

DRAFT ECONOMIC DEVELOPMENT STRATEGY

Competitive, Sustainable, Connected

7 November 2023

KAURNA ACKNOWLEDGEMENT

City of Adelaide tampendi, ngadlu Kurna yertangga banbabanbalyarnendi (inbarendi).
Kurna meyunna yaitya mattanya Womma Tarndanyako.

Parnako yailtya, parnuko tappa purruna, parnuko yerta ngadlu tampendi. Yellaka Kurna
meyunna itto yailtya, tappa purruna, yerta kuma burro martendi, burro warriappendi, burro
tangka martulyaiendi.

Kumarta yaitya miyurna iyangka yalaka ngadlu tampinhi.

The City of Adelaide acknowledges that we are located on the traditional Country of the
Kurna people of the Adelaide Plains and pays respect to Elders past, present and emerging.

We recognise and respect their cultural heritage, beliefs and relationship with the land. We
also extend that respect to visitors of other Aboriginal Language Groups and other First
Nations.

DOCUMENT PROPERTIES

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LORD MAYOR FOREWORD

Competitive, Sustainable, Connected

The world is in a state of transition, recent years have shown risks and opportunities in global and local economies. As the capital city council, City of Adelaide will work closely with the State Government on its plan for an economy 'fit for the future'.

The City of Adelaide's economy has traditional strengths as a low-cost city with a focus on the knowledge economy and small and medium business enterprises. To fully realise a new economic focus, we must envision and share a city economy beyond this.

Our policy for economic development is focussed on investment attraction, climate resilience, making the city a home for a growing Australian population, addressing challenges of talent attraction, employment and growing job opportunities for South Australians; and ensuring the experience of living, working in and visiting the city is exceptional for all.

Our approach highlights where the city will focus its attention to achieve an economic vision for a competitive, sustainable and connected capital city economy that improves the wellbeing of the South Australian community now and into the future, representing its institutions, investors, property owners, traders, workers, visitors and residents.

CEO FOREWARD

The City of Adelaide, South Australia's state capital, is a major employer and economic driver, representing 18% of South Australia's Gross State Product and generating Gross Regional Product of around \$22 billion.

City of Adelaide has responded well to a challenging macro-economic environment involving national economic recovery from the COVID-19 pandemic, climate disasters and inflationary and labour market pressures. Adelaide continues to demonstrate its value as an economic, social and cultural driver of opportunity for its people and places.

To leverage its competitive advantage, Adelaide is looking beyond traditional strengths in the knowledge, retail and commercial economy and embracing the rise of the experience economy, anticipating the urgency of climate change adaptation, and building capacity to grow and sustain our institutions and talent.

With over 30% of the expenditure in Adelaide occurring in the night time economy, this Strategy considers the rhythm of economic activity across the daily cycle of the city. It recognises the intricate connections between people and place; the importance of accessible accommodation for key workers – at all levels – to sustain our retail, hospitality and health sectors, and the vibrancy and economic value of neighbourhoods, precincts, festivals and events.

City of Adelaide's Economic Development Strategy equips policymakers and industry professionals with a holistic view of the capital city economy. It respects the strengths of our past and anticipates future opportunity.

Crafted from economic insight, this Strategy sets the policy agenda and program of implementation for City of Adelaide. It is our path toward a vision for a city economy that delivers jobs, wealth and innovation - and improves the wellbeing of South Australians now and into the future.

"In ten years Adelaide will have strengthened its role as the economic focal point of the state, attracting investment and talent from around the world. New and diverse industries will complement our existing economic strengths and city businesses will be successful."

Quote (Strategic Plan):

CITY HIGHLIGHTS

| | | | | |
|---|---|---|---|--|
| 26,120 Residents in 2023 | 50,000 Resident Target by 2036 | 321,500 Daily Visitors¹ | 3,972,885 International Visitor Nights² | 5,065,787 Domestic Visitor Nights³ |
|---|---|---|---|--|

OUR RESIDENTS

| | | | | |
|---------------------------|----------------------------------|--|---|--|
| 47% Aged 18-34 | 45% Born Overseas | 36% Speak a language other than English | 26% Study at Uni or TAFE | 6% Spend by Residents in City |
|---------------------------|----------------------------------|--|---|--|

HOW OUR RESIDENTS LIVE

| | | | | |
|------------------------------------|-----------------------------------|--|--|---------------------------------------|
| 50% Private Rentals | 35% Owner Occupier | 33% Living in Rental Stress | 0.9% (5000) 1.3% (5006) Vacancy Rates | 40.01% Lone Households |
|------------------------------------|-----------------------------------|--|--|---------------------------------------|

OUR ECONOMY

| | | | |
|--|------------------------------------|--|--|
| \$22 billion Gross Regional Product | 18% Of SA's Economy | Top 3 Employing industries Public administration and safety Professional, scientific and technical services Health care and social assistance | 6.7% Unemployment Reduced since COVID |
|--|------------------------------------|--|--|

OUR WORKFORCE

| | | | | |
|---|--|---------------------------------------|---|--|
| 6,922 Residents Work in the City | 157,498 Jobs Across 12,265 Business⁴ | 51% Aged 25-44⁵ | \$133,317 Ave Annual Worker Productivity⁶ | 4,348 Small Businesses (1-19 FTE)⁷ |
|---|--|---------------------------------------|---|--|

¹ This is an estimated figure, last calculated in 2019

² Five year average prior to 2020 (see [Visitors and nights Adelaide | economy.id](#))

³ Five year average 2017-2022 (see [Visitors and nights Adelaide | economy.id](#))

