



Economic Development Strategy 2022-2027



MOUNT BARKER
DISTRICT COUNCIL

Acknowledgement of country

We acknowledge and respect that we are living upon the traditional lands of the Peramangk people who are highly respected rainmakers, sorcerers, doctors and the fire givers among the other Aboriginal nations.

We further recognise that the Peramangk have for millennia had a deep and intrinsic connection to the land and respect their ongoing right to maintain that connection both spiritually and culturally.



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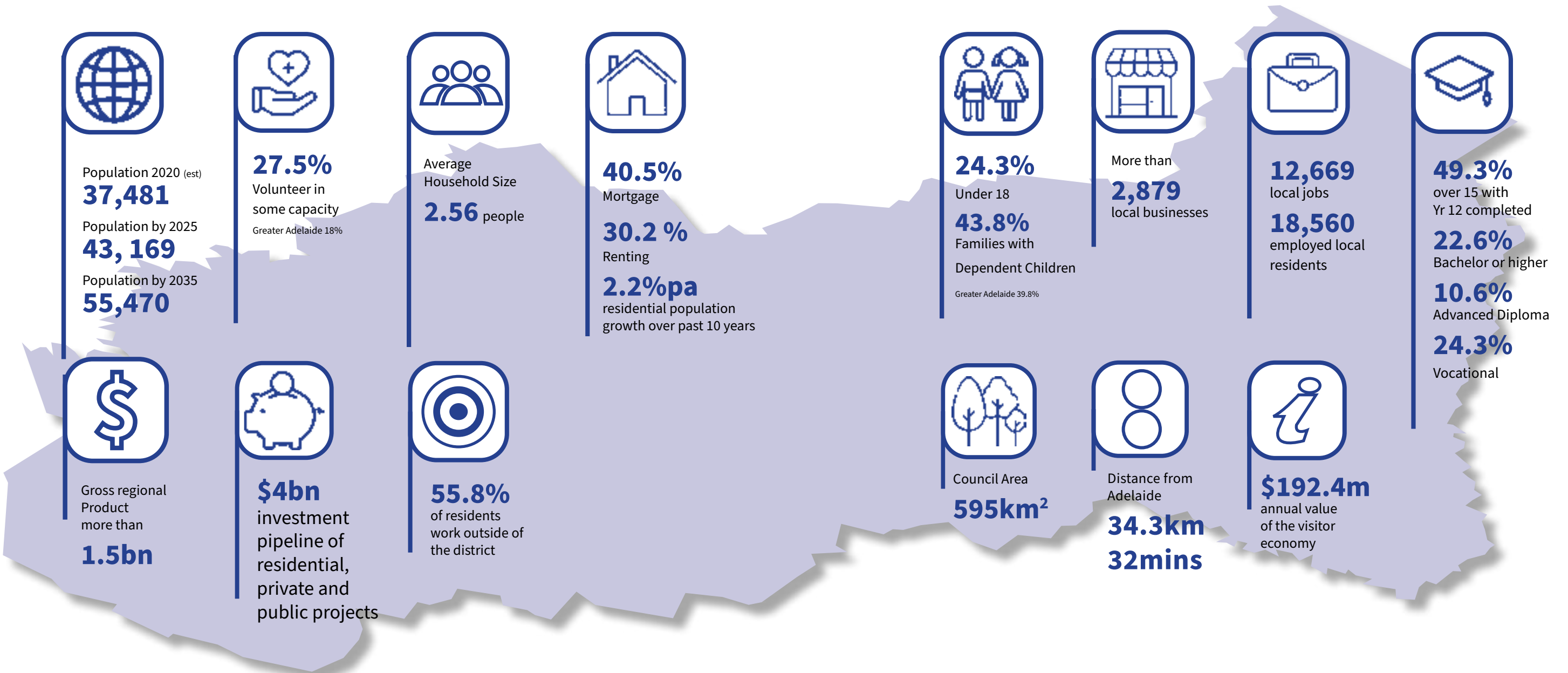
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Our District

The original inhabitants of the Mount Barker area are the Peramangk people and parts of the district are important to other First Nations groups, including the Kurna and Ngarrindjeri. Council acknowledges that the district is part of the traditional ancestral land of the Peramangk people, the deep feelings of attachment and relationship to this land and their ongoing custodianship.

