

# Adelaide Hills Council Economic Profile 2014

**Brian Hales**  
September 2014



ADELAIDE HILLS  
COUNCIL

## TABLE OF CONTENTS

<b>EXECUTIVE SUMMARY</b> .....	<b>4</b>
<b>ECONOMIC OVERVIEW</b> .....	<b>10</b>
INTRODUCTION .....	10
POPULATION .....	10
ECONOMY .....	12
BUSINESS NUMBERS .....	13
WORKFORCE .....	21
CONCLUSIONS .....	37
<b>MEGA TRENDS</b> .....	<b>39</b>
GLOBAL GROWTH .....	39
DIGITAL ECONOMY/BROADBAND .....	40
CLIMATE CHANGE .....	41
NATIONAL .....	42
STATE .....	42
PATTERN OF SETTLEMENT .....	43
<b>POLICY CONTEXT</b> .....	<b>44</b>
INTRODUCTION .....	44
THE PLANNING STRATEGY .....	44
THE 30 YEAR PLAN FOR GREATER ADELAIDE .....	44
ADELAIDE & MT LOFTY RANGES NATURAL RESOURCES MANAGEMENT PLAN 2014/15 - 2023/24.....	45
LOCAL GOVERNMENT .....	46
SOUTH AUSTRALIAN STRATEGIC PLAN (SASP) .....	47
SOUTH AUSTRALIAN ECONOMIC DEVELOPMENT PLAN .....	47
SHAPING THE FUTURE OF SOUTH AUSTRALIA .....	48
REGIONAL STATEMENT FOR SOUTH AUSTRALIA 2013.....	50
SA GOVERNMENT PREMIUM FOOD AND WINE FROM OUR CLEAN ENVIRONMENT - ACTION PLAN.....	52
SOUTH AUSTRALIAN TOURISM PLAN 2020.....	53
ADELAIDE HILLS REGIONAL STRATEGIC TOURISM PLAN 2011 - 2014.....	53
THE ADELAIDE HILLS DESTINATION ACTION PLAN 2012 - 2015 (UPDATED 2013) .....	54
SOUTH AUSTRALIA CHINA ENGAGEMENT STRATEGY - DECEMBER 2012.....	54
<b>INFRASTRUCTURE</b> .....	<b>56</b>
INTRODUCTION .....	56
ROADS .....	56
RAIL.....	57
PUBLIC TRANSPORT .....	57
COMMUNICATIONS.....	57
ENERGY .....	58
WATER RESOURCES .....	58
WALKING TRAILS .....	59
<b>SECTOR ANALYSES</b> .....	<b>60</b>
APPLES AND PEARS .....	60
CHERRIES .....	64
STRAWBERRIES .....	67
WINE AND VITICULTURE.....	69
GRAZING.....	77
TOURISM .....	78

MANUFACTURING .....	88
SMALL BUSINESS .....	90
RESIDENTIAL .....	93
<b>STRATEGIES .....</b>	<b>95</b>
INTRODUCTION .....	95
RATIONALE FOR GOVERNMENT INTERVENTION .....	96
AGRICULTURE AND RELATED INDUSTRIES .....	97
TOURISM .....	98
SMALL BUSINESS .....	99
INDUSTRY ENGAGEMENT .....	100
WORLD HERITAGE .....	101
INFRASTRUCTURE .....	101
INVESTMENT ATTRACTION .....	102
BRANDING AND MARKETING .....	103
KEY POINTS .....	104
<b>APPENDICES .....</b>	<b>105</b>
APPENDIX 1 .....	105
APPENDIX 2 .....	109
APPENDIX 3: INDUSTRY ASSISTANCE PROGRAMS .....	112
<b>TABLE OF TABLES.....</b>	<b>119</b>
<b>ABBREVIATIONS: .....</b>	<b>121</b>
<b>REFERENCES .....</b>	<b>122</b>

## Disclaimer

This report has been prepared for the Adelaide Hills Council. Brian Hales has taken all due care in the preparation of this report and is not liable to any person or entity for any damage or loss that has occurred, or may occur, in relation to that person or entity taking or not taking action in respect of any representation, statement, opinion or advice referred to herein.

## EXECUTIVE SUMMARY

The Adelaide Hills Economic Profile has been prepared as a resource for the Council to use in the preparation of an economic development strategy. The profile comprises the following elements and key points:

- **Economic overview** - which highlights the broader population, economic and workforce characteristics of the Adelaide Hills Council area:
  - **population** - numbers have been relatively stable over the past decade and are likely to remain that way, given the limited scope for further development;
  - **economy** - the main sectors which differentiate the Adelaide Hills economy are horticulture (mainly apples, pears and cherries), viticulture (with downstream wine production) and tourism;
  - **labour force** - highly skilled with a relatively high proportion working in managerial and professional occupations, and with incomes increasingly skewed towards the highest income groups; and,
  - **employment** - very low levels of unemployment when compared with the rest of the State.

These attributes render the economy robust and very adaptable.

- **Mega Trends**
  - **global growth** - projections reveal that Asia, in particular China, will continue to underpin global economic growth. With Australia, and South Australia, becoming increasingly economically integrated with this region, and the growth in premium food trade, Adelaide Hills agriculture has potential for further growth in the long term.
  - **digital economy/broadband** - high speed broadband is a strategic asset for modern economies. Whilst Adelaide Hills Council is relatively well served with broadband delivered by copper wire, the residents' strong appetite for internet usage suggests that improved broadband and mobile communication technology would have a significant take-up.
  - **climate change** - whether man-made or naturally occurring, the agricultural sector recognises that climate change is occurring. They also recognise the need for natural resource stewardship to ensure industry sustainability, which is the focus of State Government via its natural resource management plans. However, there is some concern over the detail associated with implementation, particularly Water Allocation Plans and how they will operate over the long term and in times of drought.
  - **patterns of settlement** - for the Adelaide Hills generally future population, housing and employment growth in the region will be accommodated at Mount Barker and Murray Bridge.

- **Policy context**

State Government policy has the most significant direct impact on the region through the South Australian Planning Strategy and in the range of economic development plans and industry plans (such as tourism). Whilst these plans do not provide direct resourcing support (except nominally as part of the tourism plan) they provide an opportunity for the region to collaborate with the State Government in support of industry and economic development.

- **Infrastructure**

Overall, the Adelaide Hills does not have any major infrastructure deficits, but there is the potential for water for agriculture to become a major issue around the Water Allocation Plans and how they will operate in times of weather or climatic stress.

- **Sector analysis**

Horticulture (mainly apples, pears and cherries), viticulture (with downstream wine production) and tourism are the main sectors. An analysis is provided of each of the apple and pear, cherry, strawberry, tourism, manufacturing, wine and viticulture industries along with residential, small business and grazing.

The agricultural industries are well established and demonstrate innovative practices in the adapting to changing climatic conditions and in addressing new markets. The biggest issue at present is the uncertainty associated with the long term operation of the Water Allocation Plans. An opportunity worth pursuing is securing Pest Free Status which would deliver internationally recognised protocols in managing/eradicating fruit-fly, and hence open up new international markets for local produce.

Tourism is a complex sector and one which warrants more intensive public intervention than other sectors.

Manufacturing is directly linked to agriculture via meat processing, wine production and food products.

- **Strategies**

From the research and analysis undertaken in the preparation of this report, the main points for consideration in framing an economic development strategy are:

- Focus on that part of the economy which differentiates it from other regional economies and which has growth prospects beyond local autonomous growth. For the Adelaide Hills, this is horticulture, viticulture (and related wine manufacturing), tourism and a highly skilled and qualified workforce.
- Any intervention by government needs to have a compelling rationale, which has traditionally been market failure, and such intervention needs to address the reasons for the market failure, e.g. existence of externalities, public good attributes.
- Whereas horticulture and viticulture (and related wine manufacturing) are relatively well established, thereby not justifying significant intervention, the tourism industry, by virtue of its industry structure can justify a much deeper involvement by government.
- For the agricultural sector generally, the following actions are appropriate:

- assisting to reduce uncertainty associated with alternative water supplies within the framework of the WAPs, is appropriate; and,
- facilitating achievement of Pest Free Status.
- Small business dominates the Adelaide Hills economy and industry sectors, as it does for all regional economies. Any support for small business should be considered as part of a broader approach to industry support, particularly given the resourcing required to be effective.
- Adelaide Hills Tourism is under-funded. A minimum of \$300,000 per annum resourcing is considered appropriate. This can be achieved by combining the resources of Council and other stakeholders such as Adelaide Hills Wine Inc. and by using a levy on the beneficiaries of any assistance. This could be a useful vehicle for small business support.
- Any support for industry should be underscored by an engagement plan which includes regular meetings to consider issues of common concern.
- The UNESCO Mount Lofty Ranges Agrarian Landscape World Heritage bid is not well understood by those who would be the beneficiaries, i.e. agricultural businesses. A more meaningful engagement with this sector is required.
- High speed broadband (for fixed and mobile communication) is a strategic economic asset. Given the relatively high propensity for internet usage by Adelaide Hills residents it would be appropriate to actively lobby the Federal Government and internet providers to provide this infrastructure. For the Federal Government it would mean lobbying NBNCo to revise its roll-out program to include Adelaide Hills as a higher priority.
- Adelaide Hills Council district possesses many of the attributes which attract potential investors, mainly the 'soft' factors such as; agreeable climate and environment; friendly local people; widely available entertainment/leisure; and a high skills base/educated workforce.
- In preparing a branding and marketing strategy it would be appropriate to engage with the State Government and local marketing expertise such as real estate agents who have expertise in engaging with potential investors.



Map 1: Adelaide Hills Council district showing towns and villages.

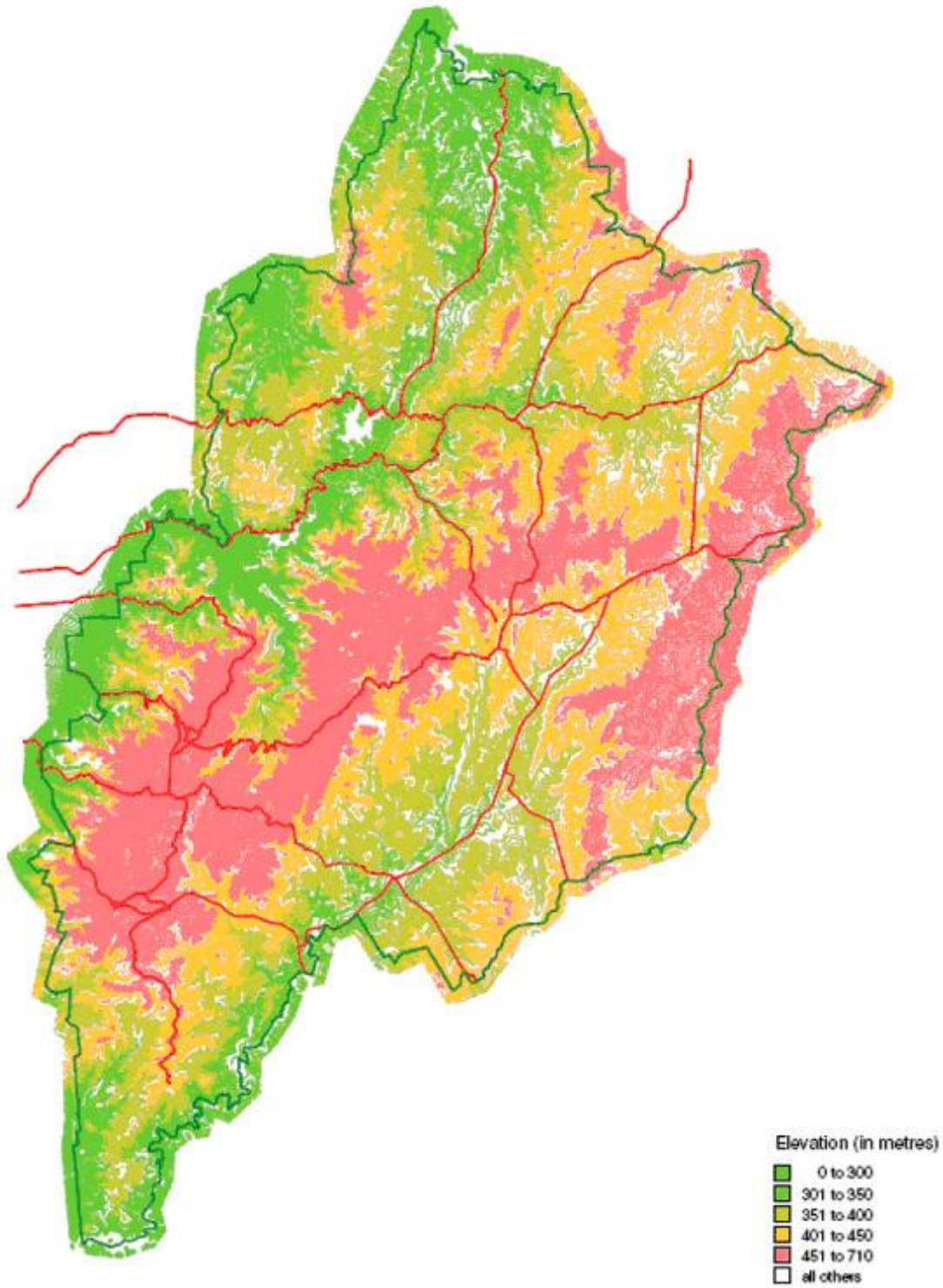




Map 2: Australian Bureau of Statistics sub-regions within the Adelaide Hills Council District.



## ADELAIDE HILLS COUNCIL ELEVATION



Map 3: Elevations and main topographical features of the District

# ECONOMIC OVERVIEW

## Introduction

This economic overview is compiled from a number of sources including the Adelaide Hills Community Profile provided by *economy.id*, Primary Industries and Regions South Australia (PIRSA), Econsearch and Australian Bureau of Statistics (ABS).

Limited data is provided at the Local Government Area (LGA) level by the ABS, particularly for production data and contribution by each sector to Gross Regional Product. However, when we combine data from a number of sources, for the purposes of economic planning, a reasonably clear picture of the economy emerges.

Much of the analysis has been undertaken by *economy.id* which is referenced in the text.

## Population

The population level in the Adelaide Hills Council has been relatively stable over the last decade, with an increase of 2.4% over that period. (See Table 1)

**Table 1: Estimated residential population**

Year (ending June 30)	Number	Change in number	Percentage Change
2003	38,829		
2004	38,890	+61	+0.16
2005	39,066	+176	+0.45
2006	39,165	+99	+0.25
2007	39,204	+39	+0.10
2008	39,301	+97	+0.25
2009	39,424	+123	+0.31
2010	39,640	+216	+0.55
2011	39,699	+59	+0.15
2012	39,821	+122	+0.31
2013	39,832	+11	+0.03

Source: Australian Bureau of Statistics, Census of Population and Housing 2006 and 2011. Compiled and presented in *profile.id* by .id, the population experts

## Gender

From 2006 to 2011 the gender balance has remained stable.

**Table 2: Population - gender**

Gender	2011			2006			Change 2006 to 2011
	Number	%	Greater Adelaide %	Number	%	Greater Adelaide %	
Population (excluding O/S visitors)	38,633	100.0	100.0	37,860	100.0	100.0	+773
Males	19,363	50.1	49.0	19,011	50.2	48.8	+352
Females	19,270	49.9	51.0	18,849	49.8	51.2	+421

Source: Australian Bureau of Statistics, Census of Population and Housing 2006 and 2011. Compiled and presented in *profile.id* by .id, the population experts.

## Service age groups

Adelaide Hills Council had a similar proportion of both 'pre-schoolers' and 'persons at post retirement age' to Greater Adelaide in 2011.

**Table 3: Service Age Groups**

Total persons (Usual residence)	2011			2006			Change 2006 to 2011
	Number	%	Greater Adelaide %	Number	%	Greater Adelaide %	
Babies & pre-schoolers (0 - 4)	2,206	5.7	6.0	2,221	5.9	5.7	-15
Primary schoolers (5 to 11)	3,708	9.6	8.1	3,652	9.6	8.6	+56
Secondary schoolers (12 to 17)	3,409	8.8	7.5	3,634	9.6	7.8	-225
Tertiary education and independence (18 to 24)	3,088	8.0	9.8	2,927	7.7	9.9	+161
Young workforce (25 to 34)	3,026	7.8	13.4	3,474	9.2	12.8	-448
Parents/homebuilders (35 - 49)	8,789	22.8	20.9	9,165	24.2	22.0	-376
Older workers/pre-retirees (50-59)	6,329	16.4	13.1	6,354	16.8	13.3	-25
Empty nesters/retirees (60-69)	4,842	12.5	10.2	3,591	9.5	8.8	+1,251
Seniors (70 - 84)	2,658	6.9	8.7	2,344	6.2	9.1	+314
Elderly aged (>85)	578	1.5	2.4	495	1.3	2.1	+83
Total population	38,633	100	100	37,857	100	100	+776

Source: Australian Bureau of Statistics, Census of Population and Housing 2006 and 2011. Compiled and presented in *profile.id* by .id, the population experts.

**As identified by Economy.id:**

- Compared to Greater Adelaide, there were higher proportions of people in the younger age groups (0 to 17 years) and in the older age groups (60+ years).
- Overall, 24.1% of the population was aged between 0 and 17, and 20.9% were aged 60 years and over, compared with 21.5% and 21.3% respectively for Greater Adelaide.
- In 2011, the major differences between the age structure of Adelaide Hills Council and Greater Adelaide were:
  - a larger percentage of 'Older workers & pre-retirees' (16.4% compared with 13.1%)
  - a larger percentage of 'Empty nesters and retirees' (12.5% compared with 10.2%)
  - a larger percentage of 'Parents and homebuilders' (22.8% compared with 20.9%)
  - a smaller percentage of 'Young workforce' (7.8% compared with 13.4%)
- From 2006 to 2011, Adelaide Hills Council's population increased by 776 people (2.0%). This represents an average annual population change of 0.41% per year over the period.
- The largest changes in this area's population age structure between 2006 and 2011 were in the age groups:
  - Empty nesters and retirees (60 to 69) (+1,251 people)
  - Young workforce (25 to 34) (-448 people)
  - Parents and homebuilders (35 to 49) (-376 people)
  - Seniors (70 to 84) (+314 people)

**Economy**

Table 4 provides Gross Regional Product and Output data for the 'Adelaide Hills' in 2011/12 which includes both Adelaide Hills Council and the District Council of Mount Barker, the minimum geographic area for which the data is available. From a production perspective the dominant sectors are:

- |                                |       |
|--------------------------------|-------|
| • Construction                 | 10.3% |
| • Ownership of Dwellings       | 10.2% |
| • Manufacturing                | 9.3%  |
| • Agriculture Forestry Fishing | 8.3%  |

**Table 4: Gross Regional Product and Output: Adelaide Hills Region<sup>1</sup>, 2011/12**

Sector	(\$m)	(%)
Accommodation and Food Services	74.43	3.2
Administrative Support Services	42.28	1.8
Agriculture Forestry Fishing	194.37	8.3
Arts & Recreation Services	18.94	0.8
Construction	240.81	10.3
Education Training	146.74	6.3
Electricity Gas Water Waste	52.79	2.3
Finance Insurance	98.76	4.2
Health Social Assist	127.86	5.5
Info Media Telecom	17.61	0.8
Manufacturing	218.41	9.3
Mining	37.35	1.6
Other Services	46.08	2.0
Ownership of Dwellings	239.20	10.2
Professional Scientific & Technical Services	111.76	4.8
Public Administration & Safety	133.32	5.7
Rental, Hiring, & Real Estate Services	38.64	1.7
Retail Trade	157.01	6.7
Transport Postal Warehousing	61.53	2.6
Wholesale Trade	83.09	3.6
<b>Total</b>		
Net Taxes in Final Demand	<b>196.55</b>	<b>8</b>
Gross Regional Product	<b>2,337.52</b>	<b>100</b>

Source: PIRSA, Econsearch

## **Business numbers**

The number of businesses in the Adelaide Hills Council area has marginally declined between 2009 and 2012, as demonstrated in the business entries and exit data shown in Tables 6 and 7.

The decline in business numbers has been most pronounced in:

- Administrative & Support Services (from 144 to 127)
- Agriculture, Forestry and Fishing (711 to 619)
- Manufacturing (207 to 182)
- Wholesale (153 to 127)

<sup>1</sup> The Adelaide Hills Region includes Adelaide Hills Council and District Council of Mount Barker

However, this has been partially offset by significant increases in:

- Financial & Insurance Services (169 to 250)
- Professional Scientific & Technical Services (517 to 590)

**Table 5: Number of businesses by industry**

Number of businesses by industry	2012	%	2009	%
Accommodation & Food Services	101	2.5	105	2.6
Administrative & Support Services	127	3.1	144	3.5
Agriculture, Forestry and Fishing	619	15.2	711	17.4
Arts & Recreation Services	85	2.1	64	1.6
Construction	700	17.2	734	17.9
Education & Training	46	1.1	60	1.5
Electricity, Gas, Water & Waste Services	14	0.3	9	0.2
Financial & Insurance Services	250	6.1	169	4.1
Health Care & Social Assistance	218	5.4	234	5.7
Information Media & Telecommunications	34	0.8	42	1.0
Manufacturing	182	4.5	207	5.1
Mining	20	4.9	18	0.4
Not Classified	91	2.2	71	1.7
Other services	140	3.4	114	2.8
Professional Scientific & Technical Services	590	14.5	517	12.6
Public Administration & Safety	10	0.2	9	0.2
Rental, Hiring, & Real Estate Services	333	8.2	352	8.6
Retail trade	213	5.2	222	5.4
Transport, Postal and Warehousing	153	3.8	157	3.8
Wholesale	127	3.1	153	3.7
<b>Total</b>	<b>4 072</b>	<b>100</b>	<b>4092</b>	<b>100</b>

Source: ABS Regional Profile 2014

Source: ABS Counts of Australian Businesses, 2007-2009



Over the period 2008 to 2012 there was only 1 year (2010) when business entries exceeded business exits.

**Table 6: Business entries**

Number of business entries	2008	2009	2010	2011	2012
Number of non-employed business entries	362	365	441	311	306
Number of employing business entries: 1-4 employees	96	93	96	76	70
Number of employing business entries: 5 or more employees	30	34	29	24	22
<b>Total number of business entries</b>	<b>488</b>	<b>492</b>	<b>566</b>	<b>411</b>	<b>398</b>

Source: ABS Regional Profile 2014

**Table 7: Business exits**

Number of business exits	2008	2009	2010	2011	2012
Number of non-employed business exits	491	464	324	429	331
Number of employing business exits: 1-4 employees	83	80	61	67	59
Number of employing business exits: 5 or more employees	30	32	35	22	34
<b>Total number of business exits</b>	<b>604</b>	<b>576</b>	<b>420</b>	<b>518</b>	<b>424</b>

Source: ABS Regional Profile 2014

## Employment

In 2011, the largest employing sectors were:

- Retail: 11.2% compared with 11.4% for the State
- Education & Training: 10.7% compared with 8.1% for the State
- Health Care and Social Assistance: 10.3% compared with 13.8% for the State
- Manufacturing: 9.1% compared with 12.9% for the State
- Agriculture, Forestry and Fishing: 8.7% compared with 4.6% for the State

**Table 8: Employment by industry sector**

Industry	2011			2006			Change 2006 - 2011
	Number	%	SA	Number	%	SA	
Accommodation and Food Services	742	8.3	6.3	619	7.2	5.8	+123
Administrative and Support Services	208	2.3	3.4	246	2.8	3.4	-38
Agriculture, Forestry & Fishing	777	8.7	3.8	966	11.2	4.6	-189
Arts and Recreation Services	169	1.9	1.3	147	1.7	1.2	+22
Construction	706	7.9	7.5	663	7.7	6.5	+43
Education and Training	958	10.7	8.1	887	10.3	7.8	+71
Electricity, Gas, Water and Waste Services	66	0.7	1.4	66	0.8	1.1	0
Financial & Insurance Services	130	1.5	3.0	112	1.3	3.3	+18
Health Care and Social Assistance	920	10.3	13.8	806	9.3	12.7	+114
Industry not classified	89	1.0	1.0	97	1.1	0.9	-8
Information Media and Telecommunications	51	0.6	1.5	69	0.8	1.6	-18
Manufacturing	818	9.1	10.6	827	9.6	12.9	-9
Mining	35	0.4	1.3	21	0.2	0.9	+14
Other Services	357	4.0	4.0	357	4.1	3.9	0
Professional, Scientific and Technical Services	629	7.0	5.6	514	5.9	5.4	+115
Public Administration & Safety	666	7.4	7.2	583	6.7	6.7	+83
Rental, Hiring and Real Estate Services	129	1.4	1.3	137	1.6	1.4	-8
Retail Trade	1,007	11.2	11.4	961	11.1	11.9	+46
Transport, Postal and Warehousing	233	2.6	4.1	252	2.9	4.1	-19
Wholesale Trade	270	3.0	3.5	319	3.7	3.8	-49
Total persons	8,960	100.0	100.0	8,649	100.0	100.0	+311

Source: Australian Bureau of Statistics, Census of Population and Housing 2006 and 2011. Compiled and presented in *economy.id* by .id, the population experts

**As identified by economyid:**

The 3 largest industry sectors for employment were:

- Retail Trade (1,007 people or 11.2%)
- Education and Training (958 people or 10.7%)
- Health Care and Social Assistance (920 people or 10.3%)

In combination these three industries employed a total of 2,885 people, or 32.2% of the total workforce. In comparison, South Australia employed 11.4% in 'Retail Trade'; 8.1% in 'Education and Training'; and 13.8% in 'Health Care and Social Assistance'.

The major differences between the jobs held by the workforce of Adelaide Hills Council and South Australia were:

- A larger percentage of people employed in 'Agriculture, Forestry and Fishing' (8.7% compared with 3.8%)
- A larger percentage of people employed in 'Education and Training' (10.7% compared with 8.1%)
- A larger percentage of people employed in 'Accommodation and Food Services' (8.3% compared with 6.3%)
- A smaller percentage of people employed in 'Health Care and Social Assistance' (10.3% compared with 13.8%)

The largest changes in the jobs held by the workforce between 2006 and 2011 were for those employed in:

- 'Agriculture, Forestry and Fishing' (-189 people), mainly in 'fruit and tree nut growing' (refer table 9)
- 'Accommodation and Food Services' (+123 people) mainly in 'cafes, restaurants and takeaway food services' and 'pubs, taverns and bars' (refer table 10)
- 'Professional, Scientific and Technical Services' (+115 people) (refer table 11) mainly in 'Architectural, Engineering and Technical Services', 'Legal and Accounting Services' and 'Computer System Design and Related Services'.

**Table 9: Main employment - Agriculture, Forestry and Fishing**

Industry	2011			2006			Change 2006 - 11
	Number	%	SA	Number	%	SA	
Agriculture, Forestry and Fishing	777	8.7	3.8	966	11.2	4.6	-189
Fruit and Tree Nut Growing	373	4.2	0.6	481	5.6	0.9	-108
Sheep, Beef Cattle & Grain Farming	150	1.7	1.9	149	1.7	2.2	+1

Source: Australian Bureau of Statistics, Census of Population and Housing 2006 and 2011. Compiled and presented in *economy.id* by .id, the population experts

**Table 10: Main employment - Accommodation and Food Services**

Industry	2011			2006			Change
	Number	%	SA	Number	%	SA	2006 - 11
Accommodation & Food Services	742	8.3	6.3	619	7.2	5.8	+123
Cafes, Restaurants and Takeaway Food Services	404	4.5	3.9	309	3.6	3.2	+95
Pubs, Taverns and Bars	238	2.7	1.1	196	2.3	1.2	+42

Source: Australian Bureau of Statistics, Census of Population and Housing 2006 and 2011. Compiled and presented in *economy.id* by .id, the population experts

**Table 11: Main employment - Professional, Scientific and Technical Services**

Industry	2011			2006			Change
	Number	%	SA	Number	%	SA	2006 - 11
Professional, Scientific and Technical Services	629	7.0	5.6	514	5.9	5.4	+115
Professional, Scientific and Technical Services (except Computer System Design and Related Services), nfd	6	0.1	0.0	5	0.1	0.0	+1
Scientific Research Services	23	0.3	0.3	27	0.3	0.3	-4
Architectural, Engineering and Technical Services	161	1.8	1.3	136	1.6	1.2	+25
Legal and Accounting Services	120	1.3	1.8	80	0.9	1.7	+40
Advertising Services	7	0.1	0.2	30	0.3	0.2	-23
Market Research and Statistical Services	25	0.3	0.2	21	0.2	0.3	+4
Management and Related Consulting Services	107	1.2	0.6	96	1.1	0.6	+11
Veterinary Services	47	0.5	0.2	36	0.4	0.2	+11
Other Professional, Scientific and Technical Services	28	0.3	0.2	14	0.2	0.1	+14
Computer System Design and Related Services	95	1.1	0.8	69	0.8	0.8	+26

Source: Australian Bureau of Statistics, Census of Population and Housing 2006 and 2011. Compiled and presented in *economy.id* by .id, the population experts

Between 2006 and 2011 the number of people employed in manufacturing declined, mainly in 'meat and meat product manufacturing' and 'beverage manufacturing'. 'Bakery product manufacturing' saw a significant increase. It is worth noting the symbiosis between agriculture and manufacturing.