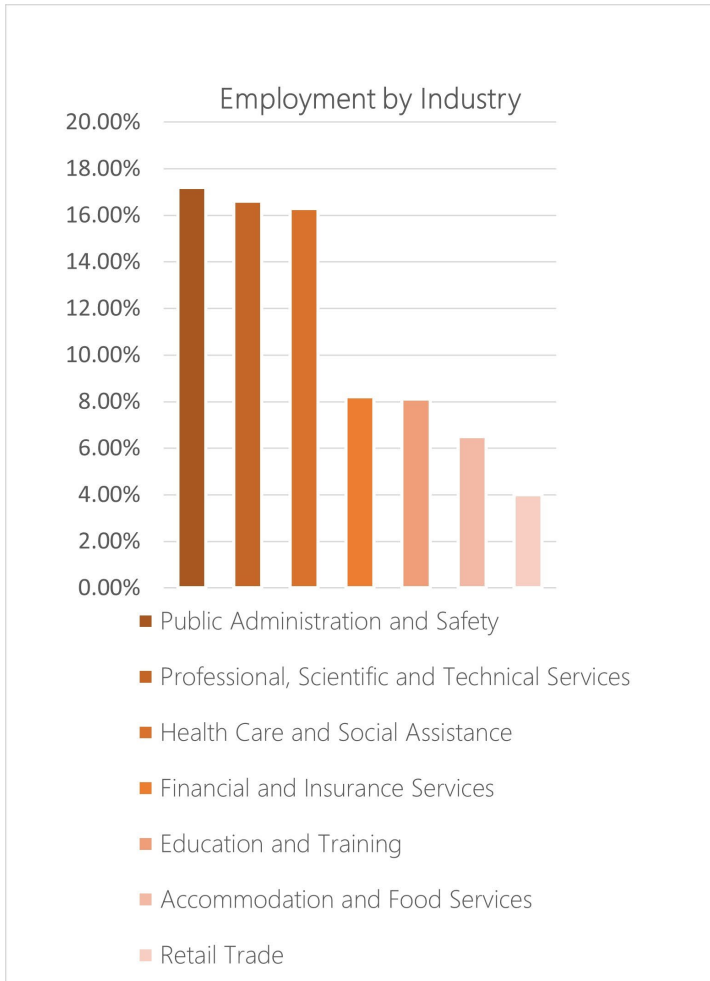
⁴ [Businesses by industry | Adelaide | economy.id](#)

⁵ [Local workers age structure | Adelaide | economy.id](#)

⁶ [Worker productivity | Adelaide | economy.id](#)

⁷ [Businesses by industry | Adelaide | economy.id](#)

EMPLOYMENT BY INDUSTRY



ECONOMIC CLUSTERS (TO BE MAPPED)

Insert map

INTRODUCTION

The City of Adelaide has an aspiration for 50,000 people to call the city home by 2036. This means we will need to attract nearly 24,000 new residents to our city. Servicing the anticipated population and growth of our already 350,000 daily visitors creates significant opportunity to accelerate what we do best - our enviable lifestyle, ease of doing business, world-leading energy grid, world-class universities and ecosystems of innovation, entrepreneurship, and creative and high-technology sectors.

City economies continually evolve in their relationships to place and people, and the City of Adelaide is no exception. Global, national, and state perspectives on our future highlight the immediate and ongoing challenges to accelerate climate change mitigation and adaptation, the effects of COVID-19 and emerging geopolitical volatility.⁸ Other factors such as the rise of artificial intelligence, digital transformation, advanced autonomous systems and the resulting shifts in the structure of labour, and as well social equity, are factored into this Strategy.⁹

In a shifting landscape, opportunities abound. City of Adelaide, like other Governments, is examining the capacity of infrastructure to cater for a hotter and more unpredictable climate. The need for affordable and key worker housing is receiving urgent attention.

Decarbonisation, sustainability and the circular economy are driving research and policy initiatives. Advances in technology are continually changing the way we live and work. In a tight labour market, Adelaide is ideally suited to support employers to be more responsive to employee demands for flexible and meaningful work that fits with family and lifestyle.

Successful transition of the economy focussed on improving its scale and complexity in an ever competitive global context and its response to climate change, will require significant investment, coordination and cooperation across all levels of government, businesses and financiers. For the city, this means leveraging our roles as the State's central business district, central experience district and central residential district.

City of Adelaide's Strategic Plan 2024-2028 sets a vision: **Our Adelaide. Bold. Aspirational. Innovative.** It includes five pillars, Our Community, Our Environment, Our Economy, Our Places and Our Corporation. The Our Economy pillar refers to a growing, innovative and responsive Adelaide. It sets a vision that:

In ten years Adelaide will have strengthened its role as the economic focal point of the state, attracting investment and talent from around the world. New and diverse industries will complement our existing economic strengths and city businesses will be successful.

Building on City of Adelaide's Strategic Plan 2024-2028, the Economic Development Strategy considers the city's economic landscape, creates principles for economic development in the city, crafts ambitious goals and strategic initiatives that will be implemented over the next four years to build our advantages and position the city's economy to 2036.

⁸ [Seven megatrends that will shape the next 20 years - CSIRO, South Australian Economic Statement | Premier of South Australia, Global Risks Report 2023 | World Economic Forum | World Economic Forum \(weforum.org\)](#)

⁹ [South Australian Economic Statement | Premier of South Australia](#)

Adelaide's Economic Development Strategy is driven by three key goals:

1. A Competitive City – amplifying our world-wide appeal to attract talent, residents, tourists and investment.
2. A Sustainable City – an accelerated transition to a sustainable and decarbonised economy.
3. A Connected City – where local businesses are connected to their neighbourhood.

Each goal has key outcomes we will work towards. The Strategy's success will be assessed by its impact on economic growth, employment, community wellbeing and climate resilience. These goals are intentionally connected and will have interdependencies in how the city approaches achieving its goals and key outcomes.

The Strategy extends across the operations of Council and its economic subsidiaries of Adelaide Economic Development Agency (AEDA) and the Adelaide Central Market Authority (ACMA). It also serves as strategic direction for the city to partner and collaborate on economic development.

Our Competitive Advantages

CoA is growing, with a target to double the residential population to 50,000 by 2036, creating significant business opportunity. Greater Adelaide is also growing and as the capital city we are the business, employment and experience hub.

Harnessing the city's collective role as South Australia's central business district, central experience district and central residential district will strengthen our position as a globally competitive and contemporary city that can better share its advantages.

Central Business District - A Growing Knowledge Economy

The city functions as the central business district for South Australia, and by extension, the driver of South Australia's knowledge economy. Adelaide has performed well in knowledge economy exports, which includes industries such as Education and Training, Professional, Scientific and Technical Services, and Information Media and Telecommunications.

The city's industry strengths compared to the rest of South Australia fall into two categories, emerging and growing industries and established and growing industries, with the knowledge economy remaining dominant.

The city's emerging and growing industries, aligned with the key priorities of the Strategy are Health Care and Social Assistance. These two sectors may be considered emerging due to the growth in health and medical research in BioMed City.

The city's key established and growing industries include Accommodation and Food, Professional, Scientific and Technical Services, Information Media and Telecommunications and Arts and Recreation Services. Retail remains important in the economic mix of the city, noting the increase in adoption of online retail in recent years in the context of improving in situ retail experiences to sustain visitation to our award winning Rundle Mall precinct.

The creation of the proposed new Adelaide University through the merger of the University of South Australia and the University of Adelaide, presents a new opportunity for the city to enhance its status as a globally competitive city for tertiary education, graduate employment, research and innovation.