The Mount Barker District is located east of metropolitan Adelaide in the Mount Lofty Ranges. The township of Mount Barker operates as a regional service centre providing education, retail, commercial, institutional and business activities and services. Mount Barker, along with Littlehampton and Nairne is experiencing high and sustained growth that is likely to continue for many years.



Message from the Mayor

Our district is the state’s fastest growing region. With growth comes challenges and also opportunities.

There is enormous economic potential across our district. The City Centre development will further cement Mount Barker as the commercial centre of the Adelaide Hills region, providing a focal point for commercial industries, community connections and an enviable lifestyle.

Our smaller townships and rural areas, characterised by strong community spirit, cohesion and a country lifestyle, present opportunities in the visitor economy and agribusiness.

We want to foster a supportive and sustainable economic environment in which businesses can build and flourish. In doing so, we can grow local job options, helping retain more of our residents working in the area.

This strategy outlines Council’s objectives and actions to leverage these opportunities and address the challenges that present themselves in the current economic environment.

Strengthening the economic prosperity of our district has benefits for all levels of our community. By delivering on the objectives of this strategy we will promote an enviable lifestyle that supports a community that is culturally rich, prosperous, safe, connected and sustainable

Mayor Ann Ferguson



Strategic Alignment with our Community Plan’s Vision for Economic Prosperity:

The district’s economy is underpinned by low emissions, smart and sustainable industry and commerce that serves to improve community wellbeing and liveability. More people work locally than commute and investors are attracted by our innovative business and entrepreneurial environment, high quality employment opportunities and a supportive approach to long-term partnerships. Our economy thrives using the principles of regenerative and circular design, valuing nature and distribution of wealth, power and knowledge to all.

Executive Summary

Our overarching economic development goal is for Mount Barker to be the preferred destination in South Australia for large and small businesses to become established, expand, and thrive.

We anticipate that a key flow on effect of this goal will be a reduction in the number of residents having to commute outside of our district to work.

Over the last five years we have seen significant growth, from a low starting point, in professional, financial and information media services; a trend we anticipate will accelerate over the next decade.

The Mount Barker district’s economic focus will shift from agribusiness and manufacturing to follow the global trend of knowledge industries. This shift will be reinforced locally by long-term residential development, shifting demographics and a greater concentration of employment in the Mount Barker city centre.

While we are transitioning, the economy will continue to have an agribusiness and manufacturing base, but further growth will be fuelled by the visitor economy, creative & digital industries and small business, especially in the retail trade.

Council’s major economic development roles will be to ensure that barriers to orderly and ecologically sustainable growth are reduced or eliminated; policy, zoning and infrastructure meet the needs of the market and positioning

the Mount Barker city centre, townships and other employment land as the premier economic opportunity in the region through considered investment, partnerships and business support.

Prominently, the city centre of Mount Barker is the commercial centre of the Adelaide Hills region. The city centre has developed quickly from a rural and regional services centre, supporting the agribusiness and primary production lands of the district, to a hub for the growing residential population offering retail trade, food services and professional services.

The economy of Mount Barker has fared well in the wake of the COVID-19 pandemic. This resilience has been underpinned by the continued residential growth of the district allowing for population servicing industries to flourish, as well as the increase of housing approvals supported by Federal Government incentives.

We recognises that community and environmental outcomes can and should be supported by a resilient and sustainable local economy and jobs market.

This strategy focuses on key industries that constitute either our economic base or the growth industries that will support our economic development. Strategic projects and partnerships will be a key activity to ensure that Council is leveraging its own investments and relationships to deliver on the identified objectives.

