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DATA CENTRE BOOM: MAKE THE INVESTMENT WORK FOR NSW

Business NSW has backed the NSW Government's new Data Centre Policy Framework, saying it strikes the right balance between attracting investment and planning for the infrastructure needed.

The state's peak business body said the framework provides greater certainty for investors while setting clearer expectations around energy, water, planning and community outcomes.

CEO Daniel Hunter said NSW should make the most of the investment and economic opportunities presented by the sector.

"The question isn't whether NSW should attract data centres. It's how we make sure we're ready for the investment that comes with them," Mr Hunter said.

"These facilities enable the services businesses rely on every day, from cloud computing and online banking to AI. That investment matters – but the energy, water and infrastructure needed to support it must be there."

The framework reflects several recommendations Business NSW made in its [submission](#) to the Parliamentary Inquiry into Data Centres, including measures to support additional energy supply and more efficient planning approvals.

"There is a strong case for making it easier to invest when projects meet clear standards," Mr Hunter said.

"The right standards can give investors greater certainty while ensuring energy, water and environmental impacts are properly addressed."

The framework also includes measures aimed at creating regional opportunities, strengthening local supply chains and developing the skills needed to support the sector.

"Our regional members want a seat at the table as this investment rolls out," Mr Hunter said.

"The economic opportunities shouldn't stop at the facility gate. Local businesses, suppliers and workers should all have the chance to benefit."

Business NSW said further work was needed on longer-term infrastructure planning, including where future data centres should be located, suitable industrial land and how the additional energy generation, storage and firming needed to meet future demand will be delivered.

“This framework is a positive step, and we look forward to working with the Government to build on it and support future investment,” Mr Hunter said.

About Business NSW

Formerly the NSW Business Chamber, **Business NSW** is the peak policy and advocacy body which has been representing businesses in NSW since 1826. We represent almost 50,000 businesses.

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