**Table 12: Main employment - Manufacturing**

Industry	2011			2006			Change 2006 - 11
	Number	%	SA	Number	%	SA	
Manufacturing	818	9.1	10.6	827	9.6	12.9	-9
Meat and Meat Product Manufacturing	182	2.0	0.6	193	2.2	0.5	-11
Bakery Product Manufacturing	104	1.2	0.6	67	0.8	0.6	+37
Beverage Manufacturing	189	2.1	0.9	199	2.3	1.1	-10

Source: Australian Bureau of Statistics, Census of Population and Housing 2006 and 2011. Compiled and presented in *economy.id* by .id, the population experts

### Agricultural Production

In 2010/11, the total value of agricultural output in Adelaide Hills Council was \$117m, which increased from \$107m in 2005/06. The largest commodity produced was 'Other Fruit', which accounted for 60.5% of Adelaide Hills Council's total agricultural output in value terms (refer table 13).

**Table 13: Value of Agricultural Production – Adelaide Hills Council**

Commodity	2010/11				2005/06				Change - 2005/06 to 2010/11
	\$	%	SA %	AHC as % of SA	\$	%	SA%	AHC as % of SA	
Cereal crops	120,504	0.1	36.2	0.0	66,356	0.1	29.2	0.0	+54,148
Broadacre crops	28,406	0.0	7.8	0.0	22,014	0.0	5.5	0.0	+6,392
Nurseries & cut flowers	9,096,203	7.8	1.0	14.2	15,119,567	14.1	1.9	18.4	-6,023,364
Crops for hay	2,548,089	2.2	2.5	1.7	1,813,110	1.7	3.7	1.1	+734,979
Vegetables	9,338,573	8.0	8.6	1.8	4,325,013	4.0	9.1	1.1	+5,013,560
Citrus Fruit	492,688	0.4	1.5	0.5	101,381	0.1	2.9	0.1	+391,307
Grapes (wine and table)	10,859,722	9.3	6.1	2.9	10,324,271	9.6	13.6	1.7	+535,451
Other Fruit	70,667,296	60.5	2.3	50.1	65,291,030	60.8	2.9	51.8	+5,376,266
Nuts	56,465	0.0	0.8	0.1	135,144	0.1	1.5	0.2	-78,679
Wool	919,919	0.8	5.9	0.3	775,164	0.7	5.6	0.3	+144,755
Milk	2,664,520	2.3	3.5	1.2	4,064,371	3.8	4.7	2.0	-1,399,851
Eggs	9,726	0.0	0.2	0.1	--	--	0.4	--	--
Livestock slaughtering	10,095,177	8.6	22.7	0.7	5,322,234	5.0	19.2	0.6	+4,772,943
<b>Agriculture - Total value</b>	<b>116,897,337</b>	<b>100</b>	<b>100</b>	<b>1.9</b>	<b>107,359,650</b>	<b>100</b>	<b>100</b>	<b>2.4</b>	<b>+9,537,687</b>

Source: Australian Bureau of Statistics, Value of Agricultural Commodities Produced, Australia, 2010-11. Cat. No. 7503.0

Tables 14 to 16 outline a more detailed composition of the more significant sectors 'Grapes (Wine and Table)', 'Other Fruit' and 'Livestock Slaughtering'.

**Table 14: Main value - Grapes (wine and table)**

Commodity	2010/11				2005/06				Change
	\$	%	SA%	AHC as % of SA	\$	%	SA%	AHC as % of SA	2005/06 to 2010/11
Grapes (wine and table)	10,859,722	9.3	6.1	2.9	10,324,271	9.6	13.6	1.7	+535,451
Grapes - wine	9,578,086	8.2	6.0	2.6	10,319,972	9.6	13.4	1.7	-741,886
Grapes - table and other	1,281,636	1.1	0.1	30.9	3,900	0.0	0.1	0.1	+1,277,736

Source: Australian Bureau of Statistics, Value of Agricultural Commodities Produced, Australia, 2010-11. Cat. No. 7503.0

**Table 15: Main value - Other fruit**

Commodity	2010/11				2005/06				Change
	\$	%	SA%	AHC as % of SA	\$	%	SA%	AHC as % of SA	2005/06 to 2010/11
Other Fruit	70,667,296	60.5	2.3	50.1	65,291,030	60.8	2.9	51.8	+5,376,266
Cherries	16,564,525	14.2	0.3	91.2	7,874,647	7.3	0.2	86.6	+8,689,878
Strawberries	16,670,005	14.3	0.4	66.0	12,939,149	12.1	0.5	59.9	+3,730,856
Apples	25,516,364	21.8	0.6	70.0	34,826,623	32.4	0.9	83.3	-9,310,259
Pears	8,827,814	7.6	0.2	74.5	8,290,374	7.7	0.3	73.0	+537,440

Source: Australian Bureau of Statistics, Value of Agricultural Commodities Produced, Australia, 2010-11. Cat. No. 7503.0

**Table 16: Main value - Livestock slaughtering**

Commodity	2010/11				2005/06				Change
	\$	%	SA%	AHC as % of SA	\$	%	SA%	AHC as % of SA	2005/06 to 2010/11
Livestock slaughtering	10,095,177	8.6	22.7	0.7	5,322,234	5.0	19.2	0.6	+4,772,943
Sheep and lambs	1,382,475	1.2	8.6	0.3	1,040,271	1.0	7.0	0.3	+342,204
Cattle & calves	4,068,432	3.5	5.1	1.3	3,141,245	2.9	6.0	1.2	+927,187

Source: Australian Bureau of Statistics, Value of Agricultural Commodities Produced, Australia, 2010-11. Cat. No. 7503.0



## Manufacturing

Data for this sector covers the District Council of Mount Barker and Adelaide Hills Council combined, so it can only be used as an indicative guide. However, if we consider employment data (refer table 12) it is possible to determine that most manufacturing is a downstream value-add to agricultural production, wine and beverage, meat processing, and food products.

## Tourism and hospitality value

In 2012/13, the total tourism and hospitality sales in Adelaide Hills Council was \$88.0m, the total value added was \$41.3m.

**Table 17: Value of tourism and hospitality**

Measure	2012/13				2006/07				Change
	AHC	% of total industry	SA %	AHC as % of SA	AHC	% of total industry	SA %	AHC as % of SA	2007 to 2013
<b>Output/Sales (\$m)</b>									
Direct	46.5	2.1	2.6	1.0	62.3	3.1	3.4	1.2	-15.8
Indirect	41.6	1.9	1.9	1.3	55.7	2.8	2.3	1.6	-14.1
Total	88.0	4.0	4.5	1.1	117.9	5.8	5.7	1.4	-29.9
<b>Value added (\$m)</b>									
Direct	22.1	2.2	2.8	1.0	27.1	3.1	3.4	1.1	-5.0
Indirect	19.2	1.9	1.9	1.2	23.5	2.7	2.3	1.5	-4.3
Total	41.3	4.2	4.7	1.1	50.6	5.7	5.7	1.3	-9.3

Source: National Institute of Economic and Industry Research (NIEIR) ©2014. Compiled and presented in economy.id. Data is based on 2011-12 constant prices for all years. NIEIR data are inflation adjusted each year to allow direct comparison, and new data releases normally adjust previous years' figures to a new base year.

## Workforce

### Workforce - Key statistics

The key statistics are provided in table 18 with tables 19 to 22 providing a more detailed breakdown.

**Table 18: Workforce - key statistics**

Measure	2011			2006			Change 2006 to 2011
	Number	%	SA %	Number	%	SA %	
<b>Workforce</b>							
Total workforce (Census)	8,959	100.0	100.0	8,644	100.0	100.0	+315
Males	4,601	51.4	52.7	4,500	52.1	53.3	+101
Females	4,358	48.6	47.3	4,144	47.9	46.7	+214
<b>Age structure</b>							
15 - 24 years	1,508	16.8	15.2	1,361	15.7	16.1	+147
25 - 54 years	5,150	57.5	65.9	5,293	61.2	68.0	-143
55 - 64 years	1,744	19.5	15.7	1,565	18.1	13.7	+179
65 years and over	557	6.2	3.2	425	4.9	2.3	+132
<b>Top three industries</b>							
Retail trade	1,014	11.3	11.4	976	11.3	11.9	+38
Education and training	956	10.7	8.1	880	10.2	7.8	+76
Health care and social assistance	908	10.1	13.8	783	9.1	12.7	+125
<b>Top three occupations</b>							
Professionals	1,676	18.7	19.9	1,533	17.7	18.9	+143
Managers	1,435	16.0	12.7	1,551	17.9	13.7	-116
Technicians and trades workers	1,217	13.6	14.1	1,168	13.5	14.1	+49
<b>Hours worked</b>							
Full time	4,590	51.2	60.7	4,564	52.8	62.6	+26
Part time	4,277	47.7	38.0	3,930	45.5	35.6	+347
<b>Qualifications</b>							
Bachelor or higher degree	1,997	22.3	22.4	1,667	19.3	18.9	+330
Advanced diploma or diploma	959	10.7	9.5	876	10.1	8.6	+83
Certificate level	182	2.0	2.0	203	2.3	2.2	-21
No qualifications	3,893	43.5	40.8	3,892	45.0	45.6	+1
<b>Individual Income</b>							
\$0-\$599	3,609	40.3	30.3	--	--	--	--
\$600-\$1249	3,599	40.2	43.7	--	--	--	--
\$1250 or more	1,655	18.5	24.8	--	--	--	--
<b>Method of Travel to Work</b>							
Car	5,634	62.9	69.5	5,224	60.4	68.4	+410
Public Transport	112	1.3	6.5	87	1.0	6.3	+25
Bicycle	24	0.3	1.0	28	0.3	1.2	-4
Walked only	459	5.1	3.2	488	5.6	3.6	-29

Source: Australian Bureau of Statistics, Census of Population and Housing 2006 and 2011. Compiled and presented in economy.id by .id, the population experts.

## Workforce - Occupations - all industries

Within Adelaide Hills Council, the workforce has a similar proportion of 'Managers and Professionals' to South Australia as a whole.

**Table 19: Workforce occupations**

Adelaide Hills Council - All industries	2011			2006			Change 2006 to 2011
Occupations	Number	%	SA %	Number	%	SA %	
Managers	1,476	16.5	12.7	1,535	17.7	13.7	-59
Professionals	1,662	18.5	19.9	1,481	17.1	18.9	+181
Technicians and Trades Workers	1,198	13.4	14.1	1,190	13.8	14.1	+8
Community and Personal Service Workers	1,141	12.7	10.6	859	9.9	9.4	+282
Clerical and Administrative Workers	1,098	12.3	14.6	1,019	11.8	14.9	+79
Sales Workers	783	8.7	9.7	779	9.0	9.7	+4
Machinery Operators And Drivers	403	4.5	6.3	432	5.0	6.3	-29
Labourers	1,115	12.4	11.0	1,254	14.5	12.2	-139
Inadequately described or not stated	85	0.9	1.0	101	1.2	0.8	-16
<b>Total persons</b>	<b>8,961</b>	<b>100</b>	<b>100</b>	<b>8,650</b>	<b>100</b>	<b>100</b>	<b>+311</b>

Source: Australian Bureau of Statistics, Census of Population and Housing 2006 and 2011. Compiled and presented in *economy.id* by .id, the population experts.

### As identified by *Economy.id*:

The three most popular occupations were:

- Professionals (1,662 people or 18.5%)
- Managers (1,476 people or 16.5%)
- Technicians and Trades Workers (1,198 people or 13.4%)

In combination, these three occupations accounted for 4,336 people in total, or 48.4% of the Adelaide Hills Council district workforce. The major differences between the jobs held by the workforce in Adelaide Hills Council and South Australia were:

- A larger percentage of people employed as 'Managers' (16.5% compared with 12.7%)
- A larger percentage of people employed as 'Community and Personal Service Workers' (12.7% compared with 10.6%)
- A smaller percentage of people employed as 'Clerical and Administrative Workers' (12.3% compared with 14.6%)
- A smaller percentage of people employed as 'Machinery Operators and Drivers' (4.5% compared with 6.3%)

The largest changes in the jobs held by the workforce in Adelaide Hills Council between 2006 and 2011 were:

- Community and Personal Service Workers (+282 people)
- Professionals (+181 people)
- Labourers (-139 people)
- Clerical and Administrative Workers (+79 people)

### Workforce - Qualifications - all industries

Within Adelaide Hills Council, the workforce has a similar proportion with tertiary qualifications as South Australia.

**Table 20: Workforce qualifications**

Adelaide Hills Council - All industries	2011			2006			Change
Qualification Level	Number	%	SA %	Number	%	SA %	2006 to 2011
Bachelor or Higher degree	1,997	22.3	22.4	1,667	19.3	18.9	+330
Advanced Diploma or Diploma	959	10.7	9.5	876	10.1	8.6	+83
Certificate IV Level	278	3.1	3.5	191	2.2	2.6	+87
Certificate III Level	1,390	15.5	16.6	1,285	14.9	16.0	+105
Certificate I and II Level	152	1.7	1.6	119	1.4	1.5	+33
Certificate Level, nfd	182	2.0	2.0	203	2.3	2.2	-21
No qualification	3,893	43.5	40.8	3,892	45.0	45.6	+1
Inadequately described or not stated	108	1.2	3.6	410	4.7	4.7	-302
<b>Total persons</b>	<b>8,959</b>	<b>100</b>	<b>100</b>	<b>8,643</b>	<b>100</b>	<b>100</b>	<b>+316</b>

Source: Australian Bureau of Statistics, Census of Population and Housing 2006 and 2011. Compiled and presented in *economy.id* by .id, the population experts.

#### As identified by *Economy.id*:

Overall, 55.3% of the workforce held educational qualifications, and 43.5% had no qualifications, compared with 55.6% and 40.8% respectively for South Australia. The major differences between the qualifications held by the workforce in Adelaide Hills Council and South Australia were:

- A larger percentage of people with No qualifications (43.5% compared with 40.8%)
- A larger percentage of people with Advanced Diploma or Diplomas (10.7% compared with 9.5%)
- A smaller percentage of people with Certificate III Levels (15.5% compared with 16.6%)
- A smaller percentage of people with Certificate IV Levels (3.1% compared with 3.5%)

The largest changes in the qualifications held by the workforce in Adelaide Hills Council between 2006 and 2011 were:

- Bachelor or Higher degrees (+330 people)
- Certificate III Levels (+105 people)
- Certificate IV Levels (+87 people)
- Advanced Diploma or Diplomas (+83 people)

### Workforce - Field of qualification - all industries

Within Adelaide Hills Council, there are more people with 'Management and Commerce' qualifications in the workforce than any other field of qualification.

**Table 21: Workforce field of qualification - summary**

Workforce field of qualification - All industries	2011			2006			Change 2006 to 2011
Field of Qualification	Number	%	SA %	Number	%	SA %	
Agriculture, Environmental and Related Studies	334	3.7	1.7	349	4.0	1.6	-15
Architecture and Building	319	3.6	3.3	287	3.3	3.0	+32
Creative Arts	196	2.2	1.8	191	2.2	1.6	+5
Education	734	8.2	4.8	700	8.1	4.8	+34
Engineering and Related Technologies	760	8.5	11.0	743	8.6	11.1	+17
Food, Hospitality and Personal Services	369	4.1	3.4	336	3.9	3.1	+33
Health	625	7.0	7.6	489	5.7	6.7	+136
Information Technology	92	1.0	1.6	89	1.0	1.4	+3
Management and Commerce	772	8.6	11.5	640	7.4	9.7	+132
Mixed Field Programmes	3	0.0	0.1	3	0.0	0.1	0
Natural and Physical Sciences	195	2.2	1.9	189	2.2	1.8	+6
No qualification	3,684	41.1	40.8	3,887	44.9	45.6	-203
Not stated or inadequately described	231	2.6	3.0	272	3.1	3.3	-41
Society and Culture	645	7.2	7.5	473	5.5	6.1	+172
<b>Total persons</b>	<b>8,959</b>	<b>100</b>	<b>100</b>	<b>8,648</b>	<b>100</b>	<b>100</b>	<b>+311</b>

Source: Australian Bureau of Statistics, Census of Population and Housing, 2011. Compiled and presented in *economy.id* by .id, the population experts.

**As identified by *Economy.id*:**

The three largest fields of qualification were:

- Management and Commerce (772 people or 8.6%)
- Engineering and Related Technologies (760 people or 8.5%)
- Education (734 people or 8.2%)

These three fields accounted for 2,266 people in total or 25.3% of the employed workforce. In comparison, South Australia employed 11.5% in 'Management and Commerce'; 11.0% in 'Engineering and Related Technologies'; and 4.8% in 'Education'.

The major differences between the fields of qualifications of the workforce in Adelaide Hills Council and South Australia were:

- A larger percentage of people qualified in the field of 'Education' (8.2% compared with 4.8%)
- A larger percentage of people qualified in the field of 'Agriculture, Environmental and Related Studies' (3.7% compared with 1.7%)
- A smaller percentage of people qualified in the field of 'Management and Commerce' (8.6% compared with 11.5%)
- A smaller percentage of people qualified in the field of 'Engineering and Related Technologies' (8.5% compared with 11.0%)

The largest changes in fields of qualifications of the workforce in Adelaide Hills Council between 2006 and 2011 were:

- Society and Culture (+172 people)
- Health (+136 people)
- Management and Commerce (+132 people)
- Education (+34 people)



## Workforce income

The weekly household income data for 2011 reveals that, when compared to the Adelaide Statistical Division, Adelaide Hills district incomes are increasingly skewed towards the highest income groups ('\$2,000-2,499 to \$4,000 or more').

**Table 22: Weekly household income comparing Adelaide Hills to Adelaide Statistical Division 2011**

Income Range 2011	Adelaide Hills	% of total	Adelaide Statistical Division	% of total
Negative/Nil income	57	0.5	2,667	0.8
\$1-\$199	96	0.9	3,811	1.2
\$200-\$299	54	0.5	2,580	0.8
\$300-\$399	90	0.8	5,340	1.6
\$400-\$599	602	5.5	30,663	9.3
\$600-\$799	687	6.2	29,608	9.0
\$800-\$999	777	7.1	28,351	8.6
\$1,000-\$1,249	804	7.3	28,290	8.6
\$1,250-\$1,499	815	7.4	27,020	8.2
\$1,500-\$1,999	1,453	13.2	44,412	13.4
\$2,000-\$2,499	1,315	11.9	36,418	11.0
\$2,500-\$2,999	1,180	10.7	23,641	7.2
\$3,000-\$3,499	845	7.7	16,746	5.1
\$3,500-\$3,999	360	3.3	6,884	2.1
\$4,000 or more	547	5.0	9,348	2.8
Partial income stated(c)	1,191	10.8	29,444	8.9
All incomes not stated(d)	139	1.3	5,184	1.6

Source: ABS, Census of Population and Housing, 2011

## Local Labour Force - key statistics

The key statistics are provided in table 23 with tables 24 to 28 providing a more detailed breakdown

**Table 23: Local labour force - key statistics**

Local Labour Force - All industries	2011			2006			Change 2006 to 2011
Local labour force	Number	%	SA %	Number	%	SA %	
<b>Total local labour force</b>	<b>20,307</b>	<b>100</b>	<b>100</b>	<b>19,854</b>	<b>100</b>	<b>100</b>	<b>+453</b>
Males	10,797	53.2	52.9	10,562	53.2	53.6	+235
Females	9,510	46.8	47.1	9,292	46.8	46.4	+218
<b>Age structure</b>							
15 - 24 years	2,692	13.3	15.4	2,662	13.4	16.6	+30
25 - 54 years	12,571	61.9	65.7	13,063	65.8	67.6	-492
55 - 64 years	4,076	20.1	15.6	3,472	17.5	13.5	+604
65 years and over	968	4.8	3.3	657	3.3	2.3	+311
<b>Top three industries</b>							
Health care and social assistance	2,923	14.4	13.6	2,762	13.9	12.5	+161
Education and training	2,216	10.9	7.9	2,085	10.5	7.6	+131
Retail trade	1,867	9.2	11.2	1,888	9.5	11.8	-21
<b>Top three occupations</b>							
Professionals	5,707	28.1	19.6	5,349	26.9	--	+358
Managers	3,239	16.0	12.6	3,143	15.8	--	+96
Technicians and trades workers	2,750	13.5	14.1	2,662	13.4	--	+88
<b>Method of travel to work</b>							
Car driver or passenger	13,915	68.5	69.4	13,372	67.4	68.1	+543
Public transport	1,063	5.2	6.5	1,010	5.1	6.3	+53
Bicycle	6	0.0	0.2	3	0.0	0.3	+3
Walked only	570	2.8	3.2	572	2.9	3.6	-2
<b>Hours worked</b>							
Full time	11,706	57.6	60.2	11,692	58.9	61.8	+14
Part time	7,382	36.4	33.5	6,827	34.4	31.7	+555
<b>Qualifications</b>							
Bachelor or higher degree	6,483	31.9	22.1	5,577	28.1	18.5	+906
Advanced diploma or diploma	2,308	11.4	9.4	2,200	11.1	8.4	+108
Certificate level	4,199	20.7	23.6	4,000	20.1	22.1	+199
No qualifications	6,662	32.8	41.0	7,109	35.8	46.0	-447
<b>Individual income</b>							
Nil to \$599	5,806	28.6	30.6	--	--	--	--
\$600 to \$1,249	7,427	36.6	43.4	--	--	--	--
\$1,250 to \$1,999	4,427	21.8	17.8	--	--	--	--
\$2,000 or more	2,396	11.8	6.7	--	--	--	--

Source: Australian Bureau of Statistics, Census of Population and Housing 2006 and 2011. Compiled and presented in *economy.id* by .id, the population experts.

## Local Labour Force – by industry

'Health Care and Social Assistance' employs more of Adelaide Hills Council's local labour force than any other industry sector.

**Table 24: Local labour force - industry**

Local Labour Force - All industries	2011			2006			Change 2006 to 2011
Industry	Number	%	SA %	Number	%	SA %	
Accommodation and Food Services	986	4.9	6.3	920	4.6	5.9	+66
Administrative and Support Services	615	3.0	3.4	607	3.1	3.4	+8
Agriculture, Forestry and Fishing	775	3.8	3.9	884	4.5	4.6	-109
Arts and Recreation Services	321	1.6	1.3	261	1.3	1.1	+60
Construction	1,660	8.2	7.5	1,554	7.8	6.7	+106
Education and Training	2,212	10.9	7.9	2,080	10.5	7.6	+132
Electricity, Gas, Water and Waste Services	258	1.3	1.3	197	1.0	1.1	+61
Financial and Insurance Services	557	2.7	3.0	600	3.0	3.2	-43
Health Care and Social Assistance	2,935	14.5	13.6	2,746	13.8	12.5	+189
Industry not classified	322	1.6	1.9	369	1.9	2.1	-47
Information Media and Telecommunications	320	1.6	1.4	313	1.6	1.6	+7
Manufacturing	1,641	8.1	10.5	1,792	9.0	12.8	-151
Mining	254	1.3	1.3	188	0.9	0.9	+66
Other Services	735	3.6	3.9	755	3.8	3.8	-20
Professional, Scientific and Technical Services	1,732	8.5	5.5	1,578	8.0	5.2	+154
Public Administration and Safety	1,606	7.9	7.1	1,460	7.4	6.5	+146
Rental, Hiring and Real Estate Services	247	1.2	1.3	258	1.3	1.4	-11
Retail Trade	1,865	9.2	11.2	1,897	9.6	11.8	-32
Transport, Postal and Warehousing	544	2.7	4.2	607	3.1	4.2	-63
Wholesale Trade	711	3.5	3.5	769	3.9	3.7	-58
<b>Total persons</b>	<b>20,296<sup>2</sup></b>	<b>100</b>	<b>100</b>	<b>19,835</b>	<b>100</b>	<b>100</b>	<b>+461</b>

Source: Australian Bureau of Statistics, Census of Population and Housing 2006 and 2011. Compiled and presented in economy.id by .id, the population experts.

<sup>2</sup> Data released by ABS as part of the Regional Profile 2014 shows a slight reduction in the total workforce to 20,288

**As identified by *Economy.id*:**

The three most popular industry sectors were:

- Health Care and Social Assistance (2,935 people or 14.5%)
- Education and Training (2,212 people or 10.9%)
- Retail Trade (1,865 people or 9.2%)

These three industries employed 7,012 people in total or 34.5% of the total workforce.

In comparison, South Australia employed 13.6% in 'Health Care and Social Assistance'; 7.9% in 'Education and Training'; and 11.2% in 'Retail Trade'.

The major differences between the jobs held by the local labour force of Adelaide Hills Council and South Australia were:

- A larger percentage of people employed in 'Professional, Scientific and Technical Services' (8.5% compared with 5.5%)
- A larger percentage of people employed in 'Education & Training' (10.9% compared with 7.9%)
- A smaller percentage of people employed in 'Manufacturing' (8.1% compared with 10.5%)
- A smaller percentage of people employed in 'Retail Trade' (9.2% compared with 11.2%)

The largest changes in the jobs held by the local labour force between 2006 and 2011 in Adelaide Hills Council were for those employed in:

- Health Care and Social Assistance (+189 people)
- Professional, Scientific and Technical Services (+154 people)
- Manufacturing (-151 people)
- Public Administration and Safety (+146 people)

**Tourism and hospitality workforce**

In 2011, there were 791 people who made up the 'tourism and hospitality' workforce in Adelaide Hills Council, of this 32.2% worked full time and 62.5% worked part time.

**Table 25: Tourism and hospitality workforce**

Tourism Workforce	2011				2006				Change 2006 to 2011
	Number	%	SA %	AHC as % of total industry	Number	%	SA %	AHC as % of total industry	
<b>Total workers</b>	<b>791</b>	<b>100</b>	<b>100</b>	<b>8.8</b>	<b>651</b>	<b>100</b>	<b>100</b>	<b>7.5</b>	<b>+140</b>
Males	280	35.4	40.6	6.1	230	35.3	40.1	5.1	+50
Females	511	64.6	59.4	11.7	421	64.7	59.9	10.2	+90

Source: Australian Bureau of Statistics, Census of Population and Housing 2006 and 2011. Compiled and presented in *economy.id* by *economy.id*, the population experts.

## Local Labour Force - Occupations

There are more 'professionals' in Adelaide Hills Council local labour force than any other occupation.

**Table 26: Local labour force - occupations**

Adelaide Hills Council - All industries	2011			2006			Change 2006 to 2011
Occupations	Number	%	SA %	Number	%	SA %	
Managers	3,251	16.0	12.6	3,134	15.8	13.4	+117
Professionals	5,699	28.1	19.6	5,340	26.9	18.4	+359
Technicians and Trades Workers	2,751	13.6	14.1	2,661	13.4	14.2	+90
Community and Personal Service Workers	1,879	9.3	10.5	1,726	8.7	9.4	+153
Clerical and Administrative Workers	2,675	13.2	14.4	2,716	13.7	14.5	-41
Sales Workers	1,558	7.7	9.6	1,630	8.2	9.6	-72
Machinery Operators And Drivers	763	3.8	6.4	771	3.9	6.4	-8
Labourers	1,470	7.2	11.1	1,641	8.3	12.5	-171
Inadequately described or not stated	249	1.2	1.6	220	1.1	1.5	+29
<b>Total persons</b>	<b>20,295</b>	<b>100</b>	<b>100</b>	<b>19,839</b>	<b>100</b>	<b>100</b>	<b>+456</b>

Source: Australian Bureau of Statistics, Census of Population and Housing 2006 and 2011. Compiled and presented in *economy.id* by *economy.id*, the population experts

### As identified by *Economy.id*:

The three most popular occupations were:

- Professionals (5,699 people or 28.1%)
- Managers (3,251 people or 16.0%)
- Technicians and Trades Workers (2,751 people or 13.6%)

These three occupations accounted for 11,701 people in total or 57.7% of the employed local labour force. In comparison, South Australia employed 19.6% in 'Professionals'; 12.6% in 'Managers'; and 14.1% in 'Technicians and Trades Workers'.

The major differences between the jobs held by the local labour force of Adelaide Hills Council and South Australia were:

- A larger percentage of people employed as 'Professionals' (28.1% compared with 19.6%)
- A larger percentage of people employed as 'Managers' (16.0% compared with 12.6%)
- A smaller percentage of people employed as 'Labourers' (7.2% compared with 11.1%)
- A smaller percentage of people employed as 'Machinery Operators And Drivers' (3.8% compared with 6.4%)

The number of people in the local labour force in Adelaide Hills Council increased by 456 between 2006 and 2011. The largest changes in the occupations of the local labour force between 2006 and 2011 in Adelaide Hills Council were for those employed as:

- Professionals (+359 people)
- Labourers (-171 people)
- Community and Personal Service Workers (+153 people)
- Managers (+117 people)

### Local Labour Force - Qualifications

64.0% of the local labour force in Adelaide Hills Council have qualifications, compared to 55.1% for South Australia.

