

BAROSSA GAWLER LIGHT ADELAIDE PLAINS

AREA

4 Council area, ha

314,388

POPULATION

Number of residents (NEIR 2016)

72,386

ECONOMY

GRP (NEIR 2016)

\$3.41 B

JOBS

Local jobs (NEIR 2016)

27,640

LOCAL EMPLOYMENT

Employed residents

36,530

WELL-BEING

Household income (NIEIR 2016)

\$110,783

BUSINESS

Local business entities (ABS 2017)

5,593



Who we are

Barossa Gawler Light and Adelaide Plains region is an **eco-system** of business, natural landscape and unique distinctive lifestyle.

Wine and Primary Production dominate the economy and exports. Innovative Horticulture is a growing sector.

We strive to become a modern, innovative and cutting edge destination without losing our rich heritage, artisan skills set and regional spirit.



SUMMARY



What region we want to be

- **Young and entrepreneurial**
attractive for young generation with various opportunities for young families and kids
- **Educated**
with educated population and skilled workforce for industry and new investors
- **Connected**
connected with markets, technologies, opportunities and with each other
- **Value adding**
leveraging strength of assets, existing business background and skills, we add value to it
- **Competitive**
with continuous improvement in practices and products

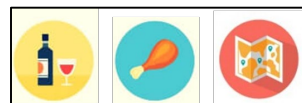
How we get there – Issues and Opportunities

1. **Build on Comparative Advantage** – develop community infrastructure, built environment and economic precincts for investment destination of choice
2. **Informed decisions** - analyse and monitor relevant data (economy ID, investment map and surveys)
3. Invest in **infrastructure**, hard and soft
4. **Scale up** local economy, attention to businesses willing to grow & their ecosystem
5. Adopt **best business practices** – learn, innovate, specialise, collaborate
6. **Educate** people. Promote value of education and training
7. Support **creative** industries
8. **Compete** and build competitive advantages
9. Disrupt and **diversify**



ECONOMIC STRENGTHS AND OPPORTUNITIES

1 Wine-Food-Tourism



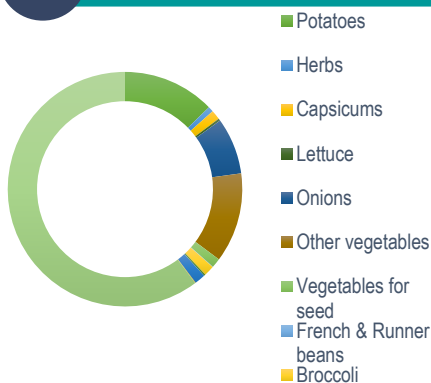
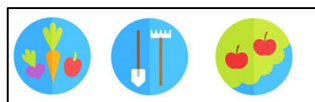
- 85,149 tonnes of **wine** grapes crushed in 2016/17. In 2015/16, RDA BGLAP Region contributed 29.8% of SA wine industry employment and \$740m in value.

- In 2015/16 **tourism** and hospitality sales were \$196.5m, the total value added was \$103.6m, employment impact is 2,200 employees.

- Total output of **agricultural industry** in 2015/16 is \$767m. RDA BGLAP Region contributed 10% of total employment in agricultural sector and 4.6% of SA Food Product Manufacturing employment.

Key RDA BGLAP region industries - wine, food and tourism - benefit from each other and form **regional wine-food-tourism cluster**. Synergistic collaboration between industries ensures sustainable economic development of the region and growing opportunities for value adding. Cluster management structure - Barossa Partnership - consists of RDA, industry associations and industry leaders. Cluster is using Rate limiters model to identify cross-sector barriers and opportunities.

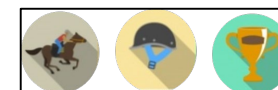
2 Agri/Horticulture



In 5 years the total value of agricultural output in RDA BGLAP Region increased from \$284m to \$405m. Value of **Horticulture** production increased by 7% - from 6% to 13.4%.

Northern Adelaide Irrigation Scheme (NAIS) provides opportunities for further growth and innovation, utilising more land for horticulture production in Adelaide Plains. Northern Adelaide Plains Horticulture Initiative is a project with RDA BGLAP participation for the development of a horticulture cluster in Virginia and Adelaide Plains.