Strategic Context and Trends

Industry Overview

The Mount Barker district generated \$1.7 Billion in gross regional product (GRP) in 2018/19 and supported 12,735 jobs. Local GRP has grown at an average of 3.2% p.a. over the last decade, double that of Greater Adelaide's (1.4%) and well above the state average (0.9%).

The largest contributor to economic growth in recent times has been population growth. Between 2009 and 2019, the District's resident population grew by 2.2% p.a. This was more than double the state average of 0.9% p.a in this period. As a result, the district's local jobs market is primarily focused on the provision of household services such as health, education and retail. In 2018/19, nearly 36% of local employment was in these three industries.

The tourism sector grew by \$23 million in the ten years to 2018/19. Domestic visitation to the district has increased in the last few years with both day-tripper numbers and domestic nights up by about 100,000 per year since 2014/15.

The agriculture, forestry and fishing sector experienced a net fall in job numbers over the last decade but across the industry, performances differed. Despite growth in vegetables production, other agriculture areas such as cattle and dairy were impacted by drought conditions and rising feedstock prices which has reduced farming profit margins.

Population & Employment

Despite growth, the district is not producing enough jobs for its resident's needs. Local job numbers have grown by 2.6% since 2001, more than double the state average (1.2%). However, the number of residents in employment has grown by 3.0% p.a. in that period meaning many are gaining employment outside the district. In 2018/19, there was an estimated 6,234 more employed residents than local jobs. Employed residents are more likely to be qualified than local workers and one of the key reasons that residents are willing to commute is the higher incomes they can receive working in central Adelaide.

While there has been strong growth in the last two decades, some weaknesses still remain when comparing the Mount Barker district's indicators to the state average. These include GRP per capita being well below average, lower incomes for local jobs compared to residents employed outside the region, a growing gap between the number of local jobs and residents working or seeking work, and above state average unemployment.

Mount Barker's high population growth up to 2019 is projected to continue in the future. Forecasts show the district's population will increase to 56,710 residents by 2036 and current trends continue to show demand for real estate in the region. In the current global economic climate, long range forecasting is challenging and multiple

scenarios could play out, ranging from a best case scenario of a high growth outcome to a low growth scenario. The rate of economic and employment growth will be largely dictated by the state of the national economy and population growth, which is hard to predict to a high level of accuracy. Jobs that transcend these factors, that are not wholly dependent on population growth and that are able to withstand global shocks, will be especially important

Forecast increase in jobs deficit without intervention

Without strategic actions the jobs deficit, gap between number of local jobs and residents in employment, could increase from 6,516 less local jobs than employed residents to 10,378 in 2040. However, if a stretch target was set to reduce the local jobs to employed residents ratio to 0.70 (from 0.67 currently), the jobs deficit would only reach 8,931. This would require an uplift in the forecast growth rate of 0.4% p.a. over the 20 years and the generation of an extra 1,447 jobs than forecast, or approximately 72 per year.

In order to improve the job mix in the district towards higher income employment, more full-time jobs targeting growth in specific sectors is required. A number of sectors have been identified that provide employment for a higher share of residents working outside the district, have a high full-time employment ratio, and provide higher median incomes than the LGA average.

These sectors include:

- Public Administration and Safety
- Financial and Insurance Services
- Professional, Scientific & Technical Services
- Education and Training
- Wholesale Trade
- Transport, Postal and Warehousing

Focus on specific sectors and sub-industries in the future will enable the district to grow above forecast levels if nothing were to change. Seizing opportunities in under-represented industries (e.g. professional services) or related competitive ones (e.g. hydroponics) could see an additional 1,350 direct local jobs and 410 indirect local jobs.

Council’s Role in Economic Development

Local Government Act 1999

Chapter 2: 7—Functions of a council

The functions of a council include — (g) to promote its area and to provide an attractive climate and locations for the development of business, commerce, industry and tourism;

Our commitment to Economic Development

Mount Barker District Council’s role in economic development is to stimulate business growth, employment opportunities and tourism visitation. Council will do this by:

- Being an opportunity broker through identifying economic or community needs and attracting relevant investment;
- Working in partnership with and leveraging strengths of the private sector, industry groups, government bodies, and community groups;
- Collecting, collating and presenting data for informed decision making;
- Identifying current and future industry trends, gaps, deficits and solutions.
- Leading the delivery of economic development projects where required.
- Support and have commercially minded approach to the the residential development sector.
- Review and amend planning and zoning policies.

