

Adelaide Metropolitan Area Consultative Committee

Strategic Regional Plan 2007-2010



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EXECUTIVE SUMMARY

The Adelaide Metropolitan Area Consultative Committee Inc (AMACC) is a member of the national network of 54 Area Consultative Committees (ACCs) and receives funding from the Australian Government to be a key facilitator and vital contributor to regional growth and development within the Adelaide metropolitan region and South Australia. The national ACC Charter comprises three core responsibilities from which all activity is derived.

For the Adelaide region:

AMACC is a key facilitator of change and development in the region
AMACC is the link between Government, business and the community
AMACC facilitates whole-of-government responses to opportunities in our communities

Ministerial Priorities also underpin AMACC activities and initiatives with an emphasis on issues and opportunities identified as priorities for the Adelaide metropolitan region. AMACC's core business is to promote and support the Regional Partnerships (RP) Programme, encouraging and assisting communities and other proponents develop funding applications to meet identified needs.

The AMACC Strategic Regional Plan (SRP) 2007-2010 is the basis for the development of AMACC's annual Business Plan and for reporting against Key Performance Indicators, in accordance with Corporate Governance requirements. The AMACC SRP is the reference resource for the development and assessment of projects and delivery of services within the Adelaide Metropolitan region.

AMACC's region is the largest ACC region in the State in terms of population (approx 1 million people) and is considered a key regional area for South Australia's ongoing economic and social development. It covers 1084.8 sq km and includes most of the Adelaide Statistical Region; (the City of Onkaparinga and Adelaide Hills areas are outside of the AMACC boundaries). As a result of its size and diversity AMACC reflects employment and industry trends of South Australia generally.

Adelaide is widely recognised for its lifestyle, innovation, and strong investment in education and technology. The region is culturally and economically diverse with a reputation for world-class festivals and tourism activities, many with a significant indigenous and ethnic focus. Adelaide is proudly multicultural with 60% of the State's indigenous population and 75% of the Culturally and Linguistically Diverse (CALD) population within the State living and working in the metropolitan region.

Future growth for the region is highly dependent on how Adelaide positions itself in the global economy and on the region's capacity to retain and attract skills and increase participation in the workforce. State and local governments have prioritised their support for future growth through collaboration across all levels of government, and identified key areas such as environmental sustainability, building communities, fostering and supporting cultural diversity, improving employment participation, population, education, export capability, finance, and infrastructure.

The AMACC region faces many structural challenges with an ageing population, slow growth in the population, lack of corporate support for local economic, social and environmental growth as major corporations have relocated their headquarters interstate and rationalisation continues across many industries including the automotive. Limited access to sufficient quantity and quality of water resources is one of the major impediments to growth in the region.

AMACC works in partnership with the Australian Government, State Government and Local government (17 councils), peak industry associations, community bodies and individual community and business representatives, employment and recruitment agencies including the Job Network, the three universities, education and training providers, schools and school networks, Regional Development Boards, Business Enterprise Centres and other ACCs to maximise the region's economic, social, and environmental strengths.

We recognise that the unique dynamics of the communities within our region require a vision and mission statement tailored to regional issues and opportunities.

AMACC's Vision

The Adelaide metropolitan area will have sustainable business growth, ensuring employment opportunities across the whole community through industry, government, and community sectors committed to working in partnership to drive consistent improvement in economic, environmental and social conditions.

AMACC's Mission

The Adelaide Metropolitan Area Consultative Committee will contribute to sustainable business and work opportunities in its region by stimulating and facilitating an environment that supports and promotes economic growth, improving the environment and addressing social issues.

Our role is to strengthen partnerships between industry, governments, and communities to:

- *Identify and address opportunities to achieve growth and employment development*
- *Support community plans, aspirations and enterprise*
- *Encourage Federal Government programme take-up and provide flexible support*
- *Develop a partnership approach with Indigenous & disadvantaged communities to bring whole-of-government solutions to address relevant issues.*
- *Support small business growth*
- *Focus on sustaining our natural resources and environment*

THE AMACC REGION

The region includes 8 Australian Government Electorates, 31 State Government Electorates and 17 Local Councils combining urban, inner (Capital) city, outer urban, coastal and rural areas and it has the most diverse industry sector of the State. South Australia is more highly urbanised than other States, with 73.3% of the State's population residing in the Adelaide metropolitan area compared with the average of 63% for the rest of Australia.

The AMACC region can be divided into four sub-regions, each with individual sets of issues and opportunities.