Central Entertainment District – A Place to be Entertained

The city’s role as a central experience district is increasingly important. With more people working from home, cities that offer an integrated work, retail, services and leisure experience are likely to be more successful in attracting employees back to the workplace, driving a stronger city economy.

Adelaide has long been host to internationally renowned festivals that have allowed South Australia to enjoy an enviable reputation as the Festival State and has solidified Adelaide’s contribution to arts and culture as Australia’s first UNESCO City of Music.

The city’s small bars are activating laneways and year-round festivals and events have given the city streets and neighbourhoods an economic pulse extending traditional business hours and spending.

Central Residential District – A Great Place to Live and Work

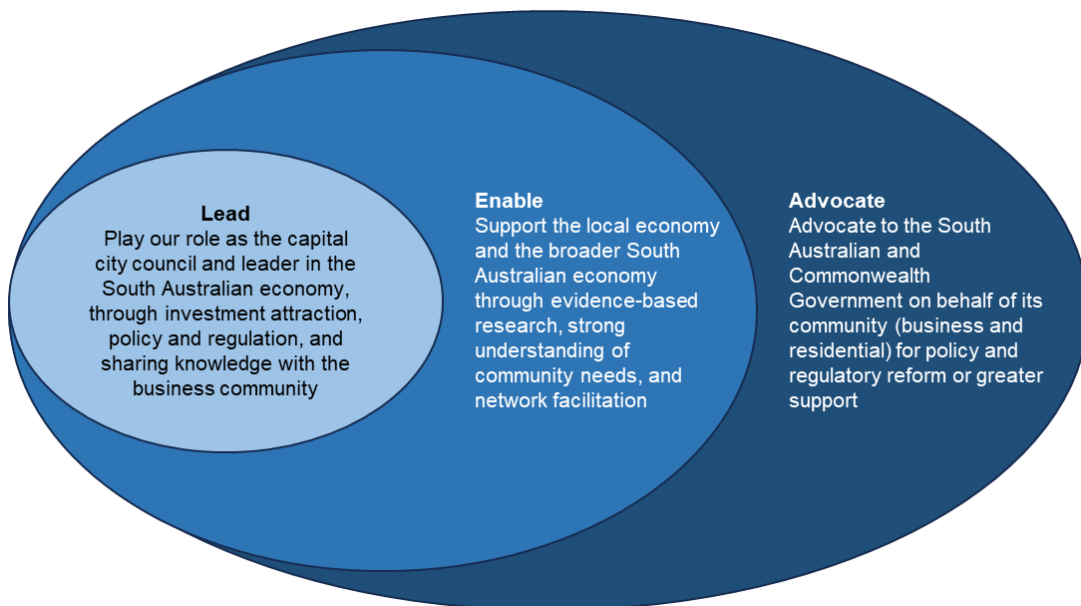
With quick access to the hills, beach and airport, Adelaide has a covetable lifestyle. The city is currently home to 26,141 residents in a range of housing styles. Insightful planning and investment will ensure housing is affordable, meets the needs of the workers who keep our city running, and attracts interstate and overseas talent to help build Adelaide’s competitiveness as we double our population to 2036.

Our Role in Economic Development

The City of Adelaide plays a distinct role as the social, commercial, cultural and civic capital and the economic heart of South Australia. For this Strategy, economic development aims to:

Activate initiatives that stimulate business and investment activity in the city, support a more diversified and resilient economy, and improve community well-being. In doing so, it will generate spillover benefits to Greater Adelaide and South Australia.

The City of Adelaide will advance its economic ambitions at all scales: global, national, state and local. Focussed on where we can meaningfully influence and impact the economy.



Global

The City of Adelaide is heavily influenced by movements in the global economy. By itself, local government has limited effect on the macro economy. Partnerships with other levels of government, with business and with funding bodies provide important leverage to augment the actions and influence of the City of Adelaide and its unique perspective as a Capital City Council.

City of Adelaide will seek to extend its economic vision beyond gross domestic product (GDP) or gross regional product (GRP) in line with the Commonwealth Government's and United Nations' Sustainable Development Goals; based on the understanding that a strong and resilient economy is reliant on diversity in its community and a healthy environment.

At the global level we will pursue our economic ambitions by looking to international best practice and research. We will provide destination marketing to attract global ideas, investment, talent, students and new residents to create a city that is liveable, economically vibrant and environmentally sustainable.

The City of Adelaide will do this through advocating and partnering with key Adelaide institutions, including our internationally recognised universities and by advocating to the Commonwealth and State Governments to position Adelaide front and centre on the global stage.

National and State

Australia has a bright future and with increased population growth through immigration, there is no city more ready than Adelaide to welcome new residents and talent to enjoy our lifestyle. The City of Adelaide is an active advocate and seeks partnerships with National and State Governments to enable city businesses, entrepreneurs and innovators to capitalise on growth opportunities.

South Australia as a state, however, has several economic challenges it must overcome, including, an aging population, a lower educated population in comparison to the rest of Australia, limited wage growth potential in existing jobs which are inward focussed, growth in State Government debt, lower productivity compared to the rest of Australia, a declining level of exports, and a less complex manufacturing industry. These challenges have historically prevented South Australia from benefiting from the economic growth experience elsewhere in Australia.

Local

The City of Adelaide has a number of strategic initiatives aimed at encouraging the growth of the city's economy. From City Plan which identifies and addresses growth and climate scenarios, to infrastructure that enables Adelaide to transition to a year-round festival destination, and investigating new business opportunities in the circular economy. City of Adelaide's strategic planning framework provides guidance and key outcomes to demonstrate delivery on our economic development goals.

GOALS

Goal 1: A Competitive City – amplifying our world-wide appeal to attract talent, residents, tourists and investment

City of Adelaide is globally competitive and known to be good place to do business, work and live.

Tackling the Issues

In economic development terms, Adelaide enjoys a strong business and innovation base, but is limited in its capacity to build on this as a result of low wages in highly skilled jobs compared to the rest of Australia, a low level of relative international recognition, developing economic precincts and limited collaborative environments for growth industries. While there is still an external perception that Adelaide is a good place to live, this perception does not carry through to Adelaide's appeal as a place to work.

Nationally we are facing a housing affordability crisis, including within the City of Adelaide. While Adelaide's house prices have remained lower than other Australian capital cities lower comparative wages have not made housing much more affordable for South Australians. Recent pressures on the economy and a limited focus on housing by all levels of government have combined to create an unaffordable housing market, with limited supply and very low vacancy rates, contributing to high rents. Together this is preventing talent from moving to and living in the city, at the detriment to our businesses and institutions.