Plan Hierachy



Gawler Street Mount Barker

Objectives

The population growth our district is experiencing has stimulated the creation of jobs and business development in population servicing industries. The intent of our objectives is to support population growth through increased value and productivity in the local economy.

In our visitor economy we want to see more visitation but also a greater spend by those visiting our district. This will support our tourism operators to expand their offering and create value-added experiences to our natural landscape.

The creation and attraction of high value jobs in the creative and digital industries and across the professional services spectrum will be crucial to reducing the amount of residents commuting out of the district for work. These jobs and businesses will drive innovation and productivity across their own and related industries in the district.

These advances will be clustered around our city centre and villages which will create business ecosystems that will support their own growth and development.

To realise our vision our objectives are:

EDS1. Increase Tourism Visitation & Spend



In 19/20 tourism spend and value add contributed \$192.4m to our district. It grew by a total of \$23m in the 10 years prior.

EDS2. Create & Attract High Value Jobs



55.8% of residents travel outside of the area to work. Productivity per local worker is \$98k, compared to \$108k for SA.

EDS3. Increase Productivity



Gross Regional Product was \$1.7bn in 19/20, growing 0.6%. In the same year we contributed 1.6% of SA's employment but only 1.4% of gross state product.

EDS4. Build Regional City Centre & Township Vibrancy



City Centre and township main streets will increase job density and support development as employment nodes.

5 Key Industries and Actions

Council acknowledges our role in economic development is to work with industry to support our economic objectives through provision of data, analysis, identification of opportunities and strategic partnerships. Across our district we have identified 5 key industries at various stages of their life cycles that we will work with to achieve our objectives. These industries are acknowledged as regional strengths under Economic Prosperity Objective 1.3 in our Community Plan.

Links to Economic Development Strategy (EDS) objectives and Community Plan (CP) goals provided.



Agriculture

Agriculture supports close to 834 jobs in the district, and is one of our base industries. Residential growth is reducing the amount of agricultural land available. Opportunities exist to maintain the productivity of primary production lands through value add, tourism and farm gate offerings.

(EDS 2 & 3 |
CP ES1.1, 5.1,
EP 1.3, 2.3, 3.1, 4.5)

- 01 Support initiatives of key industry bodies
- 02 Create and communicate with an agribusiness network
- 03 Support the uptake and application of new technology products
- 04 Assist industry with the regulatory process for diversifying income streams through value add products and other services
- 05 Leverage waste water treatment facility for economic benefit
- 06 Advocate to state and federal government for support for business affected by global factors



Visitor Economy

Our natural environment and landscapes is a drawcard for the region. Our tourism industry needs support to emerge from recent natural disasters and health emergencies. A two pronged approach of destination marketing and visitor servicing coupled with industry development will be implemented.

(EDS 1 & 4 |
CP CW 1.2, 3.1 3.2, 3.4,
ES 2.3, 4.4,
EP 1.3, 2.1, 2.2, 2.4, 3.3)

- 01 Partner with Adelaide Hills Tourism to support destination marketing and development, including intra-district tourism
- 02 Measure, evaluate and disseminate visitor expenditure data
- 03 Attract investment in tourism products, especially accommodation, through a targeted investment prospectus and by leveraging council led projects
- 04 Develop and implement an events plan
- 05 Increase the economic impact of community events
- 06 Develop a visitor servicing plan in consultation with industry
- 07 Support the use, development and protection of nature based tourism assets



Small Business and Property

Incorporating retail trade and hospitality, as well as the property development sector, this is a key industry and driver of our economy. The focus of these actions is to provide the private sector with relevant data to make investment decisions. Council's own property will also be used to support this sector.