3 Equine



Equine industry is growing to become one of the key contributors to the economy of the region. RDA BGLAP region has more than 100 equine facilities, clubs, studs, services and suppliers. Spending on horses in RDA BGLAP region is estimated as **\$37,7m** per year. Racing events are estimated to contribute \$10,6 m annually.

Barossa is a home to state of art Equine Health and Performance centre in Roseworthy Campus.

To leverage the strength of existing equine industry, construction of a new **International Equine Multi-purpose Arena** adjacent to Roseworthy campus proposed. New equine facility will consolidate sport, training and events, and complement Roseworthy Health and Performance Centre in becoming a state equine precinct.

4 Education



Education sectors in the RDA BGLAP region is represented by all levels of educational institutions – Universities, VET and schools. Academic: Roseworthy Campus of the University of Adelaide, Centre for rural medicine of Flinders University and Tanunda office of the Uni of SA. TAFE SA in Nuriootpa offers VET courses in hospitality including culinary, nursing with a focus on aged care, wine education. Barossa Wine school in collaboration with TAFE delivers 3-level wine appreciation course. 6 high schools and colleges. offer graduate courses in business, digital studies, wine science and production.

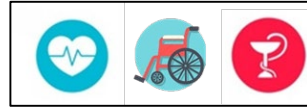
Opportunities in education sector – equine studies and stable hands training, culinary education, resource university centre for all three universities represented in the BGLAP region, medical internship in rural area.

International education in wine studies, nursing and aged care for Asian students. International school exchange, study tours and internships particularly with school students from South Korea, Japan, China and France. Internships for Chinese students interested to work in the wine sector.

ECONOMIC STRENGTHS AND OPPORTUNITIES

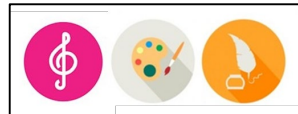
5 Health and Aged Care

Population growth up to 100,000 residents (71,386 currently) is expected by 2024. RDA BGLAP region is characterised by quickly ageing population what is typical for Australia and South Australia in particular. Like most developed countries, Australia's population is ageing as a result of sustained low fertility and increasing life expectancy. However, RDA BGLAP region has higher increase in age group Over 65 years than SA average (19% against 10% in 2006-2011 and 22.6% against 15.8% in 2011-2016) with a projection to further rapid growth in the next 10 years (47.4 % in 2021 and 81.3% in 2026)



Ageing population increase and total population growth require well-developed health and aged care infrastructure. Region has one of the best aged care facilities such as Barossa Village and Tanunda Lutheran Homes, with an opportunity to grow. There is an opportunity for small and micro business to deliver services under NDIS. Trend for local retirees and new home buyers moving from the cities to the peaceful and affordable region will impact upon the supply and demand for suitable accommodation. The RDA BGLAP region is reasonably serviced by quality medical and allied health services, but demand for hospital beds growing

6 Art Music Design



RDA BGLAP region is leveraging its rich cultural and art traditions, transforming existing cultural heritage into a new business sector - Creative industries. Art Music Design Barossa is a virtual hub for arts, music and design ideas and inspiration. Art Music Design connects creatives with events, venues, suppliers and customers, helping art to get into business, and become one of the strongest competitive advantages of the region. More than 70 artists and musicians, wide range of creative spaces, galleries, concert venues and museums form an attractive investment and tourist landscape adding value to the Region.

7 Business Growth

RDA BGLAP region is a home for 5,593 businesses where 64% of registered businesses do not employ people at all and 25% businesses have 1-4 employees. Assistance in business growth and development is a critical need and opportunity at the same time. RDA BGLAP is working with micro and small business sector to help identify business opportunities and develop business literacy which allows business grow and create jobs. B2B project specifically developed to help local business and support emerging start-ups.



More than 150 businesses and entrepreneurs are supported via B2B network annually. If RDA facilitate business improvement and assist 10% businesses who are not employing now to generate at least 1 job, it will create **350 new jobs** for the Region with the opportunity for further growth and development. As an example, KODO technology who were supported by RDA 3.5 years ago at the moment when their business commenced, now employ 18 specialist and still expanding.