South Australia has not grown at the same rate as other Australian states and despite offering great city lifestyles, Adelaide is not always a first-choice destination for career or business opportunity. As a city we will take an active lead in shifting this perception, marketing our strengths and looking for ways to improve including through working with partners to broaden the labour market.

Key Outcomes

Key Outcome: Grow our residential population from 26,120 to 50,000 by 2036.

Key Outcome: Grow the number of people employed in the city from 157,498 in 2022.

Key Outcome: Increase the number of international tourist nights from 3,972,885 (last measured in 2019).

Key Outcome: A younger and more skilled worker profile. In 2022, 51% of City of Adelaide's workforce were aged between 25 and 44 and 53.2% of the city's workforce have a bachelor or higher degree.

Building on Success

Growing our residential population

The city is a welcome smaller scale alternative to Australia's east coast capitals and is already globally recognised as a great place to live. The City of Adelaide's population of 26,141 is estimated to grow by 2036 to house 42,236 people. The city however, is planning to

accommodate more people in a shorter timeframe, with an ambitious growth target of 50,000 people by 2036.

Significant residential growth will come with new and expanded business opportunities which will span most industries, from jobs created in housing construction, to more customers for local traders, and greater demand on health, education and transport services.

A younger and more diverse workforce

City of Adelaide's workforce is already younger and more highly skilled than the rest of South Australia. In 2022, 51% of City of Adelaide's workforce were aged between 25 and 44 and 53.2% of the city's workforce have a bachelor or higher degree.¹⁰ Compared to other capital cities however, our population is older, with a lower skill base.

To bring the City of Adelaide economy to its full potential, we will work to attract a younger and more diverse workforce as we grow. The growth of population and workforce will require improvements to public transport, upgraded CBD office stock, and more direct flights across the global network with a focus to the Asia-Pacific region. The city can improve its international position by creating a clear unified identity, continuing to create and promote world-class discoveries and accomplishments, and raising awareness of its attractiveness and key competitive strengths.

Unique experiences and business attractors

The City of Adelaide is home to internationally recognised festivals and cultural attractions. Our diverse economy includes North Terrace cultural and educational institutions, our Riverbank and its connection to Adelaide Oval, South Australia's premier retail destination in Rundle Mall, North Adelaide's heritage, golf course, dining and boutique retail experiences, the one-of-a-kind Adelaide Central Markets and leading industry clusters in the BioMed City Innovation District and Lot Fourteen. These areas are not yet well connected and, along with the local and global community, are still regrouping to find ways to flourish in the post-COVID environment.

Success and opportunities through technology

Enabled through Adelaide's status as Australia's only 10-Gig City, the professional services science and technology sector is primed to lead the development of new technologies nationally and internationally.

With an emerging climate technology sector needed to combat climate change, Lot Fourteen's leadership in defence, space, hi-tech (artificial intelligence, machine learning, cyber security, quantum technologies, advanced communications and photonics) and creative industries, to world leading medical technology located in our BioMed City, there are many technology-based opportunities to build from in the City of Adelaide.

Opportunities also exist through high-tech entertainment offerings, including the city's annual Illuminate Adelaide Festival, Light a not-for-profit based on creativity, hospitality and technology and the developing internet and digital services category of the creative industries.

¹⁰ [Local workers statistics | Adelaide | economy.id](#)

Our Strategic Initiatives

City Plan

In the development of City Plan, Council and the community have an opportunity to test ideas and scenarios about how and where the city should grow. City Plan will support the achievement of the Strategic Plan target of 50,000 residents by 2036 while ensuring that existing strengths such as the economic value of land, clusters and main streets are improved and protected. This will provide certainty for the city's business and residential communities and build on existing neighbourhood identity and city destinations to create a sense of place and community that is a drawcard for visitors and residents.

Housing Strategy

Australians are experiencing an unprecedented housing crisis. House prices are increasing much faster than wages, and Adelaide in particular is experiencing record low rental vacancies. Due to limited supply, the rental market has become increasingly competitive resulting in higher rents and greater tenant insecurity, making it difficult for people to relocate to the city for work or lifestyle reasons. This presents a significant risk for city institutions and businesses that are competing for talent in a global employment market. In response, City of Adelaide has developed a new draft Housing Strategy which looks at future housing need in the city with a focus on where Council can influence housing affordability, supply and sustainability over the next four years.

Advocate for a System that Encourages Immigrants to Come and Stay

City of Adelaide has experienced a consistently positive net flow of migrants in the periods leading up to the two most recent Censuses (2016 and 2021). Every year the city welcomes thousands of international students to study at our internationally recognised universities. Studying in Adelaide opens a skilled migration pathway for students, however government policies lack sufficient clarity for students and temporary visa holders to make a confident transition to permanent residency. This results in an avoidable loss of skills, talent and creative capacity. Council welcomes the review of Australia's migration systems and will advocate for better outcomes for migrants to Adelaide in the next evolution of Australia's migration policy, ensuring more migrants have the opportunity to call the city home.

Property Strategy

Council's property portfolio is as one of the most powerful levers to shape and accelerate city liveability, growth and investment. The Property Strategy aims to optimise the performance of the city's property portfolio ensuring the effective use of its assets with improved alignment to Council's strategic, community and financial objectives. Under-performing assets identified via the Property Strategy are proposed for assessment to make investing decisions that deliver on Council's economic objectives including improved asset performance, economic and social contributions to community, commercial, housing and sustainability outcomes. Any revenues generated through this process will also be attributed to Council's Strategic Investment Reserve to deliver on other economic, social and revenue generating opportunities. The Property Strategy identifies key city outcomes to be derived via property holdings together with acquisition and partnership opportunities to drive Council's strategic objectives.

Festivals, Events and Supporting Infrastructure

Festivals, events and activations at all scales are important for the social and cultural life of the city and are significant drivers of our economy. The creative economy is a key factor in place activation and visitor experience, with a range of city experiences, including festivals and events, making a strong contribution to vibrancy, business turnover, and international visitation.

As has been experienced in the city's east, consistency in festivals and events bring benefits to local businesses through increased foot traffic and spending, both on direct event-related refreshments, products and experiences and flow-on purchases of accommodation, transport, and general goods and services. Adelaide-based festivals and events are an important driver of regional visitation and contribute to steadily-increasing visitor spend across the State. Council also offers curated city experiences that are designed to enhance place attachment and are specifically focused on increasing activation, visitation and experiences in our city.

City of Adelaide has identified the need to expand successful event infrastructure already in place in Rymill Park to other areas of the city. A connector between the city's night life precinct and the Adelaide Central Markets, Light Square is the next location targeted for event infrastructure, creating new economic opportunities in the city's west. A cultural infrastructure assessment process will identify further opportunities to support festivals and events and maximise the benefits to the surrounding area.