**Table 27: Local labour force - qualifications**

Qualifications - All industries	2011			2006			Change 2006 to 2011
	Number	%	SA %	Number	%	SA %	
Bachelor or Higher degree	6,483	32.0	22.1	5,577	28.1	18.5	+906
Advanced Diploma or Diploma	2,308	11.4	9.4	2,200	11.1	8.4	+108
Certificate IV Level	650	3.2	3.5	478	2.4	2.5	+172
Certificate III Level	2,930	14.4	16.6	2,800	14.1	15.9	+130
Certificate I and II Level	212	1.0	1.6	238	1.2	1.5	-26
Certificate Level, nfd	407	2.0	2.0	484	2.4	2.2	-77
No qualification	6,662	32.8	41.0	7,109	35.8	46.0	-447
Inadequately described or not stated	634	3.1	3.9	953	4.8	5.0	-319
<b>Total persons</b>	<b>20,286</b>	<b>100</b>	<b>100</b>	<b>19,839</b>	<b>100</b>	<b>100</b>	<b>+447</b>

Source: Australian Bureau of Statistics, Census of Population and Housing 2006 and 2011. Compiled and presented in economy.id by economy.id, the population experts

#### As identified by *Economy.id*:

Overall, 64.0% of the local labour force held educational qualifications, and 32.8% had no qualifications, compared with 55.1% and 41.0% respectively for South Australia.

The major differences between qualifications held by the local labour force of Adelaide Hills Council and South Australia were:

- A larger percentage of people with 'Bachelor or Higher degrees' (32.0% compared with 22.1%)
- A larger percentage of people with 'Advanced Diploma(s)' (11.4% compared with 9.4%)
- A smaller percentage of people with 'No qualifications' (32.8% compared with 41.0%)
- A smaller percentage of people with 'Certificate III Levels' (14.4% compared with 16.6%)



The largest changes in the qualifications held by the local labour force in Adelaide Hills Council between 2006 and 2011 were:

- Bachelor or Higher degrees (+906 people )
- No qualifications (-447 people )
- Certificate IV Levels (+172 people )
- Certificate III Levels (+130 people )

### Local Labour Force - field of qualification

There are more people qualified in 'Management and Commerce' in Adelaide Hills Council local labour force than in any other field.

**Table 28: Local Labour Force - Field of Qualification**

Field of Qualification - All industries	2011			2006			Change 2006 to 2011
Field of Qualification	Number	%	SA %	Number	%	SA %	
Agriculture, Environmental & Related Studies	580	2.9	1.7	509	2.6	1.6	+71
Architecture and Building	785	3.9	3.3	694	3.5	3.0	+91
Creative Arts	542	2.7	1.8	490	2.5	1.6	+52
Education	1,337	6.6	4.7	1,406	7.1	4.7	-69
Engineering and Related Technologies	2,212	10.9	10.9	2,160	10.9	11.0	+52
Food, Hospitality and Personal Services	537	2.6	3.4	510	2.6	3.1	+27
Health	2,002	9.9	7.5	1,839	9.3	6.6	+163
Information Technology	299	1.5	1.6	265	1.3	1.4	+34
Management and Commerce	2,299	11.3	11.4	2,012	10.1	9.5	+287
Mixed Field Programmes	0	0.0	0.1	6	0.0	0.1	-6
Natural and Physical Sciences	707	3.5	1.9	634	3.2	1.8	+73
No qualification	6,660	32.8	41.0	7,108	35.8	46.0	-448
Not stated or inadequately described	519	2.6	3.3	683	3.4	3.7	-164
Society and Culture	1,817	9.0	7.4	1,522	7.7	6.0	+295
<b>Total persons</b>	<b>20,296</b>	<b>100</b>	<b>100</b>	<b>19,838</b>	<b>100</b>	<b>100</b>	<b>+458</b>

Source: Australian Bureau of Statistics, Census of Population and Housing 2006 and 2011. Compiled and presented in economy.id by economy.id, the population experts.

#### As identified by *Economy.id*:

The three largest fields the local labour force was qualified in were:

- Management and Commerce (2,299 people or 11.3%)

- Engineering and Related Technologies (2,212 people or 10.9%)
- Health (2,002 people or 9.9%)

In combination these three fields accounted for 6,513 people in total or 32.1% of the employed local labour force. In comparison, South Australia employed 11.4% in Management and Commerce; 10.9% in Engineering and Related Technologies; and 7.5% in Health.

The major differences between the field of qualifications held by the local labour force of Adelaide Hills Council and South Australia were:

- A larger percentage of people qualified in 'Health' (9.9% compared with 7.5%)
- A larger percentage of people qualified in 'Education' (6.6% compared with 4.7%)
- A larger percentage of people qualified in 'Natural and Physical Sciences' (3.5% compared with 1.9%)
- A larger percentage of people qualified in 'Society and Culture' (9.0% compared with 7.4%)

The number of people in the Adelaide Hills Council local labour force increased by 458 between 2006 and 2011.

The largest changes in the field of qualifications held by the local labour force between 2006 and 2011 in Adelaide Hills Council were for those qualified in:

- Society and Culture (+295 people)
- Management and Commerce (+287 people)
- Health (+163 people)
- Architecture and Building (+91 people)

### Labour Force Performance

Table 29 shows that, compared to Mount Barker, Burnside and the Greater Adelaide metropolitan area, Adelaide Hills Council area performs well in the labour market with an unemployment rate of 3.6%. Adelaide Hills' labour force participation rate higher is higher than Burnside and Greater Adelaide.

**Table 29: labour force performance**

Labour Force Statistics 2011	Adelaide Hills	Burnside	Mount Barker	Greater Adelaide
Labour Force	21,041	21,243	15,850	612,226
Unemployed	753	943	710	35,403
Unemployment rate (%)	3.6	4.4	4.5	5.8
Participation rate (%)	67.8	59.9	68.2	60.7

Source: ABS Regional Profile 2014

## Workers place of residence

Of the 8,959 people who work in Adelaide Hills Council, 5,620 or 62.7% also live in the area.

**Table 30: Residential location of workers**

Adelaide Hills Council	2011	
Status	Number	%
Live and work in the area	5,620	62.7
• Live and work in the same SLA	4,573	51.0
• Live in the area and work in different SLA	1,047	11.7
Work in the area, but live outside	3,339	37.3
Total workers in the area	8,959	100.0

Source: Australian Bureau of Statistics, Census of Population and Housing 2011. Compiled and presented in *profile.id* by economy.id, the population experts.

Table 31 shows the origin of those working in the area who live outside. A relatively high percentage (12.6%) originate in the District Council of Mount Barker, with a wide catchment from Alexandrina Council across the eastern Adelaide metropolitan area to Barossa.

**Table 31: Workers place of residence, 2011**

Workers "Statistical Local Area" of Residence	Number	%
Adelaide Hills (DC) Balance	1,803	20.1
Adelaide Hills (DC) - Central	1,587	17.7
Adelaide Hills (DC) - Ranges	1,206	13.5
Adelaide Hills (DC) - North	1,010	11.3
Mount Barker (DC) - Central	804	9.0
Mount Barker (DC) Balance	322	3.6
Barossa (DC) - Barossa	138	1.5
Mitcham (C) - Hills	135	1.5
Onkaparinga (C) - Reservoir	81	0.9
Alexandrina (DC) - Strathalbyn	80	0.9
Tea Tree Gully (C) - South	79	0.9
Burnside (C) - South-West	68	0.8
Campbelltown (C) - East	67	0.7
Burnside (C) - North-East	67	0.7
Onkaparinga (C) - Woodcroft	64	0.7
Murray Bridge (RC)	63	0.7
Mitcham (C) - West	58	0.6
Unley (C) - East	49	0.5
Norwood. Payneham & St Peters (C) - West	48	0.5
Port Adel. Enfield (C) - East	45	0.5

Source: Australian Bureau of Statistics, Census of Population and Housing 2011. Compiled and presented in *profile.id* by .id, the population experts.

## Residents place of work

Of the 20,290 employed residents, 62.0% (12,574) of Adelaide Hills Council's working residents travel outside of the area to work.

Table 33 highlights that, with a majority of the resident workforce leaving the area for work, 17.4 % work in the City of Adelaide with a wide spread across the Adelaide Metropolitan Area.

**Table 32: Employment location of residents**

Adelaide Hills Council	2011	
Employment Location of Residents	Number	%
Live and work in the area	5,620	27.7
Live and work in the same SLA	4,573	22.5
Live in the area and work in different SLA	1,047	5.2
Live in the area, but work outside	12,574	62.0
Work location unknown	2,096	10.3
<b>Total employed residents</b>	<b>20,290</b>	<b>100.0</b>

Source: Australian Bureau of Statistics, Census of Population and Housing 2011. Compiled and presented in *profile.id* by .id, the population experts.

**Table 33: Residents place of work**

Adelaide Hills Council	2011	
Residents "Statistical Local Area" of Work	Number	%
Adelaide (C)	3,528	17.4
Adelaide Hills (DC) - Central	1,870	9.2
Adelaide Hills (DC) Balance	1,844	9.1
Mount Barker (DC) - Central	1,063	5.2
Adelaide Hills (DC) - Ranges	994	4.9
POW No Fixed Address (SA)	916	4.5
Adelaide Hills (DC) - North	898	4.4
Norw. P'ham St Ptrs (C) - West	675	3.3
West Torrens (C) - East	591	2.9
POW not stated	585	2.9
Burnside (C) - South-West	534	2.6
Unley (C) - East	385	1.9
Salisbury (C) Balance	347	1.7
Mitcham (C) - Hills	315	1.6

Adelaide Hills Council	2011	
	Number	%
Residents "Statistical Local Area" of Work		
POW Capital city undefined (Greater Adelaide)	315	1.6
Port Adel. Enfield (C) - Park	287	1.4
Tea Tree Gully (C) - South	264	1.3
West Torrens (C) - West	256	1.3
Port Adel. Enfield (C) - Inner	220	1.1
POW State/Territory undefined (SA)	215	1.1

Source: Australian Bureau of Statistics, Census of Population and Housing 2011. Compiled and presented in *profile.id* by .id, the population experts.

## Conclusions

*Regional Development Australia Adelaide Hills Fleurieu and Kangaroo Island* produced the Regional Roadmap 2013 which, in part, set out to consider the following indicators:

- Adaptive capacity of the region - strengths and weaknesses in human capital and sustainable communities
- National Competitive Index - strengths and weaknesses in access to markets, comparative advantage and business competitiveness

In relation to adaptive capacity, the study<sup>3</sup> concluded that:

- The Adelaide Hills LGA (and the Mt Barker LGA) have adaptive capacity index scores well above the state average at plus 1.88 (and plus 1.23 respectively). They are characterised by their close proximity to a major centre (Adelaide), larger populations, good connectivity (internet access), diverse economies, relatively low levels of unemployment, highly qualified residents and relatively high median household incomes. Adelaide Hills rates in the top 2 Councils in South Australia for this 'endowment of resources'.
- The Adelaide Hills LGA is strong in each of the four 'capital' groups of 'physical', 'economic', 'human' and 'social' capital. Standouts include higher average household incomes, high proportions of tertiary qualifications (graduates), high level of females in 'non-routine' jobs and low levels of lone person households. However Adelaide Hills performed below the median in 'social capital' and particularly in a rating for 'community strength' which is a measure of access to support from family and friends and participation in community groups, and activities at school where there are school aged children.

In terms of relative competitiveness, the Adelaide Hills LGA was seen to have particular strengths in:

- good health, high levels of post school qualifications and good levels of technological readiness such as access to the internet;

<sup>3</sup> Regional Roadmap 2013 – 2016 September 2013 Regional Development Australia Adelaide Hills Fleurieu and Kangaroo Island p 27

- an efficient labour market with relatively low unemployment rates, high participation rates and low rates of welfare dependence; and,
- market advantages in the size of the economy and its population<sup>4</sup>.

The study also identified the key characteristics and opportunities<sup>5</sup> for Adelaide Hills Council area:

**Table 34: Key characteristics and opportunities**

Key characteristics	Opportunities
<ul style="list-style-type: none"> <li>▪ a relatively affluent community with large residential populations in the southern and western townships with less densely populated areas, having a more rural ‘feel’, towards the northern boundary</li> <li>▪ a community with a generally well educated and experienced workforce</li> <li>▪ a community with strong comparative advantage industries in agriculture and tourism which benefit from high yielding, well serviced agricultural land, unique natural assets and good access to Adelaide metropolitan markets</li> <li>▪ a set of smaller, more rural communities in the northern area with reasonable access to the northern suburbs of Adelaide</li> <li>▪ a community where population and economic growth is constrained by the Mt Lofty Ranges water catchment area, water allocation planning and its topography leading to risks associated with natural events like bushfire.</li> <li>▪ a community with a high proportion of commuters to the Adelaide Metropolitan Area by road but where intra-regional travel is limited by a lack of scheduled public transport</li> <li>▪ a community that is particularly susceptible to bushfire risk with potential for increased risk due to climate change</li> </ul>	<ul style="list-style-type: none"> <li>▪ servicing the resident population through improving connectivity between the local communities as well as with the Adelaide Metropolitan Area through the provision of park and ride and more scheduled public transport</li> <li>▪ land use planning and other strategies aimed at protecting high yield agriculture land and maintaining viability for the region’s agriculture based communities</li> <li>▪ encouraging diversity through land use planning that allows further value adding to agriculture industry activity and responding to opportunities provided by new technologies</li> <li>▪ enhancing tourism industry opportunities, including building links to existing industries like ‘food and wine’ and emerging industries like ‘arts’, ‘culture’, ‘history’ and ‘heritage’</li> <li>▪ managing risks from natural events, particularly bush fire in the context of climate change</li> </ul>

This analysis is confirmed in part by the statistics provided in tables 1 to 33.

<sup>4</sup> Ibid p 31

<sup>5</sup> Ibid p 34

# MEGA TRENDS

## Global growth

Table 35 summarises GDP growth projections for the next 3 years. The United States and Europe appear to be recovering from the impacts of the global financial crisis. Australia's major trading partners will be experiencing stable growth albeit at higher levels than Europe, the United States and Japan. Growth projections for China and the rest of Asia are strong. Overall, it is an optimistic picture for the region in which Australia is becoming increasingly integrated.

According to the State Government's *China Engagement Strategy*<sup>6</sup>, China is the State's largest two-way trading partner and there are strong links through exports such as iron ore, quality food and wine, grains, and services such as education. After minerals, wine is the second largest export to China, followed by wheat, meat and wool.

Whereas China's industrialisation strategy has to date been export led, the focus is now on encouraging domestic consumption, addressing widening income and regional inequalities and developing local innovation. The shift of focus to internal growth expands the potential for South Australia to supply high-end, knowledge-intensive services in areas ranging from health, education, environmental management and water sanitation to climate technologies and urban design and development. At the same time, it can deepen the existing commercial relationships in sectors such as minerals and energy, wine, premium food and tourism.

**Table 35: Global GDP growth projections**

Country/Region	Real GDP growth forecasts (%)					
	2012	2013	2014	2015	2016	2017
United States	2.1	1.9	2.8	2.4	2.4	2.3
Japan	2.0	1.2	1.2	1.5	1.5	1.4
Eurozone	-0.5	-0.2	1.0	2.2	2.1	1.9
United Kingdom	0.2	0.9	1.7	2.2	2.0	2.0
China	7.8	8.2	8.0	7.8	7.7	7.6
India	4.1	6.3	7.4	8.4	8.6	8.6
New Zealand	2.0	2.6	2.9	2.3	2.3	2.3
North East Asia (excl. Japan)	8.0	7.2	7.2	7.8	7.8	7.7
South East Asia	4.7	5.3	5.5	5.5	5.5	5.5
Australia's major trading partners	4.6	4.3	4.6	4.9	4.9	4.8
World	3.2	2.6	3.3	3.8	3.7	3.7

Source: Deloitte Access Economics Business Outlook March 2013

<sup>6</sup> South Australia China Engagement Strategy - December 2013

## Digital Economy/Broadband

Deloitte Access Economics in its report *'The Connected Continent - How the internet is transforming the Australian economy 2011'* made the following points:

- The direct contribution of the internet to the Australian economy was worth approximately \$50 billion or 3.6% of Australia's Gross Domestic Product (GDP) in 2010. This contribution is of similar value to the retail sector or Australia's iron ore exports:
  - Finance and Insurance \$127b
  - Mining \$100b
  - Construction \$94b
  - Healthcare \$75b
  - Transport \$62b
  - Education and training \$53b
  - Retail \$53b
  - Rental and real estate \$33b
  - Agriculture and fishing \$27b
  - Electricity gas and water \$25b
  - Arts and recreation \$10b
- In Australia, 190,000 people are employed in occupations that are directly related to the internet – including IT software firms, Internet Service Providers (ISPs), and companies providing e-commerce and online advertising services.
- Wider benefits which are not fully captured in GDP calculations include:
  - Approximately \$27 billion in productivity increases to businesses and government in the form of improvements to the way they operate and deliver services. These services also flow through to consumers through lower prices and the introduction of new products.
  - The equivalent of \$53 billion in benefits to households in the form of added convenience (e.g. of online banking and bill paying) and access to an increased variety of goods and services and information.
- The internet is a catalyst for the success of Australia's small and medium-sized enterprises (SMEs), improving how they interact with their customers and suppliers and manage their internal operations. A national survey of 150 SMEs found that:
  - There is substantial scope for SMEs to take greater advantage of the internet, with all respondents using the internet but only half having their own website.
  - The benefits of SMEs getting online should flow to other Australians, as SMEs suggest they are more likely to use the internet to find additional customers and suppliers locally, rather than overseas.
- Growth in internet activity is accelerating. This is driven by infrastructure investment, the uptake of new technologies (e.g. smart-phones) providing access to the internet, applications



such as social media sites and an increase in business and government use of the internet. Activity has doubled over the past four years:

- More Australian households and businesses are going online and they are rapidly upgrading to faster connections as they become available.
- Australians are doing more on the internet. Web searches across categories ranging from banking to retail continue to increase more than 30% year on year. SMEs are steadily getting online with basic websites, and an increasing number of people are engaging with government services online.
- An index capturing consumer spending on e-commerce and business spending on online advertising has increased by 100% over the past four years. This strong growth is set to continue as Australia catches up to more developed internet economies like the US and UK, and a larger share of commerce and advertising moves online.
- The direct contribution of the internet to the Australian economy is set to increase by \$20 billion over the next five years, from \$50 billion to roughly \$70 billion.
  - This represents a growth rate (at 7%) that is twice as fast as that forecast for the rest of the economy, and will see the internet’s contribution approach that of today’s healthcare sector.
  - Over the same period, the growth of the internet will also result in approximately 80,000 more Australians employed in areas directly related to the internet.
  - Australia’s use of the internet will expand rapidly to progressively close the gap between Australia and the world’s leading digital economies.
  - These expectations reflect the rollout of the National Broadband Network connecting more Australians at higher speeds, government and business making better use of the internet, and government developing a policy framework that supports investment and innovation in the internet economy.

Adelaide Hills' residents have demonstrated a high propensity for broadband usage. It would be appropriate that this appetite for, and therefore the ability to participate in, a growing economy be supported.

## Climate change

For the agricultural sector in the Adelaide Hills climate change is perceived as real, regardless of whether it is man-made or naturally occurring.

*The Adelaide and Mount Lofty Ranges Natural Resources Management Plan - Strategic Plan 2014/15 to 2023/24*<sup>7</sup> identifies potential impacts of climate change as follows:

- As temperature increases as a result of climate change, the cooler climate of the Central Hills is likely to become a retreat for humans, agricultural industries and ecosystems. This will add to

---

<sup>7</sup> The Adelaide and Mount Lofty Ranges Natural Resources Management Plan - Strategic Plan 2014/15 to 2023/24 pp 130 - 143

the already high diversity of land uses in the area, and is likely to lead to conflicts between land uses.

- The groundwater resources of the Central Hills are at the most risk from reductions in rainfall and changes to extraction regimes. Extension of the irrigation season, while not necessarily increasing the volume of extraction, can impact on the ability of the aquifers' seasonal recovery and lead to an overall decrease in water level.
- The flattening out of seasonal rainfall patterns induced by climate change may impact water levels and salinity in the long term, as aquifers recharge through groundwater flow from the outcropping aquifers that receive direct rainfall recharge.
- For the viticulture industry the impacts of increased temperature and variations in temperature will influence timing of physiological processes such as timing of budburst. This is likely to include earlier ripening during warmer temperatures with potential impacts on fruit quality, and compression of harvest dates between varieties. The impact of climate change on water availability, particularly on the timing and amount of rainfall, will also influence irrigation with more water being required and potentially not available. As the Central Hills is classed as cool climate, impacts of temperature may mean traditional cool climate varieties will not grow successfully.
- For horticulture higher temperatures and increased frequency of extreme temperatures may increase the frequency and severity of disorders such as sunburn browning. Water supplies may also be affected with potential reductions in stream flow of 20-30%.
- For the grazing industry, higher temperatures are likely to result in more intensive management of stocking rates as variations in temperature and rainfall impact on pasture growth. Winters are predicted to be warmer with fewer frosts, so growth rates could be higher, and using nitrogen fertiliser during winter may become more effective. Summers are predicted to be hotter, beginning earlier and finishing later – potentially causing heat/moisture stress over summer, while shortening the peak of spring growth and delaying the start of 'autumn'. Short rotation pasture systems and winter fodder crops may become more attractive than irrigating pasture over summer. Grazing management is also likely to require better prediction tools and models, particularly for rainfall, to enable suitable stock management to ensure soil cover and natural resources are not degraded.

## National

In the first year of the current Federal Government, economic reform has been a high priority, with the focus being on delivering a budget which seeks to deliver a budget surplus within the life of the Parliament. The difficulty the Government has experienced in securing its budget measures has raised concerns in the business community that the Australian economy will have a reduced capacity to deal with any major global economic shocks similar to the global financial crisis of 2008.

## State

Over the last decade the South Australian economy has been the subject of major structural adjustment pressures with the focus being on the automotive sector arising from the closure of Mitsubishi engine plant at Lonsdale and the assembly plant at Tonsley Park and the recent

announcement of the General Motors Holden's Elizabeth closure. Whilst this does not spell doom for the State's economy it does underline the need to set a new direction.

The general direction outlined in the State Government's recent *Shaping Our Future* document highlights a focus on premium food and the more creative industries associated with high value-added manufacturing. Given the significance of the agriculture sector to the Adelaide Hills' economy, the skills and qualifications and proximity to the Adelaide metropolitan area, Adelaide Hills Council has the attributes to make a significant contribution to the future of the South Australian economy.

### Pattern of settlement

The 30 Year Plan for Greater Adelaide sets out a number of regional targets for Adelaide Hills and Murray Bridge:

- 13,000 net additional dwellings
- 29,000 net additional population
- 13,000 net additional jobs<sup>8</sup>

Whilst the Adelaide Hills Council area will accommodate a relatively small proportion of housing and population, most will be accommodated at nearby Mount Barker. The growth of Mount Barker as a regional service centre will make rural lifestyle living more attractive and will place added pressure on traditional agriculture.

More than most regions, the Adelaide Hills Council economy is defined by its geography and topography. Its location within the Mount Lofty Ranges water catchment is very strategic as it is the State's major and sustainable water catchment providing:

- a substantial proportion of the water requirements of Metropolitan Adelaide, and about 75% of South Australia's population.
- almost 65% of the Adelaide Hills total water storage capacity via Mount Bold (46.2gL), Millbrook (16.5gL), Kangaroo Creek (19.1gL) and South Para (45.3gL) reservoirs (out of 10 in the total catchment)
- water which is the cheapest water supply option for the State, followed by water pumped from the River Murray, and water from the Desalination Plant on Gulf St Vincent.

Consequently, the State planning system seeks to protect this fundamental resource which has implications for land use expansion including agriculture and associated manufacturing and population growth. As outlined in the 30 Year Plan for Greater Adelaide, much of the population growth and associated industry expansion in the region is designated mainly for Mount Barker Council with a significant allocation in Murray Bridge.

So, Adelaide Hills' pattern of settlement is not only geographically pre-determined it will be the subject of close scrutiny at the State level.

---

<sup>8</sup> 30 Year Plan for Greater Adelaide - A volume of the South Australian Planning Strategy 2010 p168

# POLICY CONTEXT

## Introduction

In terms of policy impact on the economy, the State Government has the most significant impact. Much of the context is drawn from the *State of the Regions Report 2011* (updated 2013) by Adelaide Hills Council with additional information provided as part of research for the profile.

## The Planning Strategy

The Planning Strategy is one of the key strategic planning documents produced by the State Government, along with the Strategic Infrastructure Plan for South Australia, Housing Plan for South Australia and the South Australia Greenhouse Strategy.

The key role of the Planning Strategy is to integrate Government land use and development policy and actions and, of relevance to the Adelaide Hills, it comprises two documents:

- the 30-Year Plan for Greater Adelaide (February 2010)
- the Planning Strategy for Regional SA (Jan 2003, as amended at Feb 2010)

The State's Planning Strategy is implemented through the area-based Development Plans, which provide the framework for development assessment. There is a single Development Plan in the Adelaide Hills Council District that sets out the planning policies for the control of development within the Council District.

## The 30 Year Plan for Greater Adelaide

The 30 Year Plan for Greater Adelaide sets the following targets:

- a steady population growth of 560,000 people.
- the construction of 258,000 additional homes
- economic growth of \$127.7 billion
- the creation of 282,000 additional jobs.

The regional targets relevant to Adelaide Hills Council, which region includes the District Council of Mount Barker and the Rural City of Murray Bridge are set in table 36.

**Table 36: Regional targets for Adelaide Hills and Murray Bridge**

Population and dwellings	Net additional dwellings	<b>13,000</b>
	Net additional population	<b>29,000</b>
Affordable housing	Net additional dwellings	<b>1950</b>
Employment	Net additional jobs	<b>13,000</b>
Gross land supply	Townships (incl. local employment)	<b>2010 Ha</b>

It is important to note that most of the new dwellings and population are designated for Mount Barker and Murray Bridge. There is very little scope for Adelaide Hills Council to increase its population, given its location in the watershed and its topography.

Attachment 1 sets out in the relevant provisions of the 30 Year Plan for Greater Adelaide in greater detail.

**Adelaide & Mt Lofty Ranges Natural Resources Management Plan 2014/15 - 2023/24**

The State’s *Natural Resources Management Plan (2012–2017)* sets the strategic blueprint for natural resources management in South Australia. This State Plan aims to integrate the management of natural resources more closely with regional development and primary production. It also takes a ‘landscape-scale’ approach to natural resource management across public and private land.

The *Adelaide and Mount Lofty Ranges Natural Resources Management Plan 2014/15 to 2023/24* is required to be consistent with the State Plan. The State Plan provides guidance through vision and goals, guiding targets, high level indicators and representative measures.

The Plan recognises four key drivers of change identified for the Adelaide and Mount Lofty Ranges region:

- climate change
- land management and change
- economic impacts
- knowledge and capacity

The Plan's strategic directions have been grouped to address each of these key drivers because of their potential impact on the overall natural resource resilience of the region. The strategic directions are intended to assist the region to adapt to the impact of each driver. The strategic directions for economic impacts are set in Table 37.

**Table 37: AMLRNRM - strategic directions and key partners**

Strategic Directions	Potential Partners
Support and encourage sustainable primary production	PIRSA, industry groups, land managers, AMLRNRMB, EPA
Support and encourage sustainable marine industries	PIRSA, industry groups, AMLRNRMB, Renewal SA
Support and encourage sustainability in other industries reliant on natural resources	Regional Development Australia, industry groups, local government
Maximise the use of stormwater and treated wastewater	local government, DEWNR, SA Water, AMLRNRMB, EPA
Recognise the intrinsic economic value of biodiversity	NGOs, land managers, AMLRNRMB

Ensuring sustainability of natural resources in a regional economy with a strong agriculture sector is essential. Perhaps the most contentious issue for agriculture however, is that of water sustainability and its delivery via the Water Allocation Plan (WAP) mechanism (A water allocation is an authorisation under the NRM Act to take water from a prescribed water resource).

## **Local Government**

### **Adelaide Hills Councils Strategic Plan 2014 to 2017**

*Chapter 3: Prosperous Economy* is provided as attachment 2

### **Townships and Urban Areas DPA**

Over recent years Council has prepared a number of reports and studies which are of relevance to its Townships & Urban Areas DPA. The most significant of these include a Housing Study, a Development Plan Review and a Township Character Study. These studies provide a series of clear objectives for the formulation of planning policy. The relevant objectives adopted by Council are:

- consistent planning policy across the Council area in terms of structure, format and expression; planning policy providing clear direction for applicants, the community and planners;
- character of townships and urban areas protected by Desired Character Statements;
- growth within townships and urban areas matched to infrastructure capacity;
- buffers and separation distances between residential areas and farming land;
- home based businesses encouraged within residential areas; and,
- town centres which are sufficient in area, and provide clear guidance for retail and business development.