The **Northern sub-region** has areas of significant disadvantage, with significantly higher than State average unemployment especially with youth and mature aged people and a population characterised by low income, low education levels and skills base all of which combine to create and sustain economic hardship within the local region. This sub-region also has the highest concentration of indigenous and migrant populations and is significantly disadvantaged due to long term and intergenerational unemployment. Its business base is focussed on the defence industry, automotive and component manufacturing but also has the diversity of market gardening and primary production. The majority of the workforce (especially the technical and professional workers) live outside the sub-region and commute to this region.

The **Eastern Adelaide sub-region** relies predominantly on high skilled service industries for employment and has a high concentration of workers in professional and managerial occupations. This sub-region has the highest national proportion of dwellings occupied by lone elderly - the most significant group in demand for welfare services, and, in contrast, also has a higher than State average concentration of younger adults. The region contains a significant degree of the State's service industries including the main shopping area of the Adelaide CBD – service industries include retail, health & community services and property & business services. The CBD also includes government (State and Federal) services.

The **Western sub-region** is one of Australia's most highly concentrated manufacturing regions, with higher than State average concentrations of people aged 20-39 and 60 years and over, and employment concentrations in the low-to-medium level occupations. Current unemployment rates are higher than the State average especially amongst the youth and mature age while Indigenous unemployment rate is at least 20% higher than the average overall unemployment rate for the State and more than 6% higher than the State average for Indigenous people. There is an above average level of dependency on income support and this region is more disadvantaged in terms of income, educational attainment and unemployment by comparison with State average.

The **Southern AMACC sub-region** only incorporates part of the Southern Adelaide Statistical Division and has a higher than State average concentration of younger people and middle-aged people and a higher than State average unemployment rate. The area has a significantly higher than State average of one parent families with dependents. It has a culturally diverse population with the majority of workers employed in low to middle skill level occupations that may be vulnerable to future structural changes. Industry in the area includes manufacturing (automotive and components), retail and community and business services

While diverse in types of industry the AMACC region is also historically highly dependent for its employment on a relatively narrow industry base, which includes automotive and automotive component manufacture, food & wine production, defence, IT and electronics, - all are affected by global competitiveness and/or advances in technology - each requiring new skills and more resources to support both potential and capacity for growth.

There is considerable commitment within the region to expanding the economic and industry base. Tourism is growing, with South Australia and Adelaide becoming more widely recognised as environmental and cultural destinations. South Australia's growing competitiveness in the global food market has shown positive trends with increases in new capital expenditure in food processing and retail, and export growth.

SUMMARY OF REGIONAL OPPORTUNITIES AND CHALLENGES

Ageing population

Adelaide has an ageing population, with the "Baby Boomer" generation having a major effect on the population make-up. The AMACC region has a population of 721,894 over 15 years of age, of which 46% is aged over 40.

At 14.8%, South Australia has the highest proportion in Australia of people aged 65 and over and this figure is projected to reach 22.7% by 2022. Currently 73.8% of this group reside in the Adelaide metropolitan area and this proportion is projected to rise slightly by 2022. This will present both issues and opportunities for the AMACC region. The Aged Care industry will grow, although the challenge will be to ensure the industry has access to the resources required to sustain the growth.

As the population ages, population growth will slow and 80%+ of the projected growth of the labour force between 1998-2016 will be in the 45+ age group. Labour force participation, which is lower than national standards, is expected to continue to fall as the number of retirees exceeds the number of young people entering the labour market. AMACC will promote, facilitate and support workforce planning across industry to minimise the exit of mature aged workers from the labour force and to maintain and strengthen workforce capabilities and capacity.

Labour Force Participation

The Australian labour force participation rate is relatively stable at 64.8%, however South Australia has the lowest participation rate of all mainland States at 62%, and the AMACC region rate is even lower at 59%. The percentage of the labour force in the AMACC region aged over 40 is increasing.

Mature workers are an important segment of the Labour force that industry and employers need to include in strategic workforce planning to avoid future skill shortages. AMACC will continue to reinforce the urgent need for workforce planning to support the sustainability and viability of the economic base of the region, and facilitate the identification and development of opportunities for growth in industries.

Participation rates among the indigenous, CALD, and youth populations in the region are significantly lower than the average and AMACC continues to work to identify and promote opportunities for increased participation in the labour force and the community.

Employment

Employment within the Adelaide Metropolitan region has changed considerably over recent years with employment growth predominantly in part-time and casual jobs and decreases in full-time and permanent positions.

Reduced opportunities for skilled employment and training in the form of apprenticeships and traineeships, underemployment and the casualisation of employment have created skill shortages and under-utilisation of the labour force, particularly for women and youth. Issues relating to these problems are unclear but include social consequences, low retention rates, high turnover of staff in some industries (retail and hospitality), lack of flexibility in transferring employment to growth industries and the limitations these impose on economic growth.

