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New airport a $24bn boost for Western Sydney

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Key points

About $24 billion of industrial development is proposed around the new airport.

The pipeline could increase industrial floorspace in the surrounding region by 55%.

Western Sydney's population is forecast to grow by 653,000 people by 2041.

Western Sydney International (Nancy-Bird Walton) Airport is emerging as a major new economic hub, with billions of dollars of industrial development planned around the site and strong population growth expected to support businesses across the region.

The new airport sits at the centre of Sydney's Outer Central West industrial region, which includes Badgerys Creek, Kemps Creek, Erskine Park, Eastern Creek, Orchard Hills and Bringelly.

CommBank estimates there is 5.5 million square metres of potential new industrial property floorspace across 205 proposed projects in the region, enough to increase its existing industrial stock by around 55%.

In today's dollars, the total value of that proposed development is estimated at about $24 billion, including buildings and land.

CommBank Director of Commercial Property Kevin Stanley said the pipeline highlighted the scale of the transformation taking place around Australia's newest international airport.

A new industrial hub takes shape

The scale of development around the airport is unusual by Australian industrial property standards.

CommBank says the Outer Central West now has the largest industrial development pipeline of the 17 Australian regions it monitors.

The proposed 5.5 million square metres of new space would take an estimated 10 to 12 years to develop.

Almost two-thirds of that floorspace is concentrated in just two suburbs, Badgerys Creek and Kemps Creek, although proposed projects extend across 15 suburbs.

Unlike more established industrial areas, where much development involves extensions or refurbishments, all of the projects identified in the region are new.

That gives the airport precinct the potential to create entirely new centres of business activity rather than simply expand existing ones.

Logistics, freight and cold storage lead the way

Warehousing and logistics dominate the development pipeline.

Around 94% of proposed projects are classified as distribution warehouses or logistics facilities, although many could eventually be used for several purposes, including manufacturing, laboratories and administration.

The pipeline also includes eight cold storage facilities.

CommBank says this reflects the airport's role as Sydney's only curfew-free airport, supporting the handling of fresh food and other refrigerated products.

A rare multi-storey warehouse is also proposed, accounting for about 2% of the region's planned industrial floorspace.

Freight operations at Western Sydney International began in July, while passenger services are scheduled to start on 25 October 2026.

More than an airport

The economic impact is also being supported by a much broader infrastructure build.

CommBank estimates around $22 billion of transport and enabling infrastructure has been or is being delivered to support the airport.

Much of that infrastructure will also support new industrial estates, businesses and housing across the surrounding region.

Stanley's analysis points out that major airports can become powerful magnets for business activity because companies often want to locate close to freight, transport and passenger connections.

"Airports are significant demand drivers of business, many of which locate in adjacent or surrounding areas," he said.

The scale of development is also rare in Australia.

"It's been 56 years since the last public airport in Australia, at Tullamarine, Melbourne, was completed, so the chance to create completely new industrial and business areas of this type and scale, doesn't often present itself," Stanley said.

Population growth adds another engine

The airport development is taking place alongside rapid population growth across western Sydney.

By 2041, the region's population is forecast to increase by about 653,000 people, or 26%.

Western Sydney's share of Greater Sydney's population is also expected to rise from about 44% to 47%.

That population growth should support demand for businesses, services, housing and infrastructure well beyond the immediate airport precinct.

For the Outer Central West, the combination of a new international airport, major infrastructure investment and a rapidly growing population means the economic impact is likely to unfold over decades rather than years.

The airport may be the catalyst, but the larger story is the new economic centre growing around it.

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Source: https://www.commbank.com.au/articles/newsroom/2026/08/western-sydney-airport-economic-growth.html