This DPA covers urban areas and townships of Aldgate, Bridgewater, Balhannah, Charleston, Crafers, Gumeracha, Heathfield, Houghton, Inglewood, Kersbrook, Lenswood, Lobethal, Mount Torrens, Mylor, Norton Summit, Oakbank, Rostrevor, Teringie, Stirling, Summertown, Upper Sturt, Uraidla, Verdun, Woodforde, and Woodside.

### **Proposed Primary Production Lands DPA**

The DPA is proposing to review the policies relating to the rural areas of Council and will develop policies to:

- implement the recommendations of the Designated Primary Production Areas Study conducted by the Department of Primary Industry and Resources SA (PIRSA); and,
- provide policy guidance for primary production activities.

The protection of primary production areas is considered to be a critical issue. The intent of the DPA is to ensure that the limited high quality primary production land resource within the Mount Lofty Ranges remains available for primary production.

## **South Australian Strategic Plan (SASP)**

The inaugural Plan was launched in March 2004, and updated through an extensive community consultation process in 2006, and again in 2010. SASP provides the high level targets which drives the State Government's 'whole-of-government' strategies. These targets also provide the high level framework against which the Planning Strategy and other high level government strategic documents are prepared.

Targets that relate to regional South Australia include:

- target 4: tourism industry
- target 35: economic growth
- target 37: total exports
- target 40: food industry
- target 46: regional population levels
- target 56: strategic infrastructure.

## **South Australian Economic Development Plan**

There have been a number of iterations of the State's Economic Development Strategy.

In early 2012, the government established seven strategic priorities.

- Growing advanced manufacturing
- Creating a vibrant city
- Premium food and wine from our clean environment
- Realising the benefits of the mining boom for all South Australians
- An affordable place to live
- Safe communities, healthy neighbourhoods
- Every chance for every child

A year since these priorities were first articulated, the State Government released an economic statement which reasserted these strategic priorities.

## **Shaping the Future of South Australia**

Following the election of a new State Government in March 2014, *Shaping the Future of South Australia* was launched on 11 August 2014 which laid out the Government's top 10 economic priorities, as follows:

### **1. Unlocking the full potential of South Australia's resources, energy & renewable assets**

- Continue to support exploration and development, and leverage the activity generated by mining and energy into new intellectual property, jobs and global business opportunities for mining services companies.
- Continue to protect the natural environment, ensure that there is a shared approach to land access and make efficient use of water and energy.

### **2. Premium food and wine produced in our clean environment and exported to the world**

South Australia has significant opportunities in high quality food and wine, combined with a strong reputation for food safety, biosecurity and product integrity.

- Maximise the production of value added and differentiated food, with a focus on Asia based on the State's international reputation as a quality food producer.
- Centres of excellence in food and agricultural research and production will help industry export its ideas, intellectual capital, products and services.

### **3. A globally recognised leader in health research, ageing and related services & products**

The South Australian Health and Biomedical Precinct will be one of the largest health precincts in the southern hemisphere and add to the state's reputation for health and biomedical research and innovation.

- Optimise the research, teaching, training and clinical services in South Australia to accelerate the development and delivery of world-class healthcare and ageing products and services, leading to the development of new industries.

### **4. The Knowledge State - attracting a diverse student body & commercialising our research**

- Collaboration and co-investment between global and local industry and research institutions to drive the development of the State as a place of knowledge creation and innovation, particularly in areas of excellence such as mining, resources, and defence.
- Commercialisation for research outcomes for the benefit of the state based on:
  - appropriate infrastructure, facilities and research centres, and
  - a reputation for knowledge sharing and collaboration
- Attract an increasing number of students from around the world to undertake science, technology, engineering and maths studies in South Australia, and in turn sustain a rich pool of talented people.



## **5. South Australia - a growing destination choice for international and domestic travelers**

South Australia has a unique and compelling landscape and story to tell.

South Australia's tourism industries employ more than 30,000 people in a range of different jobs and throughout the regions, with an economic benefit of around \$5.2 billion.

- Ensure that visitors to the state are able to access it easily and having arrived, the infrastructure and local service offerings exceed expectations.

## **6. Growth through innovation**

The transformation of the South Australian economy will be built upon our ability to adopt new ways of doing things and use advanced technologies to build globally competitive high value firms.

An environment of innovation has the infrastructure, finance, information, institutions and people with skills and connections to support companies taking risks and reaping the rewards of business change.

Complex manufacturing and engineering projects in defence, mining, resources and other sectors will sustain an ecosystem of creative, innovative and nimble firms.

## **7. South Australia - the best place to do business**

South Australia offers many advantages as a place to do business - access to a skilled workforce, high quality infrastructure, available and affordable land and a supportive government.

- Remove barriers to business growth, accelerate the approval processes and ensure that regulations support opportunity rather than create burdens.
- Government agencies must have a strong customer service focus and can-do attitude.
- Collaborating with both business and the community to implement further planning reform, fix the workers compensation system to get people back to work as quickly as possible and reform the taxation system to support growth in jobs and prosperity.

## **8. Adelaide, the heart of the vibrant state**

The city is the gateway to South Australia's diverse regions and our arts, festivals, fine foods and wine. It has an advanced economy, world-class universities and a flourishing multicultural heritage.

As the State's capital, it is essential that Adelaide competes nationally and internationally for people and investment and that it thrives as the cultural, economic and social centre of the State.

- Creating an environment to encourage new investors, residents and visitors.

## **9. Promoting South Australia's international connections and engagement**

South Australia's prosperity depends on its international connections, alliances and exports.

- Attract foreign direct investment that connects with overseas markets, capital and know-how.
- Continue to build on the State's history of multiculturalism to attract people to the state with new ideas, entrepreneurship, cultural connections and capital.

## **10. South Australia's small businesses have access to capital and global markets**

With more than 140,000 businesses in South Australia employing less than 20 people, the growth, diversity and resilience of the State's economy depends on small businesses thriving.

Small businesses are the most effective engine for job creation.

- Continue to accelerate the growth and transition of the State's small businesses towards niche, globally competitive opportunities.
- Government and small business in collaboration with banks and market researchers to identify local and international opportunities, accessing domestic and international markets and securing capital to accelerate business growth and employment across South Australia.

All have relevance to the Adelaide Hills economy given the proximity to Adelaide but priorities 2, 5 and 10 resonate most strongly. The relatively highly qualified and skilled workforce in the Adelaide Hills means that we can participate in the attraction of the new industries.

## **Regional Statement for South Australian 2013**

The Regional Statement is guided by the State's 7 strategic priorities outlined above:

The statement reaffirms a commitment to regional areas by highlighting the importance of regional communities to the continuing economic development of the State.

It does outline some of the attributes which distinguish the broader Regional Development Australia<sup>9</sup> region of which Adelaide Hills Council is a part:

- Unemployment rate (June 2011) - 4.1% (State average 5.5%)
- Major employment (2011/12) – 'Agriculture, forestry and fishing' (13.4%), 'retail trade' (11.5%), 'construction' (11.1%)
- Regional Opportunities
  - Major producer of fresh food and cool climate wines, predominately in the Adelaide Hills.
  - Appealing residential living in the Adelaide Hills will continue to make towns such as Mount Barker population growth centres.

---

<sup>9</sup> Regional Development Australia Adelaide Hills, Fleurieu and Kangaroo Island

The Regional Statement is supported by the *Excerpt from 2014–15 Budget Paper 3 — Budget Statement — Chapter 8: Regional South Australia* which sets out a range of funding initiatives including:

The regional development package of initiatives is worth \$39 million in the first year and \$29 million per annum thereafter. The \$39 million includes:

- \$10 million as a once-off **Jobs Accelerator Fund** in 2014–15, directed at regional development opportunities
- \$13.4 million per annum increase to the **Regional Development Fund** to be allocated over 5 programs:
  - **Regional Food Initiatives Program** to support regionally-based food organisations to build a stronger regional food presence around South Australia.
  - **Small Grants Program** to support new regional employment and investment opportunities linked with State Government strategic priorities.
  - **Major Projects Program** to support major economic projects designed to strengthen regional industries, support local economies and opportunities through investment in strategic projects.
  - **Community Infrastructure Program** to support investment in regional communities to develop their economic infrastructure and grow their capabilities as a foundation for future jobs and economic growth.
  - **Country Cabinet Program** to support communities that host Country Cabinet meetings for projects
- \$15.5 million per annum drawn from existing resources across government.

The Government of South Australia’s regional development package of \$39 million in new and existing funding is highlighted by the *Charter for Stronger Regional Policy*, which sets out a number of opportunities for regional communities to interact with the government, including:

- the reintroduction of three Country Cabinet meetings in regions each year
- at least one state parliamentary forum in a regional area per year 2014–15 (Budget Statement 119)
- the requirement that at least one minister to spend a day each week in a regional area
- holding at least three Senior Management Council meetings in regions each year
- the development of an interactive portal connected to the <sa.gov.au> website to engage with regional communities
- a dedicated GovChat program that enables regional South Australians to discuss issues directly with the Premier, ministers and chief executives.

The charter also provides for a greater focus on regional South Australia in government decisions through regional engagement processes.

## SA Government Premium Food and Wine from our Clean Environment - Action Plan

The Plan's vision is South Australia to be known as a renowned producer of premium food and wine from clean water, clean air and clean soil.

The themes and actions under each are outlined as follows:

- Build our brand
  - Promote our premium quality and clean credentials
  - Further develop targeted local, national and international markets for food and wine
  - Continue to build our reputation for food and wine tourism experiences
- Grow our capability
  - Drive innovation to improve productivity and differentiate our product
  - Enhance business capability through the value chain
  - Support workforce growth and development
  - Ensure a competitive business environment
- Secure production
  - Maintain leadership in biosecurity, product integrity and food safety standards
  - Improve confidence through the sustainable use of natural resources
  - Encourage clean production through efficient practices

In 2013 the Action Plan was updated with a new vision: *South Australia to have a vibrant agribusiness sector that continues to grow and provide high quality, safe, clean food and wine that is sustainable and internationally competitive.*

This update includes the following elements and is positioned as adding to the action plan outlined above:

- Protecting the State's premium brand which includes
  - A research and development facility to be built in the Upper Spencer Gulf to lead a national effort to combat fruit fly
  - Phylloxera detection tests to be trialled in 2014-15 with a commercial testing service to be established
  - Moratorium on genetically modified foods in South Australia until 2019 and increase promotion of South Australia's non-GM status.
- Increasing productivity - new soil management techniques that could boost food production by \$800 million annually once fully implemented will be developed and trialled
- Promoting local food and wine - a new 'buy local' policy will be introduced across government to encourage use of local food, wine and beverages at catered events and functions.

## **South Australian Tourism Plan 2020**

The *South Australian Tourism Plan 2020* identifies five priority action areas if it is to achieve the tourism expenditure target of \$8 billion by 2020 (currently \$5.1 billion) which will generate an additional 10,000 jobs:

- driving demand
- working better together
- supporting what we have
- increasing the recognition of the value of tourism
- using events to grow visitation
- with another 2 areas to influence:
  - the total cost of doing business
  - investment in public infrastructure

The Plan articulates the following role for local government:

- work with the Regional Tourism Organisations on specific activities, including festivals and events, investment attraction and marketing
- support the provision of visitor information through Visitor Information Centres
- foster local community capacity to be ambassadors for visitors in their area
- work with the tourism industry to help it deliver the social and economic outcomes to help create resilient and thriving local communities
- take into account the value of tourism to the local area in broader decision making

## **Adelaide Hills Regional Strategic Tourism Plan 2011 - 2014**

The Adelaide Hills Tourism Region includes Adelaide Hills and Mt Barker Councils.

The Plan:

- sets out targeted strategies and actions aimed at lifting the performance of the region's tourism industry above that expected from trend or organic growth
- provides tourism operators with a blueprint to assist them to strengthen their position in the future of the Adelaide Hills tourism industry
- encourages innovation, product development and continual improvement from existing operators as well as informed new investment in a well-supported industry environment
- focusses on the high yielding market segments.

The Plan is designed to:

- raise the awareness of the wider community and highlight the potential for growth in the region's tourism industry

- encourage community comment and other feedback on the development of the region's tourism industry and promote community support and commitment
- highlight the role of all stakeholders and the wider community in promoting tourism development
- provide local, state and commonwealth governments with a blueprint to assist in the design of cross-agency (whole of government) and inter-governmental support for the region's tourism industry

The target for the Plan is to grow visitor expenditure in the region at a rate of 7.7% per annum, lifting it from \$116.3 million in 2008 /09 to \$168.5 million by 2013/14. This target is consistent with the *State Tourism Plan*. However, the State now has a timeframe to 2020 so the next iteration of the plan will need to be consistent with this.

### **The Adelaide Hills Destination Action Plan 2012 - 2015 (updated 2013)**

*Destination Action Plans* (DAPs) are consumer-led action plans for each region that prioritise resources and projects to achieve the goals set out in the state and regional strategies.

Whilst linked to the *South Australian Tourism Plan 2020's* \$8 billion tourism potential target, DAPs are focused primarily on projects that can be delivered in the next 3 years. The key points in the DAP for Adelaide Hills are:

- total visitations – growth rate not stated but has out-performed State and national trends. Growth has largely been driven by interstate visitors from Victoria and day trips from Adelaide
- future growth – projected to grow by 45% by December 2020 with the potential to contribute to the 2020 SA Strategic Plan goal by potentially growing 75% over that period into an industry worth \$190 million to the region
- strategic focus – leverage Adelaide Hills close proximity to Adelaide and make the Hills a 'must do' experience when visiting Adelaide
- key insights:
  - six times more day trips visitors than overnight stays
  - accommodation profile similar to Adelaide rather than regional
  - consumer appeal high but feeling that the experiences are not unique to the region
  - need better definition of what the region's holiday experience is beyond wine, that will distinguish the Hills from other regions
  - conversion rate of intrastate visitors considering to visit (13%) to actually visiting is low (3%)

### **South Australia China Engagement Strategy - December 2012**

The rationale for the strategy is:

- China is South Australia's largest two-way trade partner; our exports include a range of mineral resources, bulk agricultural commodities and wine

- South Australia is attracting Chinese investment in the resources sector, the wine industry and property, and local companies are successfully investing in China
- South Australia has a 26-year sister-state relationship with Shandong province, the third largest provincial economy in China
- the largest proportion of overseas students coming into South Australia is from China.
- South Australia is attracting more Chinese tourists
- the Chinese business migrant community in South Australia is growing and flourishing, bringing investment and jobs

To achieve an effective engagement with China, the South Australian Government has developed the following 4 key actions:

- **Key Action 1:** Consolidate and promote South Australia’s capability as a partner in China’s social, cultural and economic development

The Government will work with local industry, institutions, and non-government sectors to define and develop South Australia’s ‘value proposition’ for China in terms of broad-based Asia-relevant capabilities and opportunities. It will establish key trade, collaboration and cultural exchange platforms, while targeting direct investment in world-class South Australian projects, and creating pathways to share knowledge and expertise as well as enrich cross-cultural understanding.

- **Key Action 2:** Coordinate and leverage Government activity to build a trade and investment framework for business

Develop strategic relationships with China at multiple levels of Government. In building the effectiveness of South Australia’s high-level political and diplomatic engagement with China, it will raise the State’s profile and provide an important framework for trade, investment and collaboration.

Local government is seen as having a vital role to play in establishing and nurturing government-to-government relationships in second and third-tier Chinese cities and providing an important business engagement framework for South Australia’s small and medium enterprises.

These links are seen as critical to broadening the State’s engagement with China where the scale and scope of demand is better matched by the capacity and capabilities of our local and regional economies.

- **Key Action 3:** Build and support China ready South Australian businesses

The Government will implement a range of initiatives to assist business to better engage with China. These will include the China Business Education Program.

- **Key Action 4:** Refocus Government resources to support the Strategy

The Adelaide Hills agricultural industries are interested in China but are not ready to move at this stage. However it would appear inevitable that trade and investment will occur. Council and State Governments will have an important role to play in supporting local industry endeavours.

# INFRASTRUCTURE

## Introduction

The data in this section is drawn from Council's State of the District Report 2013 (draft) and infrastructure agency plans.

Overall, Adelaide Hills Council is relatively well serviced with all of its key infrastructure. This is a function of its proximity to Adelaide and regional centres (Mount Barker and Murray Bridge) and its long history of settlement.

An area that warrants more detailed consideration is water and sewerage given that:

- Council's service delivery role in Community Wastewater Management Systems (CWMS)
- Council's regulatory role in on-site wastewater treatment and the Adelaide Hills Sewer Program (AHSP)
- The 'scarcity' of water for agriculture as enshrined in the Natural Resources Management Water Allocation Plans

High speed broadband is a strategic economic asset. The region clearly has an appetite for internet usage as revealed in the census data. There are capacity and speed limitations in using traditional copper cable. Based on usage, it would seem ready to make good use of high speed broadband of the type offered by NBNCo.

## Roads

Access to and egress from, the Adelaide Hills is relatively good with the South Eastern Freeway providing access to the south, North East Road to the north of the Council and entry points via Magill Road (Norton Summit), Greenhill Road, Montacute Road and Gorge Road.

Road transportation issues already identified by Council are:

- narrowness and alignment of some of the arterial and major local roads has become an issue for commercial vehicles, including heavy rigid vehicles
- some competition between tourist, residential and commercial traffic in the major towns
- some tourist/freight competition on some roads especially between Verdun and Birdwood and,
- a need for a north-south route in the Mount Lofty Ranges, that has adequate structural and geometric design for heavy vehicle traffic, especially for grape and timber transport
- Industry has identified B-Double access as an issue

An emerging issue is the management of traffic, particularly freight, down the South Eastern Freeway. With recent fatalities there is pressure to slow all traffic which impacts on Adelaide Hills commuter times. This is likely to be exacerbated with the development of Mount Barker as a regional centre.



The major pressures on local roads include:

- Grape transport - approximately 50% of all grapes harvested are carted to the Barossa from the Adelaide Hills. These routes generally pass through Lobethal or Woodside to Williamstown / Lyndoch or Mt Torrens / Angaston.
- Vegetable transport - almost all vegetable produce is carted to Pooraka via the arterial roads and the freeway.
- Milk deliveries - all milk delivered to Adelaide for processing would generally use the Adelaide Hills arterial road system.
- Animal transportation - abattoirs located in Murray Bridge, Strathalbyn and Lobethal are serviced by heavy vehicles using rural arterial roads.
- Tourism - although there is limited data available, tourism is known to impact on the Council road network due to the number of vehicles negotiating the Hills terrain

## **Rail**

The only railway line to pass through the Adelaide Hills region is the main interstate standard gauge alignment to Melbourne. It is a 'pass through' service and has very limited impact on economic development in the region.

## **Public Transport**

Overall, it is considered that the Adelaide Hills Council area is not well serviced by public transport, mainly due to the dispersed pattern of settlement and associated small population.

## **Communications**

The Adelaide Hills Region is generally well serviced by wired phone and internet communications services based on landlines. Most exchanges within the area can provide internet connections for a variety of internet companies. Distance of more than a few kilometres from the serving exchange can cause slower connection speeds. Mobile services are better for some carriers than others. The steep valleys around Montecute, Castambul and Cherryville can block land based signals, but are open to satellite based signals.

Census data reveals that, in 2006, of the area's 13,685 households, 35.7 had broadband connections and 35.0% used dial-up. The 2011 data shows broadband connection has more than doubled to 74.4 % with a corresponding decrease in Dial-up connection decreasing from 35.5% to 4.8%.

Overall, broadband connection has gone from 56.3% to 82.1% in the 5 year period. This is consistently higher than for the broader Adelaide statistical division (currently at 73.1%).

**Table 38: Type of household internet connection**

Enumerated data	2011			2006		
	Number	%	ADL Stat Div %	Number	%	ADL Stat Div %
Broadband connection	10,347	74.4	65.6	4,882	35.7	31.1
Dial-up connection	662	4.8	3.4	4,784	35.0	24.5
Other connection	390	2.8	4.1	59	0.4	0.6
Total internet connections	11,399	82.0	73.1	9,725	71.1	56.3
No internet connection	1,898	13.6	21.2	3,354	24.5	37.7
Internet connection not stated	611	4.4	5.7	606	4.4	6.0
Total households	100.0	100	100	13,685	100	100

Source: Australian Bureau of Statistics, Census of Population and Housing 2011, 2006.

## **Energy**

Customers are supplied from SA Power Networks distribution system via 11kV and 19kV primary distribution feeders which are connected to zone substations. These feeders are extended and upgraded as required to meet customer demand and customer connection requests. There are no system limitations forecast for the primary distribution feeders under normal conditions in the Eastern Hills Region in the next two years.

## **Water Resources**

The Mount Lofty Ranges are a major and sustainable water catchment providing a substantial proportion of the water requirements of Metropolitan Adelaide, and about 75% of South Australia's population. The Ranges also support extensive agricultural activities which use ground water and on-farm dams for irrigation and stock.

The total catchment has 10 major reservoirs, of which Mount Bold (46.2gL), Millbrook (16.5gL), Kangaroo Creek (19.1gL) and South Para (45.3gL) are located in whole or in part within the Adelaide Hills Council area. These reservoirs comprise almost 65% of the Hills total water storage capacity.

Water from the Mount Lofty Ranges is the cheapest water supply option for the State, followed by water pumped from the River Murray, and water from the Desalination Plant on Gulf St Vincent.

## **Water Allocation Plan: Western Mt Lofty Ranges**

AMLRNRMB has prepared a WAP for the Western Mount Lofty Ranges with all licenses expected to be issued by December 2014. The Plan's objective is to maintain a sustainable natural water supply for existing users and the environment.

## **Water quality Issues**

The Mt Lofty Ranges Watershed is unique in Australia in that it serves a major city from a catchment that is used intensively for agricultural, residential, hobby farming, tourism, and mining activities. The Ranges catchment also provides an important, if intermittent, aquatic environment. With about 90% of the catchment area being privately owned, difficult water catchment management and water quality issues are a constant background to conflicts between valid land use activities. As a result, development controls to protect water quality in the Ranges are often more stringent than elsewhere in the State.

Principal water quality issues include:

- poorly maintained septic tank systems discharging, or impacting on the quality of surface runoff flowing, into rivers and streams
- livestock grazing on river banks and overgrazing leading to erosion and sediment pollution entering within the catchment
- farming activities on steep valley slopes causing soil erosion which delivers sediment and nutrients into streams
- sequences of farm dams along a watercourse reducing overall flow
- inappropriate development in catchments arising from past planning policies or beginning prior to the creation of relevant policies
- toxic algal blooms in dams and reservoirs, leading to stock deaths from contaminated drinking water
- pesticides and herbicides causing contamination in some rivers and streams
- water-borne parasites (eg, Cryptosporidium and Giardia) in watercourses, often arising from stock grazing within watercourses
- sediment from erosion of degraded river banks, overgrazing and intensive horticultural practices deposited in reservoirs
- animal and human faecal contamination of rivers and streams often from inadequate wastewater systems and stock grazing within the catchment

## **Sewerage and Waste-water Management**

Improving water quality in the Mount Lofty Ranges catchment is a priority. Sewerage and waste-water management is an area needing considerable attention given that most residents use on-site waste-water treatment systems. These are environmentally inferior to a fully reticulated system given the region's topography and rainfall.

## **Walking trails**

The Council area hosts a network of walking and mountain bike trails which form part of the infrastructure supporting tourism.

# SECTOR ANALYSES

## Apples and Pears

### Introduction

The sector analysis for the Apple and Pear Industry is drawn from information available from Adelaide Mount Lofty Region Natural Resource Management Plan, Regional Development Australia's Sustainable Food and Wine Project, the Apple and Pear Growers Association SA's website and interviews with industry representatives.

Whilst the industry data is not geography specific, most of the apple and pear production in South Australia occurs in the Adelaide Hills Council area. Given the dominance of the apple industry within the sector, most of the analysis relates to apple production.

### The industry

The region was first settled in the mid 1800's and as trees were felled for timber production for the nearby developing Adelaide township, orchards were soon established on the cleared areas.

Most pear production is in Paracombe and Kersbrook. About 84% of the State's apples are grown in the Adelaide Hills Council area, mainly in Lenswood and Forest Range, but they are also grown in the Cudlee Creek, Ashton, Basket Range and Uraidla areas.

The farm-gate value for production in the Adelaide Hills is estimated to be approximately \$29 million. The total gross value of horticulture to the Adelaide Hills is approximately \$56 million per year<sup>10</sup>.

### Industry structure

Apple producers are all privately owned and mainly family businesses with the 4 largest producers accounting for approximately 80% of production. The industry is witnessing restructuring with retirement of established producers and expansion of the larger producers.

Storage and distribution is concentrated in the Lenswood Co-op which packs between 70% and 80% of the State's apples. There remain 5 other main packing houses for apples and 3 for pears.

There was consolidation of packing at Lenswood approximately 4 to 5 years ago, with associated investment in new processing systems along with research into new varieties. This consolidation has provided economies of scale and aligns with trends elsewhere in the world. It also underpins a guaranteed supply when breaking into new markets.

---

<sup>10</sup>

Australian Bureau of Statistics 2011b

## Production

The pome fruit industry produced approximately 19,300 tonnes of apples and 4,940 tonnes of pears in 2008, or about 84% of the state's production.

The production of apples and pears is the second largest fruit industry in Australia, after bananas, and are grown in all six states. Apple and pear production in South Australia represents 9% and 3% respectively of the national crop and as such, is recognised as one of the major apple and pear producing regions in Australia. Apple production comprises 85% of the total apple and pear production.

## Production Systems

The Lenswood Coldstores Cooperative Society is the State's major packing house, packing over 70% of the state's apple crop with a sophisticated grading system. However there are several other packing and marketing facilities that sort, pack and sell the fruit.

Production of apple varieties has been stable for around 15 years but the product life-cycle is expected to change dramatically in the near future. There are 3 new varieties being developed, with Lenswood Co-op owning the license and sub-licensing to the producer. It costs approximately \$1 million to fully develop a new variety. The dominant variety at the moment is Pink Lady.

There is a growing trend toward controlled environment production with tree netting. It is a more recent innovation as a mechanism for controlling bird strike and burning of fruit. It also reduces evaporation and therefore, water usage.

Processing for fruit juice and cider is still relatively new but is expected to grow by 14% to 15% over the next 3 years.

Industry research has been nationalised with the Victorian Government focussing research on apples.

## Production issues

Just as urban expansion is rapid in the areas identified as prime targets for future apple and pear production needs, 'lifestyle' purchases of prime agricultural land can limit expansion options in existing areas both physically and economically (land price inflation).

Whether climate change is man-made or naturally occurring, the industry recognises that change is occurring. Although they have not seen dramatic climate change within the Adelaide Hills, the recent increase in bird strikes is seen as an outcome of a loss of habitat associated in part with climate change.

Over the longer term, horticulture is likely to be impacted by climate change in a number of ways<sup>11</sup>.

- higher temperatures and increased frequency of extreme temperatures may increase the frequency and severity of disorders such as sunburn browning.

---

<sup>11</sup> Adelaide and Mount Lofty Ranges Natural Resources Management Plan - Strategic Plan 2014/15 to 2023/24 p142

- water supplies may also be affected with potential reductions in stream flow of 20-30%.

The move towards a controlled production environment is relatively expensive with cost of netting estimated to be \$50,000 per hectare.

Water is the biggest issue facing the industry and relates to:

- the quantum available under the WAP which requires access to water by a producer to be licensed and with a specified upper limit. WAP allocations across the region are based on land use patterns in 2003 and the assumption that the available water is fully allocated. This limits flexibility in land use and, for the apple and pear industry, limits expansion particularly onto redundant viticulture land where the allocation is significantly lower than for apple and pear production (around 2 megalitres/hectare for viticulture compared with around 7 megalitres /hectare for apples)
- pricing of water - at present water is 'free', but the industry expects a charge to apply given that access to water is metered.
- availability of alternative supplies of water including water trading. At present there does not appear to be a clear understanding of how a water trading scheme may work if and when it could be needed. If, as the industry is indicating, they expect to grow in the future, access to water will become more critical.

## Markets

Around 60 % of production is sold domestically through Coles, Woolworths and the Adelaide Produce Markets. Nearly 40% is sold interstate through Lenswood Co-op with approximately 2% sold into export markets in Thailand, Malaysia, Singapore and the UK.

Additional Asian markets are being targeted but, without a Pest Free Area (PFA) status which addresses fruit-fly control protocols in particular, markets such as China cannot be accessed.

As with any new markets, consistency of supply will be an issue.

## Employment

There are 2 elements to the labour market:

- permanent - the industry association estimates between 300 and 500 people (not fte) are employed. Most of this labour is sourced locally. The industry will be undertaking an employment survey in the near future.
- seasonal - for thinning, picking and pruning which is provided through contractors. Availability of labour is good with ready access to the Adelaide labour market pool.

