over the five-year period, AI workload will increase by 112GW (29% per annum).

FIGURE 3-5: Global Gigawatt Demand Projection (2025-2030)



Source: McKinsey (2025)



3.3 The Australian Data Centre Sector

As one of the world's largest and most advanced economies (ranked 14th globally in GDP terms), the adoption of 'Industry 4.0' technologies by both consumers and industry in Australia has been swift. This has in turn driven strong growth in the Australian data centre sector in order to keep pace with a quickly digitising economy.

This section provides an overview of the Australian data centre sector, including its policy context, key demand drivers, size and importantly, the outlook for future demand.

3.3.1 Policy Context

In response to the observed growth in demand for data centre capacity and investment interest from global data players, the Australian Government is currently developing a National Data Centres Strategy. This strategy will cover key aspects of the domestic data centre sector, including technological capacity, energy, AI sovereignty and national security. The new strategy is expected to be released over the coming 12-18 months.

This strategy will also respond to recent developments in the global computer chipmaking market, with Australia now one of 18 'Tier 1' countries permitted to purchase advanced AI chips with minimal import restrictions and licensing requirements from the United States. This puts Australia in a significantly strategic position over 'tier two' countries like Malaysia, Singapore, Saudi Arabia and United Arab Emirates.

This is providing Australia's data centre sector significant investment momentum from hyperscalers and enterprises looking to deploy next-generation digital infrastructure.

Other national strategies of relevance to the Australian data centre sector include the Digital Economy Strategy and the Digital Business Plan.

THE DIGITAL ECONOMY STRATEGY 2030 (2021)

The Digital Economy Strategy 2030 is an acknowledgement by the Australian Government of the social, economic and environmental tailwinds that are pushing Australia forward. The Digital Economy Strategy was established in recognition that a thriving digital economy is critical to Australia's overall economic health.

The Digital Economy Strategy sets out a vision for Australia's future and recognises that the rate of digital infrastructure delivery and adoption of emerging technologies over the 2020-2030 period will determine if Australia becomes a global leader in innovation or falls behind. A goal for Australia is to be a world-leading digital economy, with thriving high-growth industries, access for all Australians to digital skills and technology and businesses with high levels of digital integration.

The Digital Economy Strategy identifies how digital trends are reshaping jobs, with 90% of future roles needing digital skills, and Australia facing a shortage of 156,000 digital workers by 2025. This has direct implications for data centre facility capacity requirements. To achieve the Digital Economy Strategy's core objectives of greater adoption of data storage, analytics, processing and digital tools, there will inherently need to be a significant increase in capacity across the domestic data centre.



THE DIGITAL BUSINESS PLAN

The Digital Business Plan was released as part of the 2020-21 federal budget and aims to encourage digital technology adoption for growth and create employment opportunities. This is supported by investment into digital infrastructure and skills, removing outdated regulatory barriers and supporting boosted small business capability.

The need for digital technology for commercial uses, essential services, education and for at-home requires were brought to light during the COVID-19 pandemic. The Digital Business Plan was developed in response to this. The Digital Business Plan invests \$797m into essential digital infrastructure and skills, purpose-driven and appropriate regulatory frameworks, SME support and capability and business digital engagement.

Enhancing digital skills and enhancing the capability of SMEs will generate greater need for use of digital tools and therefore place greater demand on data centre capacity.



3.3.2 Domestic Demand Drivers

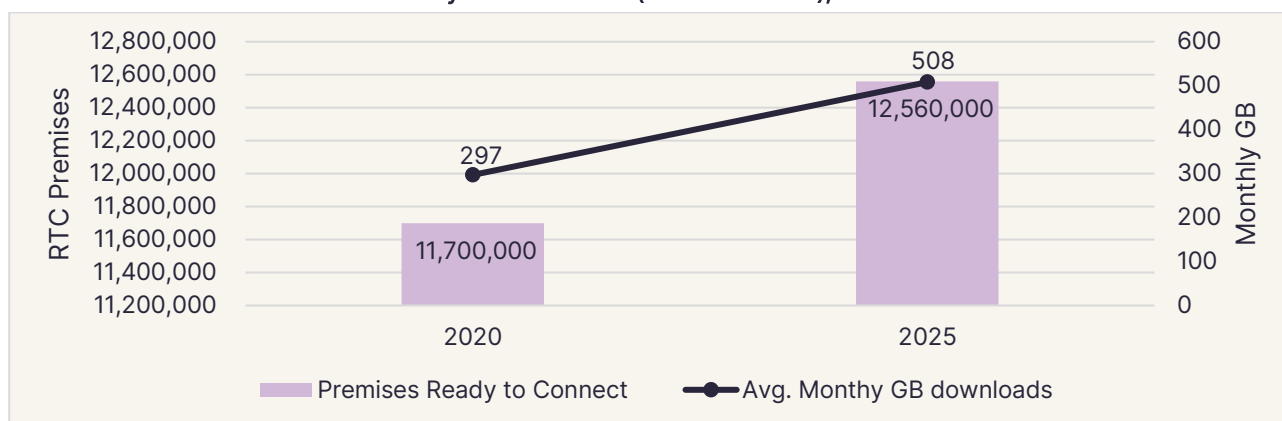
Similar to other advanced economies, data centres are becoming essential infrastructure in Australia. Demand for data centres is growing at a rapid rate, attributable to an exponential dependency on digital tools, automation and technology – including for mobile devices (phones, tablets, laptops), streaming services, AI and ML and ecommerce.

INTERNET AND DATA USAGE

Australians are increasingly using more internet every day. 2025 data from the National Broadband Network (NBN) shows that on average, Australian households are using approximately eight times more power than in 2015. More recently, monthly data downloads per household jumped from 297 gigabytes (GB) per month in June 2020 to 508GB in June 2025, an increase of 11% per annum (NBN Co, 2020, 2025).

Over the same period, the number of Ready to Connect (RTC) premises increased from 11.7m to 12.6m, an increase of 1.4% per annum. This demonstrates the rapid increase of internet usage per premises in recent years. An upward trend in both RTC premises and monthly GB downloads illustrates the clear growth in demand for data storage.

FIGURE 3-6: RTC Premises and Monthly GB downloads (2020 and 2025), Australia



Source: Atlas Economics, NBN Co (2020, 2025)

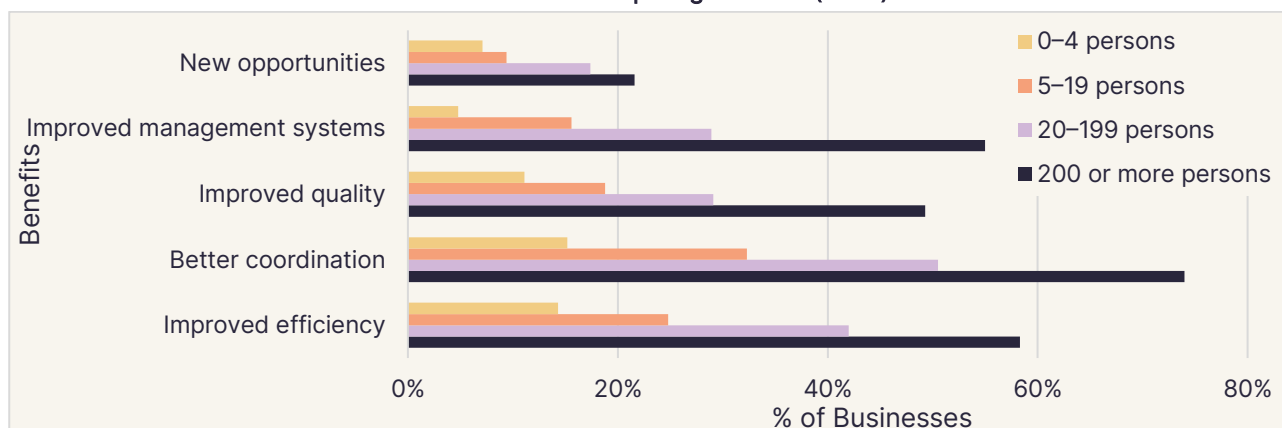
COMMERCIAL ADOPTION OF DIGITAL SERVICES AND CLOUD COMPUTING

Research carried out by the Australian Bureau of Statistics (ABS) (2021-22) finds that on a yearly basis, Australian businesses in all sectors are becoming more reliant on digital technology and cloud computing. This has direct implications for demand of data storage and data centres.

In 2019-20, 55% of Australian business used paid computing services (up from 19% in 2013/14). This is particularly true for professional, scientific and technical service firms (72%), information, media and telecommunications firms (70%) and financial and insurance service firms (65%).

Importantly, companies are reporting significant operational and efficiency benefits from adopting digital technology and cloud computing. This is especially true for large corporations (200+ persons). Survey results indicate the benefits include new opportunities that wouldn't be possible without adopting digital/ cloud services, improved quality of output, improved operating efficiency and better coordination both internally and for multi-firm projects.

