

COMMITTEE FOR **ADELAIDE**

SHAPING ADELAIDE'S FUTURE

March 2018 and beyond



EXECUTIVE SUMMARY

The 2018 South Australian election couldn't come at a better time for the State.

Globally, politics is reacting to a resurgent conservative narrative, while South Australia finds itself at its own political cross roads, faced with a choice between opening up to increased growth and prosperity and closing down to protect our patch.

The Committee for Adelaide is an alliance of organisations and individuals drawn from across the full spectrum of South Australian business, art, design, social service and infrastructure sectors. The Committee's diverse and influential membership represents a significant contribution to the economy and employment of this state and has a clear and vested interest in the future of South Australia's economy and society.

Outlined in this document are three priorities for the government elected in March.

These priorities emerged from exhaustive consultation with our membership and provide indisputable insight into the wants and needs of South Australia's most globally minded and locally connected businesses and institutions.

Adelaide is the globally successful, mid-sized capital city of a state with 1.7 million residents and a \$100 billion economy. The Committee for Adelaide wants a government which takes hold of this fact and confidently pursues reforms that will encourage both of these numbers to grow. The Committee's first priority for the government elected in March is to commit to making this state and our capital city the number one Australian destination for doing business by 2022.

Energy, technology, connectivity and tax are crucial areas of focus and our members have clearly identified the changes required in order to create the best possible environment to do business in.



The Committee's second priority for the State Government is a commitment to grow our population to 2 million people by 2027.

Regional centres as well as Adelaide itself are experiencing flat-line and negative population growth. Setting and achieving a target of 2 million people will add \$38 billion to our economy and create 59,000 extra jobs.



Our third and final priority for the incoming government is to reform, revitalise and restore confidence in the public sector.

The Government is South Australia's largest employer and, as such, has a huge opportunity to shape the productivity, efficiency and positivity of our state. A culture of entrepreneurship and collaboration with the private sector must be fostered in the public sector to create growth, both economically and socially in South Australia.

The electorate's choice at the March ballot will prove pivotal in determining the direction this State pursues and The Committee believes our three priorities point South Australia towards success. Become the number one Australian destination for doing business by 2022

Grow population to 2 million people by 2027 Adelaide, a globally successful mid-sized city

Reform, revitalise and restore confidence in the public sector

BECOME THE NUMBER ONE AUSTRALIAN DESTINATION FOR DOING BUSINESS BY 2022

Given the economic challenges our State continues to face, we need to be the most attractive and cost-effective place in Australia to do business. To become the best, we need to get the fundamentals right including cheap and reliable electricity, great access to and from Adelaide, high-speed connectivity, lack of red tape, a culture of innovation and, a friendly tax environment.

To achieve this, the Committee for Adelaide believes the incoming Government needs to:

- Create a clear energy strategy in consultation with the private sector and State's largest energy consumers to deliver secure baseload and cheapest electricity prices in the nation within five years
- Ensure a smooth transition to new energy sources and decentralised, customer-oriented solutions such as microgrids and networks, taking into account existing baseload supply and interstate networks
- Avoid moratoriums and bans on new energy development, evaluating each proposal on its merits

- Continue to invest in renewables research and development to continue to build global capability and leadership and ensure our renewable industry is export ready
- Engage more closely with non-government sectors to allow more business-to-business approaches to attract new organisations to South Australia, remodelling agencies to allow businesses to lead initiatives
- Continue to support the Committee for Adelaide's *Boards without Borders* program
- Continue to invest in opening up new air routes and increasing flight number opportunities
- Continue to expand Gig City to other precincts and work with local government to expand Ten Gigabit Adelaide to other parts of the city and state
- Ultimately abolish payroll tax and continue to reform land tax and stamp duty
- Maintain commitment to red tape reduction by investing in new technologies
- Continue to support and promote emerging and growth industries such as agriculture and aquaculture, mining and energy, defence, high-tech manufacturing, space, tourism, arts, international education and startups
- Assess opportunities to develop business clusters e.g. mining and resources precinct, information technology precinct
- Establish a major precinct for high-tech innovators and startups in the heart of the city that can act as a magnet and central point for collaboration
- Revisit and reopen the nuclear debate.

GROW THE STATE POPULATION TO 2 MILLION BY 2027

South Australia's population is growing well below the national average, with fewer people living in regional South Australia today than 12 months ago and our State growing by just 2 per cent, even though we represent 7 per cent of the nation's population.

A recent South Australian Centre for Economic Studies report showed that one migrant meeting an unmet need creates one extra job in South Australia while Deloitte's Make it Adelaide study identified that doubling our current growth levels to reach a population of 2 million people by 2027 would inject an extra \$38 billion into our economy and create 59,000 extra jobs.

To put this growth target in perspective, this means increasing our State's population by just 28,000 people a year, the same amount of growth that Victoria experiences every 10-11 weeks.

To achieve this, the Committee for Adelaide believes the incoming Government needs to:

- Develop and advocate a special global impact investment visa specifically for South Australia, similar to those introduced in New Zealand and Chile
- Advocate for the migration system changes identified in the South Australian Centre for Economic Studies report
- Focus more heavily on attracting migrants from interstate and overseas, including targeting residents who have left
- Overhaul the skilled migrant occupation list to reflect the needs of South Australian businesses
- Develop strategies to increase the CBD's population to 50,000 people
- Address critical issues around South Australia's narrative which is leading young people to believe that the only way they can build successful careers is to move interstate or overseas, even when this is not the case.

REFORM, REVITALISE AND RESTORE CONFIDENCE IN THE PUBLIC SECTOR

While around Australia private sector jobs are increasing, in South Australia it is public sector employment that is growing at a staggering rate. Between 2010 and 2017, the number of full-time equivalent public servants surged from 79,505 to 83,006.

The Government is South Australia's largest employer and efficient operations can net huge dividends for the State. To achieve reform, the Committee for Adelaide believes the incoming Government needs to:

- Create a culture of entrepreneurship within bureaucracy to seize opportunities and savings when presented by non-government sector
- Measure, reward and encourage excellence, implementing benchmarks to test and improve performance with the goal of becoming the most effective and high performing public service in the country
- Benchmark government service provision against various indicators such as value for money, impact on non-government service providers and effective delivery to identify areas where non-government sectors could and should take on a greater role
- Clearly define the role of the public sector to create certainty for non-government sectors, allowing better alignment and removing duplication
- Analyse non-critical services that can be provided by the non-government sector (e.g. licensing, permits etc)
- Establish and meet targets for a sustainable and viable public sector reducing numbers without impacting frontline and, particularly, emergency services
- Ensure morale and intelligent risk-taking measurements are included when assessing the success of government departments and agencies
- Break down silos by ensuring that all Government departments and agencies report more broadly on State Strategic goals
- Create cross department and Ministerial committees to ensure a more cohesive approach to achieving State strategic goals
- Ensure greater transparency and accountability for agencies looking after our most vulnerable.

ABOUT THE COMMITTEE FOR ADELAIDE

The Committee for Adelaide exists to drive change economically, socially and culturally in South Australia.

We are membership-based, a-political and non-sector specific, bringing together diverse organisations ranging from non-profits to large corporations, sporting and community groups and universities.

Provided over the page is a summary of our current members and partner organisations.





ECONOMIC DEVELOPMENT BOARD

CONTACT US

If you would like to know more about any of the suggestions made in this document, we encourage you to contact:

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