## SWOT Analysis

**Table 39: SWOT Apples and Pears**

Strengths	Weaknesses
<ul style="list-style-type: none"> <li>▪ Cohesive industry</li> <li>▪ Optimistic about the future</li> <li>▪ Fruit is of generally high quality</li> <li>▪ Close to market</li> <li>▪ High calibre of grower</li> <li>▪ Core group of young growers coming through</li> <li>▪ Geography and topography good for quality fruit</li> <li>▪ Good access to labour</li> </ul>	<ul style="list-style-type: none"> <li>▪ Lacking critical mass - to gain access to export markets</li> <li>▪ High cost of production due to topography</li> <li>▪ Labour costs - high due to minimum wage and high relative to other competitor nations (and related to topography)</li> <li>▪ Access to water</li> <li>▪ Access to capital - businesses are highly geared</li> <li>▪ Lack of understanding of alternative water sources particularly water trading - a concern that any trading could be confined to very small area sub-catchment zones</li> <li>▪ Lack of understanding of the World Heritage proposal</li> </ul>
Opportunities	Threats
<ul style="list-style-type: none"> <li>▪ New varieties</li> <li>▪ Export boost with Pest Free Area status</li> <li>▪ Value-adding: juicing, cider</li> <li>▪ World Heritage status</li> </ul>	<ul style="list-style-type: none"> <li>▪ Biosecurity: fruit fly outbreak, fly blight</li> <li>▪ Bird damage (20% lost in 2013) - has been building through loss of natural habitat (bushfires in Victoria etc)</li> <li>▪ Access to local markets by NZ and US producers</li> <li>▪ Decline in consumption of fresh fruit</li> <li>▪ Water levy</li> <li>▪ Climate change</li> <li>▪ Extreme heat</li> <li>▪ Bushfire</li> <li>▪ Reduced chilling (winter chill needed)</li> <li>▪ Reduced water availability</li> </ul>

## **Cherries**

### **Introduction**

This information has been sourced from an interview with the President of the Cherry Growers Association SA, the Cherry Growers website, the AMLRNRM Strategic Plan, and the RDA Sustainable Food and Wine Project.

### **The industry**

There are 3 cherry production areas in South Australia. The major one is the Adelaide Hills with the remainder being in the Riverland and the South East of the State.

The Adelaide Hills is the most significant region producing approximately 90-95% of the State's cherry production. This area is subdivided into several smaller areas which have all developed to take advantage of specific microclimate and maturity niches.

Although geographically small in area, the maturing times within the Adelaide Hills can vary by up to 2 to 3 weeks for the same variety. Sub-regions include Montacute, Cherryville, Norton Summit, Basket Range, Summertown, Uraidla, Forest Range, Lenswood, Kenton Valley and Gumeracha. Of the four main areas of cherry orchards, the largest is around Forest Range–Lenswood.

### **Industry structure**

Of the 118 enterprises, approximately 100 producers are based in the Adelaide Hills with the four largest accounting for 70% of production.

### **Production**

Total production is approximately 2,500 tonnes but could be higher according to the Cherry Growers Association. This figure is based on a national levy which records production at the point of sale. The point of sale for a proportion of the State crop is Western Australia.

### **Production Systems**

More than 50 varieties are currently being grown. However as buyers are starting to demand improved quality and longer shelf life, many of the older and poorer performing varieties are being replaced.

Overall, Merchant, Stella, Lapin, Sweetheart and Simone are the main varieties grown. There is a wide range of other varieties grown based primarily on the market niche that a region/grower has. A large number of other varieties have been introduced recently. The best performing of these include Black Star, Earlisweet, Sweet Georgia, Chelan, Earlise, Australise, Santana, Samba, Sylvia and Regina.

The *2010-11 Agricultural Census* shows that, while South Australia is 4th in Australia behind New South Wales, Victoria and Tasmania for the number of cherry trees, our high yield rates ranks us 3rd in Australia for the amount of cherries produced.

The cherry industry has a farm gate value of between \$14million and \$20 million per annum.



## Production issues

The main problem for the industry is bird strikes which is being addressed through netting:

- drape-over (white) - still can suffer up to a loss of 20% of crops
- permanent (black) - eliminates bird strike, reduces water usage via reduced evaporation and provides a superior work environment

## Markets

The markets are as follows:

- Western Australia - approximately 25% of the crop
- wholesalers into the local market
- farm gate - small but growing percentage through the development of the Cherry Trail and the interest generated in fresh produce by cooking programs
- export - very small amount

Access to some overseas markets, particularly China, is restricted due to a lack of 'Pest Free Status (PFS)' which effectively equates to a lack of recognised protocols to control/eradicate fruit-fly. Mainland Australia is seen as a single zone by the China market so it requires a national approach for resolution. There does not appear to be the political or industry organisational will to resolve this issue.

It may be possible to achieve PFS just for South Australia (as it is for Tasmania). Once again it will be test of political and industry will.

The industry estimates that if the China market was accessed, the price/kilo would increase significantly - by as much as 800%. However the logistics of increasing supply to meet the China market requirements would be a significant challenge for the industry.

## Employment

The demand for labour is seasonal and access to labour is good given the proximity to Adelaide (where backpackers reside) and harvesting occurring during school and university breaks.

The industry does not keep employment figures.

## SWOT Analysis

**Table 40: SWOT Cherries**

Strengths	Weaknesses
<ul style="list-style-type: none"> <li>▪ Close to market - Adelaide</li> <li>▪ Cherries are available for the Christmas market</li> </ul>	<ul style="list-style-type: none"> <li>▪ 100 producers with only a few really serious and 60 part-timers - potential to undermine the brand</li> <li>▪ Department of Agriculture (State) understaffed</li> <li>▪ Access to new water for expansion</li> </ul>
Opportunities	Threats
<ul style="list-style-type: none"> <li>▪ Pest Free Status - will open up niche markets and mass markets (China)</li> <li>▪ Cherry Trail - continues to grow</li> </ul>	<ul style="list-style-type: none"> <li>▪ No market access which would lead to massive oversupply. The interstate growers are generally larger and can sustain a price war longer than SA producers. This could mean a loss for local producers</li> <li>▪ Water Allocation Plan - based on a 2003 moratorium - tends to lock in status quo and lacks flexibility of land use. The potential impacts of WAPs does not appear to be fully understood industry wide. Alternative water access strategies are not well formed, in particular any notion of a water trading scheme.</li> </ul>

## Strawberries

From the value of agricultural production outlined in table 41 strawberry production accounted for 14.3% of the production value of the Other Fruit category in 2010/11.

**Table 41: Strawberry production value, Adelaide Hills Council**

Commodity	2010/11				2005/06				Change 2005/06 to 2010/11
	\$	%	SA%	AHC as % of SA	\$	%	SA%	AHC as % of SA	
Other Fruit	70,667,296	60.5	2.3	50.1	65,291,030	60.8	2.9	51.8	+5,376,266
Cherries	16,564,525	14.2	0.3	91.2	7,874,647	7.3	0.2	86.6	+8,689,878
Strawberries	16,670,005	14.3	0.4	66.0	12,939,149	12.1	0.5	59.9	+3,730,856
Apples	25,516,364	21.8	0.6	70.0	34,826,623	32.4	0.9	83.3	-9,310,259
Pears	8,827,814	7.6	0.2	74.5	8,290,374	7.7	0.3	73.0	+537,440

Source: Australian Bureau of Statistics, Value of Agricultural Commodities Produced, Australia, 2010-11. Cat. No. 7503.0

Whilst there is a Strawberry Growers Association of South Australia, it is part of a national network and is primarily a lobby group and has little statistical information available on the industry. This sector analysis draws from data on the national association website and from discussions with a representative of the industry.

The key points are:

- strawberries are grown all year round in all states of Australia. As well as extending "traditional" summertime production in temperate climates from October through to May (through the utilisation of different varieties and planting techniques), the diversity of Australian climate enables June-September production in warmer or sub-tropical climates, as presented in table 42.

This allows local producers to access national markets.

- Table 43 highlights that South Australia accounts for a little over 10% of the nation's production of strawberries with a relatively concentrated production structure of 7 main producers and 3 smaller ones. Discussion with the local association indicates that there are now 8 serious growers with 3 located in the Adelaide Hills Council district.

Adelaide Hills Council area accounts for around 30% of South Australia's production<sup>12</sup>.

- The representative of the industry identified the following issues:
  - water - at the moment there is adequate water provided through the WAP for current farm operations. However, there is concern regarding access to alternative sources of water where farm operations change and during drought years. A further concern was the lack of response regarding queries in relation to the operation of the WAP.

<sup>12</sup> Information provided by the Strawberry Growers Association of South Australia

- land use tension between producers and non-farm neighbours
- planning regulations - confusion for growers regarding approvals for change of land use.

**Table 42: Strawberries - national growing season**

State	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	% of Total Production
Vic													32%
QLD													33%
WA													22%
SA													10%
Tas													2%
NSW													1%

Source: Strawberry Growers Association website

**Table 43: National strawberry production (2010/11)**

State	# of serious growers	# of opportunistic growers	Production volume	Value (\$million)
QLD	130	10	24,000	131
VIC	66	20	25,000	151
WA	38	3	13,000	65
SA	7	3	7,500	37
Other	10	20	3,000	16
<b>Total</b>	<b>251</b>	<b>56</b>	<b>72,500</b>	<b>400</b>

Source: Strawberries Australia Inc - Strategic Investment Plan 2012 - 2017

## Wine and Viticulture

### Introduction

From a wine and viticulture perspective the Adelaide Hills Council district forms part of a larger region which extends further south to Kuitpo.

Most official data is collected, aggregated and disseminated on this basis.

Adelaide Hills Council is part of the broader Regional Development Australia Adelaide Hills, Fleurieu and Kangaroo Island region which includes the District Council of Mount Barker, Alexandrina Council, the City of Victor Harbor, the District Council of Yankalilla and Kangaroo Island.

The RDA has undertaken research into a number of industry sectors including the wine industry which has provided useful information on all of the recognised wine regions within this broader region. The broader region will be referenced to give a perspective on the scale of the viticulture and wine industry in the Adelaide Hills.

This sector analysis will draw together information provided in the RDA study on wine and beverages, industry interviews and the Phylloxera and Grape Industry Board of SA and PIRSA, ABS and economy.id .

### South Australian Wine Industry

South Australia is the top wine-producing state in Australia producing almost 75% of Australia's premium wines. PIRSA, in its recent wine scorecard<sup>13</sup> for 2012-13 shows that gross wine revenue<sup>14</sup> for South Australia increased by 7% (\$119 million) to reach \$1.87 billion in 2012/13. Grape production values increased by 13% to \$474 million, and wine-making values increased by 17% to \$1.69 billion. The wine scorecard states that:

- overseas export values increased by \$25 million (2%) to \$1.17 billion, with export wine volumes up by 11% to 457 million litres
- local consumption values increased by \$53 million (10%) to reach \$562 million
- interstate sales/stocks have increased by \$46 million (49%)
- average price per litre of exported wine declined from \$2.78 to \$2.55 (down 8%)

Overall the wine scorecard for 2012-13 estimates that 'the direct value-adding from the grape growing sectors, wine making, trades and wine retail and services sectors has contributed slightly more than 1% (or \$1.2 billion) to total Gross State Product.'

---

<sup>13</sup> Sustainable Growth for Food & Wine Project - Discussion paper 1 Wine and Beverages November 2013 Regional Development Australia – Adelaide Hills, Fleurieu & Kangaroo Island pp 4&5

<sup>14</sup> Gross Wine Revenue figure measures the final values of wine either exported or consumed in SA and is therefore the sum of SA retail and hospitality sales, overseas exports and combined interstate exports and changes in wine stocks.

Australian wine has moved from being the 18th largest global exporter of wine in the 1980s to the 6th largest in the 1990s. Australia now sits at 7th behind France, Italy, Spain, the United States, China and Argentina respectively. South Australian wine exports continue to grow, with exports to China increasing by 16% making it our third largest wine export destination. Overall South Australia exports wine to over 115 countries, with exports to the United Kingdom and the United States being the top two destinations. Wine is about the 4th largest export product for South Australia.

### Wine Region<sup>15</sup>

South Australia has 18 designated wine regions and this RDA region encompass 5 of these. The Adelaide Hills Wine Region is approximately 70km in length covering the southern part of the Mt. Lofty Ranges and consists mainly of cool climate grapes over roughly 3000 hectares. Late maturity appears to centre in the Piccadilly/Ashton area with Mount Pleasant to Piccadilly having a north to south harvesting trend and Kuitpo to Piccadilly having a south to north harvesting trend. These trends match the cooler temperatures, higher rainfall and altitudes of the Southern Mount Lofty Ranges. The region produces a range of grape varieties and wine styles from Chardonnay and Pinot Noir varieties for sparkling and table wines to Riesling, Sauvignon Blanc and Pinot Gris, Cabernet Sauvignon, Cabernet Franc, Shiraz and Merlot.

### Wine Production

In 2010/11 Adelaide Hills accounted for 3% of the State's wine grape production and 25.7% of the RDA region's wine grape production

**Table 44: Wine production - South Australia, RDA region, Adelaide Hills**

Grapevines for wine production	Estimates		
	South Australia	RDA region combined	Adelaide Hills
Total Area (ha)	76,489	11,034	3,131
Production (t)	773,959	90,105	23,163
Yield (t/ha)	11	8	7

Source: ABS, 2010-11 Agricultural Census

Data from the 2013 South Australian Wine Grape Crush survey (Phylloxera and Grape Board of South Australia) shows that the Langhorne Creek Wine region is the largest within the RDA region by the number of hectares (5,894 ha) and amount of fruit crushed (46,930 tonnes), followed by Adelaide Hills with 3,930 ha and 28,559 tonnes of fruit crushed. For 2013 the Langhorne Creek region produced South Australia's 2nd largest percentage of grapes crushed (7%) behind the Riverland at 57%. Barossa came in 3rd at 6% with Adelaide Hills at equal 4th with 4% (with the Padthaway Wine Region).

<sup>15</sup> Sustainable Growth for Food & Wine Project - Discussion paper 1 Wine and Beverages November 2013 Regional Development Australia – Adelaide Hills, Fleurieu & Kangaroo Island p 6

**Table 45: Total crush by GI Regions**

GI Region	Total Crush 2013 (tonnes)	Total Crush 2012 (tonnes)	% difference	% of State Crush
Adelaide Hills	28559	17276	65.3%	4%
Currency Creek	10032	5748	74.5%	1%
Fleurieu - remainder	1884	1863	1.1%	<1%
Kangaroo Island	260	124	109.7%	<1%
Langhorne Creek	46930	48651	3.5%	7.0%
Southern Fleurieu	687	1422	-51.7%	<1%
Total RDA	88352	75084	18%	12.6%
Barossa Valley	42,662	50,899	-16%	6%
<b>Total SA</b>	<b>700525</b>	<b>698005</b>	<b>0.4%</b>	<b>100%</b>

Source: 2013 South Australian Wine Grape Crush survey, Phylloxera and Grape Board of South Australia

Table 46 sets out the dominant varieties and the total amount grown in the Adelaide Hills. Overall, white wine grapes dominate production (66.7%) with the main varieties being Chardonnay and Sauvignon Blanc. With red wine grapes accounting for 33.3% of production, the main varieties are Pinot Noir and Shiraz.

**Table 46: Dominant Adelaide Hills winegrape varieties**

Variety	Tonnes purchased	Winery grown fruit	Total crushed	Estimated total value
<b>Red</b>				
Pinot Noir	4,252	803	5,055	\$7,409,036
Shiraz	1,273	492	1,764	\$2,798,741
Total all red winegrapes	7,697	1,804	9,501	\$13,162,898
<b>White</b>				
Chardonnay	5,062	1,022	6,085	\$7,415,447
Sauvignon Blanc	5,932	3,240	9,172	\$10,882,826
Total all white winegrapes	13,676	5,382	19,058	\$22,535,572
<b>Grand Total all winegrapes</b>	<b>21,373</b>	<b>7,186</b>	<b>28,559</b>	<b>\$35,698,469</b>

Source: SA Winegrape Crush Survey 2013 - Phylloxera and Grape Industry Board of SA

Table 47 sets out the estimated supply to 2018 for the Adelaide Hills, an increase from the 25,882 tonnes projected for 2014 to 26,104 tonnes in 2018.

**Table 47: Estimated winegrape supply to 2018**

Variety	Estimated Supply		
	2014	2016	2018
Total red winegrapes	8,634	8,764	8,764
Total white winegrapes	17,248	17,340	17,340
All winegrapes	25,882	26,104	26,104

Source: SA Winegrape Crush Survey 2013

Data on winegrape purchase price shows large differences between purchase prices between regions and between same grape varieties. Only some of these differences can be attributed to the quality of the grapes harvested. The Barossa crushed slightly less (43,824 tonnes of grapes) than Langhorne Creek (46,930 tonnes) in 2013, but at a greater value of about \$58 million compared to just under \$39 million respectively. This data seems to indicate that regions with a strong branding show a higher rate of return per tonne of grapes crushed, i.e. McLaren Vale and Barossa both show a value per tonne of their total estimated crush for 2013 at \$1384 and \$1332 respectively. Adelaide Hills had the next best value per tonne at \$1250 followed by the Clare Valley with \$1012. Langhorne Creek came in 5th with a value per tonne of \$825.

**Table 48: Winegrape purchase price comparison**

Comparison of Value of purchased grapes and total Crush Region	Total Winery Grown (tonnes)	Total Purchased (tonnes)	Total Crushed (tonnes)	% of State Crush	Estimated value of purchased grapes	Estimated value of total crush	Value per tonne of total crush
Adelaide Hills	7,186	21,373	28,559	4%	\$26,748,322	\$35,698,469	\$1250
Barossa Valley	14,733	29,092	43,824	6%	\$37,359,068	\$58,369,489	\$1332
Clare Valley	8,852	9,147	17,999	3%	\$9,119,521	\$18,214,192	\$1012
Currency Ck	2,918	7,114	10,032	1%	\$5,364,173	\$7,489,873	\$747
Langhorne Ck	18,029	28,900	46,930	7%	\$23,850,553	\$38,703,193	\$825
McLaren Vale	13,231	21,998	35,229	5%	\$30,199,521	\$48,768,457	\$1384
Riverland	69,296	326,904	396,199	57%	\$112,644,373	\$137,316,112	\$347

Source: 2013 South Australian Wine Grape Crush survey, Phylloxera and Grape Board of South Australia

The Phylloxera and Grape Industry Board of SA provide the following overview of Adelaide Hills vintage statistics:<sup>16</sup>

- the harvest from the Adelaide Hills was 28,559 tonnes in 2013, up by 11,283 tonnes (65.3%) on the 2012 harvest of 17,276 tonnes.
- total value of grapes from the Adelaide Hills increased from \$20.5m to \$35.7 m (74.1%)..

<sup>16</sup> South Australian Winegrape Crush Survey 2013 Phylloxera and Grape Industry Board of SA p 26



- there were 37 hectares of new plantings in the Adelaide Hills in spring 2012 (including top-working and replacements) compared with 38 hectares planted in 2011. Of the new plantings, Sauvignon Blanc accounted for 29.7%, with Pinot Noir and Shiraz both at 16.2%. Since 2008, the total planted area of vines in the region has been decreasing by approximately 1% each year.
- the estimated production from the Adelaide Hills region for 2014 is 25,900 tonnes, with the wineries committed intake being approximately the same value contracted. Therefore, it is expected that there will be no surplus fruit available. However, Adelaide Hills Wine Region Inc estimates the 2014 production to be in the order of 17,000 tonnes due to unfavourable climatic conditions, particularly the cold period in December 2013<sup>17</sup>
- in 2018, the estimated production increases slightly to 26,100 tonnes, of which 23,000 tonnes is already under contract or winery grown fruit. This leaves an estimated 3,100 tonnes (11.8%) yet to be contracted or available on the open market.

## Industry Structure

Within the RDA Region, Adelaide Hills Wine Region has the largest number of growers with 295 followed by Langhorne Creek with 97.

The majority of growers in the Adelaide Hills are small in size with 65% having less than 10 ha and only 5% with greater than 50 ha. Langhorne Creek by contrast has a more consistent distribution of property size with 24% greater than 10 ha, 22% with 10-24 ha and 26% for 25-49 ha. Langhorne Creek has the largest number of properties greater than 50 ha with 28% of their properties in this size category. Kangaroo Island has only small growers with 91% of properties being less than 10 ha and the remainder 10-24 ha.

**Table 49: Industry structure**

GI Region	<10 ha	10-24 ha	25-49 ha	50-99 ha	100+ ha	total
Adelaide Hills	193	58	29	13	2	295
Currency Creek	13	10	5	0	2	30
Langhorne Creek	23	21	25	14	14	97
Kangaroo Island	20	2	0	0	0	22
Fleurieu - remainder	7	4	0	3	0	14
Southern Fleurieu	36	8	6	1	0	51
<b>Total RDA</b>	<b>292</b>	<b>103</b>	<b>65</b>	<b>31</b>	<b>18</b>	<b>509</b>

Note: Grape growers can have vineyards in multiple regions

Source: 2013 South Australian Wine Grape Crush survey, Phylloxera and Grape Board of South Australia

According to Adelaide Hills Wine Region Inc. a significant number of wine producers have off-farm income. It would seem that the return on investment at this point cannot justify purchase of additional land for production.

<sup>17</sup> Based on discussions on August 2014

## Production Issues

The main issues as identified by Adelaide Hills Wine Region Inc are:

- water - with the recent introduction of the region's Water Allocation Plans further discussion is required to consider cross allocations between years and water sources and the question of how a water trading scheme could operate
- bird strikes - a problem which appears to be worsening. Netting assists, but it is not foolproof
- climate - as with all agricultural pursuits, climate is the major determinant of yield. Within this context climate change is not seen as an issue at this juncture
- planning issues - particularly in relation to securing new cellar door approvals

## Employment<sup>18</sup>

In the context of the broader region, Adelaide Hills Region has a relatively high concentration of employment in wine production (257 out of 448 for the broader region) and related retail (538 out of 931 for the broader region). Adelaide Hills also has a strong presence in beverage manufacturing.

**Table 50: Employment by place of usual residence**

Employment by place of usual residence	South Australia	RDA	Adelaide Hills	% of RDA
<b>Beverage Manufacturing</b>				
Beverage Manufacturing, nfd	22	0	0	na
Soft Drink, Cordial and Syrup Manufacturing	706	36	31	86.1%
Beer Manufacturing	303	20	14	70%
Spirit Manufacturing	21	3	3	100%
<b>Wine</b>				
Grape Growing	3044	397	163	41.1%
Wine and Other Alcoholic Beverage Manufacturing	5759	448	257	57.4%
<b>Retail</b>				
Liquor Retailing	1469	104	63	60.6%
Pubs, Taverns and Bars	8360	781	448	57.4%
Clubs (Hospitality)	1187	46	27	58.7%
<b>Total</b>	<b>20871</b>	<b>1834</b>	<b>1006</b>	<b>54.9%</b>

Data Source: 2011 Census of Population and Housing . Cells in this table have been randomly adjusted to avoid the release of confidential data. No reliance should be placed on small cells

Given the region's proximity to Adelaide, securing labour for pruning and harvesting is not a major issue when compared with other wine regions.

<sup>18</sup> Sustainable Growth for Food & Wine Project - Discussion paper 1 Wine and Beverages November 2013 Regional Development Australia – Adelaide Hills, Fleurieu & Kangaroo Island p 13

## Marketing

Information obtained from the Australia and New Zealand Wine Industry Directory sampling listings for Adelaide Hills, Langhorne Creek, Currency Creek and Kangaroo Island Wine regions showed 114 listed wine producers, of which 65 were stated as exporting to one or more countries. This equates to about 57% of wine producers exporting their products. There are approximately 50 countries to which wine is exported. The top 10 destinations were:

**Table 51: Export markets - Destinations and producers<sup>19</sup>**

Destination	Producers
China	40
England	34
Singapore	33
Canada	31
Hong Kong	28
United States	26
Malaysia	17
Germany	16
Denmark	11
Taiwan	11

Source: Australian and New Zealand Wine Industry Directory, <http://www.winebiz.com.au/widonline/wineries>

**Table 52: Exporters by region<sup>20</sup>**

Wine Region	Number of Producers Listed	Number of Producers Exporting	Percentage
Langhorne Creek	19	13	68
Adelaide Hills	80	47	59
Currency Creek	7	3	43
Kangaroo Island	8	2	25
Total	114	65	57

Source: Australian and New Zealand Wine Industry Directory, <http://www.winebiz.com.au/widonline/wineries>

The table above shows that for Adelaide Hills, of the 80 producers listed, 47 (59%) are exporters. However, exports from Adelaide Hills Region and other GIs in the broader RDA region are significantly below exports by the Barossa and MaLaren Vale. Information from Adelaide Hills Wine Region Inc suggests that between 10% and 15% of wine is exported.

The Region's wine generally tends to be at a premium price point. This premium status provides access to restaurants, and can insulate to some degree against adverse exchange rate movements.

<sup>19</sup> Sustainable Growth for Food & Wine Project - Discussion paper 1 Wine and Beverages November 2013 Regional Development Australia – Adelaide Hills, Fleurieu & Kangaroo Island p 15

<sup>20</sup> Ibid p 15

Adelaide Hills wine, as a brand, is not well known outside South Australia, and because of the region’s relatively small scale, there are limited resources for marketing Australia wide. The industry contributes funding, via levies, to the Australian Wine and Grape Authority, the State Government and the Phylloxera Board of SA. The State levy is retained by Adelaide Hills Wine Region Inc. for marketing and research. Combining this levy with other sources of income (eg membership fees) provides the organisation with a significant annual budget.

The Association undertakes a range of marketing activities including major events eg The Crush in January and Winter Reds in July, which attract approximately 15,000 people to each event. In addition there are promotional events in the Adelaide CBD.

High quality cellar doors are emerging as an important marketing vehicle. About 5 years ago The Lane was the only cellar door in this category. More recently, Bird-in-Hand, Hahndorf Hill, Anderson Hill, Nepenthe, Mount Lofty Ranges and Pike & Joyce have been established.

**SWOT Analysis**

**Table 53: SWOT wine and viticulture<sup>21</sup>**

Strengths	Weaknesses
<ul style="list-style-type: none"> <li>▪ Terrior</li> <li>▪ Geographic location (climate, soils, proximity to Adelaide)</li> <li>▪ Educated labour force</li> <li>▪ Clean and green image</li> <li>▪ Consistent Quality</li> <li>▪ Diversity of products</li> <li>▪ Biosecurity - there is a commitment to address biosecurity issues via NRM Boards</li> <li>▪ A recognised wine region domestically</li> </ul>	<ul style="list-style-type: none"> <li>▪ Complex regulatory factors and costs</li> <li>▪ Adelaide market is very competitive with 500 producers within 50 km radius</li> <li>▪ Small producers in meeting demand</li> <li>▪ Business Management Skills – particularly planning, marketing and investment funding</li> <li>▪ Terrain which necessitates hand picking</li> <li>▪ Compressed harvest period - which creates logistics issues around storage andcrushing</li> <li>▪ Not a well recognised wine region on the east coast</li> <li>▪ Water Allocation Plans - uncertainty regarding access to alternative water sources</li> </ul>
Opportunities	Threats
<ul style="list-style-type: none"> <li>▪ New markets inc. exports to Asia</li> <li>▪ Tourism</li> <li>▪ Regional Branding</li> <li>▪ Local market development</li> <li>▪ Investment funding</li> <li>▪ Sales through on-line and cellar doors</li> </ul>	<ul style="list-style-type: none"> <li>▪ Exchange rates</li> <li>▪ Competition from within and outside of Australia, particularly New Zealand Sauvignon Blancs</li> <li>▪ Diminishing return on investment for viticulture investment</li> <li>▪ Biosecurity</li> </ul>

<sup>21</sup> Sustainable Growth for Food & Wine Project - Discussion paper 1 Wine and Beverages November 2013 Regional Development Australia – Adelaide Hills, Fleurieu & Kangaroo Island p 19 - modified based on discussions with local industry representatives

## Grazing

From the value of agricultural production outlined in table 54 sheep and cattle production is a significant part of the economy.

The gross total value of the grazing industry in the Central Hills is \$11 million, mostly through prime lambs and beef cattle.

**Table 54: Main value - livestock slaughterings**

Commodity	2010/11				2005/06				Change 2005/06 to 2010/11
	\$	%	SA%	AHC as % of SA	\$	%	SA%	AHC as % of SA	
Livestock slaughterings	10,095,177	8.6	22.7	0.7	5,322,234	5.0	19.2	0.6	+4,772,943
Sheep and lambs	1,382,475	1.2	8.6	0.3	1,040,271	1.0	7.0	0.3	+342,204
Cattle & calves	4,068,432	3.5	5.1	1.3	3,141,245	2.9	6.0	1.2	+927,187

Source: Australian Bureau of Statistics, Value of Agricultural Commodities Produced, Australia, 2010-11. Cat. No. 7503.0

## Tourism

### Introduction

From a State tourism perspective the Adelaide Hills Council is aggregated with District Council of Mount Barker to form the Adelaide Hills Tourism Region. This has been formalised in a number of plans:

- Adelaide Hills Regional Strategic Tourism Plan 2011 to 2014
- The Adelaide Hills Destination Action Plan 2012 to 2015 updated 2013

Accordingly, statistics are collected, aggregated and disseminated on the basis of this regional alignment.