8 International Markets

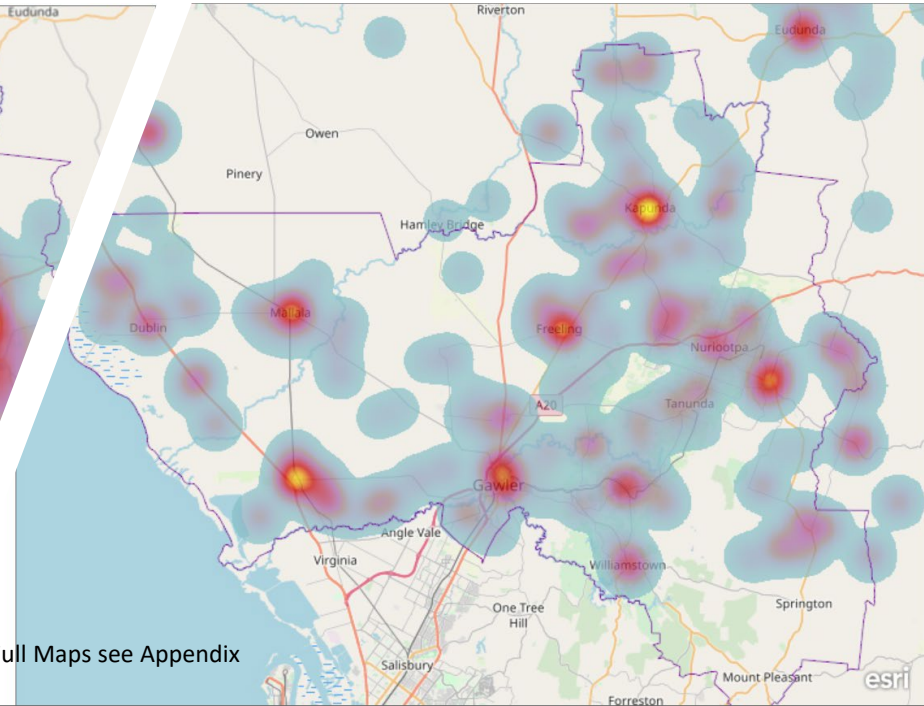
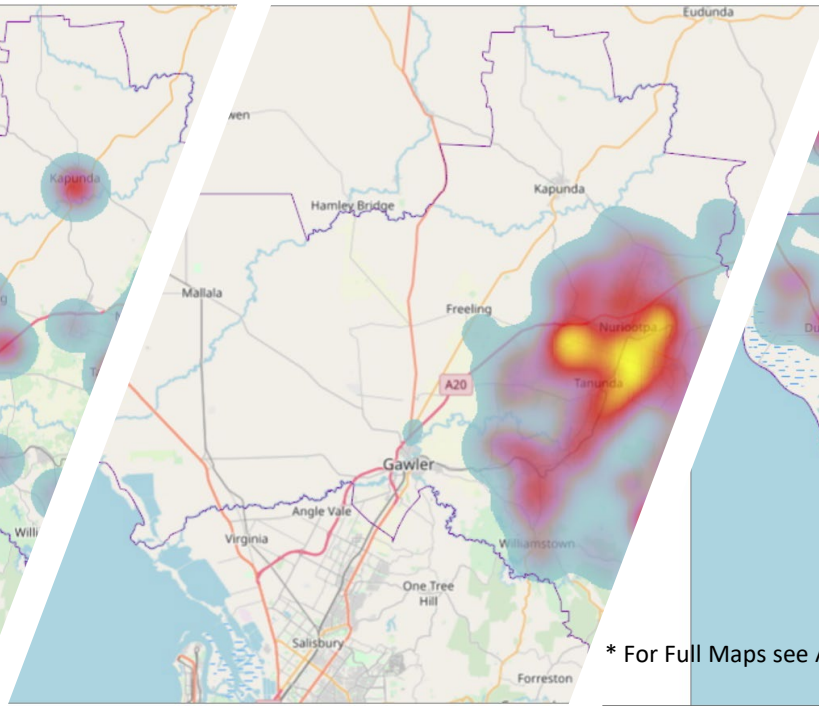
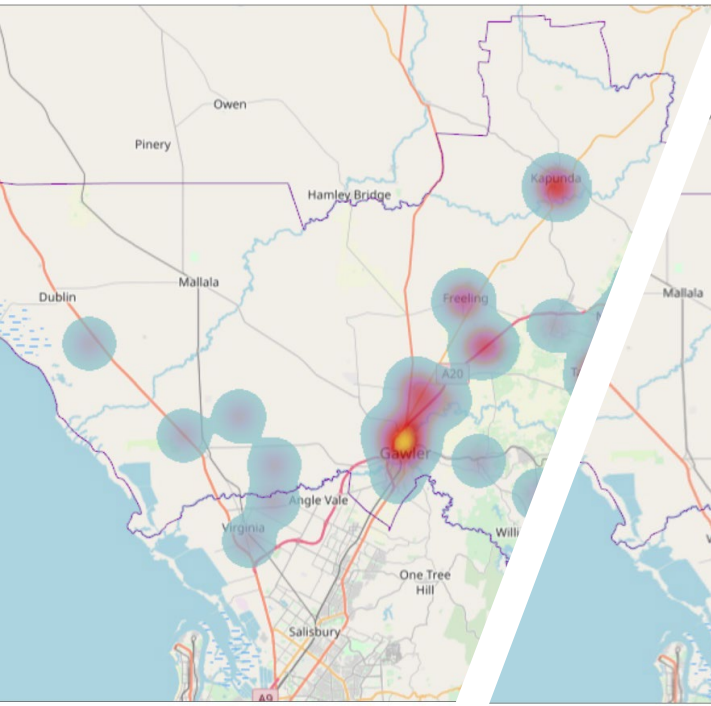
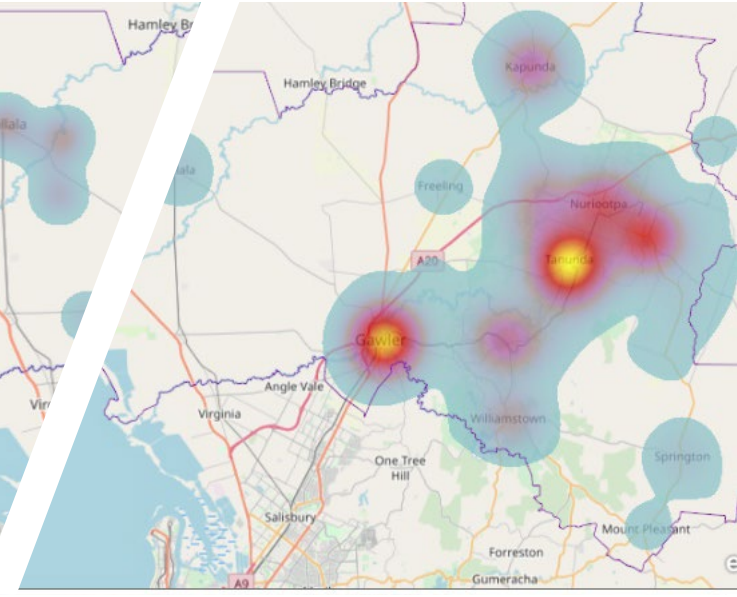
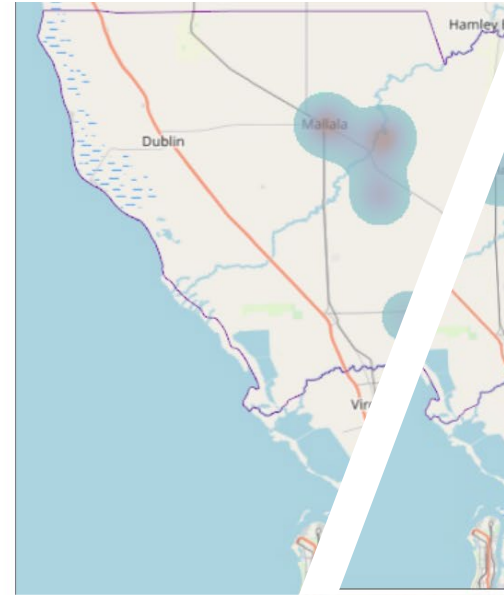