AMACC is working with government, industry and other organizations to develop options for overcoming these limitations, continuing to support identification of skill shortages, encourage industry to take responsibility for upskilling, retaining current staff and maintaining skills, and facilitate the development of strategies by industry that will address employment and skill needs for the future including workforce planning.

Diversification of Industry base.

Traditionally Adelaide has had strong employment growth in the manufacturing and government services sectors, both of which have undergone restructuring resulting in a reduction of jobs, especially at entry level. The region can no longer rely on these traditional sectors and AMACC will work in partnership with industry and the three levels of government to support new

opportunities in the region including export, import replacement, and diversification by industry to facilitate economic growth and employment generation. The promotion, facilitation and support of workforce planning across all industries, and business development programs will be key priorities for AMACC.

South Australia has been historically reliant on agriculture and manufacturing activity for employment and output with the focus at the low and middle skill occupations and with the growth of the defence and communication industries and need for highly technical and professional skills, there are skill shortages and lack of capacity for transfer of labour from industries with reduced growth to those with high potential for growth.

Opportunities for self-employment and small business growth that will encourage and support participation in the labour market will be explored and promoted, including opportunities for indigenous and multicultural businesses. Small and micro businesses, including Home-based businesses have been the focus of projects developed by AMACC, and will remain a high priority for the region. AMACC also actively supports and promotes programmes which provide the opportunity for communities to take control of their economic and social development.

Unemployment

The unemployment rate for the Adelaide Metropolitan region is higher than both the State and the National averages.

The average rate of unemployment is not representative of all Local Government Areas (LGAs) across the Adelaide Metropolitan region, with a large proportion of LGAs above the average rate. The Playford LGA in the northern sub-region has an unemployment rate of 16% (with some sub-regions recording rates of 21%) and Port Adelaide/Enfield in the western sub-region has a rate of 12%. Indigenous and youth unemployment rates are above the State average (24%, 28.2%), as high as 34% and 33% in the northern sub-region.

AMACC will continue its efforts in supporting job creation, boosting business, developing constructive partnerships and building the capacity of communities, including industry, to find local solutions to local problems. AMACC actively promotes and supports Government programmes and initiatives that aim to reduce unemployment in the region.

Infrastructure and Transport

The renewal and maintenance of ageing and inefficient infrastructure including transport systems is a major challenge for the Adelaide metropolitan area particularly in the northern and western sub-regions. Costs are prohibitive and current services are unable to cope with industry and population demands. AMACC will work in partnership with government, industry and communities in addressing future needs of the region.

Natural Resources

The recognition and preservation of natural resources within the local Adelaide metropolitan region is vital for the sustainability of the environment and for the economy. South Australia's marine environment is one of the most unique in the world with 85-90% of the marine plants and animals found only in the local waters. The natural features of the local AMACC region provide opportunities for tourism and economic innovation that AMACC will promote and support.

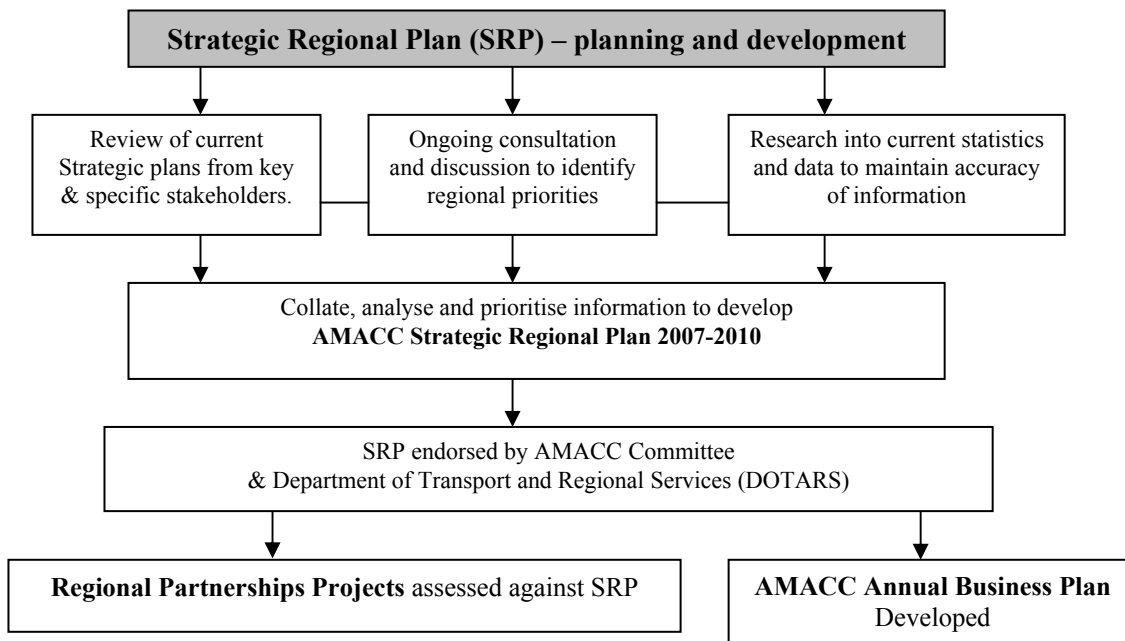
Lack of consistency regarding supply and quality of water is a significant impediment to economic and social growth of the Region. AMACC will continue to support the development of innovative initiatives that address these issues. As part of a national network of ACCs AMACC is able to provide opportunities for local communities to voice their opinion on natural resource issues, including water reform, and have them recognised in our role as the link between government, business and the local stakeholders.