Adelaide Hills Council is part of the broader RDA region which also includes the District Council of Mount Barker, Alexandrina Council, City of Victor Harbor, District Council of Yankalilla and Kangaroo Island Council. The RDA has undertaken research into a number of industry sectors, including tourism and hospitality, which has provided useful information for the purpose of this report.

This sector analysis draws together information provided in the RDA study, South Australian Tourism Commission and Adelaide Hills Tourism.

### Tourism significance

For the broader RDA region manufacturing, especially ‘food processing and wine making’ (9.6%) and ‘agriculture, forestry and fishing’ (7.9%) are the two highest contributors to the regional economy for the region with the exception of investment in housing stock. Of the industries that contribute to regional employment by full time equivalent (fte) employment, ‘agriculture, forestry and fishing’ comes in 2nd at 11.4% and manufacturing including ‘food processing and wine making’ and ‘accommodation and restaurants and cafes’ come in at 6th and 7th respectively with 9.1%. When casual and part-time employment in ‘accommodation, restaurants and cafes’ is factored in, it jumps to 3<sup>rd</sup> at 11.1%.

Tourism, which covers a number of industries including ‘food processing, wine and accommodation’, ‘restaurants and cafes’ and ‘retail’ is estimated to contribute to the regional economy in the order of 10.4% and 12.2% of the regions employment (fte), which in turn makes it the most significant industry for this region<sup>22</sup>.

Data from Tourism Research Australia shows that within South Australia, Adelaide Hills is ranked 9th for tourism expenditure and 5th for visitor numbers, indicating that the average spend by tourists to the Adelaide Hills is small compared to other regions, most likely due to its proximity to Adelaide reducing overnight stays in the region.

---

<sup>22</sup> Sustainable Growth for Food & Wine Project - Discussion paper 7 Tourism and Hospitality Value Add June 2014  
Regional Development Australia – Adelaide Hills, Fleurieu & Kangaroo Island pp 6&7

**Table 55: Regional expenditure and visitor numbers**

Regional Expenditure and Visitor numbers	Expenditure	Rank	Visitors- Domestic & International	Rank
Region				
Adelaide	\$3 billion	1	6,652,000	1
Adelaide Hills	\$112 million	9	1,022,000	5
Barossa	\$143 million	7	879,000	8
Clare Valley	\$68 million	12	356,000	11
Eyre Peninsula	\$255 million	5	683,000	10
Fleurieu (includes McLaren Vale which is not part of the RDA region)	\$378 million	2	2,911,000	2
Flinders & Outback	\$291 million	3	1,089,000	4
Kangaroo Island	\$75 million	11	269,000	12
Limestone Coast	\$272 million	4	1,176,000	3
Murrayland	\$96 million	10	896,000	7
Riverland	\$138 million	8	718,000	9
Yorke Peninsula	\$192 million	6	1,009,000	6

Source: Tourism Research Australia, February 2014

Employment by place of usual residence from the ABS 2011 Census show that within the RDA region about 10.6% of the workforce is employed in 'food retail or accommodation', 'café and restaurant services' which is the same as the State average. The majority of those are employed in 'supermarket and grocery stores' followed by 'takeaway food services' and then 'café and restaurants'.

Table 57 sets out the number of tourism businesses in the Adelaide Hills. Most businesses are in the non-employing and micro businesses categories (67.5%).

As part of the study of the economic impact of world heritage listing, Econsearch provided an analysis of the impact of the tourism sector. In aggregate, it was estimated that expenditure by tourists in the Adelaide Hills region in 2009/10 (\$55 million) generated the following level of regional economic activity<sup>23</sup>:

- \$34 million in gross regional product, which represents 3.0 per cent of the regional total (\$1.1b).
- Approximately 500 full-time and part-time jobs which represent 4.6 per cent of the regional total (almost 11,000 total jobs).
- Approximately 400 fte jobs which represents 4.2 per cent of the regional total (9,750 fte).
- \$19 million in household income which represents 3.2 per cent of the regional total (\$578m).

<sup>23</sup> Economic Impact Projections for UNESCO World Heritage Site listing of the Mount Lofty Ranges Agrarian Landscape A report prepared for The Mount Lofty Ranges Working Group by EconSearch 28 May 2012 p 17

**Table 56: Employment by place of usual residence<sup>24</sup>**

Employment by place of usual residence	South Australia	RDA Region	Adelaide Hills	Fleurieu	Kangaroo Island
<b>Food Retail</b>					
Food Retailing, nfd	492	30	21	6	3
Supermarket and Grocery Stores	20,832	1,396	864	460	72
Specialised Food Retailing, nfd	18	0	0	0	0
Fruit and Vegetable Retailing	1,431	133	83	50	0
Fresh Meat, Fish and Poultry Retailing	1920	152	76	68	8
Liquor Retailing	1470	103	66	32	5
Other Specialised Food Retailing	2,724	220	137	68	15
<b>Accommodation, Café &amp; Restaurants</b>					
Accommodation	7295	708	185	366	157
Accommodation and Food Services, nfd	77	5	5	0	0
Food and Beverage Services, nfd	257	15	10	5	0
Cafes, Restaurants and Takeaway Food Services, nfd	337	12	8	0	4
Cafes and Restaurants	12,160	1,049	628	377	44
Takeaway Food Services	14,566	751	468	266	17
Catering Services	2,010	120	80	35	5
Pubs, Taverns and Bars	8360	781	445	291	45
Clubs (hospitality)	1187	46	24	19	3
<b>Total</b>	<b>78,121</b>	<b>5,718</b>	<b>3,243</b>	<b>2,095</b>	<b>380</b>

Data Source: 2011 Census of Population and Housing. Cells in this table have been randomly adjusted to avoid the release of confidential data. No reliance should be placed on small cells nfd = not further defined

**Table 57: Tourism employing businesses**

Employing businesses					Non-employing businesses (includes owner/manager)	Total businesses
Micro (1-4 employees)	Small	Medium	Large	Total employing		
190	181	73	200+	444	338	782

Source: Tourism Research Australia Regional Tourism Profile for Adelaide Hills 2012/13

<sup>24</sup> Sustainable Growth for Food & Wine Project - Discussion paper 7 Tourism and Hospitality Value Add June 2014 Regional Development Australia – Adelaide Hills, Fleurieu & Kangaroo Island pp 15&16



**Table 58: Regional economic activity generated by tourism**

	Tourism Expenditure \$m	GRP \$m	Employment		Household Income \$m
			fte	Total	
Food products	4	2	16	17	1
Wholesale trade	3	2	23	23	2
Retail trade	14	8	186	243	6
Accommodation, Restaurants, Cafes	7	4	55	79	3
Transport	2	1	16	14	1
Cultural and Recreational Services	2	1	20	24	1
Other sectors	6	12	89	104	6
Net taxes	5	5	-	-	-
Imports	13	-	-	-	-
<b>Total tourism</b>	<b>55</b>	<b>34</b>	<b>406</b>	<b>504</b>	<b>19</b>
<b>Adelaide Hills Region</b>	<b>-</b>	<b>1122</b>	<b>9750</b>	<b>10940</b>	<b>578</b>
Tourism Share of Region	-	3.0%	4.2%	4.6%	3.2%

Source: EconSearch analysis

### Tourism Attributes

Tourism listings taken from the Regional Tourism Profiles for 2012 indicate that the relative strengths of the tourism offer in the Adelaide Hills lies in 'attractions', 'bed and breakfast accommodation' and 'events'.

The RDA region has about 10% of the State's 'hotels, motels and serviced apartments with 15+ rooms' and an average occupancy rate lower than the State average; Adelaide Hills fairs better for average occupancy rate at 56%. For the combined RDA region an average annual taking from these establishments was recorded as \$27 million dollars or 7 % of the total for the State.

The South Australian Tourism Commission's website identifies approximately 200 cellar doors from the Barossa to the Coonawarra. Of these, 53 are located in the Adelaide Hill Wine Region according to numbers provided by the South Australian Food and Wine Guide. Another 12 are located in the Southern Fleurieu, 10 on Kangaroo Island, 7 at Langhorne Creek and 6 in Currency Creek.

The Adelaide Hills Cellar Door guide (2014) lists additional experiences with cellar doors consisting of wine / cheese and wine / chocolate tastings, comparative tastings, vinery and winery tours, vineyard picnics, golf challenges and natural bushland walks.

**Table 59: Tourism listings for South Australia, RDA Region and Adelaide Hills<sup>25</sup>**

Listings	SA	Total for RDA Region	% of SA	Adelaide Hills	% of RDA Region
Attractions	1291	342	26	105	30.7
Accredited Visitor Information's Centres	45	8	18	2	25.0
Tour Operators	269	59	22	7	11.9
Events	298	39	13	8	20.5
Hotels, motels, resorts	253	42	17	7	16.7
Caravan parks / Camp Grounds	124	22	18	1	2.0
Cabins and Cottages	535	185	35	40	21.6
Backpackers/hostels	43	11	26	2	18.2
B&Bs	537	210	39	71	33.8
Self - Contained properties	1208	436	36	58	13.3
<b>Total Accommodation Listings</b>	<b>2700</b>	<b>906</b>	<b>34</b>	<b>178</b>	<b>19.6</b>

Source: Regional Tourism Profiles 2010-2012, SATC

Note: Businesses may have multiple listings and also may be listed under multiple categories. Events do not include cross-regional events such as Tour Down Under

**Table 60: Tourist accommodation<sup>26</sup> - Hotels, Motels and Serviced Apartments with 15+ Rooms**

Region	Establishments (with 15+ Rooms)	Number of Rooms	Average Occupancy Rate	Takings \$m
Adelaide Hills	5	184	56%	\$6
Fleurieu	14	455	47%	\$10
Kangaroo Island	8	245	51%	\$11
Total AH, F & KI	27	884	51%	\$27
South Australia	265	12,682	63%	\$399
% of SA	10%	7%	NA	7%

Source: Regional Tourism Profiles June 2010-2012, SATC

<sup>25</sup> Sustainable Growth for Food & Wine Project - Discussion paper 7 Tourism and Hospitality Value Add June 2014 Regional Development Australia – Adelaide Hills, Fleurieu & Kangaroo Island p 8

<sup>26</sup> Sustainable Growth for Food & Wine Project - Discussion paper 7 Tourism and Hospitality Value Add June 2014 Regional Development Australia – Adelaide Hills, Fleurieu & Kangaroo Island p 9

**Table 61: Cellar doors<sup>27</sup>**

Wine Region	Approximate Number of Cellar Doors
Barossa	144
McLaren Vale	65
Adelaide Hills	53
Clare	52
Langhorne Creek	7
Kangaroo Island	10
Currency Creek	6
Southern Fleurieu	12
<b>Total Cellar Doors</b>	<b>88</b>

Sources: SA Food and Wine Guide, Adelaide Hills Cellar Door Guide

## Visitation

Tables 62 to 67 provide a summary of Adelaide Hills domestic overnight visitor profile in 2012/13.

To summarise:

- domestic overnight visitors are in the minority
- most were visiting and staying with friends and relatives
- Aldgate/Stirling was third on the list of areas visited
- food and wine was one of main experiences being sought
- internet was the main source of information
- intrastate tourism dominated compared with interstate

**Table 62: Visitor profile summary**

Visitors	Expenditure \$million	Visitors (‘000)	Nights (‘000)	Average stay Nights	Average trip expenditure	Average nightly expenditure
Domestic day	61	870	np	np	70	np
Domestic overnight	51	145	403	3	352	127
International	np	7	105	15	np	np

Source: Tourism Research Australia Regional Tourism Profile for Adelaide Hills 2012/13

np - not published due to reliability concerns

<sup>27</sup> Sustainable Growth for Food & Wine Project - Discussion paper 7 Tourism and Hospitality Value Add June 2014  
Regional Development Australia – Adelaide Hills, Fleurieu & Kangaroo Island p 12

**Table 63: Purpose of visit**

Purpose of visit	Visitors '000	Nights '000	Share of visits %	Share of nights %	Average stay Nights
Holiday	37	70	25	17	2
Visiting friends/relatives	91	304	63	75	3
Business	np	np	np	np	np
Other	np	np	np	np	np

Source: Tourism Research Australia Regional Tourism Profile for Adelaide Hills 2012/13

np - not published due to reliability concerns

**Table 64: Visitor destination preference**

Top 3 SA2s visited	Visitors '000	Nights '000	Share of visits %	Share of nights %	Average stay Nights
Hahndorf - Echunga	44	70	30	17	2
Mount Barker	37	153	25	38	4
Aldgate Stirling	25	86	18	21	3

Source: Tourism Research Australia Regional Tourism Profile for Adelaide Hills 2012/13

**Table 65: Visitor accommodation**

Top 3 Accommodation	Visitors '000	Nights '000	Share of visits %	Share of nights %	Average stay Nights
Home of friend or relative	91	291	63	72	3
Hotel, resort, motel or motor inn	28	45	19	11	2
Total camping/caravan	np	np	np	np	np

Source: Tourism Research Australia Regional Tourism Profile for Adelaide Hills 2012/13

np - not published due to reliability concerns

**Table 66 Visitor experience preference**

Experiences	Visitors '000	Nights '000	Share of visits %	Share of nights %	Average stay Nights
Culture and heritage	np	np	np	np	np
Nature based	np	np	np	np	np
Indigenous	np	np	np	np	np
Food and Wine	78	np	54	np	np

Source: Tourism Research Australia Regional Tourism Profile for Adelaide Hills 2012/13

np - not published due to reliability concerns

**Table 67: Visitor information source**

Top 3 information sources	Visitors '000	Nights '000	Share of visits %	Share of nights %	Average stay Nights
Internet	54	161	38	40	3
Previous visit	29	154	20	38	5
Friends or relatives	np	np	np	np	np

Source: Tourism Research Australia Regional Tourism Profile for Adelaide Hills 2012/13  
np - not published due to reliability concerns

**Table 68: Visitor origin**

Top 3 visitor origins	Visitors '000	Nights '000	Share of visits %	Share of nights %	Average stay Nights
SA	86	177	59	44	2
Vic	np	np	np	np	np
NSW	np	np	np	np	np

Source: Tourism Research Australia Regional Tourism Profile for Adelaide Hills 2012/13  
np - not published due to reliability concerns

The Regional Tourism Profile 2010-2012 prepared by South Australian Tourism Commission provides an annual visitor summary.

**Table 69: Average annual visitors**

	Intrastate	Interstate	Total Domestic	International	Total Visits
Visits	55,000	50,000	106,000	6,000	112,000
%	49%	45%	95%	5%	100%
Nights	148,000	196,000	344,000	84,000	428,000
%	38	46%	80%	20%	100%
Average length of stay	2.7	3.9	3.2	14.0	3.8%
<b>Day Trips</b> [Average annual day trips to the Adelaide Hills Tourism Region]					876,000

Source: SATC The Regional Tourism Profile 2010-2012

**Table 70: Purpose of visit**

Average Annual Visitors					
	Holiday	Visiting Friends and Relatives (VFR)	Business	Other	Total
Visits	42,000 (38%)	54,000 (48%)	np	np	112,000
Nights	116,000 (27%)	229,000 (54%)	np	np	428,000
Average length of stay	2.8	4.2	np	np	3.8

Source: SATC The Regional Tourism Profile 2010-2012  
np - not published due to reliability concerns

The *International Visitors in Australia – September Quarter 2013* report shows that, in the year ending September 2013, South Australia had 362,000 visitors of which 327,000 visited Adelaide and 122,000 visited Regional SA. The average expenditure per visitor (including package expenditure) was lower for 'Regional SA' (\$892) than 'Adelaide' (\$1,739). The highest spending international visitors to South Australia were from China, spending in all about \$126 million in the year ending 30th September 2013. The next highest was the United Kingdom spending a collective \$60 million.

When visitor age profiles are considered, Adelaide Hills and Fleurieu peak in the 55-64 age group for international visitors and pre-retirement experience seekers. Domestic visitor rates show a more even distribution of the age groups, but with Fleurieu attracting more families with children. This seems to indicate a more general appeal to all age groups in the domestic market.

When length of stay is examined across the region, different patterns are observed between international and domestic visitors. International visitors to Adelaide Hills seem to be a majority in the short stay of 1 night or at the other end of the spectrum at the 15+ nights. International visitors to Kangaroo Island are usually short stays as opposed to domestic visitors where the majority stay for 3 – 7 days.

The average number of day trip visitors per annum to Adelaide Hills was 876,000 visitors, 2.3 million for Fleurieu and 37,000 for Kangaroo Island.

The top two categories of domestic visitor origins for each region were:

- Adelaide Hills - Adelaide (30%) followed by people from Regional SA (22%).
- Fleurieu - Adelaide (70%) followed by Regional SA (16%)
- Kangaroo Island – Adelaide (53%) followed by people from Regional SA (19%)

The following are the key insights from the *Destination Action Plan* (DAP) for the Adelaide Hills region<sup>28</sup>:

- six times more day trips visitors than overnight stays
- accommodation profile similar to Adelaide rather than regional
- consumer appeal high, but feeling that the experiences are not unique to the region
- need better definition of what the region's holiday experience is beyond wine, that will distinguish the Hills from other regions
- conversion rate of intrastate visitors considering to visit (13%) to actually visiting is low (3%)

---

<sup>28</sup> Destination Action Plans for Adelaide Hills, Fleurieu & Kangaroo Islands 2012-2015 as updated July 2013, SATC

## SWOT Analysis

**Table 71: SWOT Tourism<sup>29</sup>**

Strengths	Weaknesses
<ul style="list-style-type: none"> <li>▪ Geographic location (climate, soils, close to Adelaide)</li> <li>▪ Most attractions are in the Adelaide Hills Council area</li> <li>▪ Educated labour force</li> <li>▪ Clean and green image</li> <li>▪ Quality</li> <li>▪ Diversity of products</li> <li>▪ Biosecurity</li> <li>▪ Seasonality which generates return visitation</li> <li>▪ Hahndorf is a recognised attraction and good to leverage off</li> </ul>	<ul style="list-style-type: none"> <li>▪ Skill shortages</li> <li>▪ Inconsistent customer service</li> <li>▪ Limitations around relative population &amp; small domestic market</li> <li>▪ Small producers in meeting demand</li> <li>▪ Business management skills – particularly planning, marketing and investment funding</li> <li>▪ Fragmented consumer data</li> <li>▪ Close to Adelaide so fewer overnights</li> <li>▪ Limited options for additional accommodation - development restrictions via the Watershed zoning</li> <li>▪ Market intelligence is limited</li> <li>▪ Public tourism resourcing is insufficient</li> </ul>
Opportunities	Threats
<ul style="list-style-type: none"> <li>▪ Restaurant Australia Campaign</li> <li>▪ Regional branding</li> <li>▪ Local market development</li> <li>▪ Investment funding (local and inbound)</li> <li>▪ World Heritage Listing bid</li> <li>▪ RDA is developing an investment tool to attract investment into tourism</li> <li>▪ Wine tourism has scope for growth</li> <li>▪ Leveraging Adelaide Oval redevelopment</li> <li>▪ Industrial tourism - micro-breweries, food production</li> </ul>	<ul style="list-style-type: none"> <li>▪ Exchange rates</li> <li>▪ Climate change</li> <li>▪ Perception of bushfire risk by potential visitors</li> <li>▪ Greater incidence of bushfires</li> <li>▪ Bushfires and business continuity</li> <li>▪ Competition from within and outside Australia</li> <li>▪ Urban Development</li> <li>▪ Withdrawal of State Government funding for Visitor Information Centre</li> </ul>

<sup>29</sup> Sustainable Growth for Food & Wine Project - Discussion paper 7 Tourism and Hospitality Value Add June 2014 Regional Development Australia – Adelaide Hills, Fleurieu & Kangaroo Island p 20 and modified to include research findings from discussions with industry representatives

## Manufacturing

Manufacturing in the Adelaide Hills is primarily related to agricultural sector with the 3 major employment sources being 'meat and meat product manufacturing', 'bakery product manufacturing' and 'beverage manufacturing' (mainly wine production).

**Table 72: Main employment - Manufacturing**

Industry	2011			2006			Change 2006 - 2011
	Number	%	SA	Number	%	SA	
Manufacturing	818	9.1	10.6	827	9.6	12.9	-9
Meat and Meat Product Manufacturing	182	2.0	0.6	193	2.2	0.5	-11
Bakery Product Manufacturing	104	1.2	0.6	67	0.8	0.6	+37
Beverage Manufacturing	189	2.1	0.9	199	2.3	1.1	-10

Source: Australian Bureau of Statistics, Census of Population and Housing 2006 and 2011. Compiled and presented in economy.id by .id, the population experts

'Meat and meat product manufacturing' is focused around Lobethal with Thomas Foods' abattoir located to the east of the township.

Industrial zones are located in Woodside and Lobethal, with the latter being home to the iconic (but now defunct) Onkaparinga Woollen Mills. The Woollen Mill buildings have been successfully transformed into a business park under the stewardship of the Council. The park is almost at full capacity with some tenants seeking more space. The tenant list is provided in table 73.

**Table 73: Adelaide Hills Business and Tourism Centre - tenancy schedule**

Tenant	Business field
Adelaide Hills Fine Wine Centre	Winemaker
Adelaide Hills Wine Centre	Administration and marketing
AMLRNRM Board	Administration
Australian Pure Fruits	Food processing
Colin Best	Household storage
Blisstrade Pty Ltd	Fruit juice manufacturer
Building 3 Winemakers	Winemaker and cellar door
Design Craft SA	Sign-writer
Fruit Dehydrators Australia	Health food
Henstock Technologies	Light engineering
Inspired 4 You	Costume hire
Lights of Lobethal	Community



Tenant	Business field
Lions Club of Onkaparinga	Community
Lobethal Bierhaus	Beverage manufacturing
Lobethal Community Association	Community
MacBride Horwood Agencies	Bakery
Nemet Transport	Scrap metal
Onkaparinga Woollen Mill Museum	Museum/storage
Rohilla Pty Ltd	Garden supplies, storage
Tilbrook Estate	Winemaker cellar door
Udder Delights	Food production

Source: Adelaide Hills Business and Tourism Centre

## SWOT Analysis

**Table 74: SWOT - Manufacturing**

Strengths	Weaknesses
<ul style="list-style-type: none"> <li>▪ Proximity to Adelaide for markets</li> <li>▪ Proximity to Adelaide for labour</li> <li>▪ Access to major interstate freight route</li> <li>▪ Successful conversion of the Onkaparinga Woollen Mill into a business park</li> </ul>	<ul style="list-style-type: none"> <li>▪ Lack of long term supply of industrial land for expansion for existing businesses</li> <li>▪ Freight movement within the Council area</li> <li>▪ Asset management costs associated with the Adelaide Hills Business and Tourism Centre</li> <li>▪ Nomenclature of the Adelaide Hills Business and Tourism Centre does not reflect the services provided. It is a business park only.</li> </ul>
Opportunities	Threats
<ul style="list-style-type: none"> <li>▪ Growing identity of Adelaide Hills as a premium wine region</li> <li>▪ Planned population growth in Mount Barker</li> </ul>	<ul style="list-style-type: none"> <li>▪ Exchange rate appreciation</li> <li>▪ Variability of agricultural production due to climatic conditions</li> </ul>

## Small Business

The ABS regional profile (2014) provides an estimate of business numbers by employment numbers over a 5 year period. As with the South Australian economy generally most are 'non-employing businesses' (66.7% in 2012). Only 11.7% of business had 5 or more employees in 2012.

ABS *Counts of Australian Businesses, 2007-2009* showed that only 21 business employed between 50 and 99 employees with 6 in agriculture, 3 in retail trade, 6 in wholesale trade and 3 in accommodation and food services.

The largest groupings for businesses were in 'Construction', 'Agriculture, Forestry and Fishing' and 'Professional, Scientific & Technical Services'.

When compared with other urban fringe Councils, Adelaide Hills has a significantly higher business population with a relatively strong representation in 'Professional, Scientific & Technical Services' and 'Health Care and Social Assistance'.

There is limited data available on home based businesses, given that it is not a specific industry category in the national accounts. With around 67% of businesses being non-employing it seems reasonable to conclude that a significant proportion of these would be home-based.

The performance of small business in the townships appears to vary, with Lobethal retail business start-ups tending not to last too long. Whilst this is anecdotal, one of the reasons given is the spatially dispersed nature of the retail mix. Stirling on the other hand, with approximately 150 businesses, has few vacancies.

The Stirling Business Association is funded via a levy on businesses with the resources deployed for:

- marketing and promotion mainly via events which focusses on The Laneway which is run in conjunction with the Stirling Markets; and,
- a social media and digital strategy including a web page.

The Association sees the next priority as attracting visitors. There is little prospect of autonomous growth given the planning restrictions on future large scale growth in the Council area. In this regard it would appear that the Association's priority for a digital strategy is well placed. Tourism Research Australia data indicates that the top information source for visitors is the internet (refer table 67). The City of Unley's main-street digital economy strategy would be a useful reference point.

**Table 75: Number of businesses by employment size**

	2008	2009	2010	2011	2012
Number of non-employing businesses	2731	2664	2813	2708	2707
Number of employing businesses: 1-4 employees	912	880	896	886	877
Number of employing businesses: 5 or more employees	479	492	472	483	475
Total number of businesses	4122	4036	4181	4077	4059

Source: ABS Regional profile 2014

**Table 76: Business comparison with urban fringe Councils 2009**

	Adelaide Hills		Barossa		Mount Barker	
<b>Total</b>	<b>4092</b>		<b>2241</b>		<b>2754</b>	
Agriculture, Forestry and Fishing	711	17.4%	676	30.2%	445	16.2%
Mining	18	0.4%	0	0.0%	15	0.5%
Manufacturing	207	5.1%	206	9.2%	135	4.9%
Electricity, Gas, Water and Waste Services	9	0.2%	6	0.3%	6	0.2%
Construction	734	17.9%	313	14.0%	556	20.2%
Wholesale Trade	153	3.7%	54	2.4%	78	2.8%
Retail Trade	222	5.4%	114	5.1%	196	7.1%
Accommodation and Food Services	105	2.6%	102	4.6%	99	3.6%
Transport, Postal and Warehousing	157	3.8%	114	5.1%	143	5.2%
Information Media and Telecommunications	42	1.0%	9	0.4%	15	0.5%
Financial and Insurance Services	169	4.1%	92	4.1%	139	5.0%
Rental, Hiring and Real Estate Services	352	8.6%	153	6.8%	255	9.3%
Professional, Scientific & Technical Services	517	12.6%	153	6.8%	275	10.0%
Administrative and Support Services	144	3.5%	36	1.6%	68	2.5%
Public Administration and Safety	9	0.2%	6	0.3%	6	0.2%
Education & Training	60	1.5%	9	0.4%	12	0.4%
Health Care and Social Assistance	234	5.7%	63	2.8%	93	3.4%
Arts and Recreation Services	64	1.6%	15	0.7%	27	1.0%
Other Services	114	2.8%	90	4.0%	138	5.0%
Not Classified 1	71	1.7%	30	1.3%	53	1.9%

Source: ABS Counts of Australian Businesses, 2007-2009

## SWOT Analysis

**Table 77: SWOT - small business**

Strengths	Weaknesses
<ul style="list-style-type: none"> <li>▪ Close to Adelaide tourist market</li> <li>▪ Close to Adelaide airport and cruise-ship port</li> <li>▪ Stirling markets as an attractor</li> <li>▪ Iconic attractions in townships</li> </ul>	<ul style="list-style-type: none"> <li>▪ Relatively fragmented sector geographically</li> <li>▪ Conflict between Stirling Business Association and Stirling Markets regarding branding</li> <li>▪ Limited expansion opportunities</li> <li>▪ Signage on the South Eastern Freeway to various attractions</li> <li>▪ Lack of autonomous market growth</li> <li>▪ Carparking in Stirling</li> </ul>
Opportunities	Threats
<ul style="list-style-type: none"> <li>▪ Population growth in Mount Barker and Murray Bridge</li> <li>▪ Council premises as a lever to improve carparking in Stirling</li> </ul>	<ul style="list-style-type: none"> <li>▪ Risk of bushfire and impact on business continuity</li> </ul>

## Residential

Table 78 provides a snapshot of median house price movement in the Adelaide Hills suburbs over 2 years. Sales information from the Real Estate Institute of South Australia is for the second quarter of each year. A number of suburbs and localities have recorded only a few sales during those periods, so no meaningful trends can be inferred. However, in suburbs such as Aldgate, Bridgewater, and Stirling, two conclusions can be drawn:

- The median house price is higher than the Adelaide median house price of \$415,000 (2014)<sup>30</sup>
- The market is relatively strong at the lower end of the market (Bridgewater) but weaker in the older more established suburbs (Aldgate, Stirling)

This is confirmed when compared with median house prices for Mount Barker.