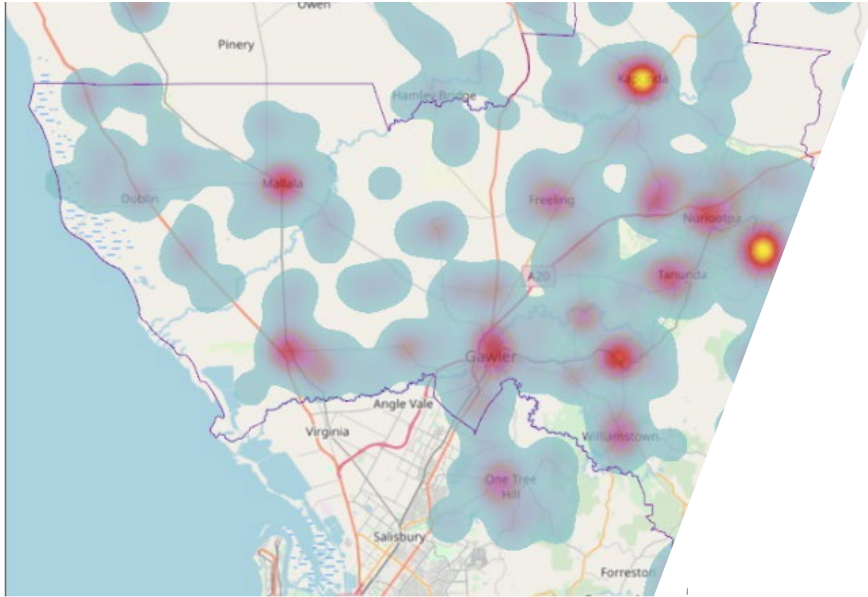
Among the international markets which may significantly influence regional economy China is still dominant followed by US, UK, South East and North East Asia, and potentially India.