FIGURE 3-7: Australian Business Benefits of Cloud Computing Services (2022)



Source: ABS (2023)

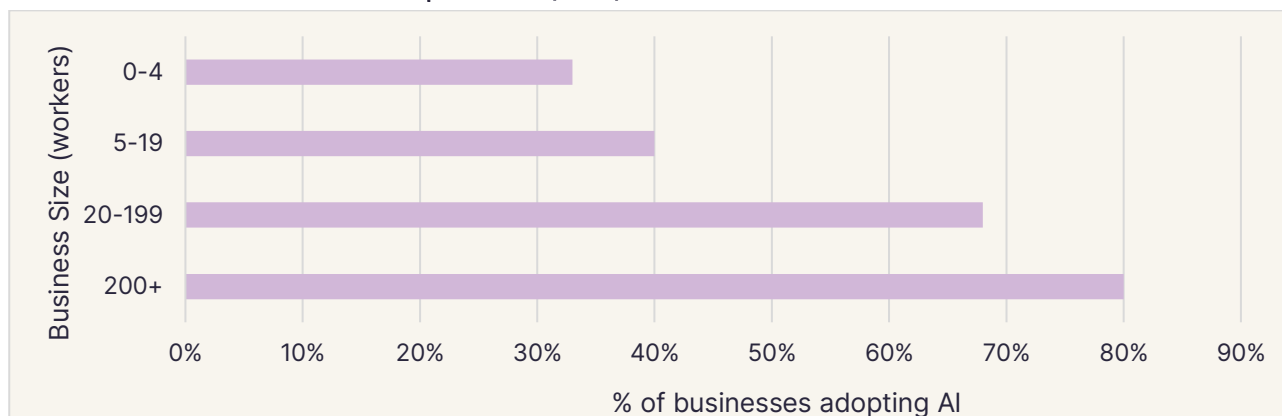


INTEGRATION OF AI AND RESOURCE-INTENSIVE COMPUTING

New data from the Australian Department of Industry, Science and Resources (2025) shows the continuous adoption and integration of AI in day-to-day operations. The continued integration of AI into the workspace has significant implications for data centre demand given the immense amount of computing power required in AI technologies.

In 2025, more than 80% of large companies (200+ workers) have integrated AI into their daily operations. This is also true for almost 70% of companies with 20-199 workers. As companies grow larger, it is essential to use and integrate tools that improve efficiency by reducing costs, enhancing collaboration and improving work quality.

FIGURE 3-8: Australian Business Adoption of AI (2025)



Source: Australian Department of Industry, Science and Resources (2025)

GOVERNMENT INVESTMENT

The Australian Government has developed a list of technologies deemed critical to economic growth, national security and social cohesion. These include advanced manufacturing, AI technologies, quantum technologies and clean energy generation – all of which require (or are themselves forms of) 'Industrial 4.0' technologies.

The Australian Government is also contributing a significant amount of funding into these technologies, committing a 10-year investment of \$9.9 billion into enhancing cyber and intelligence capabilities. This is in addition to a raft of other grants and tax offsets, incentives and funding pools, such as the \$2.8 billion investment into technology systems (as per 2024-25 Federal Budget), the \$1.6 billion investment to support the 2020 Cyber Security Strategy and the \$1 billion investment to support critical technologies (2020).

Notably, the Australian Government has also committed \$2 billion over 10 years to support cloud technology through a partnership between the Australian Signals Directorate and Amazon Web Services.

These investments demonstrate Australian Government's commitment to enhancing domestic digital capabilities and capacities, which will require significant investment into enabling digital infrastructure like data centres.

SUSTAINABILITY AND ENERGY EFFICIENCY IMPERATIVES

Coinciding with these various demand drivers is the need for 'green' data centres. Many data centre operators are targeting 100% renewable energy usage by 2030 as the decarbonisation of the economy continues.

Given the immense amount of power and energy required for data centres, industry players are turning to renewable energy sources (e.g., solar and wind) to power their infrastructure. This can help reduce costs and helps address the environmental impact of data centres.

An example of this initiative is the long-term power purchase agreement (PPA) between AirTrunk (hyperscaler), Google and OX2 (global renewable energy provider) to develop a new solar farm in NSW's Riverina region, which will deliver 25 megawatts (MW) of renewable energy capacity.

Sustainability initiatives such as these are marking Australia's data centre market as a key differentiator, helping attracting investment from global tech giants like AWS, Google, Microsoft as well as large AI companies who are both reliant on data centre infrastructure and striving to meet sustainability standards.

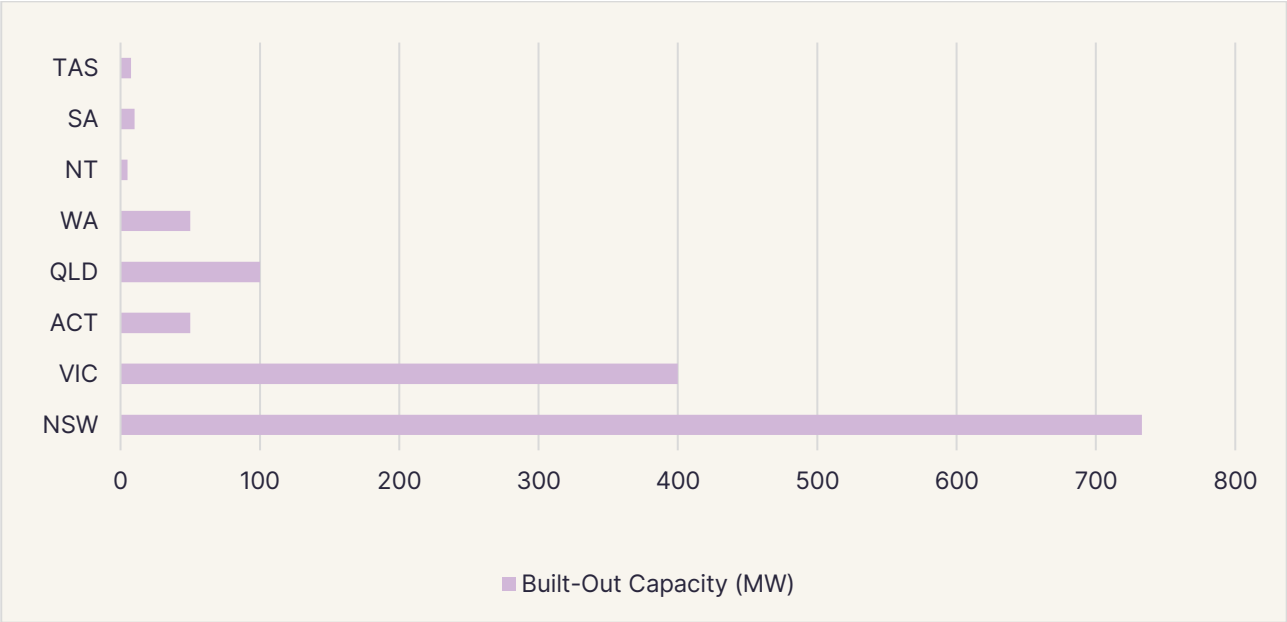


3.3.3 Size and Distribution

There is estimated to be 314 data centres currently operating across Australia, accounting for a small (3%) portion of the global market. The domestic data centre market includes several major global operators, who have been growing their presence in recent years in response to the significant growth in demand.

There is an estimated 1.35GW (1,350MW) of installed capacity in Australia. Unsurprisingly, Australia's two largest states of NSW and Victoria represent the majority of the domestic market. NSW is itself the largest market (by MW capacity) as at 2025, with capacity of around 733 MW.

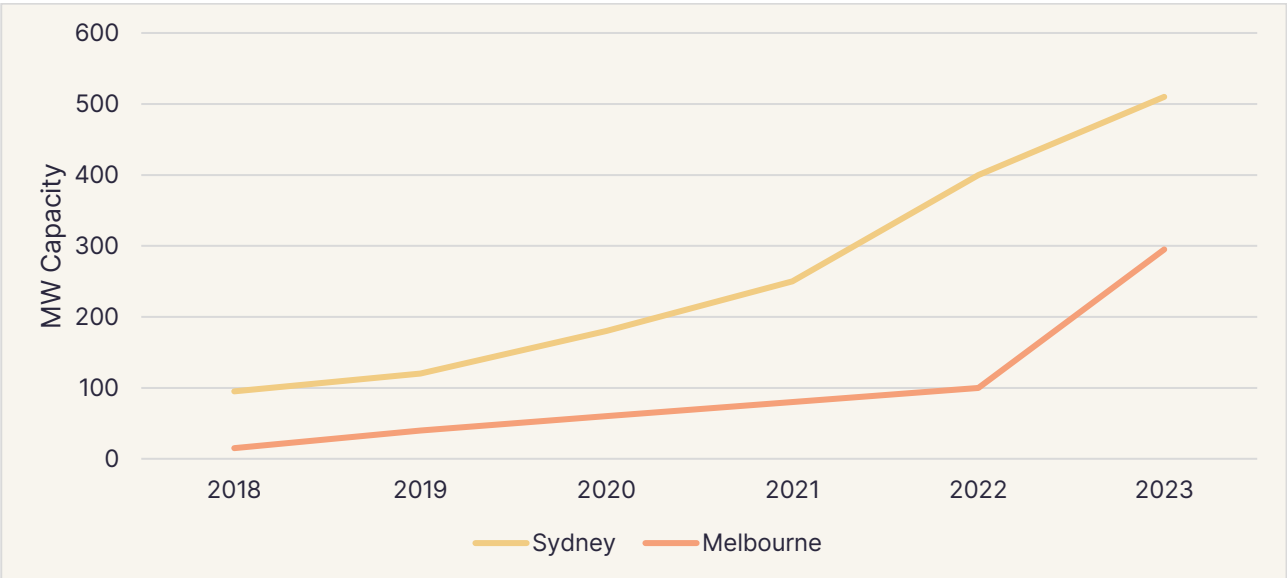
FIGURE 3-9: Estimated Data Centre MW Capacity (2024), Australia



Source: CBRE (2024)

Since 2022, hyperscale deployment (as measured in IT supply) in Melbourne has outpaced Sydney markets, attributable to the less expensive land values, greater availability of large, serviced lots.