Adelaide Town Hall

The Adelaide Town Hall is an iconic State Heritage listed building owned and operated by the City of Adelaide. While the Town Hall's Council and Civic rooms are used for meetings of Council, they also host numerous civic, public and private events throughout the year; are a lead revenue generator for the city; and provide economic flow-on. City of Adelaide is undertaking a review and business case for Town Hall activities, with a priority on revenue streams and activities that generate new economic activity. Town Hall is also now a proud member of Adelaide Business Events and provides another city-based venue for business events in South Australia.

Adelaide Economic Development Agency

The Adelaide Economic Development Agency (AEDA) is a subsidiary of Council established to accelerate economic growth in the City of Adelaide. AEDA is focussed on attracting investment and supporting businesses, festivals and events and promoting the city of Adelaide as a destination and 'magnet city'.

Goal 2: A Sustainable City – an accelerated transition to a sustainable and decarbonised economy

City of Adelaide leads the transition to sustainable business ventures, decarbonising the economy and building growth of green and circular industries.

Tackling the Issues

Climate change is impacting all aspects of life in Australia, from the way that our community functions, through to the response of our economy and environment. Projections for climate change indicate that without a coordinated global response, conditions will become more challenging as greenhouse gases continue to increase in the atmosphere over the coming century.

Councils globally are taking action to ensure their city is responsive to climate change in all areas, this includes ensuring sustainability and climate resilience in their role in economic development.

There is a significant risk that climate change may undermine our economy without strong and rapid action. To minimise risk, a decarbonised economy and strong connections between our economic strategy and climate change actions will best position the City of Adelaide as a competitive and attractive economic environment.

In South Australia this will result in a range of changes, including warmer and drier average conditions, increased periods of extreme heat and drought, more intense rainfall and greater fire risk.

Adelaide ranks poorly in terms of congestion, which has worsened since 2019, while many other comparable cities have improved.¹¹ Traffic congestion is negative for the economy, our health and the environment. Weaknesses in our public transport system and bikeways increase our reliance on cars.

The health, financial and economic benefits of walking and cycling are well established, offering substantial savings to the health sector, to personal savings and local economic spend when compared to other modes of transport. International studies report that urban design features which facilitate walking and attract pedestrians have a positive effect on commercial and residential rents and sale values, and on retail revenues: walking interventions can increase the number of people entering shops by up to 40%; of sales by 172%.

Key Outcomes

Key Outcome: All new builds (residential and commercial) and adaptive reuse projects will be built to a higher sustainable building standard.

Key Outcome: Growth in circular economy industries in the city. Research and analysis of existing circular economy industries including on its value and employment opportunities will need to occur to develop a baseline for this key outcome.

Key Outcome: More city workers choosing to walk or cycle to work. In 2021, 3% of city workers walked to work and 2.6% of city workers cycled to work.

¹¹ [2023 Benchmarking Adelaide Report - Committee For Adelaide](#)

Building on Success

Leverage the State's Green Grid

South Australia's renewable energy base is a competitive advantage, giving Adelaide an opportunity to enable businesses to deliver environmental, social and governance (ESG) goals.

South Australia is leading the world in transitioning its grid to be powered entirely by renewable energy. We are now regularly experiencing days and weeks where the electricity needs of the State can be met entirely with wind and solar.

The State Government has committed to a fully decarbonised grid by 2030 and is likely to beat this deadline. City of Adelaide seeks to make the most of this world-leading grid transition through 'electrification', which involves converting all energy sources – whether in buildings or vehicles – to electricity.

Once the city's electricity is 100% renewable, this alone will result in a 35% reduction in the community's carbon emissions from 2020. If we can also electrify all city buildings, this reduction will represent a 44% drop in carbon emissions.

Adaptive Reuse

In collaboration with the State Government, Council will identify ways to remove or address barriers to the repurposing of older and vacant buildings in the City of Adelaide. This initiative will contribute to improvements in vacancy rates and movement against Scope 3 emissions.

Green Open Space as an Asset

The expansive Adelaide Park Lands are the city's crowning glory. The Adelaide Park Lands embrace the city in a green figure of eight and are the city's lungs, backyard, playground, meeting space and more. The Adelaide Park Lands National Heritage Values and potential for World Heritage Listing are known and we will pursue enhancements and protections to this important green asset.

Seek Opportunities in the Circular Economy

A circular economy is a way of keeping valuable resources out of landfill and circulating in the economy. It is more than just recycling.

Transitioning to a circular economy is an important part of how the City of Adelaide will combat climate change. We will reduce our environmental impacts, support resilience in our communities and capture the financial benefits that come with keeping our materials in circulation.

Our focus on the circular economy will drive greater commercial interest in these opportunities, reduce waste and the cost of waste, and support innovation and new business development.

We will support and incentivise the emergence of circular economy initiatives in community, businesses, and industries, with a focus on food, fashion, furniture, repair industries, fit-outs, and festivals.

Our Strategic Initiatives

Grow the City's Green Brand

Through our Integrated Climate Strategy, the city will grow and share its green brand as an environmentally responsible place to base a business.

Study of Adelaide Park Lands Economic, Social and Environmental Values

The expansive Adelaide Park Lands are vital environmentally as well as to the economic and cultural vibrancy of the city. The 29 Parks and six City Squares are of economic interest to the city due to their capacity to host a variety of facilities and activities. To this end, the City of Adelaide will establish a multi-disciplinary research team to assess the economic, environmental, social and cultural contributions of the Adelaide Park Lands. This project will be used to inform investment decisions for the Adelaide Park Lands Management Strategy and future planning for the Adelaide Park Lands to ensure they continue to be used to their full environmental, social, cultural and economic potential.

Transition to a Circular Economy

The City of Adelaide's aims to be the first city in Australia that achieves zero avoidable waste. The City of Adelaide is actively investigating circular economy initiatives that have the potential to create new business opportunities and reduce waste. These initiatives will be focussed on activities that address wastes and industries which are unique to the city, for example, food and hospitality, fashion, festivals and events, and fit outs (commercial, office, retail and purpose-built student accommodation).

Partner with Institutions and Businesses to Fight Food Waste

The city is home to the Adelaide Central Market and some of the best dining in Australia. These activities generate significant volumes of food waste, with associated business and environmental costs. To respond to this challenge, City of Adelaide will partner on a 3-year program of world-leading research to understand the behaviours that contribute to food waste, and to trial interventions that reduce and divert food waste for residents, visitors and businesses, with a focus on dining and hospitality.