### **Discussions with local real estate agents revealed:**

*For the market covering the suburbs of Crafers, Crafers West, Stirling, Algate, Bridgewater, Verdun, Mylor, Upper Sturt, Piccadilly -*

- market has been subdued since November 2010 - a delay in the impact of the global financial crisis of almost 3 years
- the Adelaide Hills market tends to be more stable than the Adelaide market
- the last 12 months has seen an improvement in buyer activity - in the main suburbs, 32 houses are currently on the market, down from 130 the same time last year (clearing out of stock). The market is price sensitive but there has been an increase in pre-sale activity
- the market categories are:
  - Bridgewater - 1st homebuyer
  - Aldgate - older, 2nd homebuyer
  - Stirling - professional couples looking for a step up
  - Crafers - similar to Stirling
  - Crafers West - budget buyer
  - Mylor - hobby farmer
- those buying tend to be people raising a family and looking for lifestyle (different to the Mount Barker demographic)
- the average price is \$600,000 with the cheapest around \$400,000. There are some in the \$1million to \$3 million range
- housing in the \$800,000 to \$1.1 million is an uncertain part of the market
- not much international interest in the area - less than 5% over the last 12 years
- interstate purchasers (mainly from Western Australia, Victoria and New South Wales) account for 15% of the market and tend to focus on Stirling to Cherry Gardens

---

<sup>30</sup> Real Estate Institute of South Australia

*For the rural areas, mainly rural lifestyle -*

- lifestyle rural market remains down and is still yet to recover from the global financial crisis
- recovery in this market is at least 18 months away
- owners of larger properties (up to 40 hectares) tend to be Adelaide based seeking a rural lifestyle which generates an income, mainly from running horses and cattle
- real estate prices influenced mainly by travel time from Adelaide
- in the last 3 months there has been growing interest in properties around the \$500,000 level
- properties in the price range of \$1 million to \$2 million are slow
- properties over the \$2 million level are in demand
- most purchasers are interested in the land component and tend to demolish existing dwellings

**Table 78: Median house prices in Adelaide Hills Council suburbs**

Median House Prices - Second Quarter April/June 2012 to April/June 2014								
Suburb	Sales 2Q 2012	Median 2Q 2012	Sales 2Q 2013	Median 2Q 2013	Median Change 2012 to 2013	Sales 2Q 2014	Median 2Q 2014	Median Change 2013 to 2014
ALDGATE	15	688,500	22	701,500	1.89%	16	680,000	-3.1%
BALHANNAH	6	454,500	4	486,250	6.99%	7	379,000	-22.1%
BIRDWOOD	nsr	nsr	4	402,500	na	3	440,000	9.3%
BRIDGEWATER	23	435,000	26	407,500	-6.32%	11	485,000	19.0%
CRAFERS	5	801,000	12	520,000	-35.08%	7	505,000	-2.9%
CRAFERS WEST	3	482,000	7	537,500	11.51%	5	640,000	19.1%
GUMERACHA	1	395,000	2	444,000	17.22%	3	265,000	-40.3%
HAHNDORF	12	428,750	12	495,000	15.45%	10	535,125	8.1%
LENSWOOD	1	570,000	3	375,000	-34.21%	1	460,000	22.7%
LOBETHAL	11	305,000	14	340,000	11.48%	10	289,000	-15.0%
MT BARKER	49	376,250	55	339,500	-9.90%	44	360,000	6.0%
MT TORRENS	nsr	nsr	1	515,000	na	2	362,500	-29.6%
NORTON SUMMIT	nsr	nsr	2	553,500	na	1	500,000	-9.7%
OAKBANK	2	480,000	3	635,000	32.29%	1	340,000	-46.5%
PICCADILLY	1	678,000	1	760,000	12.09%	1	520,000	-31.6%
STIRLING	13	624,000	18	630,000	0.96%	14	590,000	-6.3%
SUMMERTOWN	1	520,000	1	600,000	15.38%	2	728,000	21.3%

Source: Real Estate Institute of South Australia  
 nsr - no sales recorded

# STRATEGIES

## Introduction

In preparing an economic development strategy, it is appropriate to recap the characteristics of the region which were articulated in the economic overview section, and which set it apart from other regions, using the following indicators which were outlined in the RDA Regional Roadmap 2103:

- adaptive capacity of the region - strengths and weaknesses in human capital and sustainable communities
- national competitive Index - strengths and weaknesses in access to markets, comparative advantage and business competitiveness

In relation to adaptive capacity, the study concluded that the Adelaide Hills Council area:

- has an adaptive capacity index score well above the state average. It is characterised by a close proximity to a major centre (Adelaide), larger populations, good connectivity (internet access), diverse economies, relatively low levels of unemployment, highly qualified residents and relatively high median household incomes. Adelaide Hills rates in the top 2 Councils in South Australia for this 'endowment of resources'.
- is strong in each of the four 'capital' groups of physical, economic, human and social capital. Standouts include higher average household incomes, high proportions of tertiary qualifications (graduates), high level of females in 'non-routine' jobs, and low levels of lone person households. However Adelaide Hills performed below the median in 'social capital' and particularly in a rating for 'community strength', which is a measure of access to support from family and friends and participation in community groups and activities at school where there are school aged children.

In terms of relative competitiveness the Adelaide Hills LGA was seen to have particular strengths in:

- good health, high levels of post school qualifications and good levels of technological readiness such as access to the internet
- an efficient labour market with relatively low unemployment rates, high participation rates and low rates of welfare dependence
- market advantages in the size of the economy and its population

The key characteristics and opportunities for Adelaide Hills Council area were identified as:

**Table 79: Key characteristics and opportunities**

Key characteristics	Opportunities
<ul style="list-style-type: none"> <li>▪ a relatively affluent community with large residential populations in the southern and western townships with less densely populated areas, with a more rural 'feel', towards the northern boundary</li> </ul>	<ul style="list-style-type: none"> <li>▪ servicing the resident population through improving connectivity between the local communities as well as with the Adelaide Metropolitan Area through the provision of park and ride and more scheduled public transport</li> </ul>

Key characteristics	Opportunities
<ul style="list-style-type: none"> <li>▪ a community with a generally well educated and experienced workforce</li> <li>▪ a community with strong comparative advantage industries in agriculture and tourism which benefit from high yielding, well serviced agricultural land, unique natural assets and good access to Adelaide metropolitan markets</li> <li>▪ a set of smaller, more rural communities in the northern area with reasonable access to the northern suburbs of Adelaide</li> <li>▪ a community where population and economic growth is constrained by the Mt Lofty Ranges water catchment area, water allocation planning and its topography leading to risks associated with natural events like bushfire.</li> <li>▪ a community with a high proportion of commuters to the Adelaide Metropolitan Area by road but where intra-regional travel is limited by a lack of scheduled public transport</li> <li>▪ a community that is particularly susceptible to bushfire risk with potential for increased risk due to climate change</li> </ul>	<ul style="list-style-type: none"> <li>▪ land use planning and other strategies aimed at protecting high yield agriculture land and maintaining viability for the region's agriculture based communities</li> <li>▪ encouraging diversity through land use planning that allows further value adding to agriculture industry activity and responding to opportunities provided by new technologies</li> <li>▪ enhancing tourism industry opportunities including building links to existing industries like food and wine and emerging industries like arts, culture, history and heritage</li> <li>▪ managing risks from natural events, particularly bush fire in the context of climate change</li> </ul>

Source: RDA Regional Roadmap 2013

In addition to these points it is important to consider what differentiates the Adelaide Hills economy from others. Phil Ruthven (IBIS) made the observation that around 75% all regional economies are the same, i.e. those sectors which serve the local market such as retail trade and wholesale trade.

It is the 25% which differentiates the economy that needs to be the majority of the focus for an economic development strategy. For Adelaide Hills, this 25% is horticulture, viticulture (and related wine manufacturing) and tourism. What also differentiates is the highly skilled and qualified nature of the workforce.

Lastly, where a strategy implies government intervention, there needs to be a compelling rationale.

### Rationale for Government Intervention

The traditional argument for government intervention is market failure, where that failure leads to sub-optimal allocation of resources and a consequent growth trajectory below potential. Market failure can be due to:

- **imperfect information about the market** where economic players have different access to information, creating asymmetries in the market place - this afflicts industries where there is a high proportion of very small businesses, all of which lack the resources to process information necessary to maintain competitiveness.



- **public good nature of a resource** - in this case water can be considered as a public good where it has not been seen as a 'scarce' resource in the sense that its use can be controlled by a market price mechanism. This is primarily due to the inability to ascribe property rights to the use of water. Ultimately this will lead to depletion of the resource without intervention.
- **externalities** - this has long been a rationale for local government intervention where, for example, planning regulations seek to minimise the negative externalities associated with a development e.g. pollution, car-parking. At a more global level, climate change has been characterised as one of the most profound manifestations of market failure.

## **Agriculture and related industries**

The basis for State Government intervention via the Natural Resource Management structures is the resolution of externalities associated with climate change and the public good nature of natural resources including water. The policy response to market failure for water has been the introduction of Water Allocation Plans (WAPs) for each catchment, which provides for a license to be issued to each water user with a quota. Importantly, the usage is monitored via metering. This will ultimately allow a price to be attached to water.

The difficulty in policy making for the allocation of water is in the science determining the quantum of water which makes up a sustainable resource.

For growers, water is an essential resource. Intervention by the State Government is aimed at making this sustainable. Agriculture, like all sectors, is dynamic with change in land uses driven by availability of new markets, technology, etc. In response, the pattern of demand for water is likely to change. The industry believes that the WAPs lack the flexibility to adjust to this dynamic environment. In the case of an expanding apple industry which seeks redundant viticulture land, there will be a significant shortfall in water allocation given that allocations are made on the basis of land use which can differ significantly; in this case the annual allocation for apples is in the order of 7 megalitres/hectare and for viticulture, around 2 megalitres/hectare.

Alternative sources of water are available via treated wastewater and via water trading. However, there appears to be uncertainty on the part of the industry as to how a trading scheme would work. Access to treated wastewater would appear to have major logistical impediments based on the small scale and geographical dispersal of treatment sites and the difficulties associated with laying distribution systems in relatively steep terrain.

There is a case for further intervention based on information asymmetries to resolve this uncertainty so the industry can plan with greater certainty. One intervention could be for Council to facilitate an industry stakeholder meeting to identify issues of concern regarding securing alternative water sources within the framework of the WAPs. One outcome could be the facilitation of an alternative water source strategy.

The State Government has identified fruit-fly as a policy area which needs to be addressed. Addressing Pest Free Status (PFS) for the region's industries can be a means of protecting the State's premium food brand. Given that PFS is a pre-condition for local industries to access the growing markets of South-east Asia and particularly China, it would be appropriate to work with the various horticulture industry associations to determine when and how best, to proceed. Achievement of PFS

is likely to be for a broader geographical coverage than the Adelaide Hills. Council could play a leading/facilitating role in drawing the key stakeholders together to determine a plan for achieving PFS.

The agricultural sector in the Adelaide Hills is mature and generally well organised in discrete product sectors, e.g. apples and pears, viticulture, cherries. Value-adding is a function of economic and business opportunities and there are many examples of where this has occurred and continues to occur, e.g. wine production, cellar doors, cherry trail, cider production. Council has a traditional planning authority role where each of these has land use implications. Given that these activities are market driven, it would be appropriate for Council to ensure that planning regulations do not unnecessarily inhibit value-adding activities. Working closely with the associations would facilitate a supportive business environment.

There is a case for intervention via a small business service (see below) where businesses aspiring to become involved in value-adding have no experience in the value-adding activity being sought.

## Tourism

Public intervention in the tourism industry is based on the traditional market failure argument whereby, if the industry is left to operate in a free market it will not achieve its full potential. The market failure can be traced to the structure of the industry which is characterised by:

- a large number of small players
- a large number of stakeholders that identify with tourism, in particular business associations
- a large number of businesses who do not see themselves as part of the tourism industry but would benefit from, and contribute to, tourism development
- the highly disaggregated structure of the industry in the sense that, what constitutes a tourism experience which is marketable and income generating ('commissionable product'), usually comprises a number of products that are not controlled by one entity but rely on informal or formal contractual links
- the importance of 'brand' which is associated with 'place/experience' i.e. how a location is perceived. Brand has public good attributes in the sense that:
  - the 'consumption' of brand does not diminish its quantity
  - brand development is generated through collaboration but because it is difficult to value and therefore to determine the value to each business, this gives rise to the free-rider problem of each business not investing in building a collaborative brand

Brand is usually not well understood and tends to generate territoriality based on geography rather than the tourism experience which helps build brand.

Government intervention in the tourism sector is unique in the sense that it is one of the few industries where the government brings customers to the business.

Based on discussions with Adelaide Hills Tourism and the experience in other regions, there is a lack of good market intelligence and collaboration, mainly in the field of product packaging. And this is a function of the structure of the industry which is dominated by a large number of small businesses.

Discussions with industry associations indicate their belief that Adelaide Hills Tourism is under-resourced. With Adelaide Hills Council and District Council of Mount Barker contributing \$50,000 per annum each and South Australian Tourism Commission; \$30,000 per annum, it falls well short of a viable service. Based on the author's involvement in tourism and business support organisations, a viable industry support organisation requires at least \$300,000 per annum which includes a highly skilled executive officer.

For the Adelaide Hills Council this can be achieved through a combination of resourcing options:

- direct funding
- levy on tourism and tourism related businesses
- collaboration with District Council Mount Barker and SATC (as currently exists)
- collaboration with Adelaide Hills Wine Region Inc given its:
  - close links with tourism as a provider of attractions (cellar doors)
  - its organisational resource base and marketing focus
  - cultural disposition where it sees itself as being part of the tourism sector rather than being the tourism sector. It augurs well for collaboration.
- in-kind support through provision of accommodation

It could also be positioned as a small business support function, given that one of the areas which could be the focus of the intervention would be in building business capacity to operate without long term public support.

An area of concern raised in discussions in the preparation of this report is the installation of better signage on the South Eastern Freeway to direct more of the Hahndorf destined visitors to experience the products and services in the Adelaide Hills Council, specifically at the Stirling and Verdun interchanges.

Retaining the regional focus is considered appropriate given the significance of Hahndorf as a tourist draw-card and the ability to better engage with South Australian Tourism Commission, which has a strong preference for dealing with individual Councils via a regional tourism body.

### **Small Business**

The traditional rationale for intervention is market failure based on the inability of small businesses to be able to process the necessary information to realise their full potential. This will always be the case, i.e. there will always be aspirations without the capacity to realise, without assistance. What is important is to graduate businesses and proposed businesses to self sufficiency, or as is sometimes the case, counsel them against going into business altogether.

There are two small business dimensions in the Adelaide Hills:

- township/mainstreet businesses supported by local custom and tourism. There is limited scope for further residential expansion and therefore population growth. For existing businesses in the townships, increase in customer patronage would come from visitors to the area. Based on discussions with Stirling Business Association, this appears to be the focus of their efforts.

- home-based businesses which serve a range of other industry sectors. Very little is known of this sector other than it is significant in 'number of businesses' terms. From the economic profile generally it is likely that there is a relatively high proportion of businesses in the creative sector. These can be defined as those businesses creating intellectual property for their clients.

Based on contemporary business service models, small business support would have a sharp focus on business diagnostics, i.e. determining where each business or new start-up candidate is in their business planning processes. Services should be focused on assistance to intenders and small to medium enterprises (mainly small) in the start-up phase or looking to expand their business operations. All potential clients would be vetted and categorised via a diagnostic of the clients' business readiness covering such elements as:

- motivation
- skills
- working capital
- expectations
- planning
- personal status.

The Southern Success Business Enterprise Centre has implemented a triage model which sees the businesses categorised into three groups:

- those needing a lot of work at the individual level
- those working collectively with other businesses via networking functions
- those that need some reasonably brief assistance.

The services provided do not compete with State and Federal Governments' and Industry Organisations' business support services but rather, 'draw-down' these services for local businesses. Attachment 3 provides a summary of State and Federal Government and Industry Organisation assistance programs.

The issue of 'pop-ups' has been raised as an additional retail offering. Given the nature of retail distribution in the Adelaide Hills i.e. concentrations in discrete townships, it is something that would warrant close engagement with existing businesses. The Stirling Markets, held on the last Sunday of each month, are a form of pop-up and appear to work commercially.

### Industry engagement

An industry engagement plan needs to underscore any intervention. A useful starting point is to engage regularly with:

- township business associations - the objective would be to identify issues which are limiting the development potential of businesses in specific locations. Outcomes sought would be:
  - resolving the issues through learning from those associations with relevant experience and success
  - greater collaboration between businesses across the region in addressing tourist needs

- industry associations - the objective would be to identify issues which are limiting their respective industry's development potential and define a plan for their resolution. Engagement to date has identified water and pest free status as two issues to be addressed with Council playing a facilitation role.

## **World Heritage**

Adelaide Hills Council along with City of Onkaparinga, District Council of Mount Barker and Barossa Council, Alexandrina Council and District Council of Yankalilla have invested resources in the preparation of the Mount Lofty Ranges Agrarian Landscape World Heritage bid to UNESCO. Based on the bid having public good features, mainly around brand, there is justification for State Government and Councils' support. The research undertaken by Econsearch would suggest that, based on certain assumptions, there is an economic benefit to be derived from achieving world heritage status.

Discussions with agriculture based industry associations, as part of the preparation of the economic profile, indicate that the bid proposal is not well understood by the participants in the agricultural sector. This leads to 2 concerns on the part of local industry:

- the proposal will restrict growth of the sector through restrictions on land use. This compounds a view already held that the sector is already over-regulated.
- uncertainty/skepticism regarding how the claimed benefits will be generated.

This does not diminish the bid but it does indicate a need to better engage with and inform, the key players in the agricultural sector across the broader region.

## **Infrastructure**

### **Broadband**

High speed broadband and mobile communications are increasingly being deployed in other economies as a means of generating a competitive advantage. The Federal Government responded with the National Broadband Network via NBNCo, the rationale being that as a wholesaler, NBNCo would deny the private sector monopoly power, a source of market failure.

Given the appetite of the local community for internet usage it would be appropriate for Council to lobby for high speed broadband (fixed and mobile) roll-out as a priority.

### **Transport**

An emerging issue is the management of traffic, particularly freight, on the South Eastern Freeway. With recent fatalities, the pressure to slow all traffic impacts on Adelaide Hills commuter times. This is likely to be exacerbated with the development of Mount Barker as a regional centre. It would be appropriate, as has been the case with the Mayor of Adelaide Hills Council, to ensure that the resident and business interests of the Adelaide Hills Council are heard when traffic management changes are being contemplated.

### **Water**

Refer to the section on Agriculture above.

## Investment Attraction

In his presentation to UniSA on the Mount Lofty Ranges Agrarian Landscape World Heritage bid on 11 June 2014, James Rebanks<sup>31</sup> outlined research dealing with investment decision-making.

He cited the '*The Power of Destinations*' Communications Group Plc study based upon a survey of 102 members of YouGov's Thinktank panel of business leaders, plus 22 senior executives of companies employing over 500,000 individuals in up to 140 countries. The following outlines the critical ingredients in place-making and highlights the importance of 'soft' factors (author's emphasis):

- Strong economy - 68%
- Agreeable climate and environment – 67%
- Friendly local people – 66%
- Strong tradition in culture and the arts – 60%
- Widely available entertainment/leisure – 60%
- Skills base/educated workforce – 58%
- Exceptional architecture – 50%
- Good public services – 46%
- Attractive labour legislation -32%
- Strong currency – 30%
- Attractive employer legislation – 30%
- Affordable housing – 28%
- Sporting excellence – 26%
- Celebrities in music, film and fashion – 22%
- Other - 6%

He went on to highlight the significance of the cultural narrative:

- 65% of decision-makers find it difficult to differentiate between investment locations
- of these, 92% consider the image and profile of a location is becoming more and more influential in their decision-making
- for 60% of decision-makers softer factors like architecture and culture have become more important in the last 5 to 10 years
- the most successful destinations marry the softer factors with the hard, to create images and perceptions of the place where it is fun and interesting to live work and play

So, the 'big shed' theory of investment attraction is increasingly redundant.

---

<sup>31</sup> James Rebanks presentation *World Heritage: The Potential Economic Benefits* 11 June 2014 (unpublished)

Investment attraction needs to be considered in human and physical capital terms and in a Greater Adelaide context. The Adelaide Hills Council area possesses some of the more important softer attributes outlined above such as agreeable climate and environment, friendly local people (particularly those involved in tourism), widely available entertainment/leisure, and skills base/educated workforce.

It would be appropriate for the Council to work with State Government and local marketing outlets such as real estate agents to present Adelaide Hills as a destination for talent and investment, particularly that which is sourced from overseas.

### **Branding and Marketing**

The following attributes are worth considering in preparing a branding and marketing strategy:

- strategically located in the main water catchment for Greater Metropolitan Adelaide which generates considerable State Government resourcing in protecting landscapes and natural resources, and which translates into a visible manifestation of environmental stewardship
- close to Adelaide - so it has access to the services of a major city including the labour market
- offers lifestyle - cool in summer, easy access to employment in the city, attractions (wineries, restaurants, food etc)
- situated between major attractions - Adelaide (for interstate and international) and Hahndorf (intrastate and interstate and international)
- low levels of unemployment
- urban encroachment is virtually ruled out via the Planning Strategy/30 Year Plan
- good connectivity (internet access),
- highly qualified residents
- relatively high median household incomes
- an 'exporter' of high skilled labour to other parts of the Adelaide metropolitan area
- possesses attributes which are attractive to investors/talent as outlined above
- a tradition of agriculture where the Adelaide Hills is recognised nationally for apples, pears and cherry production
- Adelaide Hills Wine Region which has a growing brand for premium wines and quality cellar doors

For tourism, given the strength of Hahndorf as a tourist destination, branding needs to be on a regional basis which would still retain the Adelaide Hills nomenclature.

## Key points

From the research and analysis undertaken in the preparation of this report the main points for consideration in framing an economic development strategy are:

- a need to focus on that part of the economy which differentiates it from other regional economies, and which has growth prospects beyond local autonomous growth. For the Adelaide Hills, this is horticulture, viticulture (and related wine manufacturing) and tourism, and a highly skilled and qualified workforce.
- any intervention by government needs to have a compelling rationale, which has traditionally been market failure and such intervention needs to address the reasons for the market failure e.g. existence of externalities, public good attributes.
- whereas horticulture and viticulture (and related wine manufacturing) are relatively well established, thereby not justifying significant intervention, the tourism industry, by virtue of its industry structure can justify a much deeper involvement by government.
- for the agricultural sector generally, the following actions are appropriate:
  - assisting to reduce uncertainty associated with alternative water supplies within the framework of the WAPs, is appropriate.
  - facilitating achievement of Pest Free Status
- small business dominates the Adelaide Hills economy and industry sectors, as it does for all regional economies. Any support for small business should be considered as part of a broader approach to industry support, particularly given the resourcing required to be effective.
- Adelaide Hills Tourism is under-funded. A minimum of \$300,000 per annum resourcing is considered appropriate. This can be achieved by combining the resources of Council and other stakeholders such as Adelaide Hills Wine Inc. and a levy on the beneficiaries of any assistance. This could be the vehicle for small business support.
- any support for industry should be underscored by an engagement plan which includes regular meetings to consider collective issues of concern.
- the Mount Lofty Ranges Agrarian Landscape World Heritage bid is not well understood by those who would be the beneficiaries i.e. agricultural businesses. A more meaningful engagement with the sector is required.
- high speed broadband (for fixed and mobile communication) is a strategic economic asset. Given the relatively high propensity for internet usage by Adelaide Hills residents, it would be appropriate to actively lobby the Federal Government and internet providers to provide this infrastructure. For the Federal Government it would be lobbying for NBNCo to revise its roll-out program to include Adelaide Hills.
- Adelaide Hills Council area possesses many of the attributes which attract potential investors, mainly the 'soft' factors such as; agreeable climate and environment, friendly local people, widely available entertainment/leisure and skills base/educated workforce
- in preparing a branding and marketing strategy it would be appropriate to engage with the State Government and local marketing expertise such as real estate agents who have expertise in engaging with potential with potential investors.



# APPENDICES

## Appendix 1

Relevant provisions of the 30 Year Plan for Greater Adelaide:

D1 Creating new transit corridors, growth areas, transit-oriented developments, and centres	
Overall spatial distribution	<b>6</b> Outside the metropolitan area, concentrate growth in major regional towns and generally constrain growth in small towns and villages to protect their heritage and character.
New metropolitan and township growth areas	<p><b>13</b> Develop a network of regional towns, with an emphasis on maintaining their distinct heritage and character.</p> <p><b>14</b> Allow for limited expansion of key townships that have adequate transport and service networks.</p> <p><b>15</b> Contain the proliferation of ad hoc construction of isolated rural dwellings and subdivision of rural lands through the planned expansion of key townships, density increases in other towns and strategic designation of rural living zones.</p> <p><b>16</b> Make specific provision for employment lands in townships to encourage self-contained communities and reduce the reliance on car travel.</p>
D8 Health and wellbeing	
	<b>3</b> Protect Greater Adelaide’s high-quality food bowl areas to ensure a supply of affordable fresh food.
D9 The economy and jobs	
Employment distribution	<b>8</b> Focus business clusters around key transport infrastructure such as road, air, rail and sea terminals, particularly intermodal facilities to maximise the economic benefits of export infrastructure.
Primary production	<p><b>1</b> Maintain or improve primary production’s share of economic activity in Greater Adelaide.</p> <p><b>2</b> Investigate significant primary production areas (see Map D12) for designating in Development Plans and introduce a standard set of planning controls to protect their use.</p> <p><b>3</b> Prevent the fragmentation of primary production land by restricting land subdivision to maintain viable and prod-uctive</p>

	<p>land-use activity. These planning controls will differ across Greater Adelaide, depending on the dominant activity of a particular area and the appropriate minimum lot size of that type of agricultural activity.</p> <p><b>4</b> Remove unnecessary regulatory barriers to the adjustment of primary production activities. Development Plans should be flexible enough to allow property holders to change agricultural practices or commodity type, particularly where the change would enable increased productivity or better environmental outcomes.</p> <p><b>5</b> Encourage the development of small-scale value-adding activity that complements primary production in the local area and large-scale value-adding activity outside areas of primary production significance.</p>
Mining and resources	<p><b>1</b> Maintain adequate access to known mineral deposits and minimise potential land-use conflicts between incompatible uses, particularly residential. Appropriate separation distances will be preserved between mining activities and residential activities and other incompatible developments.</p> <p><b>2</b> Protect the major transport and freight corridors that support the mining and resources sectors.</p>
Manufacturing	<p><b>2</b> Ensure planning controls are flexible enough to adapt to new industry structures.</p> <p><b>3</b> Locate major manufacturing hubs near key freight and transport corridors.</p> <p><b>4</b> Create sufficient buffer activities and design guidelines to prevent manufacturing lands being lost to encroachment by residential activities and to prevent land-use conflicts between residential and manufacturing activities.</p>
Defence	<p><b>2</b> Provide for appropriate buffers to residential developments to minimise conflicts between defence developments and incompatible land uses.</p>
Services	<p><b>3</b> Set specific targets for the types of retail activity and services to be situated in major centres and in transit-oriented developments.</p> <p><b>6</b> Provide for sustainable tourism developments across Greater Adelaide, in line with the South Australian Tourism Plan 2009</p>

D10 Transport	
	<p><b>5</b> Plan for park and ride facilities at Mawson Lakes, Hallet Cove Beach, Smithfield and Gawler stations, to ensure outlying areas can be serviced by upgraded transport networks.</p> <p><b>7</b> Designate and protect strategic freight corridors as identified on Map D16.</p> <p><b>9</b> Provide and extend a connected bicycle network across Greater Adelaide utilising bike lanes and cycle ways.</p>
Biodiversity	
	<p><b>1</b> Introduce a clear hierarchy of environmental assets to be protected to improve development certainty and transparency—these are represented in Map D20. Incorporate the protection of these areas into Development Plans. The three categories in the hierarchy, which will be managed through Structure Plans and Development Plans, are:</p> <ul style="list-style-type: none"> <li>▪ <b>Areas of high environmental significance</b> include protected public lands (for example, National Parks and Conservation Parks), areas of private/public lands under a Heritage Agreement and land containing high value native vegetation. These areas will be protected from development unless a specific regulatory exemption applies.</li> <li>▪ <b>Areas of environmental significance</b> include areas of habitat as well as lands that have human uses (such as primary production) but support biodiversity because they are of lower environmental impact. Higher impact land uses in these areas should be avoided. However, if development cannot be avoided, environmental impacts will be minimised and offsets provided.</li> <li>▪ <b>Areas designated for human use</b> include areas where human use is the principal consideration. Development is to be consistent with the Development Plan and existing legislation.</li> </ul> <p><b>2</b> Where possible, contain growth to areas inside identified urban lands.</p>
D13 Open space, sport and recreation	
	<p><b>2</b> Ensure open space is accessible by all communities and will provide linkages to encourage walking and cycling to local activities, local activity centres and regional centres</p>

D14 Climate change	
	<p><b>14</b> Encourage commercial and industrial developers to include green buffers and shady areas in their developments, to make workplaces more liveable.</p> <p><b>15</b> Decrease the risk of loss of life and property from extreme bushfires through creating buffers around growth areas that are adjacent to native bushland.</p> <p><b>16</b> Develop other policies to minimise the impact of extreme bushfires in line with the findings of the Black Saturday Royal Commission of Inquiry.</p>
D15 Water	
	<p><b>1</b> Consistent with <i>Water for Good – A Plan to Ensure our Water Future to 2050</i>, mandate water-sensitive urban design (WSUD) for new residential and commercial developments by 2013. The Climate Change, Housing Affordability and Sustainable Neighbourhoods Task Force will advise the State Government on the most effective way to implement this policy without compromising housing affordability.</p> <p><b>2</b> Protect water supply catchments and the watershed by preventing development in areas that are rated high-risk, consistent with the Water Quality Catchment Risk Rating Scheme, and ensure that new developments have a beneficial, or at least neutral, impact on water quality in the watershed.</p> <p><b>4</b> Incorporate WSUD techniques in new developments to achieve water quality and water efficiency benefits.</p>

## **Appendix 2**

Extract from the AHC Strategic Plan 2014-18

# **3 A Prosperous Economy**

## **3.1 Economic Development**

### **A strong, diverse and sustainable local economy.**

While much of the Council’s population works outside the Adelaide Hills region, our local community can be strengthened by an economy which builds on its strengths in food production, tourism and creativity. Further development of the district’s economy will be based on an economic development strategy which understands external pressures, and employs practical economic development methods.