FIGURE 3-10: Hyperscale Deployment (2018-2023), Sydney and Melbourne



Source: CBRE (2024)



3.3.4 Future Demand for Data Centre Capacity

The outlook for data centre demand in Australia is significant and fuelled by the growing adoption of 'Industry 4.0' technologies by consumers, businesses and governments.

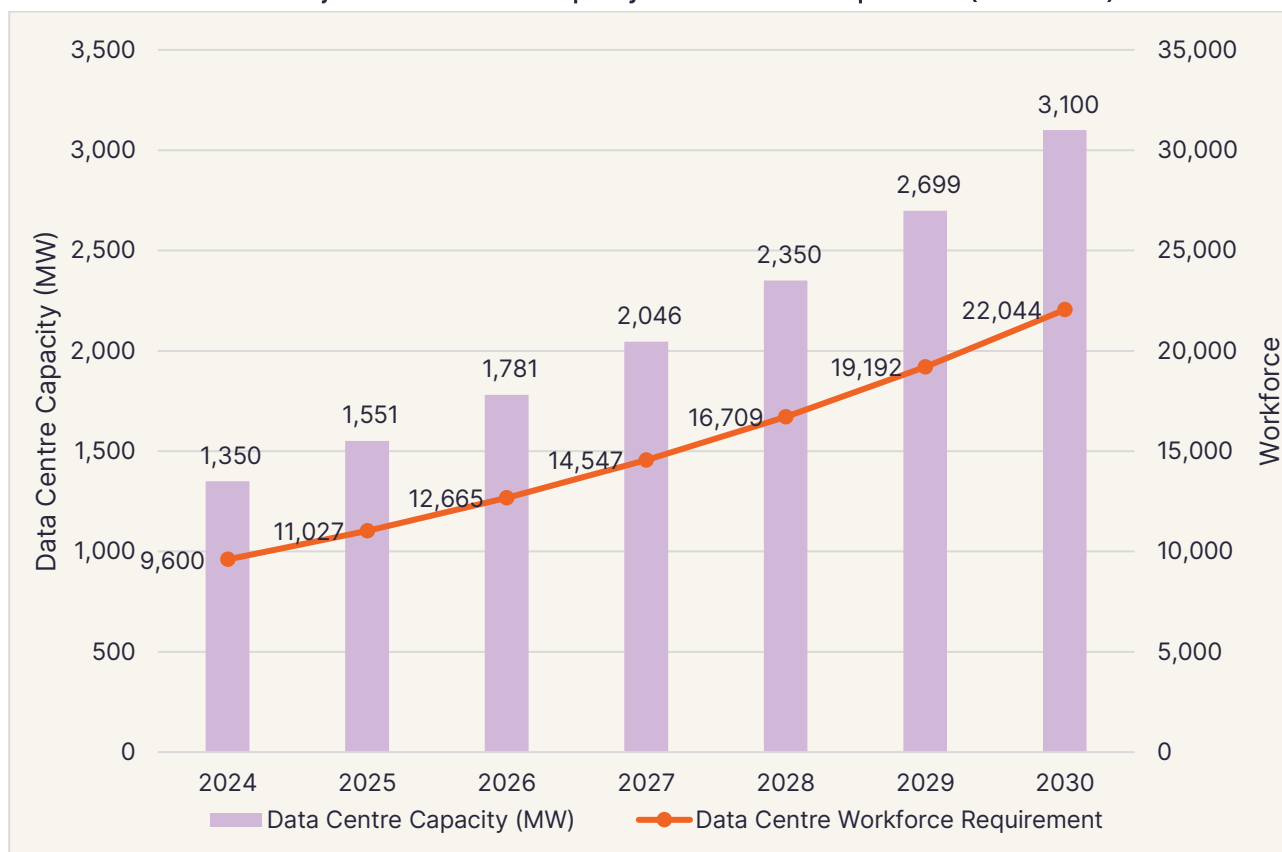
For instance, the number of internet-connected devices per household is expected to increase from 24 devices in 2025 to 51 devices in 2030. This is against a backdrop of rising data usage levels per device; the amount of data that new tech uses compared to current, standard applications is up to 24x greater (NBN Co., 2024). Additionally, **all** sectors in the economy, including health care, professional services, financial services, education and defence, are becoming more reliant on digital technology to function.

Short-term industry projections (Mandala Partners, 2025) suggest that Australia's deployable data centre capacity will have to reach 3.1GW (3,100MW) by 2030. This would reflect an increase of 1.75GW from current capacity of 1.35GW – growth of 15% per annum.

From an employment perspective, the data centre workforce would have to grow from ~9,600 workers in 2024 to ~17,900 workers by 2030 (Mandala Partners, 2025). This reflects growth of 11% per annum. For comparison, Australian employment is projected to grow by 1.3% per annum over this period (Jobs and Skills Australia, 2023).

From an investment perspective, it is estimated that investment of AUD\$26 billion in data centre development would be required to meet this surge in demand.

FIGURE 3-11: Australia's Projected Data Centre Capacity and Workforce Requirement (2024-2030)



Source: Atlas Economics, Mandala Partners (2025)

3.4 Locational Requirements of Data Centres

Data centres have multiple critical requirements which dictate where they can be appropriately located.

Not all locations are appropriate, with much finer grain site selection analysis needed to select appropriate sites. Some of the critical locational factors include:

- **Proximity to Population and Employment Hubs**

Proximity to major population and employment hubs is an important locational factor for data centres, particularly those providing cloud, colocation, and edge computing services. Locating near urban centres ensures low network latency and faster data transmission between users and servers, which is critical for real-time applications and business operations. Urban areas also provide access to established utility infrastructure, a skilled workforce and key clients.

- **Power Supply and Energy Reliability**

A secure, high-capacity, and redundant electricity supply is fundamental to data centre operations. These facilities consume large amounts of power to run servers and cooling systems continuously, making connection to a robust energy grid essential.

Sites proximate to substations and/or access to renewable energy sources are preferred to ensure operational continuity and support meeting sustainability objectives. Reliable energy infrastructure also reduces the risk of downtime, which can have significant financial and reputational consequences for operators.

- **Network Connectivity**

Access to high-speed, low-latency fibre-optic networks is critical for a data centre's performance. Sites located near major telecommunications exchange points or fibre backbones can deliver faster and more reliable data transmission. Connectivity also influences the facility's ability to integrate with global cloud platforms.

- **Physical and Environmental Security**

Data centres must be located in areas with a low risk of natural hazards such as flooding, bushfires, and earthquakes to protect both physical assets and data integrity.

- **Site Area and Topography**

Modern data centres are increasingly large and require sizeable land parcels. This allows for backup systems, generators, and ancillary infrastructure to be located on-site. They will also typically look to occupy flat, stable terrain to simplify construction, improve cooling efficiency and support heavy structural loads.

Like other forms of development, delivering data centres in existing urban locations is becoming increasingly challenging due to limited development sites and/ or high land costs. Sydney's critically low levels of serviced industrial land supply exacerbate these challenges.

SYDNEY'S CONNECTIVE ADVANTAGE

Submarine cables are essential for all types of communication. They are used to transmit international data and for digital connection. Submarine cables use fibre-optic technology. Fibre-optic technology is far more efficient than satellites, having superior data-transmitting capacity and being of lower cost.

Looking at the submarine cable map view of Australia, Sydney is clearly Australia's primary submarine cable landing hub with 63% of Australia's international cables connections making it a critical gateway for global connectivity.