KEY ACHIEVEMENT - Rundle Mall Bins

In partnership with Green Industries SA, City of Adelaide trialled a new multi-bin resource recovery system in Rundle Mall to encourage visitors to help divert the estimated 17 tonnes of organic material generated annually in Rundle Mall from landfill.

The initiative included business support and incentives for cafes to switch to compostable serve ware to increase the proportion of compostable waste materials in the Rundle Mall waste stream; and a project with shopping centres and arcades to understand the drivers and complexities of waste management at these sites. The café incentive trial offered up to \$1200 to support the switch to certified compostable products. Nine out of 24 eligible cafes participated in the program and all, but one was still using compostable products after the incentives ceased. The program had the greatest adoption by independently run cafes. The program resulted in replacing an estimated 20,000 single-use plastics with compostables. The Rundle Mall 3 Bin System demonstrates – and normalises – how organic recovery systems can operate at home, work and play and is an example of how City of Adelaide is committed to partnering with State Government and small businesses towards sustainability outcomes.

Goal 3: A Connected City – where local businesses are connected to their neighbourhood

City of Adelaide connects local businesses with visitors and residential neighbourhoods as a curator and activator. We are a city where people are connected, where business networks thrive, and our visitors enjoy unique and authentic experiences of Adelaide life.

Tackling the Issues

While city economies continually evolve in their relationships to place and to people, recent events such as the COVID-19 pandemic, skills shortages and the urgency for businesses to respond to climate change have fundamentally shifted economic conditions at the city, regional, state and national scales. These changes have made running a business even more challenging.

The environment for city-based bricks and mortar retail has changed in recent years with a surge in online shopping options, an increase in hybrid working arrangements and a broader distribution of office locations across the city. Data indicates that the number of jobs based in the city continues to grow, however there is a lesser proportion of those workers located in the city on any given day. In contrast, the ongoing relocation of tenants from fringe locations to the Adelaide CBD reflects the modern workforce and business landscape. The CBD's offerings of flexibility, amenities, retail convenience, networking opportunities, and a thriving social scene cater to these evolving needs.

Key Outcomes

Key Outcome: An increase in social and affordable key worker housing, therefore reducing the number of households in need of affordable housing down from 1,422 (2021).

Key Outcome: An increase in foot traffic in key and emerging neighbourhoods throughout the city. Research and analysis of foot traffic tools will need to occur as part of City Plan's neighbourhood development to provide a baseline for this target.

Key Outcome: Increase in social enterprises and First Nations owned businesses operating in the city. Research and analysis of existing social enterprise and First Nations owned businesses will need to occur to develop a baseline for this key outcome.

Building on Success

Laneways that surprise and delight

The City of Adelaide is home to a vibrant night life of laneways and will play a role as curator and activator of city experiences for residents and to bring workers back to the city to access its entertainment offer, explore its restaurants, and enjoy its attractive and engaging public spaces. The success of small bar licensing in creating vibrant laneways provides a sound basis for revitalising other areas of the city including mainstreets and neighbourhoods, each with their own unique discovery appeal that surprises and delights.

Small business thrive in neighbourhoods with strong identities

The next stage in the city's evolution is to connect key economic drivers to neighbourhoods through strong neighbourhood identities that support community resilience, drive destination visitation, and generate demand to accelerate small business creation and growth. At the same time, existing business clusters will be protected to ensure economic activity flourishes along with residential growth.

Preeminent retail experiences

The City of Adelaide oversees two key retail precincts for South Australia, the Adelaide Central Market and Rundle Mall, both have a significant influence on the experience of the city.

The Central Market is well established and is being further enhanced through the Market Square development.

A renewed focus on Rundle Mall aims to extend the customer experience beyond retail offerings and standard hours to attract new customers and bring old customers back.

These preeminent retail experiences include commitment to showcasing sustainability as part of everyday experiences.

Our Strategic Initiatives

Disability Access and Inclusion

Access for all makes good business sense. The City of Adelaide will work with the business community and in the public realm to improve access and inclusion. The City of Adelaide will work in partnership with specialist providers to subsidise training for small to medium businesses, with a focus on hospitality and retail, to improve accessibility. Together the City Plan and Economic Development Strategy will consider how Council can make improvements to the public realm to increase accessibility and create welcoming, connected and inclusive neighbourhoods.

The Night Shift

Our cities are typically designed for the day, with less thought given to the nature and purpose of night-time use. The City of Adelaide is participating as a case study in the University of Melbourne's Night Shift Discovery Project which commenced in 2023.

The City of Adelaide's night time economy contributes to 30% of visitor spend and has grown in recent years. The city's thriving small bars and laneways and all year-round festivals are significant drivers of the city's night time economy and require a diverse workforce with proximal housing that is affordable for people whose employment is typically low-waged, episodic and insecure.

The Night Shift Study will look beyond traditional sectors in the night time economy of dining and entertainment to identify key locations and occupations active in the city's night time economy. The Study will assist City of Adelaide to understand how it can better use the city outside traditional business hours, how the city can be improved spatially for those who use it at night, and how working conditions can be improved for those contributing to the night time economy.

A SNAPSHOT OF OUR STRATEGY

| City of Adelaide's Key Drivers of Economic Development | Competitive <i>A Competitive City – amplifying our world-wide appeal, attracting talent, tourists and investment.</i> | Sustainable <i>A Sustainable City – an accelerated transition to a sustainable and decarbonised economy.</i> | Connected <i>A Connected City – where local businesses are connected to their neighbourhood.</i> |
|---|---|---|---|
| Key Outcomes | <p>Grow our residential population from 26,120 to 50,000 by 2036.</p> <p>An increase in the number of people employed in the city from 157,498 in 2022.</p> <p>Increase the number of international tourist nights from 3,972,885 (last measured in 2019).</p> <p>A younger and more skilled worker profile. In 2022, 51% of City of Adelaide's workforce were aged between 25 and 44 and 53.2% of the city's workforce have a bachelor or higher degree.</p> | <p>All new builds (residential and commercial) and adaptive reuse projects will be built to a higher sustainable building standard.</p> <p>Growth in circular economy industries in the city. Research and analysis of existing circular economy industries including on its value and employment opportunities will need to occur to develop a baseline for this key outcome.</p> <p>More city workers choosing to walk or cycle to work. In 2021 3% of city workers walked to work and 2.6% of city workers cycled to work.</p> | <p>An increase in social and affordable key worker housing, therefore reducing the number of households in need of affordable housing down from 1,422 (2021).</p> <p>An increase in foot traffic in key and emerging neighbourhoods throughout the city. Research and analysis of foot traffic tools will need to occur as part of City Plan's neighbourhood development to provide a baseline for this target.</p> <p>Increase in social enterprises and First Nations owned businesses operating in the city. Research and analysis of existing social enterprise and First Nations owned businesses will need to occur to develop a baseline for this key outcome.</p> |
| Investment Attraction and Destination Marketing | <p>Advocate for a system that encourages immigrants to come and</p> | <p>Grow the city's Green Brand.</p> | <p>Through City Plan establish a decision making tool where we can test scenarios and provide advice to</p> |