- 3.1.1 Prepare an Economic Development Strategy to establish the Council’s role, function and key activities in respect to supporting economic activity within the district
- 3.1.2 Identify best practice for the operation of businesses within the requirements of watershed protection with relevant regulating authorities
- 3.1.3 Establish a database of local, regional and industry small and home based business groups
- 3.1.4 Develop and implement a Master Plan for the Adelaide Hills Business and Tourism Centre site at Lobethal

### **Ongoing and continuing to improve**

- 3.1.5 Work with state, regional organisations and other councils to support and develop economic development in the Hills
- 3.1.6 Oversee the Adelaide Hills Business and Tourism Centre at Lobethal
- 3.1.7 Encourage economic development, new business opportunities and development of partnerships which provide the district with a sustainable economic base
- 3.1.8 Pursue Stage 1 (National Heritage) of World Heritage status as a significant “working agrarian landscape”

## **3.2 Sustainable Agriculture**

### **Protected, enhanced and viable primary production land that continues to be one of the principle food bowls for Adelaide.**

Agriculture is the traditional economic strength of the Adelaide Hills. To allow agriculture to remain as a productive sector, which value adds its product and supports the Council’s population, productive farm land must be protected from local and international impacts and preserved from the incursion of other competing uses

- 3.2.1 Prepare a Development Plan Amendment to protect good farmland and enhance primary production

3.2.2 Identify appropriate agricultural value-adding activities and on-farm small businesses to improve farm viability

3.2.3 Review the impacts of regulation on farm viability and agricultural production activities

#### **Ongoing and continuing to improve**

3.2.4 Encourage agricultural production

3.2.5 Protect farming and supporting businesses as an economically sustainable and collaborative business lifestyle and a vital supplier of sustainable food, fibre and wine to local and wider markets

### **3.3 Tourism**

#### **A well-promoted, innovative and sustainable tourism industry which complements the Hills setting.**

Tourism is one of the Adelaide Hills' key economic areas. Proximity to Adelaide provides a solid basis for "day tourists", and the area's natural and rural scenery, wineries, food, and a strong calendar of events are an attraction for visitors and the local population.

3.3.1 Identify models through which Council can make the most effective use of available resources to encourage, promote and support tourism in the District

3.3.2 Identify options for branding, marketing and promotion of the Adelaide Hills tourism offer

3.3.3 Identify ways to functionally and promotionally link accommodation activities with tourist attractors, tourism businesses, farms and other rural activities

#### **Ongoing and continuing to improve**

3.3.4 Support and work with local and regional tourism groups including Adelaide Hills Tourism

3.3.5 Support, facilitate and promote major and unique events to regional and wider audiences

3.3.6 Develop or support programs and projects that promote the District's tourism economy

3.3.7 Encourage a greater range of tourism accommodation.

### **3.4 Economic Support**

#### **Physical and organisational infrastructure network supporting economic activity.**

Council provides support to the local economy by addressing:

- Options, opportunities and threats related to factors outside the region;
- Regulatory and policy issues within the organisation; and
- Supportive infrastructure – such as roads, broadband, traffic control and parking.

3.4.1 Identify options for Council to support businesses to meet local community or business need

3.4.2 Identify options for Council to support and bring to local, national and international markets collective products from local food, fibre and wine producers

- 3.4.3 Participate in the State Government’s review to investigate the need for, and viability of, a key heavy vehicle road transport route to connect industry hubs with the South Eastern Freeway in collaboration with the Regional Development Authority and the Southern and Hills Local Government Association

**Ongoing and continuing to improve**

- 3.4.4 Advocate to, and collaborate with, the State Government, utilities providers and others for the provision of required economic and community infrastructure
- 3.4.5 Advocate for high speed broadband, digital internet and communications infrastructure as an essential business requirement for businesses
- 3.4.6 Investigate an upgrade for two way access to the Verdun Interchange with Department of Planning, Transport and Infrastructure

## **Appendix 3: Industry Assistance Programs**

### **Department of Primary Industries and Regions South Australia**

#### **Premium food and wine regional innovation clusters**

The objective is to support local regional agriculture, food and wine businesses to become more collaborative, productive and globally competitive and is based on the premise that the productivity and competitiveness of industries that participate in innovation clusters improves significantly.

A Cluster Program Coordinator from the Department of Primary Industries and Regions (PIRSA) has been appointed to facilitate the cluster program and will support willing businesses to collaborate to overcome limitations in:

- Developing sustainable supply chains
- Improving productivity
- Increasing innovation capacity
- Facilitating commercialisation of innovation
- Generating employment.

A regional co-innovation cluster pilot program will commence in the Murraylands and Riverland, and Limestone Coast regions.

#### **Regional Development Fund (RDF)**

The purpose of the Regional Development Fund (RDF) is to drive economic growth and productivity by investing in regional infrastructure, creating jobs and new opportunities for regional South Australia.

The broad objectives of the RDF are to support regional economic development by:

- creating new jobs and improving career opportunities;
- providing better infrastructure facilities and services;
- strengthening the economic, social and environmental base of communities;
- supporting the development and delivery of projects; and
- leveraging funding and investment.

The RDF is a \$15 million per annum Fund over 4 years administered by Regions South Australia (Regions SA) commencing 1 July 2014.



The Fund comprises five programs as outlined in the following table:

Program	Purpose	Eligible Organisations	Available Funding	Conditions
<b>Regional Food Initiatives Program</b>	delivering projects that facilitate collaboration and partnering of regional food networks and other relevant stakeholders and address the State Government strategic priority, Premium Food and Wine from our Clean Environment.	<ul style="list-style-type: none"> <li>• Incorporated Associations;</li> <li>• Local governing authorities;</li> <li>• Regional Development Australia associations;</li> <li>• Business.</li> </ul>	<p>\$300,000 per annum over 4 years will be allocated to the Program.</p> <p>Funding can be provided for projects spanning two (2) years (to a maximum of \$80,000) but the project cannot exceed \$40,000 per annum where the annual funding must be spent by 30 June of that financial year.</p>	No matching funds are required however project proposals that leverage funds from non-State Government sources are highly desirable
<b>Small Grants Program</b>	support in delivering small-scale projects that create sustainable economic benefits to the State or the broader region, are strategically important to the State, the region or a major industry, and that address the Government's seven strategic priority areas.	<ul style="list-style-type: none"> <li>• Incorporated Associations;</li> <li>• Local governing authorities;</li> <li>• Regional Development Australia associations;</li> <li>• Business.</li> </ul>	<p>\$3,000,000 per annum over 4 years will be allocated to the Program.</p> <p>Funding can be provided from \$50,000 to a maximum of \$200,000 with leveraged funding at a minimum ratio of \$1 for each \$1 grant.</p> <p>The Program may offer successful applicants grant assistance of up to 50% of the eligible project costs.</p>	Preference will be given to projects that commence within 6 months of entering into a funding agreement with the funds fully acquitted within 24 months of commencement.
<b>Major Projects Program</b>	The MPP offers support in delivering major economic projects that create sustainable economic benefits to the State or region, are strategically important to the State, the broader region or a major industry, and that	<ul style="list-style-type: none"> <li>• Local governing authorities;</li> <li>• Incorporated Associations;</li> <li>• Business;</li> <li>• Regional Development Australia associations may apply in their own right or as a lead</li> </ul>	<p>\$8,550,000 per annum over 4 years will be allocated to the Program.</p> <p>Funding can be provided from \$500,000 to a maximum of \$2,000,000 with leveraged funding at a minimum ratio of \$3</p>	Preference will be given to projects that commence within 6 months of entering into a funding agreement with the funds fully acquitted within 24 months of commencement.

Program	Purpose	Eligible Organisations	Available Funding	Conditions
	address the Government's seven strategic priority areas.	member of a consortium.	for each \$1 grant. Larger funding amounts may be considered where there are outstanding benefits for the region and the state.	
<b>Community Infrastructure Program</b>	The CIP offers support in delivering critical community economic infrastructure that creates sustainable economic benefits to the State or broader region, are strategically important to the State, the region or a major industry, and is viable and sustainable in the medium to longer term.	<ul style="list-style-type: none"> <li>Local governing authorities;</li> <li>Incorporated Associations;</li> <li>Business (where the benefits extend to the broader community).</li> <li>Regional Development Australia associations may apply in their own right or as a lead member of a consortium.</li> </ul>	\$3,000,000 per annum over 4 years will be allocated to the Program. A minimum of \$300,000 up to a maximum of \$1,000,000 can be provided for projects which meet the Program's criteria with leveraged funding at a minimum ratio of \$2 for each \$1 grant.	Preference will be given to those projects that are able to commence within 6 months of entering into a funding agreement with the funds fully acquitted within 24 months of commencement.
<b>Country Cabinet Program</b>	The CCP offers support to regional communities that host Country Cabinet meetings. Project proposals for use of the funds are received from communities and then voted on by those communities. The State Government has committed to conducting three Cabinet meetings in regional areas of South Australia each year.	<ul style="list-style-type: none"> <li></li> </ul>	Up to \$50,000 will be allocated to each community that hosts Country Cabinet meetings over the next 4 years. These funds are not to be used to hold the Country Cabinet meeting but for projects that will assist the community meet its economic and social needs. Project proposals will be submitted to the Strategic Engagement and Communication unit within the Department of the Premier and Cabinet.	Emphasis will be placed on encouraging projects that leverage use of the funds to attract co-investment through crowd sourcing or contributions from the private, business, not for profit or government sectors.

## **Department of State Development**

### **Business Model Innovation Series**

Delivered by Chair of the Advanced Manufacturing Council, Professor Göran Roos, in partnership with the Australian Industry Group, this series helps manufacturers learn how to embed innovation in their firm's business model. It is a continuation of the successful series delivered during 2011 with 10 firms in Adelaide.

The series is delivered over seven one-day modules, each approximately three weeks apart. Each course is limited to ten non-competing firms. Each business is expected to have three participants, including the Chief Executive.

Mr Stephen Myatt  
Director of the SA Branch of the Australian Industry Group  
Phone 08 8394 0000  
terri.nation@aigroup.asn.au

### **Competitive Foods Initiative**

In partnership with Primary Industry and Regions SA, and Food SA, this program aims to help develop smart food clusters, encourage innovation and apply new technologies in the state's food manufacturing sector.

Establishing specialised food clusters is a key objective of the Manufacturing Works strategy.

Food clusters also encourage companies to work collaboratively to:

- experiment and innovate with food technology relating to textures, flavours and aromas
- implement effective production technologies around processing, packaging and storage
- capture value through consumer intelligence and market trends and
- enhance the sector's branding.

The program combines two of the Government's seven priorities - commitment to premium food and wine and growing advanced manufacturing and is consistent with the State Government's Food Strategy 2010-2015.

Food SA  
Ph: 8303 9435  
contact@foodsa.com.au

### **GRANTassist**

GRANTassist provides businesses with access to up to date information on State and Federal Government assistance and programs relevant to Businesses. GRANTassist can help locate the assistance and program initiatives across all industry sectors, including manufacturing, arts, small business, medical and assistive devices, environmental, food, beverages and wine, mining and energy resources, forestry and automotive and most relevant to business needs.

The content of GRANTassist is reviewed and amended regularly.

Contact (08) 8303 2595 or alternatively email [info@grantassist.sa.gov.au](mailto:info@grantassist.sa.gov.au)

### **Innovation Catalyst through New Technologies Program**

A set of programs that aims to help South Australian manufacturers explore new manufacturing technologies to increase their competitiveness and access new market opportunities.

The programs are:

- Medical Technologies Program
- Photonics Catalyst Program
- NanoConnect

These programs are designed to:

- raise awareness and understanding of new manufacturing technologies
- provide opportunities for South Australian manufacturers to experiment with new technology
- encourage scale and application

The programs are linked to leading international and local public research organisations.

### **Innovation Voucher Program**

The program encourages collaboration between small to medium enterprises (SMEs) and research and development organisations.

Vouchers are awarded to research and developers to help SMEs without the necessary resources to solve technical problems and to encourage greater innovation within the manufacturing sector.

Between \$10,000 and \$20,000 is awarded on a competitive basis to eligible research and development projects that partner SMEs with an annual turnover of less than \$20 million. Funding of up to \$50,000 is considered on a special case basis (see the program guidelines for details). A funding contribution is required from the SME and the amount depends on annual turnover.

Eligible research and development businesses include public research organisations and companies that provide services for research, development and design. Research and development services for projects include, but are not limited to:

- technical research
- design development
- design validation
- prototype testing
- the development of innovative production processes.

Applications are accepted on an ongoing basis and assessed within six weeks.

Mr Mark Ledson  
Principal Industry Development Officer  
Design Innovation  
DMITRE  
Phone: (08) 8303 2910

### **Small Business**

The Department of State Development (DSD) Small Business Unit supports business start-ups and existing small and family businesses. We encourage and assist the growth of businesses to become financially viable, innovative and resilient businesses that are globally competitive. This is achieved by:

- Providing business information, interactive tools and resources
- Facilitating business skills development workshops and targeted business support programs
- Identifying and implementing red tape reduction initiatives
- Supporting small businesses to engage in supply chains and business opportunities created by the State's resources, energy, defence, infrastructure, and other significant projects

[http://www.dmitre.sa.gov.au/small\\_business](http://www.dmitre.sa.gov.au/small_business) sets out advice related to small business

### **The Business Transformation Voucher Program (BTVP)**

The program aims to support the enhancement of profitability through diversification, process improvement and innovation

To be eligible to apply for assistance under the BTVP, an applicant must:

- be a financially viable Australian manufacturing business with a majority of its business conducted in South Australia
- have been in operation for longer than 12 months
- submit a proposal that has been developed and co-endorsed by both the applicant and an eligible service provider
- commit matching funding with a financial contribution.

Eligible manufacturing firms can use the vouchers to engage outside experts to assist in areas such as:

- business/manufacturing process improvements
- marketing and brand strategy
- business model development
- management training/mentoring
- export readiness.

Costs of routine business activities are not eligible for funding.

Vouchers up to \$50,000 are available for South Australian manufacturing firms on a competitive basis.

Vince McKenzie  
Senior Project Officer, Business Transformation  
Department of State Development  
Ph: (08) 8303 2281  
Email: vince.mckenzie@sa.gov.au

Mark Ledson  
Principal Industry Development Officer  
Department of State Development  
Ph: (08) 8303 2910  
Email: btvp@sa.gov.au

### **Small Business Innovation Research Pilot Program**

The program is designed to help small businesses develop products that can solve specific problems faced by State Government agencies.

The program assists companies to undertake research, develop solutions and products to meet a Government agencies' needs and ultimately commercialise the solution more broadly.

The program focusses on finding solutions to a problem that a State Government agency has identified and needs addressing for its own operation. The program has two phases:

- Phase 1 - feasibility stage and will last up to six months, with contracts being up to a maximum of \$100,000 per company. At the end of this stage it is expected that the contracted company will have developed their concept and will have demonstrated the feasibility of the technology.
- Phase 2 - Ideas funded in the first phase may be awarded a phase 2 contract for product development. This phase covers more detailed research and development and by the end, companies are expected to have a fully-functional prototype ready for commercialisation

Ms Joanne Galley  
Senior Project Officer  
Business Sustainability  
Department of State Development  
Phone: (08) 8303 2543

## Table of TABLES

TABLE 1:	ESTIMATED RESIDENTIAL POPULATION.....	10
TABLE 2:	POPULATION - GENDER.....	11
TABLE 3:	SERVICE AGE GROUPS .....	11
TABLE 4:	GROSS REGIONAL PRODUCT AND OUTPUT: ADELAIDE HILLS REGION, 2011/12 .....	13
TABLE 5:	NUMBER OF BUSINESSES BY INDUSTRY.....	14
TABLE 6:	BUSINESS ENTRIES.....	15
TABLE 7:	BUSINESS EXITS .....	15
TABLE 8:	EMPLOYMENT BY INDUSTRY SECTOR .....	16
TABLE 9:	MAIN EMPLOYMENT - AGRICULTURE, FORESTRY AND FISHING .....	17
TABLE 10:	MAIN EMPLOYMENT - ACCOMMODATION AND FOOD SERVICES .....	18
TABLE 11:	MAIN EMPLOYMENT - PROFESSIONAL, SCIENTIFIC AND TECHNICAL SERVICES .....	18
TABLE 12:	MAIN EMPLOYMENT - MANUFACTURING.....	19
TABLE 13:	VALUE OF AGRICULTURAL PRODUCTION – ADELAIDE HILLS COUNCIL.....	19
TABLE 14:	MAIN VALUE - GRAPES (WINE AND TABLE).....	20
TABLE 15:	MAIN VALUE - OTHER FRUIT .....	20
TABLE 16:	MAIN VALUE - LIVESTOCK SLAUGHTERINGS.....	20
TABLE 17:	VALUE OF TOURISM AND HOSPITALITY .....	21
TABLE 18:	WORKFORCE - KEY STATISTICS.....	22
TABLE 19:	WORKFORCE OCCUPATIONS.....	23
TABLE 20:	WORKFORCE QUALIFICATIONS .....	24
TABLE 21:	WORKFORCE FIELD OF QUALIFICATION - SUMMARY .....	25
TABLE 22:	WEEKLY HOUSEHOLD INCOME COMPARING ADELAIDE HILLS TO ADELAIDE STATISTICAL DIVISION 2011.27	
TABLE 23:	LOCAL LABOUR FORCE - KEY STATISTICS .....	28
TABLE 24:	LOCAL LABOUR FORCE - INDUSTRY .....	29
TABLE 25:	TOURISM AND HOSPITALITY WORKFORCE.....	30
TABLE 26:	LOCAL LABOUR FORCE - OCCUPATIONS .....	31
TABLE 27:	LOCAL LABOUR FORCE - QUALIFICATIONS .....	32
TABLE 28:	LOCAL LABOUR FORCE - FIELD OF QUALIFICATION.....	33
TABLE 29:	ABOUR FORCE PERFORMANCE .....	34
TABLE 30:	RESIDENTIAL LOCATION OF WORKERS.....	35
TABLE 31:	WORKERS PLACE OF RESIDENCE, 2011.....	35
TABLE 32:	EMPLOYMENT LOCATION OF RESIDENTS .....	36
TABLE 33:	RESIDENTS PLACE OF WORK .....	36
TABLE 34:	KEY CHARACTERISTICS AND OPPORTUNITIES.....	38
TABLE 35:	GLOBAL GDP GROWTH PROJECTIONS .....	39

TABLE 36:	REGIONAL TARGETS FOR ADELAIDE HILLS AND MURRAY BRIDGE .....	44
TABLE 37:	AMLRNRM - STRATEGIC DIRECTIONS AND KEY PARTNERS.....	45
TABLE 38:	TYPE OF HOUSEHOLD INTERNET CONNECTION .....	58
TABLE 39:	SWOT APPLES AND PEARS .....	63
TABLE 40:	SWOT CHERRIES.....	66
TABLE 41:	STRAWBERRY PRODUCTION VALUE, ADELAIDE HILLS COUNCIL .....	67
TABLE 42:	STRAWBERRIES - NATIONAL GROWING SEASON.....	68
TABLE 43:	NATIONAL STRAWBERRY PRODUCTION (2010/11) .....	68
TABLE 44:	WINE PRODUCTION - SOUTH AUSTRALIA, RDA REGION, ADELAIDE HILLS.....	70
TABLE 45:	TOTAL CRUSH BY GI REGIONS .....	71
TABLE 46:	DOMINANT ADELAIDE HILLS WINEGRAPE VARIETIES.....	71
TABLE 47:	ESTIMATED WINEGRAPE SUPPLY TO 2018 .....	72
TABLE 48:	WINEGRAPE PURCHASE PRICE COMPARISON .....	72
TABLE 49:	INDUSTRY STRUCTURE.....	73
TABLE 50:	EMPLOYMENT BY PLACE OF USUAL RESIDENCE .....	74
TABLE 51:	EXPORT MARKETS - DESTINATIONS AND PRODUCERS .....	75
TABLE 52:	EXPORTERS BY REGION.....	75
TABLE 53:	SWOT WINE AND VITICULTURE.....	76
TABLE 54:	MAIN VALUE - LIVESTOCK SLAUGHTERINGS.....	77
TABLE 55:	REGIONAL EXPENDITURE AND VISITOR NUMBERS.....	79
TABLE 56:	EMPLOYMENT BY PLACE OF USUAL RESIDENCE .....	80
TABLE 57:	TOURISM EMPLOYING BUSINESSES .....	80
TABLE 58:	REGIONAL ECONOMIC ACTIVITY GENERATED BY TOURISM .....	81
TABLE 59:	TOURISM LISTINGS FOR SOUTH AUSTRALIA, RDA REGION AND ADELAIDE HILLS.....	82
TABLE 60:	TOURIST ACCOMMODATION - HOTELS, MOTELS AND SERVICED APARTMENTS WITH 15+ ROOMS .....	82
TABLE 61:	CELLAR DOORS.....	83
TABLE 62:	VISITOR PROFILE SUMMARY.....	83
TABLE 63:	PURPOSE OF VISIT.....	84
TABLE 64:	VISITOR DESTINATION PREFERENCE .....	84
TABLE 65:	VISITOR ACCOMMODATION .....	84
TABLE 66:	VISITOR EXPERIENCE PREFERENCE.....	84
TABLE 67:	VISITOR INFORMATION SOURCE.....	85
TABLE 68:	VISITOR ORIGIN .....	85
TABLE 69:	AVERAGE ANNUAL VISITORS.....	85
TABLE 70:	PURPOSE OF VISIT.....	85
TABLE 71:	SWOT TOURISM.....	87
TABLE 72:	MAIN EMPLOYMENT - MANUFACTURING.....	88



<b>TABLE 73:</b>	<b>ADELAIDE HILLS BUSINESS AND TOURISM CENTRE - TENANCY SCHEDULE .....</b>	<b>88</b>
<b>TABLE 74:</b>	<b>SWOT - MANUFACTURING .....</b>	<b>89</b>
<b>TABLE 75:</b>	<b>NUMBER OF BUSINESSES BY EMPLOYMENT SIZE .....</b>	<b>90</b>
<b>TABLE 76:</b>	<b>BUSINESS COMPARISON WITH URBAN FRINGE COUNCILS 2009 .....</b>	<b>91</b>
<b>TABLE 77:</b>	<b>SWOT - SMALL BUSINESS .....</b>	<b>92</b>
<b>TABLE 78:</b>	<b>MEDIAN HOUSE PRICES IN ADELAIDE HILLS COUNCIL SUBURBS.....</b>	<b>94</b>
<b>TABLE 79:</b>	<b>KEY CHARACTERISTICS AND OPPORTUNITIES.....</b>	<b>95</b>

## **ABBREVIATIONS:**

ABS	Australian Bureau of Statistics
AHC	Adelaide Hills Council
AMLRNRMB	Adelaide Mount Lofty Ranges Natural Resources Management Board
ASD	Adelaide Statistical Division
DAP	Destination Action Plan
DPTI	Department of Planning Transport & Infrastructure (State Govt.)
GI	Geographical Indication (indicating wine region, zone or sub-region)
NRM	Natural Resource Management
SA	South Australia
SAMDBNRMB	South Australian Murray Darling Basin Natural Resources Management Board
WAP	Water Allocation Plan

## REFERENCES

- Adelaide and Mount Lofty Ranges Natural Resources Management Plan Volume 1 Parts 1 & 2  
2014/15 to 2023/24
- Adelaide and Mount Lofty Ranges Natural Resources Management Plan Volume 2 Business and  
Operational Plan 2014/15 to 2016/17
- Adelaide Hills Destination Action Plan 2012 - 2015 (updated 2013)
- Adelaide Hills Regional Strategic Tourism Plan 2011 - 2014
- Adelaide Hills Wine Region Cellar Door Guide 2011
- Adelaide Hills Wine Region A snapshot of the draft Environmental Management Plan (EMP)
- Apple & Pear Australia Ltd Annual Reports 2011/12 to 2013-2014
- Apple and Pear Industry Advisory Committee 2012/13
- Apple and Pear Industry Plan New Horizons 2015
- Backhaul Blackspots Initiative Stakeholder Consultation Submission (May 2009) Adelaide Hills  
Regional Development Board
- Broadband Availability and Quality 23 December 2013 Australian Government Department of  
Communications
- Business Growth and Workforce Development Plan 2014 - 2017 Regional Development Australia  
Adelaide Hills Fleurieu and Kangaroo Island - November 2013
- Business Outlook Deloitte Access Economics 2013
- Community Profile Adelaide Hills Council *Economy.id*
- Development Plan Adelaide Hills Council Consolidated – 9 January 2014
- Distribution Annual Planning Report Version 1.1 SA Power Networks 1 November 2013
- District Council of Mount Barker Strategic Plan 2012 to 2017
- Economic Impact Projections for UNESCO World Heritage Site listing of the Mount Lofty Ranges  
Agrarian Landscape A report prepared for The Mount Lofty Ranges Working Group by  
EconSearch 28 May 2012
- Economic Statement South Australian Government 2013
- Real Estate Institute of South Australia Median House Prices website 2014
- Regional Development Fund - guidelines and assessment criteria PIRSA July 2014
- Regional Profile 2014 ABS
- Regional Roadmap 2013 – 2016 September 2013 Regional Development Australia Adelaide Hills  
Fleurieu and Kangaroo Island
- Regional Statement for South Australia PIRSA
- Regional Tourism Profile for Adelaide Hills 2012/13 Tourism Research Australia

SA Water Capital Plan Updated May 2014

Shaping the Future of South Australia - A summary of the top 10 identified actions 11 August 2014

Single Business Service Program Summary - Federal Department of Industry 2014

South Australia China Engagement Plan - December 2013

South Australia's Strategic Plan 2011

South Australian Food and Wine Tourism Strategy 2009 – 2014

South Australian Government Premium Food and Wine from our Clean Environment - Action Plan

South Australian Tourism Plan 2020 SATC

South Australian Winegrape Crush Survey 2013 Phylloxera and Grape Industry Board of SA

State of the District Report 2013 (updated) Adelaide Hills Council

State Infrastructure Plan *for South Australia 2004/5-2014/15*

Strategic Management Plan 2014 - 2018 Adelaide Hills Council

Strawberries Australia Inc. Strategic Investment Plan 2012 - 2017

Sustainable Growth for Food & Wine Project - Discussion paper 1 Wine and Beverages November 2013  
Regional Development Australia – Adelaide Hills, Fleurieu & Kangaroo Island

Sustainable Growth for Food & Wine Project - Discussion paper 3 Horticulture November 2013  
Regional Development Australia – Adelaide Hills, Fleurieu & Kangaroo Island

Sustainable Growth for Food & Wine Project - Discussion paper 4 Dairy March 2014  
Regional Development Australia – Adelaide Hills, Fleurieu & Kangaroo Island

Sustainable Growth for Food & Wine Project - Discussion paper 7 Tourism and Hospitality Value Add  
June 2014 Regional Development Australia – Adelaide Hills, Fleurieu & Kangaroo Island

The 30 Year Plan For Greater Adelaide - A volume of the South Australian Planning State  
Government 2010

The Connected Continent - How the internet is transforming the Australian economy Deloitte Access  
Economics August 2011

The Rural City of Murray Bridge Strategic Plan 2011-15 (amended October 2013)

Western Mount Lofty Ranges Water Allocation Plan Western Mount Lofty Ranges Adelaide and  
Mount Lofty Ranges Natural Resources Management Board 2013

World Economic Outlook April 2014 IMF World Economic and Financial Surveys