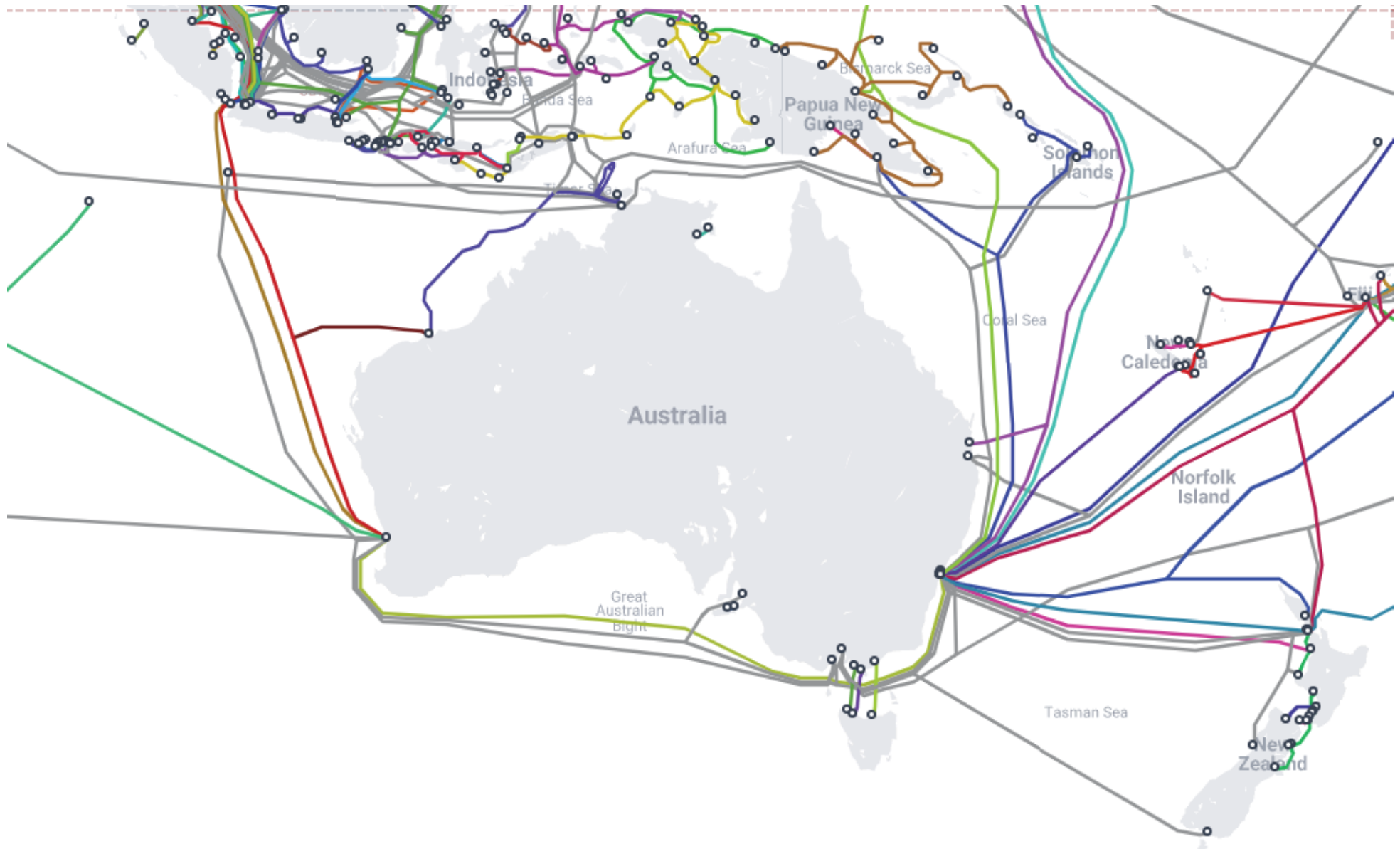
There are over 20 major cables landing in Sydney, providing high-capacity links to Asia, the US, and domestic sites, with additional connections to be completed in the coming years. Key international cables include:

- Southern Cross Cable: 28,000km in length, the Southern Cross Cable connects Sydney to the US West Coast via Hawaii/New Zealand and is major trans-Pacific route for cloud traffic.
- JGA South: a 7,000km cable connecting Sydney to Japan/Guam with an initial design capacity of 36,000GBps and provides traffic survivability in a dual event outage.
- Tabua (future cable): Will connect Sydney to the US and Fiji. Installation commenced in 2025. The cable will have 16 fibre pairs with a minimum design capacity of 17,000GBps each, focusing on AI workloads.

From a connectivity standpoint, Sydney is very clearly Australia's premier location for data centres.



FIGURE 3-12: Submarine Cable Map (September 2025)



Source: Submarine Cable Map (2025)



3.5 Economic Importance of Data Centre Industry

Like all other industrial revolutions preceding it, the fourth industrial revolution is fundamentally changing the way we live and work. The potential impact of AI on many industries, particularly 'knowledge intensive' sectors, has been likened to the impact of steam power on the global manufacturing sector in the 1800s. It, along with other 'Industrial 4.0' technologies, is poised to fundamentally shape the future of the global and Australian economy.

For the most part, many of the economic implications of the fourth industrial revolution remain unknown. Technological advancements which could be brought on by generative artificial intelligence (**GAI**) will be novel.

The implications of the fourth industrial revolution for data storage are enormous. New technologies are generating an unprecedented amount of data, which must be readily accessible in real-time and located in secure environments. Data centres are now a fundamental component of advanced economies and cities.

Accordingly, the data centre sector generates a significant amount both direct and flow-on economic benefits.

EMPLOYMENT GENERATION

Data centres create employment opportunities during both construction and operation of the facility.

- A PwC (2025) study found that data centres provide a 6x multiplier of indirect or induced jobs, for every direct job they provide. These jobs are often high-paying, which create greater flow-on effects.
- Further to this, studies find that for every one job inside a data centre, and additional 3.5 job opportunities are created in the surrounding economy (JLARC, 2025).
- In Australia, there are 9,600 FTE jobs supported by data centres. Projected growth will support 17,900 FTE jobs in the industry by 2030 (Mandala Partners, 2024). These jobs include technicians, tradespersons, security engineers and ICT professionals. In Australia, 4/10 data centre roles are in shortage - particularly operational roles (technicians and tradespersons) and ICT professionals (engineers) (Jobs and Skills Australia, 2024).
- Education and training partnerships revolving around data centre facilities are also an added benefit. Examples of this include the National Data Centres Academy in the United Kingdom which assists residents with developing new skills (Tech UK, 2024).

CAPITAL INVESTMENT

Data centres and the broader data storage, analytics and processing sector is attracting huge levels of public and private sector investment.

- The global market value estimated at US\$384 billion (AU\$582.4b). Looking forward, demand for data centre capacity is expected to require almost US\$7 **trillion in capital investment**.
- In Australia, additional investment of over AUD\$26 billion will be needed to meet demand to 2030 alone.
- Australia is the second-most popular location globally for data centre investment with US\$6.7 billion in 2024, only behind the United States at US\$14.6 billion (Knight Frank, 2025). The domestic market has gained significant momentum with the recent US ruling granting Australia privileged access to Nvidia AI chips.

CONTRIBUTION TO GDP AND ECONOMIC OUTPUT

International case studies find that data centres make vast contributions to national GDP and employment.

- In Portugal, the data centre sector supported €311 million in GDP (AU\$553.6m) and supported 1,700 FTE jobs per annum and is projected to reach €6.1-€26.2 billion in GDP (AU\$10.9-46.6b) by 2030, subject to domestic policy (Copenhagen Economics, 2025).
- In Virginia (USA), approximately US\$31 billion of economic output, 78,140 FTE jobs and US\$6.2 billion (AU\$10b) in supported employee pay and benefits was supported from data centre construction and operations alone in 2023 (NVTC, 2024).
- In Australia the generative AI sector (measured in value-added (industry outputs / less inputs)) could reach AU\$115 billion by 2030 if economic conditions align and supportive policy is implemented. This could be as low as AU\$45 billion if economic conditions and domestic policy does not support delivery of data centres (Microsoft and Technology Council Australia, 2023).



3.6 Implications for the Proposal

This Chapter has assessed the global and Australian data centre industry. It has considered the various macro-economic tailwinds driving the sector, its size and distribution (both globally and domestically) and its growth outlook over the coming years. The importance of the data centre sector to the broader economy was also explored.

Based on the findings of this Chapter, the following observations of relevance to the Proposal can be drawn:

- The global economy is fundamentally changing in response to the fourth industrial revolution, which is fusing new technologies like AI, the IoT and cloud computing into every aspect of work and life.
- These new technologies are generating an unprecedented amount of data, which must be readily accessible in real-time and located in secure environments. Data centres are now an integral part of advanced economies.
- The response to these demand drivers has been a significant and sustained wave of public and private sector investment, with the global data centre market growing by 22% **per annum** over 2018-2025 to reach a total estimated value of US\$384 billion.
- Whilst Australia is a smaller player in the global data centre market (accounting for 3% of total supply), it is poised to rapidly grow in response to consumer, industry and government-led demand. By 2030 it is projected to require an almost doubling in its capacity (MW), necessitating **AUD\$26 billion in data centre investment**.
- Not all locations are suited for data centres – they require various locational criteria to be met in order to operate efficiently, securely, and reliably. Sydney has a clear locational advantage for data centre investment compared to other Australian States and Territories given it is Australia's primary submarine cable landing hub.

Whilst not a major direct employer, the economic contribution of data centres is immense. They are critical to advanced economies and modern cities. Cities and countries with lower levels of data centre infrastructure and investment will undoubtedly struggle to remain competitive, attract investment and grow.

The Proposal is responding directly to the demand drivers outlined in this Chapter. It aligns with the strategic objectives of the Australian Government's Digital Economy Strategy, providing the critical digital infrastructure needed to support the digitisation of the broader economy.