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|--|--|--|---|
| <p><i>We are a city that amplifies its world-wide appeal, creates new opportunities and attracts investment, talent and visitors.</i></p> | <p>stay, contributing to our growing worker and residential population.</p> <p>Attract growing businesses and emerging industries to move to South Australia and establish a city premises.</p> <p>Boost Adelaide’s brand as a tourism destination through international destination marketing through the South Australian Government</p> <p>Leverage the State Government’s campaign to put living in Adelaide on the world stage.</p> <p>Advocate for more direct flights to the Asia-Pacific Region.</p> | | <p>strategic planning and economic development.</p> <p>Through our Housing Strategy drive housing outcomes that attract key city workers to make our city home.</p> |
| <p>Innovation, Research and Development</p> <p><i>We are a city which leads in innovation and research through our world-class universities and ecosystems of innovation, entrepreneurship, and</i></p> | <p>Leverage new opportunities presented through Adelaide University to enhance the city’s status as a globally competitive city for tertiary education, graduate employment, research and innovation.</p> <p>Build the city’s capacity for high skilled jobs through industry clusters</p> | <p>Partner to fight food waste in the city.</p> | <p>Support stronger collaboration between university innovation centres (including ThinLab, University of Adelaide and Innovation Collaboration Centre, University of South Australia) and specialised industry clusters.</p> |

| City of Adelaide's Key Drivers of Economic Development | Competitive <i>A Competitive City – amplifying our world-wide appeal, attracting talent, tourists and investment.</i> | Sustainable <i>A Sustainable City – an accelerated transition to a sustainable and decarbonised economy.</i> | Connected <i>A Connected City – where local businesses are connected to their neighbourhood.</i> |
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| <i>creative and high-technology sectors.</i> | such as BioMed City and Lot Fourteen and emerging industries. | | |
| Business Support <i>We will create an environment where businesses can start and grow, we will have a reputation of Adelaide being an easy place to do business and provide space for collaborative business ecosystems.</i> | Use global best practice to implement regulations and incentives that enable businesses to do more, more easily. Provide business advice and support to small and emerging local businesses. Support Growth in First Nations Enterprise. Support growth in social enterprises operating in the city. Increase employment opportunities in Rundle Mall by working with businesses to fill gaps in the retail mix and levels above ground floor. | Deliver initiatives that transition the city's economy for food and hospitality, fashion, festivals and events, and fit outs (commercial, office, retail and purpose-built student accommodation). Publish a City Circular Economy Map which identifies businesses operating within the circular economy. | Work with the business community and in the public realm to improve access and inclusion. Provide business advice and support to small and emerging local social enterprises and First Nations businesses. The Adelaide Central Markets will be a leader in the development of its neighbourhood. Through the Night Shift Study, investigate ways to improve conditions in the public realm for workers contributing to the night time economy. |
| Interesting and Memorable Places and Experiences <i>We are a city that connects local businesses with visitors and residential</i> | The Adelaide Central Markets, Rundle Mall year-round festivals are known internationally as iconic Adelaide experiences. Through activation of mainstreets and laneways, the city will grow jobs | Work with festival and event organisers to implement circular economy principles that avoid waste, buy sustainable materials, and encourage active transport to events. | Events are connected to and therefore benefit their community. Experiment with place activations to support mainstreets and laneways. |

| City of Adelaide’s Key Drivers of Economic Development | Competitive <i>A Competitive City – amplifying our world-wide appeal, attracting talent, tourists and investment.</i> | Sustainable <i>A Sustainable City – an accelerated transition to a sustainable and decarbonised economy.</i> | Connected <i>A Connected City – where local businesses are connected to their neighbourhood.</i> |
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| <i>neighbourhoods as a curator and activator.</i> | for small business and in the creative industries. Review and prepare a business case for Town Hall activities, with a priority on revenue streams and activities that generate new economic activity and jobs. | | Protect areas of night time economy and live music venues to support Adelaide’s status as Australia’s only UNESCO City of Music. |
| Infrastructure and Transport <i>We support an economy fit for the future through planning and investments in infrastructure and the public realm.</i> | More people living closer to where they work. Walkable/bikeable city for residents and workers. Leverage South Australia’s renewable energy base as a competitive advantage, to enable businesses to deliver on environmental, social and governance (ESG) goals. | Through the Adaptive Reuse Project, Council will identify ways to remove or address barriers to the repurposing of older and vacant buildings in the City of Adelaide. We support more people to cycle to work by increasing separated bikeways throughout the city, connected to existing key entry/exit cycle paths. Conduct a study of the Adelaide Park Lands Economic, Social and Environmental value. | Deliver mainstreets strategic projects with consideration of how mainstreets connect to laneways and surrounding areas. Invest in social infrastructure which supports social and economic wellbeing of neighbourhoods. |

CITY OF ADELAIDE SUBSIDIARIES

Adelaide Economic Development Agency

The Adelaide Economic Development Agency (AEDA) is a subsidiary of Council established to accelerate economic growth in the City of Adelaide. AEDA is focussed on attracting investment and supporting businesses, festivals and events and promoting the city of Adelaide as a destination and 'magnet city'.

AEDA's Strategic Plan will be guided by the city's goals and ambitions outlined in this Strategy and Council's Strategic Plan 2024-2028. AEDA will have a focus on destination marketing through marketing and providing support investors, emerging sectors, entrepreneurs and business owners to be successful, innovative and responsive to a changing business environment. AEDA's business support will be provided in alignment with cultural, social and environmental expectations of a successful contemporary businesses.

The Charter of AEDA provides for its functions, including:

- To work collaboratively with the State Government, strategic partners, peak bodies and key stakeholders and avoid duplication of effort in the delivery of its functions and duties
- To position the City of Adelaide as an attractive investment opportunity for commercial and residential property development
- To support the growth and development of existing businesses and attract new businesses, industries and entrepreneurs to establish in the City of Adelaide
- To promote and market the City of Adelaide to local, interstate and international visitors and investors
- To position and promote the City of Adelaide as Australia's premier festival and event destination with the aim of increasing visitation and investment
- To attract and support growth of the visitor economy, including international students, festivals, events, conferences, conventions and exhibitions
- To activate, promote and market the Rundle Mall
- To promote and develop mainstreet precincts as commercial hubs of economic, cultural and social significance
- To manage risks associated with the Objects and Purposes and to ensure that the Agency complies with all relevant legislative and compliance requirements including those expressed by the Council's CEO
- To expend funds raised through the separate rate declared by the Council on rateable land in the Rundle Mall and provided to the Agency to directly support Rundle Mall
- To, in the performance of its functions and in all of its plans, policies and activities, give due weight to economic, social and environmental considerations.