Enormous opportunities for wine sector provided by China and US markets. UK is still a stable partner contributing to various sector including tourism, advanced manufacturing and wine. Growing interest to exporting services and education to South East Asia particularly to Indonesia and Philippines, food and wine to India and North Asia.



Today China is the largest market for South Australian produce and tourism, it is the world's number one trading nation and manufacturer. In 2016 Australia welcomed 1 million Chinese tourists and thanks to the expected 70% growth of the Chinese middle class, by 2026 this number is expected to reach 3.3 million. Interests of Chinese visitors: Tourism; Investments; Trade; Residence(migration), Study (165,000 Chinese are studying in Australia) Statistics clearly show why RDA puts effort into the development of G2G and B2B relationships with China building export capability and educating local business on China market. France, US also in scope. Investigations into Indonesia and South Korea markets continue.

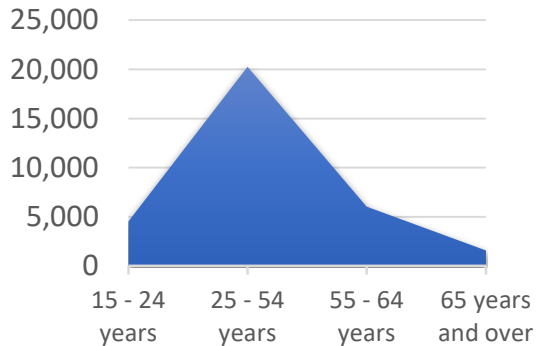
REGIONAL INDUSTRY



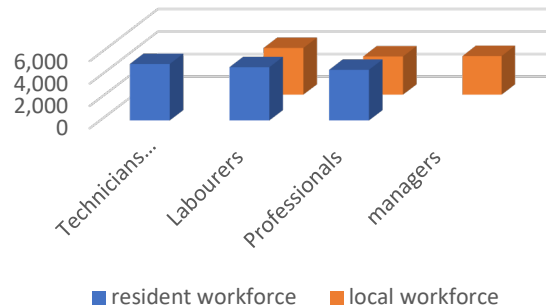
* For Full Maps see Appendix

LOCAL WORKFORCE

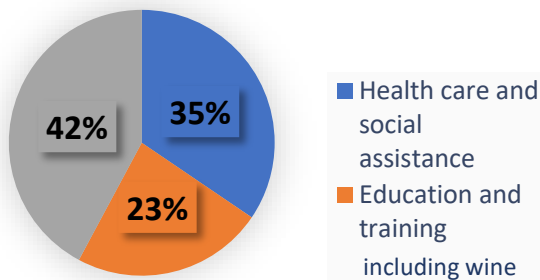
Local workforce



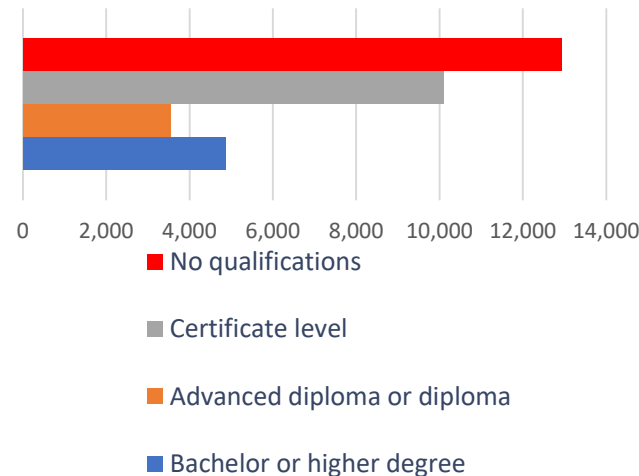
Top occupations



Top 3 employing industry



Level of qualification



RDA BGLAP region generated 27,640 jobs by the end of 2017/2018. Local workers (work locally regardless of where they live) are 23,387 and resident workers (live in the area regardless of where they work) are 32,428. Unemployment rate is relatively stable with a slight decline from 4.35% in June 2017 to 4.28% in June 2018.

Among 32,428 employed local residents 62% is aged 25-54 years old. 42% of all employed residents work in manufacturing industry, principally the wine industry as the major employer in the region. 35% employed in health care and social sector and 23% work in education and training.

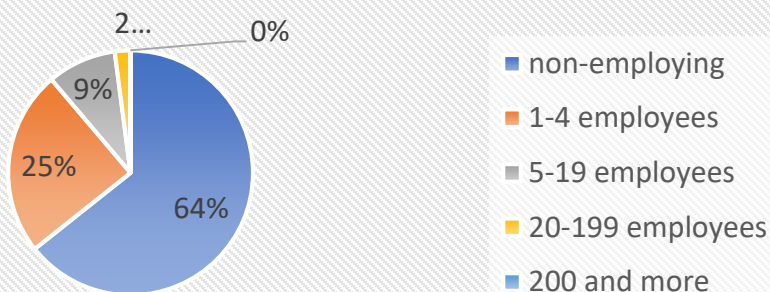
3 key occupations of the resident workers are tradies 15.6%, labourers 14.7% and professionals 14%, with local workers occupations distributed between labourers 17.8%, managers 14.7% and professionals 14.7%. Higher rate of manager's level locally could be a reflection of participating in a small business as owners or the only managers of a business entity.