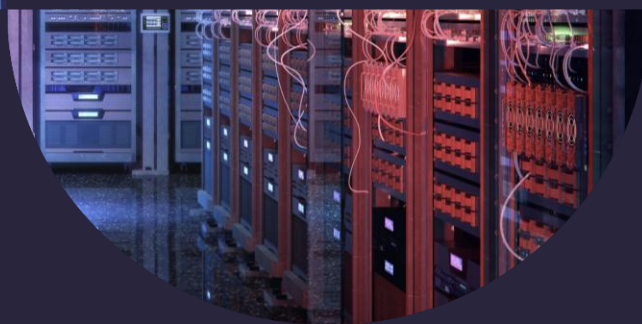
Crucially, the Proposal will provide the necessary data storage capabilities to enable the vision for the Western Sydney Aerotropolis to be achieved – a new global gateway city which accommodates 'data hungry' industries such as aerospace, defence, advanced manufacturing and transport and logistics.

It is also relevant to consider the importance of the Proposal in the context of the broader Sydney region. Like other forms of industrial development, delivering data centres in existing urban locations is becoming increasingly challenging due to limited development sites and/or high land costs. The Proposal represents an opportunity to 'lock in' the data storage capacity of the Greater Sydney economy for years to come.

The next Chapter considers the economic impacts which could result from the Proposal during construction and upon completion through economic impact modelling.

4

Economic Impact Assessment



Beyond the
horizon thinking.

Mamre Road Data Centre Campus

4.1 Overview and Approach

This section examines the economic activity and impacts that could be facilitated by the Proposal during construction and upon completion.

THE PROPOSAL

The site is proposed for development under a State Significant Development Application (SSDA) as a data centre campus comprising:

- Approximately 26 shells across four-storeys data centre buildings (4x four shells and 2x five shells), including six technical office buildings, plus a campus office.
- Incoming and internal electrical substations and associated infrastructure
- Site preparation, including earthworks, stormwater, sewer, roads, and associated infrastructure.

The Proposal is considered a significant contribution to the Penrith LGA and Greater Sydney economy, with an expected estimated development cost (EDC) of \$9 billion (excluding GST).

METHODOLOGY

Economic impact modelling (using models known as Input-Output models) is a method to estimate the overall economic impact within a certain area resulting from a stimulus to the economy, such as a new development.

The economic impacts are assessed at the Penrith LGA and Greater Sydney level. Output models (including the development of specific regional Input-Output transaction tables) have been developed to reflect the respective economic structures.

Input-Output modelling considers economic activity through examining impacts as described in TABLE 4-1.

TABLE 4-1: Economic Impact Indicators

INDICATOR	DESCRIPTION
Output	The gross value of goods and services transacted, including the cost of goods and services used in the development and provision of the final product. Care should be taken when using output as an indicator of economic activity as it counts all goods and services used in one stage of production as an input to later stages of production, thus overstating economic activity.
Gross Regional Product	The value of output after deducting the cost of goods and services inputs in the production process (including the impact of net taxes on final production). GRP defines a net contribution to economic activity.
Incomes	The wages and salaries paid to employees as a result of the Project either directly or indirectly.
Employment	Employment accommodated by the Project or Proposal (either full time or part time, directly or indirectly). Employment is reported in terms of Full-time Equivalent (FTE) positions or person-years.

Source: Atlas Economics

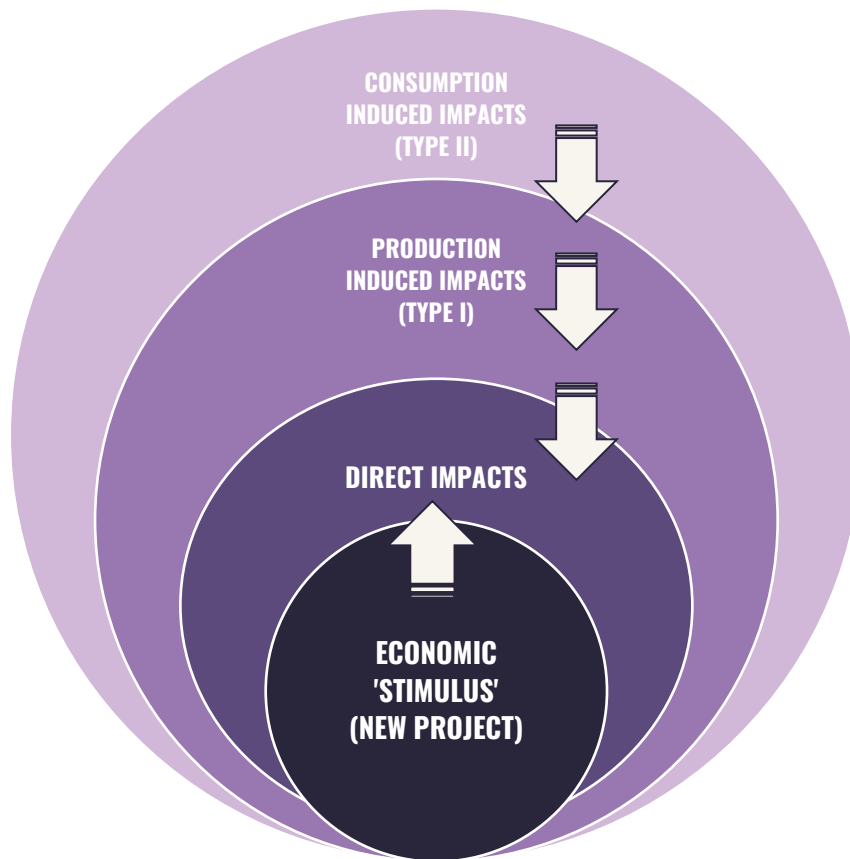
Input-Output modelling traces the economic impact resulting from a 'shock' to a local economy through measuring a series of impacts - referred to as 'Direct' and 'Flow-on' impacts.

- **Direct impacts**, which are the first round of effects from direct operational expenditure on goods and services.
- **Flow-on impacts**, which comprise the second and subsequent round effects of increased purchases by suppliers in response to increased sales. Flow-on impacts can be disaggregated to:
 - Production-induced impacts (Type I) show the effects of additional activities undertaken by supply chain industries increasing their production in response to direct and subsequent rounds of spending.
 - Consumption-induced impacts (Type II) estimate the re-circulation of labour income earned as a result of the initial spending, through other industry impacts, or impacts from increased household consumption.

The estimates of economic impacts consider production and consumption-induced flow-on impacts. Type II impacts are commonly considered to overstate economic activity and therefore the types of flow-on impacts are reported separately.



FIGURE 4-1: Types of Economic Impacts (Direct and Flow-on)



Source: Atlas Economics

4.2 Drivers of Economic Activity

To understand the economic impacts likely to result from the Proposal, it is necessary to distinguish economic impacts during the construction phase and those economic impacts that will be more permanent in nature following construction completion and operations commencement and stabilisation to long-run averages.

- **Construction Phase**

Construction activity will draw resources from and thereby generate economic activity in Greater Sydney. Modelling assumes the construction phase is serviced by labour and businesses within the Greater Sydney area.

- **Operational Phase**

Estimated ongoing economic activity from the mix of industrial businesses which would operate from the Site following completion of construction and upon commencement of business operations.

Refer to Schedule 1 for a description of the drivers and assumptions that underpin the assessed economic impacts.

4.3 Economic Activity and Impacts

The Proposal Case assumes development of the proposed data centre campus, comprising 26, four-storey buildings, six technical office buildings, a campus office, associated roads and infrastructure.

The economic impacts of the Proposal during both construction and upon completion are considered in turn.

4.3.1 Construction Phase

Construction impacts are expected to be short-term in nature (occurring as the Site is redeveloped) and will conclude when development activity is completed.

Through construction the Proposal is estimated to generate the following economic impacts :

- **Penrith LGA**
 - **\$11.5 billion** in output (including \$6.7 billion in direct activity).
 - **\$3.8 billion** in contributions to GRP (including \$1.6 billion in direct activity).
 - **\$2.2 billion** in incomes and salaries paid to households (including 1 billion in direct income).
 - **24,894 FTE jobs** (including 10,569 FTE directly related to activity at the Site).
- **Greater Sydney**
 - **\$13.7 billion** in output (including \$6.7 billion in direct activity).
 - **\$5 billion** in contributions to GRP (including \$1.6 billion in direct activity).
 - **\$2.8 billion** in incomes and salaries paid to households (including 1 billion in direct income).
 - **29,959 ongoing FTE jobs** (including 10,569 FTE directly related to activity at the Site).

The economic impacts during construction are summarised in TABLE 4-2.

Atlas highlights that construction impacts are reported ***in total*** for the construction phase over the life of the development, and do not represent an average annual estimate.

