

Literature Review - Adelaide Hills, Fleurieu and Kangaroo Island Region

August 2017

The purpose of this report is to summarise plans, reports and other documents relevant to skills, training and employment in this region. At the end of this report you will find the documents from which this information has been drawn. This will assist us, and stakeholders participating in the engagement process, to build on what is already known about the region.



Regional Overview

The Adelaide Hills, Fleurieu and Kangaroo Island region is made up of three distinct sub-regions with six local councils, spanning over 8,000 square kilometres and housing more than 130,000 residents. The region has 8 per cent of the State's population, 5.7 per cent of the State's jobs and 4.8 per cent of Gross Regional Product.

The region has diverse economies, workforces and communities, with pockets of population growth, new developments and an increase in skill demand. Conversely, some areas have stable / low-growth industries, and others have pockets of long-term unemployed job seekers. Across the region, the unemployment rate has fallen from 6.4 per cent in March 2016 to 5.4 per cent in March 2017.

Consistent across the region, tourism/hospitality and agriculture/primary production are crucial industries providing jobs and ongoing

opportunities for the growth of the economy. However, agriculture is a seasonal industry, often employing a transient workforce (backpackers or teams moving across states to follow the availability of work). In addition, aged / disability care has become a significant employing industry in response to the region's ageing population.

The 2016-2019 Regional Development Australia (RDA) Regional Roadmap has several focus areas - including matching the skills within the labour force to the needs of the region's businesses and industries, and increasing the number of jobs available to local residents. There is a targeted focus on improving youth employment as well as supporting local organisations through business development activities and business improvement strategies.

Adelaide Hills

The Adelaide Hills region is made up of communities situated in the Adelaide Hills Council and the Mount Barker District Council.

While these two communities fall under the banner of 'Adelaide Hills', they are significantly different in relation to their skills and employment profile. Mount Barker is experiencing significant population growth, while the Adelaide Hills remains stable. This is leading to expansion in industries servicing Mount Barker because of new residential development and its proximity to Adelaide as a source of employment opportunities.

Tourism in Mount Barker has significant growth potential. This is due partly to Hahndorf being in the region, one of the most visited sites for international and intrastate tourists in South Australia. The region has the potential for future development through the attraction of significant tourist visits due to developments in the nearby Murraylands region. This includes the redevelopment of Monarto Zoo with on-site accommodation, and the Motor Sport Precinct at Tailem Bend. These will increase the opportunity for hotel developments leading to increased demand for local skills and employment opportunities for hills residents. However, these are still some years from completion and therefore the impact on employment is unlikely to be immediate. In addition, the Adelaide Hills area is seeking World Heritage recognition for the Mount Lofty Ranges, which will (in the longer term) increase tourism opportunities and the need for additional local jobs.

In addition to new jobs, there has been a focus on skill development in and across businesses in the area. Involving both the Adelaide Hills and Mount Barker councils, there has been an effort to provide



small businesses with the skills needed to operate successfully – delivering sessions to local business owners on topics such as marketing, human resources and financial management.

Skill development in the Community Services sector is also an increasing focus for TAFE SA, as disability and aged care providers work with clients both in private residential housing and larger care facilities. Compared with the average across the State, the Adelaide Hills, Fleurieu and Kangaroo Island region has a higher number of residents who are 65 years or older. While the Adelaide Hills has a smaller number of older people as compared to other parts of the region there is still a substantial aged care and disability services industry. The Disability Industry in particular has potential to create additional jobs and skills resulting from recent legislative changes including the introduction of the National Disability Insurance Scheme (NDIS).

Food manufacturing presents opportunities for employment growth as there are several businesses across the region that value-add to local primary production. There is potential for employment growth in cheese manufacturing and meat processing. Retail is experiencing significant growth in Mount Barker with the opening of a Foodland and new cafes.

Fleurieu

The Fleurieu sub-region comprises three local councils – Alexandrina Council, the City of Victor Harbor and the District Council of Yankalilla.

The sub-region has a population of approximately 42,000 people and an ageing population. Victor Harbor and Goolwa are considered to be 'retirement destinations'. Agriculture and tourism are key industries. Tourism in particular has experienced some growth in the last year but is still very seasonal. Aged care is an important industry for these communities, in addition to the significant growth potential in the disability sector. There has been a focus on better understanding the opportunities for industry to meet the needs of an ageing population, including for growth, innovation investment and economic diversity.