At the same time, levels of qualification in both groups are similar with 40-41% of all employees having NO qualification at all, 30-32% have certificate level and only 11-12% and 15-16% have diploma or bachelor degree accordingly.

Local employers declare a shortage in skilled workers, with skilled educated personnel moving outside the region (to Adelaide or interstate), and local residents, especially younger generations of families, owning businesses, prefer to stay in family business without gaining specific qualification.

BUSINESS LANDSCAPE

Number of Businesses by Employment



Areas of Support



Statistics:

There are 5,593 businesses registered in RDA BGLAP area.

TOP 5 industries with the largest number of businesses:

- Agriculture, forestry and fishing 23.2%
- Construction 18.2%
- Rental, Hiring and Real Estate 8.4%
- Manufacturing 6.6%
- Professional, scientific and technical services 6.2 %

Specific feature of RDA BGLAP region is that approximately 95% of businesses are SMEs and even micro-businesses employing 0-5 employees.

According to ABS 2017 (data sourced by ATO) distribution of businesses by employment is following:

- **64%** Non-employing - 3,597 businesses
- **25%** 1 – 4 employees - 1,370 businesses
- **9%** 5-19 employees - 510 businesses
- **2%** 20 – 199 employees – 113 businesses
- Over 200 employees – 3 businesses (educational)

3 (three) largest employers registered in the region are educational institutions which we assume provide information about ALL employees (not local only).

Areas of support:

Business Insights Survey (381 respondents – SME businesses) conducted in RDA BGLAP region in 2015-2017 identified key areas of support and skills shortage:

- Digital marketing – 52% of respondents
- Web development and content marketing – 33% of respondents
- HR and people management– 29% of respondents
- Personal development and self-performance 27% of respondents

Leading position traditionally belongs to Funding support and grants – more than 60% of respondents.

INFRASTRUCTURE GAPS

RESPONSE

1

WATER

increase volumes and improve quality for agricultural sector(food), viticulture (wine industry), opportunities for investment attraction in high-tech horticulture, water supply and distribution infrastructure, water treatment, R&D using existing experience and facilities at SARDI.