TABLE 4-2: Construction Impacts (Penrith LGA & Greater Sydney), The Proposal

INDICATOR	OUTPUT (\$M)	GRP (\$M)	INCOMES (\$M)	EMPLOYMENT (FTE)
Penrith LGA				
Direct	\$6,677.1	\$1,585.5	\$1,023.2	10,569
Flow-on Type I	\$3,017.1	\$1,237.2	\$692.7	7,224
Flow-on Type II	\$1,845.9	\$1,017.8	\$508.6	7,101
Total	\$11,540.1	\$3,840.4	\$2,224.5	24,894
Greater Sydney				
Direct	\$6,677.1	\$1,585.5	\$1,023.2	10,569
Flow-on Type I	\$4,367.5	\$1,980.9	\$1,110.1	10,556
Flow-on Type II	\$2,685.5	\$1,448.8	\$714.8	8,835
Total	\$13,730.1	\$5,015.2	\$2,848.1	29,959

1 Totals may not sum due to rounding.

2 Impacts at the Penrith LGA level are not in addition to the impacts measured at the Greater Sydney level.

Source: Atlas Economics



4.3.2 Operational Phase

Development of the Site, the Proposal is estimated to support the following annual economic activity across Penrith LGA and Greater Sydney, through direct and indirect (flow-on) impacts associated with operations on Site:

- **Penrith LGA**
 - **\$1.1 billion** in output (including \$661.2 million in direct activity).
 - **\$505.2 million** in contributions to GRP (including \$274.3 million in direct activity).
 - **\$259.3 million** in incomes and salaries paid to households (including \$135.1 million in direct income).
 - **2,210 ongoing FTE jobs** (including 800 FTE directly related to activity at the Site).
- **Greater Sydney**
 - **\$1.4 billion** in output (including \$661.2 million in direct activity).
 - **\$633.8 million** in contributions to GRP (including \$274.3 million in direct activity).
 - **\$326.9 million** in incomes and salaries paid to households (including \$135.1 million in direct income).
 - **2,775 ongoing FTE jobs** (including 800 FTE directly related to activity at the Site).

TABLE 4-3 summarises the ongoing economic impacts of the Proposal during the operational phase.

TABLE 4-3: Operational Impacts (Penrith LGA and Greater Sydney), Proposal Case

INDICATOR	OUTPUT (\$M)	GRP (\$M)	INCOMES (\$M)	EMPLOYMENT (FTE)
Penrith LGA				
Direct	\$661.2	\$274.3	\$135.1	800
Flow-on Type I	\$264.0	\$117.9	\$67.6	621
Flow-on Type II	\$205.1	\$113.1	\$56.5	789
Total	\$1,130.4	\$505.2	\$259.3	2,210
Greater Sydney				
Direct	\$661.2	\$274.3	\$135.1	800
Flow-on Type I	\$422.5	\$195.8	\$111.0	976
Flow-on Type II	\$303.6	\$163.8	\$80.8	999
Total	\$1,387.3	\$633.8	\$326.9	2,775

1 Totals may not sum due to rounding.

2 Impacts at the Penrith LGA level are not in addition to the impacts measured at the Greater Sydney level.

Source: Atlas Economics

4.4 Non-quantified Impacts

Beyond the quantified economic impacts estimated in section 4.3, the Proposal is anticipated to result in other impacts. These will enhance community, regional, and national value - manifesting over decades.

SOCIAL CONNECTION AND INCLUSION

Improved digital infrastructure is one of five foundations in the Digital Economy Strategy 2030 and is critical to enabling Australia's access to the digital world. By investing and delivering high-capacity infrastructure for analytics, processing, storage and other services, more Australians are able to play a greater role in the digital economy. This is especially true for Australians living in peri-urban areas that historically have poor internet connectivity.

Data centres enable faster, more reliable broadband rollout, supporting remote education, health services and e-commerce in areas surrounding and beyond Western Sydney, where digital divide issues persist. This directly fosters social engagement, particularly for the areas surrounding the MRP for the WSEA upon build out.



REGIONAL ATTRACTION

The presence of a high-capacity data centre (up to 1.04GW) in the MRP and the broader WSEA will significantly boost Greater Sydney's and Australia's power capacity and contribute to the regional attraction for workers and residents. The Proposal would directly attract high-skilled and talented workers to Western Sydney and have the flow on effect of enabling greater use of edge technology and data processing, assisting with productivity gains.

Delivery of the Proposal would directly align with the productivity objectives outlined in DPHI's Western City District Plan. The District Plan envisaged the Western City (encompassing the WSEA and MRP) as a productive region, enabled through encouraging investment, enterprise and employment growth and supporting competitive sectors.

Additionally, the Proposal would directly improve the reliability, speed and capacity of internet connectivity for the Western Sydney and broader Greater Sydney region. This is attractive for residents who desire/ need efficient network connection for at-home work or entertainment. Residential growth is a key driver of economic growth.

ECONOMIC RESILIENCE

Data centres are anchors for the digital economy and all segments of the private and public sectors. They are critical to delivering high-capacity power and reliable network connectivity.

The importance of digital technology for businesses and economic resilience was highlighted during the COVID-19 pandemic. In response, the Australian Government announced the Digital Business Plan, investing almost \$800m into enhancing digital infrastructure and worker skills.

Uptime and reliability is critical for all sectors of the economy. The Proposal seeks to increase Australia's data centre capacity by 1.04GW from an existing capacity of 1.35GW, contributing to a building a robust economy and establish Greater Sydney's role as an internationally competitive city.

ENHANCED SECURITY AND SOVEREIGNTY

Local data storage facilities and greater capacity for data processing, analytics and digital tools in Australia reduce reliance on foreign clouds, enhancing data and cyber security. This also has direct implications for employment supportable in Australia, as opposed to outsourcing to overseas facilities.

Enhancing Sydney's data centre capacity (which will be compliant with APRA financial data and Australia's Privacy Act 1988) will enable greater security of public and private sector information. This bolsters national security against cyber threats, encourages use of ethical data practices and builds overall trust in cutting edge technologies.

4.5 Summary of Economic Appraisal

The findings from the Chapter clearly demonstrate the impacts (quantified and others) of the Proposal on Western Sydney and Greater Sydney's economy and environment.

During construction, it is estimated to result in a significant (but short-term) increase in economic activity across Greater Sydney, through a mix of direct and indirect (flow-on) activity, including:

- **\$13.7 billion** in output (including \$6.7 billion in direct activity).
- **\$5 billion** in contributions to GRP (including \$1.6 billion in direct activity).
- **\$2.8 billion** in incomes and salaries paid to households (including 1 billion in direct income).
- **29,959 ongoing FTE jobs** (including 10,569 FTE directly related to activity at the Site).

More critical is the permanent economic impacts that Proposal could generate. When operational, the Proposal is estimated to result in an increase in economic activity across Greater Sydney:

- **\$1.4 billion** in output (including \$661.2 million in direct activity).
- **\$633.8 million** in contributions to GRP (including \$274.3 million in direct activity).
- **\$326.9 million** in incomes and salaries paid to households (including \$135.1 million in direct income).
- **2,775 ongoing FTE jobs** (including 800 FTE directly related to activity at the Site).



Beyond the estimated economic impacts, the Proposal would contribute to:

- Improving social connection and inclusion of residents in Western Sydney and Greater Sydney;
- Attracting skilled workers and residents to Western Sydney, as the MRP and the WSEA;
- Building upon Greater Sydney's and Australia's economic resilience;
- Demonstrating Greater Sydney's as a standard for addressing and minimising environmental impacts; and
- Enhancing Greater Sydney's and Australia's data and technological sovereignty.

Delivery of the Proposal would address a necessary, 1.04GW increase to Australia's data centre capacity. Australia's current capacity of 1.35GW is substantially short of the 3.1GW estimated requirement by 2030. This 3.1GW requirement is critical to the international competitiveness and productivity of Australian workers.

Accordingly, it is recommended that the Proposal be considered for approval, subject to other technical findings.