(EDS 1, 2, 3 & 4 |
CP CW 2.3, EP 1.1, 1.2,
1.3, 1.4, 1.5, 2.3, 2.5,
3.1, 3.2, 3.4)

- 01 Measure, evaluate and disseminate trading conditions data
- 02 Provide local business support services and referral network
- 03 Integrate council led infrastructure projects into the economic neighbourhood
- 04 Implement economic development actions from Township plans
- 05 Attract commercial property investment
- 06 Support use of council assets to stimulate economic and community activity
- 07 Support precinct and community associations
- 08 Support the environmental sustainability of local business



Creative and Digital Industries

A small but emerging sector which will be important to attract high value jobs and businesses to the area. The actions will support the foundation on which to grow this sector into the future.

(EDS 2 & 3 |
CP CW 3.1, 3.2
EP 1.1, 1.3,
4.1, 4.2, 4.3, 4.4)

- 01 Establish and communicate with a local industry network
- 02 Support the establishment of a shared multi-use space
- 03 Attract property investment to develop industry suitable workspace
- 04 Attract State Government support to develop knowledge economy jobs
- 05 Increase industry links to community arts & culture programs
- 06 Develop links between emerging and established industries
- 07 Support the implementation of relevant actions of the Arts Plan



Education

The education industry is a large employer and investor in our region, catering to the growth of a demographic with school aged children. These actions also confirm that the high value jobs required for our economic development will be driven by strong educational institutions and their links to local industry.

(EDS 2 & 3 | CP CW 2.1, EP 1.3, 4.1, 4.2, 4.3, 4.4, 4.5)

- 01 Support the establishment of a tertiary education facility
- 02 Create links between industry and education providers
- 03 Support State and Federal Government employment pathway programs
- 04 Provide data and advocate to ensure that the training sector meets industry and community needs.



Strategic Projects

Strategic Projects are large in scope, scale and resources. They are delivered across council teams with significant external project delivery or funding. They have large impact to the community and require consultation and engagement for input into their design, delivery and operation.

Council will establish the community and economic need for investment from State and Federal Government into strategic projects that support the residential and economic growth of the district. These projects could range from road and wastewater infrastructure through to community and social needs such as recreation or health facilities.

The residential development sector requires Council to work with a commercial mindset to ensure timely assessment, approval and development. We will continue to work in partnership to advocate for and support the investment they are making in our district.

Actions:

- 1. Establish need and advocate to State and Federal Government for investment into strategic projects.
- 2. Provide input and advice for strategic projects to address challenges to the local economy.
- 3. Retain and increase economic benefits of the strategic project of the district.
- 4. Integrate the strategic project into the surrounding economic neighbourhood.
- 5. Leverage investment activity into other areas of the district and economy.



Partnerships

Council recognises the importance of partnerships in achieving beneficial economic development outcomes for the community. We partner with organisations and community associations that share our objectives and can assist in delivering these with greater effect or efficiency. Partnerships can take form through funding; in-kind or in-principle support; or, joint program or project delivery.



Regional Partnerships

Council's partnerships with Regional Development Australia- Adelaide Hills, Fleurieu & Kangaroo Island and Adelaide Hills Tourism take the form of strategic planning, funding, project collaboration and advocacy on regional issues.



Business Associations

These groups represent our local business communities and precincts.



Industry Groups

These peak industry bodies have significant interests and member bases in our district.



Investment Prospectus

We will produce and promote an Investment Prospectus, updated annually, to be used as a tool to achieve objectives of the Economic Development Strategy.



Indicators and Performance Measurement



EDS1

Increase Tourism Visitation & Spend

Indicator:

Tourism industry spend and value add increases.



EDS2

Create & Attract High Value Jobs

Indicator:

Percentage of residents travelling outside of the area for work decreases.



EDS3

Increase Productivity

Indicator:

Share of South Australia's employment and Gross State Product in favourable proportion.



EDS4

Build Regional City Centre & Township Vibrancy

Indicator:

Regional City Centre and Township main streets will see an increase in property development investment.

Contact

Mount Barker District Council

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