→ Northern Adelaide
Irrigation Scheme (NAIS)
Water Infrastructure &
Water Planning

2

INVESTMENT AND ENERGY INFRASTRUCTURE

build Industrial Parks with ready for investors infrastructure, implement industrial park concept based on circular economy approach and symbiotic co-location of industries at Kingsford Industrial estate, build greenfield and brownfield industrial facilities.

→ Utilities and master-
planning, energy
programs

3

TOURISM INFRASTRUCTURE

Region is experiencing consistent increase in visitations, more international visitors especially Chinese, and business travellers, used to world accepted standards of accommodation. Quality hotel infrastructure from well-known hotel chains will dramatically improve tourism landscape and economic impact from tourism and events, diversify regional attraction as a place for leisure and business.. Specific tourist infrastructure will be needed to leverage Adelaide International Birds Sanctuary stretching along the coast.

→ Project proposals

4

FOOD VALUE CHAIN INFRASTRUCTURE

RDA BGLAP is an agricultural region producing various agricultural commodities on 268,323 ha of fertile land. About 90% of all producers and growers are small and not competitive on the external markets because of low volumes and artisan style production. Food processing and packaging facility will support local food producers and attract investors interested in low logistic costs and "paddock to plate concept". Food Park will provide value adding opportunity.

→ Research phase
Ag Technologies Centre

5

FREIGHT ROUTES

RDA BGLAP region provides highway access to the North and main capital cities. Heavy vehicle traffic is intensive and still growing. Wine industry contributes towards traffic load a lot. B Doubles and Road Trains access to business sites is critical for the region but not always possible due to lack of appropriate facilities. To improve freight routes infrastructure it is required to have a freight depot which will provide services for truck drivers, safe loading facilities and become a logistic hub on the way to the North and other states.

→ Freight Depot proposal
First Mile Last Mile data

6

PUBLIC TRANSPORT

Region is one of the most popular tourist destinations and is expecting 40% population growth by 2024 but doesn't have regular public transport connection with Adelaide. Public transport network linking Adelaide and RDA BGLAP region, and connecting regional centres between each other will boost regional economy and support population growth and jobs.

→ Asset mapping

7

INFRASTRUCTURE TO RETAIN AND ATTRACT YOUTH

As regional population is ageing rapidly infrastructure(combination of soft and hard infrastructure) to attract youth to work and live in the RDA BGLAP region is required.

→ Infrastructure projects,
Gawler Business
Development Hub,
Barossa Campus

INVESTMENT PRIORITIES

Infrastructure for Investors



**Kingsford
Industrial Park
master-planning**

Tourism Infrastructure



**5-6 star hotel
up to 200 rooms**

Health and Wellness Retreat

Nature Tourism Facilities

**Trials
Infrastructure**



**Food
Industry
Investments**



**International
Equine Centre
at Roseworthy**

RDA BGLAP region has an attractive investment landscape for both – overseas and domestic investors. Opportunities for investment in wine industry and tourism are proudly supported with its status of a Great Wine Capital of the World.

However, structure of investments in RDA BGLAP region mostly represented by **domestic investments**. Even investing in wine industry from overseas, investors then usually move to the region and become BGLAP region residents.

That's why local business support and development are critically important as it has tangible impact on investments in the region and jobs growth.

In 2017-2018 RDA BGLAP Region attracted **\$60,490,500** in Infrastructure investments in addition to **\$475,300,000** allocated for 6 MW Power Stations and OTR station.

\$45,578,812 were received in grants only.

Infrastructure investments pipeline is **\$ 186,044,000**.

Local business invested **\$152,400,598** with a pipeline of **\$30,802,500** and created **432** local jobs and **365** construction jobs.

Creative Industries

**Culture and
Entertainment**



**Northern Adelaide
Irrigation Scheme**

**Adelaide Plains Horticulture
Supply Chain investment**



REGIONAL PRIORITIES

1

Wine Industry Value Chains

2

Outstanding Music & Creative Industries

3

Education Industries

4

Agtech Research and Innovation

5

Investment in Culinary Tourism & Horticulture

6

Sustainable Land & Water

7

Transport People & Goods

8

Business entrepreneurship, innovation and growth

9

Improved Qualifications

10

Amenity and Services for Population