References

- ABS (2025a). *Characteristics of Australian Businesses*. ABS. Accessible from: <https://www.abs.gov.au/statistics/industry/technology-and-innovation/characteristics-australian-business/latest-release>
- ABS (2025b). Australian National Accounts: Input-Output Tables. ABS. <https://www.abs.gov.au/statistics/economy/national-accounts/australian-national-accounts-input-output-tables/latest-release>.
- ABS (2025c). *Consumer Price Index, Australia*. ABS. <https://www.abs.gov.au/statistics/economy/price-indexes-and-inflation/consumer-price-index-australia/latest-release>
- ABS (2022). Census of Population and Housing, 2021. ABS, Canberra.
- Access Logistics Park (2024). *Access Logistics Park*. Accessible from: <https://accesslogisticspark.com.au/>
- Australian Government (2024). AI Adoption in Australian Businesses: 2025 Q1. Department of Industry, Science and Resources. Accessible from: <https://www.industry.gov.au/news/ai-adoption-australian-businesses-2025-q1>
- Cambridge University (2025). *Cambridge Bitcoin Electricity Consumption Index*. Accessible from: <https://ccaf.io/cbnsi/cbeci>
- Cushman & Wakefield (2025). *Global Data Center Market Comparison*. Accessible from: <https://www.cushmanwakefield.com/en/insights/global-data-center-market-comparison#top%20ten%20markets>
- CBRE (2024). *Australia's Data Centres 2024*. Accessible from: <https://www.cbre.com.au/insights/reports/australia-s-data-centres-2024>
- Dexus (2024). *Vescent*. Accessible from: <https://www.dexus.com/what-we-do/developments/portfolio/vescent.html>
- DPHI (2024). *IPG Badgerys Creek Road Master Plan*. Accessible from: <https://www.planningportal.nsw.gov.au/draftplans/made-and-finalised/ipg-badgerys-creek-road-master-plan>
- DPHI (2019). *Mamre Road Precinct Rezoning Discussion Paper*. Accessible from: https://shared-drupal-s3fs.s3-ap-southeast-2.amazonaws.com/master-test/fapub_pdf/Exhibition+attachments+/Mamre+Road/Mamre+Road+Precinct+Rezoning+Discussion+Paper.pdf
- DPHI (2018a). *Greater Sydney Region Plan*. Accessible from: <https://www.planning.nsw.gov.au/sites/default/files/2024-04/greater-sydney-region-plan.pdf>
- DPHI (2018b). *Western City District Plan*. Accessible from: <https://www.planning.nsw.gov.au/sites/default/files/2024-04/western-city-district-plan.pdf>
- DPHI (2018c). *Western Sydney Aerotropolis Precinct Plan*. Accessible from: <https://www.planning.nsw.gov.au/sites/default/files/2023-03/western-sydney-aerotropolis-precinct-plan.pdf>
- DPHI (2013). *Broader Western Sydney Employment Area Structure Plan*. Accessible from: <https://www.planning.nsw.gov.au/sites/default/files/2023-03/broader-western-sydney-employment-area-structure-plan.pdf>
- ESR (2024). *Westlink Industry Park*. Accessible from: <https://au.esr.com/westlink-industry-park/>
- Frasers Property Industrial (2024a). *Edge*. Accessible from: <https://www.fraserspropertyindustrial.com/en-au/property/australia/nsw/edge.html>
- Frasers Property Industrial (2024b). *The Yards*. Accessible from: <https://www.fraserspropertyindustrial.com/en-au/property/australia/nsw/the-yards.html>
- Gartner (2025). *Gartner Forecasts Worldwide IT Spending to Grow 7.9% in 2025*. Accessible from: <https://www.gartner.com/en/newsroom/press-releases/2025-07-15-gartner-forecasts-worldwide-it-spending-to-grow-7-point-9-percent-in-2025>
- Gibb Group (2024). *805-817 Mamre Road, Kemps Creek*. Accessible from: <https://www.gibbgroup.com.au/project/805-817-mamre-road-kemps-creek/>



- Grand View Research (2025a). Digital Transformation Market Size, Share & Trends Analysis Report. Accessible from: <https://www.grandviewresearch.com/industry-analysis/digital-transformation-market>
- Grand View Research (2025b). *Data Center Market Size, Share & Trends Analysis Report*. Accessible from: <https://www.grandviewresearch.com/industry-analysis/data-center-market-report>
- Grand View Research (2025c). Cloud Computing Market Size, Share & Trends Analysis Report. Accessible from: <https://www.grandviewresearch.com/industry-analysis/cloud-computing-industry>
- Icon Oceania (2024). *Westgate*. Accessible from: <https://iconoceania.com.au/westgate.php>
- ITU (2010). *The World in 2010*. Accessible from: <https://www.itu.int/en/ITU-D/Statistics/Documents/facts/ICTFactsFigures2010.pdf>
- Interactive (2024). *What is Data Centre Cooling Systems?* Accessible from: <https://www.interactive.com.au/glossary/what-is-data-centre-cooling-systems/>
- Jobs and Skills Australia (2024). *Employment Projections for the Decade Ahead*. Accessible from: <https://www.jobsandskills.gov.au/publications/towards-national-jobs-and-skills-roadmap-summary/employment-projections-for-the-decade-ahead>
- Jobs and Skills Australia (2024). *Skills Priority List*. Accessible from: <https://www.jobsandskills.gov.au/data/skills-shortages-analysis/skills-priority-list>
- JLARC (2024). *Data Centers in Virginia*. Accessible from: <https://jlarc.virginia.gov/landing-2024-data-centers-in-virginia.asp>
- Kalliamvakou, E. (2025). *Quantifying GitHub Copilot's Impact on Developer Productivity and Happiness*. Accessible from: <https://github.blog/news-insights/research/research-quantifying-github-copilots-impact-on-developer-productivity-and-happiness/>
- Knight Frank (2025). *Global Data Centre Market is Projected to Reach US\$4 Trillion by 2030*. Accessible from: <https://www.knightfrank.com.au/blog/2025/04/17/global-data-centre-market-is-projected-to-reach-us4-trillion-by-2030>
- Kronenberg, T. (2009). *Construction of Regional Input-Output Tables Using Nonsurvey Methods: The Role of Cross-Hauling*. *International Regional Science Review*, 32(1), 40–64.
- Macquarie Data Centres (2024). *What is a Data Centre? How Does it Work? What's Inside?* Accessible from: <https://www.macquariedatacentres.com/blog/what-is-a-data-centre-how-does-it-work-whats-inside/>
- Macquarie (2025). *Data Centres: Powering the Growth of AI and Cloud Computing*. Accessible from: <https://www.macquarie.com/au/en/about/company/macquarie-asset-management/institutional-investor/insights/data-centres-powering-the-growth-of-ai-and-cloud-computing.html>
- Mandala Partners (2024). *Empowering Australia's Digital Future*. October 2024. Accessible from: https://mandalapartners.com/uploads/Empowering-Australia's-Digital-Future---Report_October-2024.pdf
- McKinsey & Company (2024). *The Cost of Compute: A \$7 Trillion Dollar Race to Scale Data Centers*. Accessible from: <https://www.mckinsey.com/industries/technology-media-and-telecommunications/our-insights/the-cost-of-compute-a-7-trillion-dollar-race-to-scale-data-centers>
- Microsoft and Technology Council of Australia (2023). *Australia's Generative AI Opportunity*. Accessible from: <https://msftstories.thesourcemediaassets.com/sites/66/2023/07/230714-Australias-Gen-AI-Opportunity-Final-report.pdf>
- Mirvac (2024). *Aspect*. Accessible from: <https://www.mirvac.com/office-and-industrial/industrial/nsw/aspect>
- NBN Co (2025). *NBN Co Annual Report 2025*. Accessible from: <https://www.nbnco.com.au/content/dam/nbn/documents/about-nbn/reports/financial-reports/nbn-co-annual-report-2025.pdf.coredownload.pdf>
- NBN Co (2020). *NBN Co Annual Report 2020*. Accessible from: https://www.nbnco.com.au/content/dam/nbnco2/2020/documents/reports/NBN_Annual%20Report_2020.pdf.coredownload.pdf
- Neos Networks (2024). *What is the Fourth Industrial Revolution (4IR)?* Accessible from: <https://neosnetworks.com/resources/blog/what-is-fourth-industrial-revolution-4ir/>
- NIEIR (2025a). *Small Areas Data, Blacktown City Council*. Accessible from: <https://economy.id.com.au/blacktown/employment-locations>



- NIEIR (2025b). *Small Areas Data, Penrith City Council*. Accessible from: <https://economy.id.com.au/penrith/employment-locations>.
- Norbert, S. (2015). *Methods for Regionalising Input-Output Tables*. Regional Statistics, 5(1), 44-65.
- NSW Government (2024). *Investing in Western Sydney Aerotropolis*. Accessible from: <https://www.nsw.gov.au/business-and-economy/investing-western-sydney-aerotropolis>
- NSW Government (2024). *NSW Budget Invests in Western Sydney to Build Better Communities*. Accessible from: <https://www.nsw.gov.au/ministerial-releases/nsw-budget-invests-western-sydney-to-build-better-communities>
- Noy, S., & Zhang, W. (2023). *Experimental Evidence on the Productivity Effects of Generative Artificial Intelligence*. MIT. Accessible from: <https://www.science.org/doi/10.1126/science.adh2586>
- NVTC (2025). 2024 NVTC Data Center Report. Accessible from: <https://loudounpossible.com/wp-content/uploads/2025/05/2024-NVTC-Data-Center-Report.pdf>
- PwC (2025). *Economic Contributions of Data Centres in the United States, 2017-2023*. Accessible from: <https://www.centerofyourdigitalworld.org/2025-impact-study>
- Statista (2025a). *Data Center Market Worldwide*. Accessible from: <https://www.statista.com/outlook/tmo/data-center/worldwide?currency=AUD>
- Statista (2025b). *Number of internet and social media users worldwide as of February 2025*. Accessible from: <https://www.statista.com/statistics/617136/digital-population-worldwide/#:~:text=Worldwide%20digital%20population%202025,the%20number%20of%20internet%20users>.
- TechUK (2024). *Foundations for the Future: How Data Centres Can Supercharge UK Economic Growth*. Accessible from: <https://www.techuk.org/resource/techuk-report-foundations-for-the-future-how-data-centres-can-supercharge-uk-economic-growth.html>
- The Digital Inclusion Index (2024). *Australian Digital Inclusion Index*. Accessible from: <https://digitalinclusionindex.org.au/>
- Uptime Institute (2024). *Uptime Institute's Global Data Center Survey Results 2024*. Accessible from: https://uptimeinstitute.com/uptime_assets/7425ec68d479c5d78a743df94a79b114ed9f9c73f13b6460949d2b8e73373209-GA-2024-07-uptime-institute-global-data-center-survey-results-2024.pdf?mkt_tok=NzExLVJJQS0xNDUAAAGadG7EMCaZD6WHY27NAWcYoTCX37HRVertBXTb2Z3VZth30aGmxlABYrJP4LJSVWz0DiXavvovPgFGRknSV3EG-X9g8YdDydD3_sA1GInuwp8
- Visual Capitalist (2025). *Charted: The Growth of Global Data Center Capacity (2005-2025)*. Accessible from: <https://www.visualcapitalist.com/charted-the-growth-of-global-data-center-capacity-2005-2025/>
- World Bank (2024). *Individuals Using the Internet (% of Population)*. Accessible from: <https://data.worldbank.org/indicator/IT.NET.USER.ZS>
- Yiribana (2024). *Yiribana*. Accessible from: <https://yiribana.com.au/>



Schedules



Beyond the
horizon thinking.