Rundle Mall is the State's premier retail and commercial shopping precinct operating under the care of AEDA. AEDA is tasked to sustain Rundle Mall's retail, business and economic viability. Through Rundle Mall's Place Vision and Precinct Roadmap priority areas for action have been identified including, filling retail gaps, extending the body clock of the Mall beyond standard shopping hours, improving the outdoor experience, curating destinations through precinct and laneway activation, unlocking the heritage and culture of facades and laneways, targeting investment, showcasing sustainability and addressing planning barriers. Together with the broader City Plan process there will be a focus on how Rundle Mall is connected to its surrounding neighbourhood from business, visitor and residential perspectives.

Adelaide Central Market Authority

The Adelaide Central Market is one of the largest undercover fresh food markets in the Southern Hemisphere. The Central Market offers food experiences found nowhere else in Australia and the Adelaide Central Market Authority (ACMA) operates as a Council subsidiary.

The Charter of the Adelaide Central Market Authority was gazetted in 2022 and sets out the purpose of the Authority to ensure the management and operation of the Market. The Charter requires that the Authority be responsible for: maintaining and enhancing the iconic standing of the Market for the benefit of all stakeholders; encouraging the use of the Market by South Australian residents, visitors and the community; and being recognised locally and internationally as a leading, vibrant, diverse and unique fresh produce market community that is commercially sustainable for Market sub-lessees and licensees and the City of Adelaide – as well as contributing to the development of the wider market district and operating in a financially self-sustaining manner.

The area around the Central Market and the Markets themselves will undergo significant development in the coming years including Market Square and the redevelopment of the former Bus Depot on Franklin Street. These developments present new opportunities for Market traders and new businesses within the broader Central Market precinct. During the development period, ACMA will work closely with traders to support them in their continued delivery of an exceptional shopping experience. Together with the City Plan development process, there will be a focus on connecting the Central Market and its traders to the surrounding neighbourhood.

Kadaltilla

The Kadaltilla / Adelaide Park Lands Authority (Kadaltilla) is the principal advisor to both the City of Adelaide and the State Government on the protection, management, enhancement, and promotion of the Adelaide Park Lands.

Its purpose is to conserve and enhance the environmental, cultural, recreational, and social importance of the Adelaide Park Lands Guiding Principles including to preserve and strengthen the integrity of the Adelaide Park Lands and promote the values of the Park Lands as Adelaide's defining feature, and an internationally unique asset.

Kadaltilla has continued to follow the high-level aspirations for the future of the Park Lands as outlined in the Adelaide Park Lands Management Strategy (APLMS). The vision of the APLMS is to achieve a balanced approach to a diverse range of environmental, cultural,

recreational and social values, activities and developments, whilst protecting and enhancing all resources. The APLMS aims to ensure that the Adelaide Park Lands will continue to provide a myriad of recreational and sporting opportunities and events for everyone to enjoy, enhancing physical and mental well – being and cementing Adelaide’s place as one of the planet’s most liveable cities.

STRATEGIC ALIGNMENT

How the Strategy was Developed

This draft Strategy is informed by targeted engagement sessions across City of Adelaide and the Adelaide Economic Development Agency, and targeted external consultation and research.

| | | | | |
|-------------------------|---|--|---|--|
| 16 | 12 | 60 | 82 | 177 |
| Workshops | Themes | Participants | Attendances | Observations |
| Economic Profile | Housing Audit and Needs Analysis | City Plan Studio Magnet City and New Urban Form | Night Time Economy Pulse Reports | South Australian Economic Statement |

Draft Strategic Plan 2024-2028

City of Adelaide endorsed a draft Strategic Plan 2024-2028 on 24 October 2024 that sets a vision: **Our Adelaide. Bold. Aspirational. Innovative.**

Pillar: **Our Economy: growing, innovative and responsive**

City of Adelaide will measure the success of its economic pillar through:

- An increase in the number of people who visit the city from 2.1 million to 2.5 million by 2028
- An increase in foot traffic in key and emerging precincts
- An increase in spend across the city
- Deliver marketing and promotion strategies to share Adelaide’s unique attractions and emerging opportunities
- Deliver economic data and insights to our business community
- An increase of businesses who think the city is a good place to do business from 64% to 75%
- An increase in the number of new businesses and investment in the city
- An increase in the city’s share of the State’s economy

State Government

South Australia Economic Statement

The *South Australian Economic Statement - Smart, Sustainable, Inclusive*, sets the vision of the State Government for South Australia, to be ‘an economy fit for the future, improving the wellbeing of all South Australians’. It contains three missions in response to the challenges South Australians face today and will face in the future; to capitalise on the global green

transition, be a partner of choice in an insecure world and build South Australia's talent. The State Government has announced it will establish a new Economic Development Board for South Australia which will engage with industry, business and the community to advise on how to best action the Statement.

State Infrastructure Strategy

The State Australian Government is in the process of developing the State's next 20 year State Infrastructure Strategy. The State Infrastructure Strategy will focus on economic growth in alignment with the SA Economic Statement, identify the key challenges and opportunities in providing and managing infrastructure, consider how we can maximise the use of existing assets, identify requirements for new infrastructure, including policy and other reforms required and make recommendations for future priorities to ensure economic growth, sustainability and liveability for South Australians.

Greater Adelaide Regional Plan

The State Government is in the process of developing Greater Adelaide's next Regional Plan. This significant strategic land use planning process will direct growth of Greater Adelaide for the next 30 years. The City of Adelaide is proud to be working on its own City Plan alongside the Greater Adelaide Regional Plan to identify options for city accommodation that align with Council and community aspirations and assist in meeting the challenge of constructing 300,000 new homes in Greater Adelaide by 2051.

South Australian Small Business Strategy 2023-2030

The South Australian Small Business Strategy recognises the value of small businesses (0-19 full time employees) to the South Australian economy. The Small Business Strategy is designed to support small businesses to adapt, grow and succeed, now and into the future. The Small Business Strategy is guided by four objectives for small business to increase skills, capability and capacity, drive job growth, provide easier access to government services, supports and programs, increase diversity in the sector by regional businesses and specific target groups, including First Nations people, women, business owners living with disability, and culturally and linguistically diverse (CALD) business owners.

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