In the Fleurieu region, the employment issue is two-fold; job growth is strongly seasonal and many skilled workers secure employment outside the area. There is also a focus on supporting disengaged job seekers with complex needs. There is a cohort of long-term unemployed people, with mental health considerations, and many with limited capacity to build the skills (technical and social) for available positions. Recent WorkReady projects, including Youth 2 Work/CEO Connect, and Fleurieu Hospitality Training providers such as the local Regional Development Australia, Target Training and Career Partners Plus, have engaged local people after they have left school, to provide future employment support early in their careers.

There are some significant retail developments in Victor Harbor with Coles, Aldi and Bunnings opening in the next 12 months. This will create employment for locals. The Oceanic Victor development also provides an exciting tourism opportunity for developing Granite Island.

Alexandrina Council area is experiencing population growth (mainly from retirees) and there is opportunity to expand businesses serving this community.

Yankalilla is seeking to grow its EcoTourism industries and attract niche food businesses. The area has had a recent increase in population of 545 people.



Kangaroo Island

Kangaroo Island is currently experiencing significant development and potential job creation.

Early estimates are that approximately 300 jobs will be created across several industries through new developments. As the total number of unemployed people registered with Centrelink is less than the number of potential new jobs, it seems likely that many of the jobs being generated will not be filled by local residents. New developments include the American River Resort and Marina/Wharf Development (expected to create 100 direct jobs), the Golf Course, Clubhouse and Resort (expected to create 30-50 direct jobs) and the airport upgrade (expected to create 25 construction jobs and an additional 200 indirect local jobs). Support is being provided to local businesses to enable them to

successfully tender and supply to these developments and there has been an effort to coordinate JobActive and Disability Employment Service providers to create a single point of contact for project developers.

There is also a considerable focus on skill development on Kangaroo Island, with the prospect of TAFE SA running specific training programs in the Hospitality and Tourism industries, on the island, to provide world class opportunities for students to obtain certification in these industries. There is additional attention on developing the skills needed to work 'front of house' in sporting and social clubs on the island, as a result of the change in legislation requiring facilities to employ Bar Managers for year-round trading.

Summary

In summary, the three sub-regions of the Adelaide Hills, Fleurieu and Kangaroo Island region are geographically different, although all have strong agricultural and tourism ties, with an emerging focus on aged and disability care. In broad terms, Kangaroo Island is expected to experience significant growth through development – and this will bring new jobs and increased tourism. The Adelaide Hills has development opportunities on the horizon, with a focus on local job creation to meet new Tourism and Retail demand particularly near Mount Barker. The Fleurieu has new retail establishments and tourism development occurring with aged care continuing to grow. The unemployment rate in the Fleurieu has fallen in the last year but the region continues to have a significant group of long term unemployed job seekers with complex needs. One of the most significant challenges for all areas in this region is the ability to provide local jobs for residents, in order to match supply and demand and to grow local businesses.

Bibliography

- Action Plan 2017 (Adelaide Hills, Fleurieu and Kangaroo Island Industry Leaders Group)
- Economic Development Strategy 2016-2022 (Alexandrina Council)
- Economic Development Strategy 2014-2019 (Mount Barker District Council)
- Economic Development Strategy Implementation Plan – Jan 2016 to June 2017 (Adelaide Hills Council)
- Kangaroo Island: Initial Assessment of Economic Impacts of the Transformation Project (South Australian Centre for Economic Studies, The University of Adelaide)
- Kangaroo Island Sustainable Futures – an addendum to the Kangaroo Island Plan: a volume of the South Australian Planning Strategy (Dept. of Planning, Transport and Infrastructure)
- Regional Roadmap 2016-2019 Volume 1 and 2 (Regional Development Australia)
- Regions in Focus – Adelaide Hills, Fleurieu and Kangaroo Island (Primary Industries and Regions South Australia)
- Tapping the Demographic Dividend – Mapping for the Future Report (Regional Development Australia)
- The Kangaroo Island Economic Development Outlook (Office of the Commissioner of Kangaroo Island).

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