Migrant Settlement Issues

In the past 5 years, South Australia has welcomed over 8,000 new arrivals under the DIMA Settlement Grants Programme. The overwhelming majority of these new arrivals (95%) settled in metropolitan Adelaide. The highest proportion settled in the western and northern Adelaide regions comprising LGAs such as Port Adelaide Enfield (1,400 in total), Salisbury (840), Charles Sturt (980) and West Torrens (600+). Most other Councils have received between 100 and 250 new arrivals. Five per cent (5%) of new arrivals have settled in regional South Australia in the past 5 years, however, this proportion is likely to increase with a focus on attracting workers to regional areas being supported by the State Government and some local communities. AMACC will work with councils, government and agencies to address a range of identified issues and barriers to assist new arrivals in the settlement process.

AMACC Strategic Regional Plan (SRP) 2007-2010

The SRP is developed through ongoing wide consultation with regional stakeholders including Federal, State and Local government, business and industry bodies, education, training & employment service providers (including Job Network), environmental and community organisations, AMACC Committee members and staff.



The SRP is a dynamic document that is reviewed as part of the ACC's planning process each year.

AMACC Board and Staff Structure

AMACC members and staff represent and reflect the broad industry, business, community, education, government, cultural and demographic base of the Adelaide Metropolitan region. AMACC members and staff contribute a wide range of skills, knowledge, network contacts and experience to the efficient and value-adding operation of the ACC and details of current membership are available on our website www.amacc.org.au

AMACC'S STRATEGIES

To achieve our vision and mission, and in line with identified regional priorities, AMACC's strategies are to:

1. **Promote, stimulate and support economic development, employment and work opportunities in the region through collaboration and partnerships with key stakeholders.**
2. **Perform a key facilitation and feedback role in sharing and disseminating information on government initiatives, labour market trends and other relevant employment, training, and regional initiatives in the AMACC region.**
3. **Identify and foster programmes, ideas and concepts that set direction and trends for the future development of the AMACC region and have the potential to stimulate business growth and employment opportunities, in addition to addressing pressing local economic, social and environmental issues leading to constructive and sustainable development.**

AMACC will ensure that all processes and decisions comply with Corporate Governance requirements and are transparent and open to scrutiny.

AMACC'S GOALS AND OUTCOMES:

GOAL 1: AMACC is a key facilitator of change and development in the region.

(Strategies 1 & 3)

- 1.1 Local social, economic and environmental issues that are affecting the communities within the AMACC region are identified through research and consultation and communicated to relevant stakeholders
- 1.2 Communities within the AMACC region and their plans and aspirations for improving regional opportunities are identified and supported through the development and maintenance of partnerships and networks.
- 1.3 Unique strategic advantages in the Adelaide Metropolitan region that generate growth and development are identified, analysed and addressed
- 1.4 Sectors of disadvantage within the AMACC region are identified and addressed as a priority.

GOAL 2: AMACC is the link between government, business and the community

(Strategies 1, 2 & 3)

- 2.1 Information on Government policies and programs, particularly those oriented towards business and communities is promoted and disseminated through participation in meetings and events, publications and activities.
- 2.2 Government is informed of the impact of policies and programs on business and the community
- 2.3 Project proposals submitted for consideration under Government programs are commented on, prioritised and assessed as appropriate and relevant to the SRP .
- 2.4 Constructive and regular advice to Government on community needs, service, and development requirements is provided by the Chair of AMACC, by the Executive Director and through open and honest communication and feedback.