Mamre Road Data Centre Campus

SCHEDULE 1

Input-Output Modelling Methodology

Input-Output models are a method to describe and analyse forward and backward economic linkages between industries based on a matrix of monetary transactions. The model estimates how products sold (outputs) from one industry are purchased (inputs) in the production process by other industries.

The analysis of these industry linkages enables estimation of the overall economic impact within a catchment area due to a change in demand levels within a specific sector or sectors.

Impacts are traced through the economy via:

- Direct impacts, which are the first round of effects from direct operational expenditure on goods and services.
- Flow-on impacts (indirect impacts), which comprise the second and subsequent round effects of increased purchases by suppliers in response to increased sales. Flow-on impacts can be disaggregated to:
 - Industry Support Effects (**Type I**) derived from open Input-Output models. Type I impacts represent the production induced support activity as a result of additional expenditure by the industry experiencing the stimulus on goods and services, and subsequent round effects of increased purchases by suppliers in response to increased sales.
 - Household Consumption Effects (**Type II**) derived from closed Input-Output Models. Type II impacts represent the consumption induced activity from additional household expenditure on goods and services resulting from additional wages and salaries being paid within the catchment economy.

Economic analysis considers the following four types of impacts.

TABLE S1-1: Economic Impact Indicators

INDICATOR	DESCRIPTION
Output	The gross value of goods and services transacted, including the cost of goods and services used in the development and provision of the final product. Care should be taken when using output as an indicator of economic activity as it counts all goods and services used in one stage of production as an input to later stages of production, thus overstating economic activity.
Gross Regional Product	The value of output after deducting the cost of goods and services inputs in the production process (including the impact of net taxes on final production). GRP defines a net contribution to economic activity.
Incomes	The wages and salaries paid to employees as a result of the Project or Proposal either directly or indirectly.
Employment	Employment positions accommodated by the Project or Proposal (either full time or part time, directly or indirectly). Employment is reported in terms of Full-time Equivalent (FTE) positions or person-years.

Source: Atlas Economics

Regional Model Development

Multipliers used in this assessment have been created using a regionalised Input-Output model derived from the 2022-2023 Australian transaction table (ABS, 2025b).

Estimates of gross industry production in the Penrith were developed based on the share of employment (by place of work) of the catchment area within the Australian economy (ABS, 2022) using the Flegg Location Quotient and Cross Hauling Adjusted Regionalisation Method (**CHARM**). See Norbert (2015) and Kronenberg (2009) for further details. Where required, values were indexed to current dollar values using CPI (ABS, 2025c).



Modelling Limitations and Assumptions

Input-Output modelling is subject to a number of key assumptions and limitations (ABS, 2025b):

- **Lack of supply-side constraints:** The most significant limitation of economic impact analysis using multipliers is the implicit assumption that the economy has no supply-side constraints. That is, it is assumed that extra output can be produced in one area without taking resources away from other activities, thus overstating economic impacts. The actual impact is likely to be dependent on the extent to which the economy is operating at or near capacity.
- **Fixed prices:** Constraints on the availability of inputs, such as skilled labour, require prices to act as a rationing device. In assessments using multipliers, where factors of production are assumed to be limitless, this rationing response is assumed not to occur. Prices are assumed to be unaffected by policy and any crowding out effects are not captured.
- **Fixed ratios for intermediate inputs and production:** Economic impact analysis using multipliers implicitly assumes that there is a fixed input structure in each industry and fixed ratios for production. As such, impact analysis using multipliers can be seen to describe average effects, not marginal effects. For example, increased demand for a product is assumed to imply an equal increase in production for that product. In reality, however, it may be more efficient to increase imports or divert some exports to local consumption rather than increasing local production by the full amount.
- **No allowance for purchasers' marginal responses to change:** Economic impact analysis using multipliers assumes that households consume goods and services in exact proportions to their initial budget shares. For example, the household budget share of some goods might increase as household income increases. This equally applies to industrial consumption of intermediate inputs and factors of production.
- **Absence of budget constraints:** Assessments of economic impacts using multipliers that consider consumption induced effects (type two multipliers) implicitly assume that household and government consumption is not subject to budget constraints.

Despite these notable limitations, Input-Output techniques provide a solid approach for assessing the direct and flow-on economic impacts of a project or policy that does not result in a significant change in the overall economic structure.

Drivers of Economic Activity

In order to understand the economic impacts likely to result from the Approved Scheme and the Proposal, it is necessary to distinguish economic impacts during the construction phase and those economic impacts that will be more permanent following construction completion.

- **Construction Phase**
 - Construction activity will draw resources from and generate economic activity in Penrith LGA and Greater Sydney. Modelling assumes the construction phase is serviced by labour and businesses within Penrith LGA and Greater Sydney.
- **Operational Phase**
 - Estimated ongoing economic activity from industrial businesses locating at the Site.

CONSTRUCTION PHASE

For modelling purposes, construction costs (including contingency) for the Approved Scheme and the Proposal were broken down into their respective Australia and New Zealand Standard Industrial Classification (**ANZSIC**) industries.

The breakdowns were developed based on the following assumptions by Atlas regarding the most appropriate ANZSIC industries for each activity and estimated average square metre construction costs for occupying businesses.

Construction costs have been estimated based on industry benchmarks from sources such as RLB and from Atlas industry knowledge.



TABLE S1-2: Construction Cost Allocation (including Contingency), Proposal Case

ITEM	COST (\$M)	ANZSIC
Site Preparation	\$76.9	Construction Services
General Warehouse Construction Cost	\$769.1	Non-Residential Building Construction
Infrastructure comprising of additional civil works, stormwater, and utilities servicing	\$769.1	Non-Residential Building Construction
Plant equipment (inc. 936 cooling units)	\$1,365.2	Non-Residential Building Construction
Security, safety and compliant space cost	\$769.1	Non-Residential Building Construction
Road networks	\$769.1	Non-Residential Building Construction
Bulk earthworks	\$769.1	Non-Residential Building Construction
At-grade car parking	\$19.2	Residential Building Construction
Backup generators with associated diesel storage and cabinets (lithium-ion battery storage)	\$846.1	Non-Residential Building Construction
Data Centre Campus Construction	\$1,538.3	Non-Residential Building Construction
Site Costs	\$384.6	Heavy and Civil Engineering Construction
Professional Fees	\$923	Professional, Scientific and Technical Services
Total	\$8,999	

Source: Atlas Economics

Of the above capital outlay, not all activity will be undertaken within the Penrith LGA economy. It was assumed:

- 100% of the direct expenditure on construction-related (i.e. Non-residential Building Construction and Construction Services) activity would be sourced from local businesses and labour.
- Of the 25% of expenditure not sourced from local businesses and labour:
 - Approximately 25% of purchases on goods and services (supply chain related activity) made by construction-related businesses sourced from outside the Penrith LGA would be spent within the local economy (i.e., 25% of the Type I flow on activity associated with non-local construction companies is assumed to represent additional local activity in the Penrith LGA).
 - Approximately 5% of wages and salaries paid to construction-related workers sourced from outside the region would be spent on local goods and services, such as food and beverages (i.e. 5% of the Type II).
 - Flow-on activity of non-locally sourced professional, scientific and technical services activity (100%) is not included, as it is not anticipated professional, scientific and technical services businesses located outside of NSW would purchase goods/ services locally.

OPERATIONAL PHASE

Employment by industry estimates for committed and future developments were converted to a direct output value using a multiplier based on the national transaction table (ABS, 2025a). The resultant estimates of output were modelled as the direct activity associated with the Proposal.

TABLE S1-3: Operation Cost Allocation (including Contingency), Proposal Case

WORK TYPE	ESTIMATED JOBS (FTE)	DIRECT OUTPUT (\$M)	ANZSIC
Maintenance/ management Technicians Back of house workers	640	\$608.5	Other Information Media and Telecommunications Services
Network operations	100	\$27	Professional, Scientific and Technical Services
Customer teams & staff Administrative workers	40	\$14.9	Administrative and Support Services
Security Management team	20	\$10.9	Public Administration and Safety
Total	800	\$661.2	

Source: Atlas Economics





SYDNEY

Level 12, 179 Elizabeth St
Sydney NSW 2000
Gadigal Country

MELBOURNE

Level 5, 447 Collins St
Melbourne VIC 3000
Wurundjeri Country

atlaseconomics.com.au