GOAL 3: AMACC facilitates whole of government responses to opportunities in our communities *(Strategies 2 & 3)*

Opportunities to bring whole of Government solutions to community and regional issues are identified and action taken. Development and submission of suitable project proposals by proponents is facilitated, supported and ownership of the results is shared.

Constructive alliances with all levels of government, business and the community are maintained.

The range of avenues and resources by which communities and regions can foster development are drawn together.

Key Performance Indicators

KPI 1 Number of community events (where AMACC is a key organiser) that target areas identified in the AMACC Business Plan or SRP
KPI 2 Number of Regional Partnerships applications developed and submitted for funding approval
KPI 3 Total value of Regional Partnerships project approvals
KPI 4 Percentage of AMACC recommended projects (ie rated 2-4 in the AMACC Review) approved by the decision maker.
KPI 5 Number of non-Regional partnerships applications where AMACC facilitates (to the point of a submitted application) other funding sources
KPI 6 Number of Australian Government initiatives promoted and/or provided by AMACC

AMACC'S PRIORITIES for the REGION

Facilitate change and development (Goal 1)

- Promote retention and upskilling of mature age and other workers across all industries and especially in industries with ageing workforce
- Support the development of options for retention of skills across industries and upskilling of the current workforce to improve labour force participation.
- Support the growth of the Aged Care industry through the encouragement and facilitation of strategic workforce planning and business development
- Support and promote opportunities for Indigenous, CALD and youth participation in the labour market and enterprise development
- Support opportunities for diversification of industry in the State including innovation, product development, and social enterprise.
- Facilitate community capacity building and response to change.
- Foster the growth of small and home-based businesses by recognising opportunities.
- Promote and support opportunities for business and industry growth, diversification and job creation.
- Facilitate and strengthen partnerships between communities, government and industries/businesses to identify and act on key regional development issues including infrastructure, transport and natural resource challenges.
- Support the development and implementation of innovation and strategic responses to address significant impediments to economic and social growth of the region such as the supply and quality of water and the preservation of natural resources.

Link government, business and the community (Goal 2)

- Support improved linkages between education, training and industry to facilitate transition from school to work.
- Support and promote opportunities for Indigenous, CALD and youth participation in the labour market and enterprise development
- Support opportunities for diversification of industry in the State including innovation, product development, and social enterprise.
- Facilitate community capacity building.
- Facilitate and strengthen partnerships between communities, government and industries/businesses to identify and act on key regional development issues including infrastructure, transport and natural resource challenges.
- Support the development and implementation of innovation and strategic responses to address significant impediments to economic and social growth of the region such as the supply and quality of water and the preservation of natural resources.

Facilitate whole of government responses to opportunities in our communities (Goal 3)

- Support the growth of the Aged Care industry through the encouragement and facilitation of strategic workforce planning and business development
- Support the development of options for retention of skills across industries and upskilling of the current workforce to improve labour force participation.
- Support and promote opportunities for Indigenous, CALD and youth participation in the labour market and enterprise development
- Support opportunities for diversification of industry in the State including innovation, product development, and social enterprise.
- Facilitate community capacity building.
- Foster the growth of small and home-based businesses through support networks and opportunities for business management and incubation.
- Promote and facilitate cluster development and networking to support industry growth and diversification.
- Facilitate opportunities for business and industry growth and job creation.

Key Stakeholders

AMACC includes within its boundaries:

- **8 Australian Government Electorates,**
- **31 State Government Electorates and,**
- **17 Local Government Areas.**

The issues and priorities for AMACC's region will be addressed in partnership with the three tiers of government and the following key stakeholders and agencies:

- *Australian Government Departments and agencies*
- *State Government Departments and agencies*
- *Local Councils*
- *LGA*
- *Industry Associations, Skills Boards and Councils*
- *Business SA and other Chambers of Commerce and Industry*
- *Recruitment and Employment agencies including Job Network*
- *Education and training providers including TAFE*
- *Universities – UniSA, University of Adelaide and Flinders University*
- *Community Organisations and Associations*
- *Regional Development Boards*
- *Business Enterprise Centres and Business and Export Centres*
- *Employment and Skill Facilitation Networks*
- *Business owners and operators*
- *Social enterprise groups*
- *And others.*

*AMACC has a **database of approximately 1400** people/organisations and this database is being updated on an ongoing basis. The database is used to **keep our stakeholders informed**, to **consult** and for the distribution of the quarterly newsletter AMACC Update. The constant updating of the database and the regular contact made with the distribution of the newsletter and other information **also provides our stakeholders the opportunity to keep us informed and consulted.***